



USAID
FROM THE AMERICAN PEOPLE

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Getting to Zero

A discussion paper on ending extreme poverty

On February 3, 2013, in his State of the Union address, President Obama directed us to be bold—to dare to envision a world without extreme poverty:

We also know that progress in the most impoverished parts of our world enriches us all—not only because it creates new markets, more stable order in certain regions of the world, but also because it’s the right thing to do. In many places, people live on little more than a dollar a day. So the United States will join with our allies to eradicate such extreme poverty in the next two decades by connecting more people to the global economy; by empowering women; by giving our young and brightest minds new opportunities to serve, and helping communities to feed, and power, and educate themselves; by saving the world’s children from preventable deaths; and by realizing the promise of an AIDS-free generation, which is within our reach.¹

It’s an ambitious challenge—and meeting it will require a global effort. USAID has spent more than 50 years providing lifesaving assistance; advancing free, peaceful, and self-reliant societies; and promoting wellbeing and prosperity in the poorest regions of the world. But today we are poised to help achieve what once was unimaginable: eradicating extreme poverty and its most devastating corollaries, including widespread hunger and preventable child deaths.

Embracing a 21st Century model of development is integral to accomplishing this goal. Combining leveraged partnerships; innovative, game-changing solutions; country ownership; and results-driven, evidence-based programming is the hallmark of the Obama Administration’s approach. Based on the President’s [U.S. Global Development Policy](#) (PPD-6), the [Quadrennial Diplomacy and Development Review](#), and the [USAID Policy Framework](#) (2011–2015), we’ve concluded that:

If we are to reduce global poverty and promote development, we must help ensure that growth in fast-growing economies is sustainable and broad-based; that those countries that are growing little or not at all can overcome the constraints that are arresting their growth; and that fragile and conflict-affected countries can transition to peace and stability.²

To continue making progress, our community must increase shared understanding of the nature of extreme poverty, where there has been success and why, and what USAID can do to catalyze and invest in solutions with our partners.

To help answer these questions, USAID is convening internal and outside experts to identify and understand the most effective, timely, and scalable solutions to [help end extreme poverty by 2030](#). This paper is intended to contribute to that discussion by looking at the feasibility of ending extreme poverty, its definition and measurement, and the prospects for getting to zero by 2030.

*This **discussion paper** does not represent the official policy or position of USAID. It is meant to spark and inform dialogue on important development issues, within the Agency and with our external partners.*

ENDING EXTREME POVERTY | DISCUSSION PAPER

What can you buy with \$1.25? In the United States, about a half-dozen eggs, a bottle of soda, or a third of a gallon of gas.³ Yet for 1.2 billion people around the world—nearly four times the U.S. population—that is all they have to spend: \$1.25 a day. Most, in fact, subsist on much less. Globally, more than 750 million people consume less than \$1.00 a day, and nearly 150 million people less than \$0.50 a day.* With this, they must make difficult daily choices—among food, housing, clothing, health care, transportation, children’s schooling, investment in a business, and saving for the future. This is extreme poverty—no measure of human deprivation or insecurity is starker.

More than a billion people: the magnitude of the challenge seems immense. Yet recent progress has been significant. Nearly 700 million people have moved above the \$1.25/day poverty line since 1990. If we continue on this trajectory, we could reach zero by 2030.⁴

The development community has been working towards this end by unlocking the constraints to inclusive growth—improving economic opportunity, health, food security, education, equality, stability, and accountable governance. While important progress in reducing poverty has been made over the past decades, challenges remain. To meet the President’s call, it is vital that we take stock of what we know, assess what we don’t know, and work together to apply new approaches.

Promising trends—but remaining challenges—for ending extreme poverty

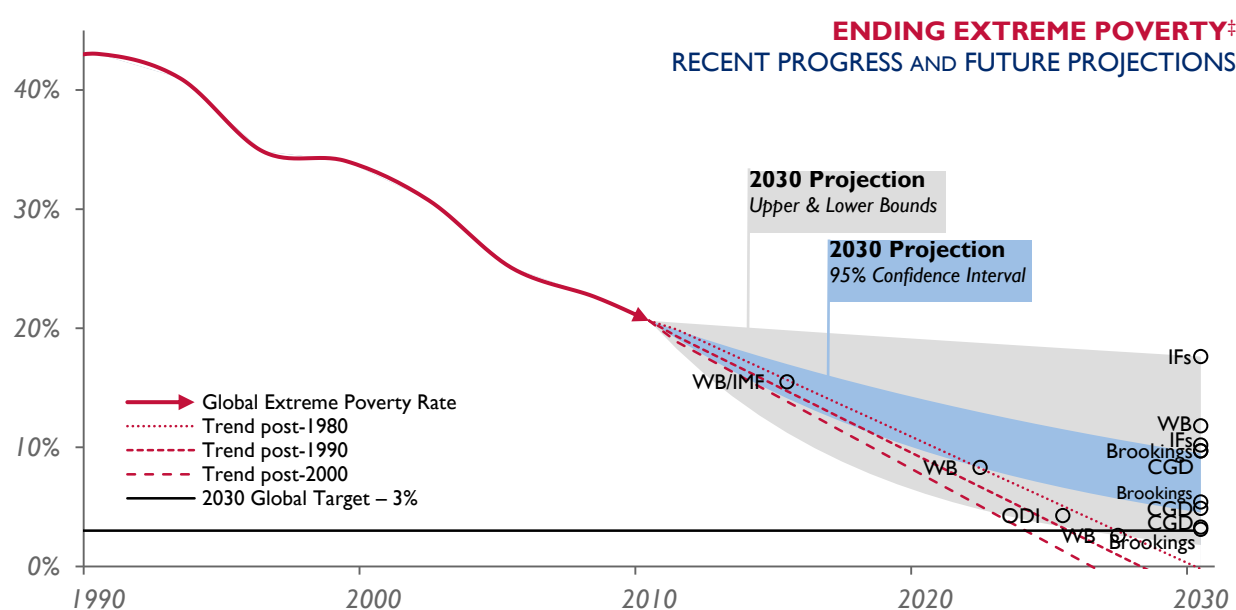
- At last count, roughly **1.2 billion people live in extreme poverty**—nearly 700 million fewer than 1990, when more than 1.9 billion people lived below \$1.25/day.
- **The world achieved Millennium Development Goal 1—to halve the poverty rate among developing countries**—five years ahead of schedule, in 2010, when the global rate fell to 20.6% (from 43.1% in 1990).⁵ Since around 2000, aggregate poverty rates have been falling in every region, including sub-Saharan Africa.
- **The vast majority—96%—of people in extreme poverty live in just three regions:** South Asia, sub-Saharan Africa, and East Asia and the Pacific; more than 85% live in just 20 countries; nearly half live in India and China alone.
- Projections to 2030 range from fewer than 150 million people remaining in extreme poverty to more than 1.2 billion—or between 3% and 18% of projected developing world population. Many experts believe fewer than 600 million is a realistic projection but also agree that **200 million—roughly 3% of the globe in 2030—is an ambitious but achievable target.**
- We know **inclusive growth drives poverty reduction**, but we face particular challenges in contexts prone to fragility or recurrent crisis, or where the benefits of growth do not reach the poorest.

* These and other data on global, regional, and country-level poverty statistics, including headcounts, depth, populations, and other key figures, from 1981 to 2010, are based on the World Bank’s PovcalNet database, located at: <http://iresearch.worldbank.org/PovcalNet/index.htm>

PROSPECTS FOR ENDING EXTREME POVERTY

The world's extreme poverty rate has been falling since the World Bank and others began measuring global poverty levels in 1981[†]—but, until the mid-1990s, this progress failed to keep pace with population growth. In 1981, there were 1.94 billion people living in extreme poverty, or 52.2% of the developing world's population. The rate fell to 43.1% by 1990, but this still amounted to 1.91 billion people below the \$1.25/day line; as of 1993, there remained roughly the same number in extreme poverty.

Then we turned a corner. Since the mid-1990s, we have seen steady declines in both the worldwide poverty rate and the total number of extreme poor—and the pace of progress has accelerated since 2000. The 1.2 billion people in extreme poverty as of 2010 constitute 20.6% of the developing world's population—700 million fewer than in 1990, more than halving the rate in just 20 years.



What is possible?

The lower bound of most projections for extreme poverty in 2030 is 3% of the developing world population, or roughly 200 million people. Conversely, pessimistic scenarios countenance rates as high as 18%, or as many as 1.2 billion people stuck below the \$1.25/day line. There is thus wide uncertainty about what the future holds. Aiming for 3% by 2030 is highly ambitious, but still very much within the realm of possibility—getting there will require that the global community work together to undertake a dedicated, concerted effort.⁶

To eradicate extreme poverty, we must first maintain robust, inclusive economic growth across the developing world. In the past 20 years, countries in every region have made headway against poverty—in places like Bangladesh, Ghana, Moldova, Nepal, Peru, and many others, rising labor income among the poorest has driven successful, sustained poverty reduction, accounting for about half of total gains.

[†] The only divergence from this trend, between 1987 and 1990, saw aggregate poverty rates rise slightly, from 42.25% to 43.05%.

[‡] Published poverty projections: Brookings Institution (Brookings), Chandy, Ledlie, & Penciakova, 2013; Center for Global Development (CGD), Karver, Kenny, & Sumner, 2012; Pardee Center International Futures (IFs), Hughes *et al.*, 2009; Overseas Development Institute (ODI), Kharas & Rogerson, 2012; World Bank (WB), Ravallion, 2013; World Bank & IMF (WB/IMF), Global Monitoring Report, 2013.

Non-labor income—including transfers and other benefits from social safety nets—has also played an important role, accounting for about a quarter of declines.⁷ While poverty reduction has mostly tracked economic growth, however, not every place has seen growth, nor has this rule been without exception.

Recent progress has also benefitted from a unique—and fortuitous—set of circumstances:

- A handful of **countries with enormous populations in poverty and strong economic growth account for the majority of worldwide poverty, but also for recent declines** (China, Indonesia, India, Pakistan, and Vietnam, in particular).⁸ In fact, these five countries alone reduced extreme poverty by 715 million people between 1990 and 2010—more than the global net total. Many other countries have made meaningful progress—but, for example, the world without China would not have achieved MDG1. All other countries cut extreme poverty by only 37% since 1990, shy of MDG1's 50% target.
- Today, the **global mode consumption is \$1.25/day—that is, there are more people exactly at the \$1.25/day line than at any other level of consumption**.⁹ This means that even a small increase in consumption can lift a large number of people across the line. As this 'bulge' moves past \$1.25/day, however, many of those remaining in poverty will be further down the income distribution. Poverty reduction can remain as effective—and will remain as critical—but, while helping a person move from \$0.50/day to \$1.00/day has a profound effect on her quality of life, it will not alter the extreme poverty rate.

At the same time, in countries seeing less progress, a diverse and complex set of constraints impede inclusive, poverty-reducing growth—from weak institutions, poor policies, and armed conflict, to recurrent crises, land and water scarcity, and climate vulnerability. So, as populous emerging economies continue to grow, extreme poverty will likely become concentrated in such fragile or otherwise poor policy environments—many in Africa—or in diffuse and harder-to-reach pockets in middle-income countries.

What will it take?

While constraints to poverty reduction are highly context-specific, poverty tends to stagnate when growth is slow (or non-existent), when growth is volatile, or when communities are excluded from growth's benefits. Two broad trends, in particular, may hamper continued progress: fragility and non-inclusive growth.

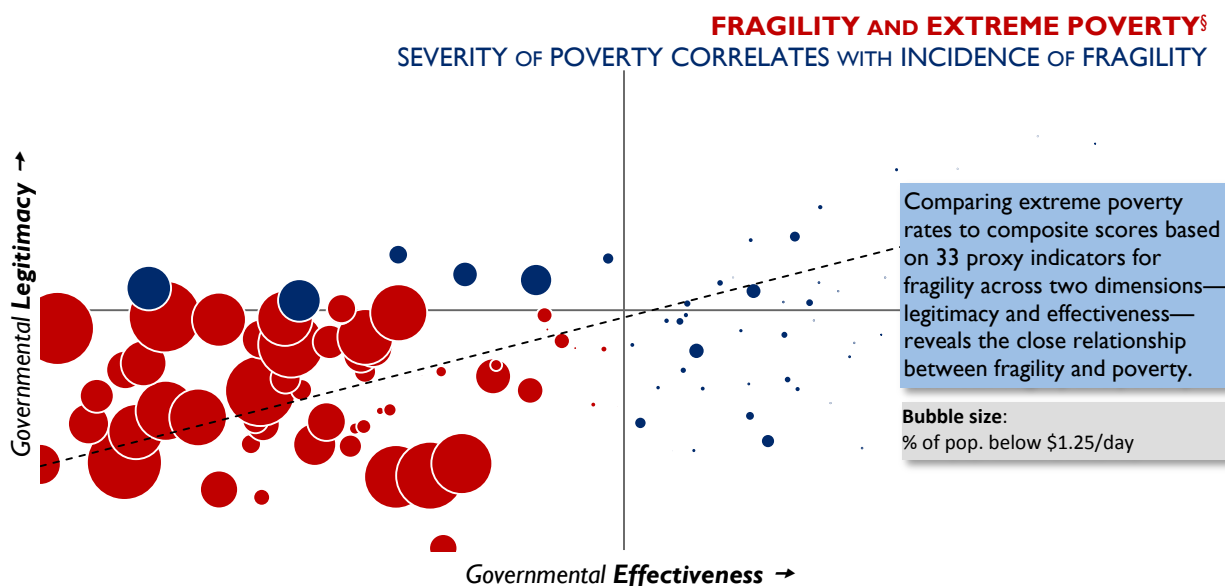
Fragility occurs when interactions between state and society lead to illegitimacy or ineffectiveness—manifesting in various ways, including vulnerability to recurrent crises, corruption, policy failures, and violent conflict.

Non-inclusive growth occurs when a country's economy grows, but this growth does not reach the poorest or other marginalized groups—e.g., women, ethnic minorities, certain geographic areas—whether as a byproduct of fragility, or from other structural political or economic conditions.

Together, these trends can exacerbate poverty in multiple ways. For example: conflict that forestalls growth or destroys people's assets; venality or discrimination that diverts public resources from development or excludes certain populations from its benefits; or recurrent crises that hamper production or displace populations.

Making meaningful progress will require sustaining inclusive growth where poverty is declining, along with global coordination and focused engagement to support transitions out of fragility where poverty rates are stagnant—by encouraging more inclusive and accountable governance, markets, and security. This is no easy task—but neither is it inconceivable.

Through continued global partnership, we can help **lift 1 billion people out of the most abject poverty in the next two decades**—and soon eradicate extreme poverty entirely.



Asking the right questions

We are not starting from scratch. USAID has more than 50 years of experience and technical expertise in food security, global health, climate resilience, economic growth, democracy and governance, education, humanitarian assistance, and crisis and conflict mitigation. We have also [refined strategic and policy approaches](#) to crucial cross-cutting issues—such as [gender equality and female empowerment](#), [youth in development](#), [resilience to recurrent crisis](#), and [sustainable urban service delivery](#). In addition, the U.S. Government boasts tremendous assets across a range of agencies that complement the work of USAID, and which have demonstrated important development results for the extreme poor around the globe.

The U.S. Government has directed much of its development assistance in recent years toward those countries with the most severe poverty—in the past decade, the United States has quadrupled aid to Africa.¹⁰ At the same time, we have built high-impact global partnerships that leverage our resources:

- With African governments, corporations, and the G8 in [The New Alliance for Food Security and Nutrition](#), to help lift 50 million people in sub-Saharan Africa out of poverty in the next 10 years;
- With the UN Global Education First Initiative in [Room to Learn](#), to increase equitable access to education in crisis and conflict environments for 15 million learners by 2015;

[§] See: *Measuring Fragility: Indicators and Methods for Rating State Performance*, 2005. http://pdf.usaid.gov/pdf_docs/PNADD462.pdf

- With African governments and other U.S. agencies in [Power Africa](#), to increase clean electricity generation capacity by more than 10,000 MW, and to expand access to electricity by at least 20 million new households and commercial entities with on-grid, mini-grid, and off-grid solutions;
- With other bilateral donors, the World Bank, the Gates Foundation, and others to launch five [Grand Challenges for Development](#) and [Global Development Innovation Ventures](#), to source proven, scalable solutions to intractable development challenges.

Building on this wealth of expertise, strategic thinking, more targeted resource allocation, and global partnership platforms, we are well-positioned to seek smart, sustainable solutions to extreme poverty. But we must also share knowledge and integrate efforts across program areas, both internally and externally; scale existing partnerships and develop new ones to leverage our resources, coordinate approaches, and draw in fresh perspectives and innovative thinking; and ask some important questions.

To do this, we must first take on a series of difficult questions—about what it will really take to achieve this goal, how we will get there, and its implications. These include:

- We have many tools at our disposal—but **what is most effective** at reaching the extreme poor, and under what circumstances?
- What do we know, and not know, about **what led to turnarounds** in countries that were stagnating, but are now reducing poverty?
- **What is the balance between economic growth and social transfers** in poverty reduction, how does this differ country to country, and what are the implications for our programming?
- **How does the nature of fragility vary**, and what models do we have for effective interventions in fragile or other difficult contexts?
- **How can we scale impact** by leveraging the private sector and other strategic partnerships?

Answering these questions is beyond the scope of this paper—it will require further discussion, research, and analysis. But, even before this, we must agree on the basics: what is extreme poverty, what do we know about it, and what do we understand about its future trajectory? In order to provide a common understanding and vocabulary, the next section—“Understanding the Basics”—clarifies how to **define**, **measure**, and **project** future extreme poverty, based on consensus approaches in the broader development community.

UNDERSTANDING THE BASICS

Defining extreme poverty

The first proposed measure of ‘extreme’ (or ‘absolute’) poverty, in 1990, was per capita consumption of \$1.00/day, measured in purchasing power parity terms. This was the average of the eight poorest countries’ national poverty lines from 1980. In 2008, Ravallion *et al.* proposed the current \$1.25/day line, which is the average of the 15 poorest countries’ poverty lines from 2005. National poverty lines often assess the cost of a basket of basic goods, especially food (e.g., for a minimum of 2,100 calories/person/day). Ravallion *et al.* compiled a dataset of 75 developing countries’ poverty lines, which ranged from a low of \$0.62/day to a high of \$9.06/day, with a median of \$2.00/day. To better capture the common conception of extreme poverty—the poorest by the standards of the poorest countries—they averaged across a smaller subset at the bottom of the distribution.¹¹

Using the \$1.25/day line draws attention to those in the direst need, but it also has shortcomings:

- **The \$1.25/day line falls below the national poverty line in most poor countries.** Eradicating poverty *writ large* would require raising incomes of those well above the \$1.25/day line. Pritchett, for instance, proposes an ‘upper bound’ for poverty of \$10/day—by this standard, nearly 90% of the world’s population would be ‘poor,’ if not ‘extremely poor.’¹² Even using the lower, more common \$2.00/day alternative, about 1.1 billion people sit below that poverty line but still above \$1.25/day—nearly as many as the 1.2 billion below \$1.25/day.
- When used to measure headcount ratio itself (i.e., the percentage of people below the line), **the \$1.25/day line fails to capture important metrics:** depth of poverty, relative poverty, or how people view their own economic condition, i.e., the “socially subjective poverty line.” Other measures (e.g., poverty gap, squared poverty gap, Watts Index, Sen-Shorrocks-Thon Index) better incorporate depth of poverty and inequality among the poor, but are less accessible.¹³
- Calculation of poverty lines **relies on several assumptions**, some better substantiated than others—about purchasing power parity, differential experience (e.g., within households), homogeneity of household size and composition, consumer prices to determine the basket of basic goods, methodological consistency among national household surveys, and, in particular, missing data for the poorest and most fragile countries.¹⁴
- Finally, **income alone does not fully capture most people’s conception of what it means to live in poverty**—for instance, income poverty and malnutrition are only correlated about 50% of the time.¹⁵ This notion led to Sen, Nussbaum, and others’ “capabilities approach.” In this tradition, the 2010 *Human Development Report* introduced the Multidimensional Poverty Index (MPI), which incorporates measures of health, education, and basic needs.¹⁶ UNDP estimated 1.75 billion people in multidimensional poverty (compared to the 1.21 billion in extreme poverty). MPI can produce divergent narratives within particular countries: e.g., 46% of Uzbekistan’s population is in extreme poverty, but only 2% are multidimensionally poor; conversely, 39% of Ethiopians are extremely poor, but 90% are in multidimensional poverty.¹⁷

There are many ways to measure human deprivation; none is perfect. We define extreme poverty using the \$1.25/day line, however, because it is the most cited, recognizable, understandable, and broadly applicable. Other measures, including multidimensional ones, can provide invaluable insights into the nature of poverty, dynamics among the poor, and the effects of inequality and marginalization. Income poverty in its most acute form provides a readily available, broadly accessible, and generally accurate proxy measure—but this is just a starting point; other measures can ‘ground-truth’ and complement it.

Measuring extreme poverty

The best estimates we have of global poverty are aggregated by the World Bank based on country-level household surveys, generally conducted by national statistical bureaus. Although surveys are conducted in various countries each year, the World Bank standardizes comprehensive data for all countries at three-year intervals, although the latest update came after only two years, and future updates should occur annually. The last year for which we have reasonably complete estimates is 2010. At that time, 1.215 billion people were estimated to be living in \$1.25/day poverty, or 20.6% of the developing world. Nearly half of this population lived in India (32.9%) and China (12.8%). Three regions account for 96% of extreme poverty: South Asia (41.7%), sub-Saharan Africa (34.1%), and East Asia and the Pacific (20.7%).

Fundamentally, poverty estimates are a function of mean consumption, income distribution, and purchasing power. That is, one estimates per capita consumption, how consumption is distributed

across a population, and how much it can buy. Applied to a standard poverty line like \$1.25/day, this yields an estimate of the proportion of people whose real consumption is below that threshold.

Two data sources provide estimates of mean consumption—national accounts (i.e., ‘top down’) and household consumption surveys (i.e., ‘bottom up’). In many cases, however, these are inconsistent. In India, for instance, national accounts imply average consumption 4.3 times that found by the household survey on which the World Bank relies (\$3,122 vs. \$725).¹⁸ In other countries, the national accounts may indicate lower consumption than found in the household survey. How poverty estimates address these discrepancies leads to fundamental differences in how many poor we estimate today, which are amplified when we project poverty into the future.^{**19}

The surveys on which poverty estimates rely also have significant gaps. Some countries with presumably high poverty rates are omitted altogether, for security or logistical reasons (e.g., Afghanistan, Eritrea, North Korea, Somalia, South Sudan, Zimbabwe). Other countries only have one survey, rendering it difficult to estimate the trend line with much confidence (e.g., Chad, DRC, Haiti, Iraq, Liberia, Sudan, Syria), and even countries with multiple surveys display sizeable error terms.^{††}

Projecting future extreme poverty

Although poverty today is concentrated in three regions, countries’ trajectories among and within each of these regions differ widely. While India and China have the two largest populations in extreme poverty, they also show two of the most positive trends. In the last 20 years, India cut the proportion of people living in poverty at an annualized rate of 2.2%, and China at a rate of 7.9%. Other Asian countries with large populations in poverty saw similar gains: Pakistan (-7.3%/year), Indonesia (-5.4%/year), the Philippines (-2.4%/year). Conversely, other countries with large numbers of poor, many in Africa, have stagnated or have even seen increases: Tanzania (-0.6%/year), Kenya (+0.5%/year), Madagascar (+0.5%/year), Nigeria (+0.6%/year), DRC (+2.1%/year).

Assessing these trends—and estimating how they might change—is at the core of poverty projections for 2030 and beyond. Projections start with an estimation of current poverty—plus two other key factors: future economic growth, and future growth elasticity of poverty, which is a measure of the degree to which economic growth translates into poverty reduction.²⁰

Each of these variables requires assumptions, which can lead to disparate trajectories as projections extend into the future, and thus broad uncertainty about future poverty. For instance, the debate about household surveys versus national accounts, referenced above, yields two starkly different starting points, and likewise starkly different growth trajectories. Projections are also sensitive to assumptions about inequality. Many estimates assume static inequality—but they could just as reasonably assume

^{**} There is no clear indication which source is more accurate. Ravallion *et al.* and Kenny *et al.*, for example, use household consumption data (assuming, effectively, that whatever ‘missing’ consumption there might be according to national accounts is consumed entirely by people above the poverty line). Kharas and Rogerson, on the other hand, assume that this missing consumption fits the overall distribution estimated by the household survey. In other words, both methods accept the *distribution* of consumption implied by household surveys. But the former method also accepts the mean consumption found in those surveys at face value, whereas the latter uses that implied by national accounts. Which source one uses as the basis of poverty estimates has significant implications: whereas Ravallion estimates there were 2.6 billion people below \$2.00/day in 2005, Kharas estimates only 1.6 billion. Further, whereas Ravallion estimates a 50/50 split in poverty between low- and middle-income countries, Kharas estimates 60/40.

^{††} Nor are all household poverty surveys recent. Among the countries we believe have the 10 highest poverty rates, for instance, Haiti’s latest survey was 2001, DRC’s 2005, Burundi’s 2006, and Liberia’s and Tanzania’s 2007. In these countries and others, this lag time may overlook shifts in economic, political, and social conditions that could have had profound implications on poverty (e.g., Haiti’s 2010 earthquake).

inequality will begin to rise or, conversely, that it may fall.^{##} As well, whether one thinks the developing world can continue its recent rapid economic growth, or instead that many developing countries might experience slowdowns (say, if current growth is buoyed by high commodity prices, which will inevitably ebb, or if policy performance wanes in some current stars), leads to divergent outcomes.^{§§}

MOVING FORWARD

The definition, measurement, and projection of future extreme poverty help us understand the precise challenge we face. But any earnest attempt to help more than 1 billion people rise above \$1.25/day requires thorough analysis of the constraints to inclusive growth and how to sustain poverty reduction, including questions such as:

- **Who is in poverty**, how do they experience it, and how is poverty dynamic and heterogeneous?
- **What constrains poverty reduction**, how inclusive is growth, and what is the nature of fragility?
- **How can we accelerate poverty reduction**: What will have the greatest impact? What will have the timeliest impact? What has the highest probability of success?

The development landscape is dynamic and shifting. Growth today pays a huge dividend—as the concentration of global consumption shifts above \$1.25/day, however, even with continued poverty reduction, we may see a smaller impact on overall extreme poverty headcounts, as those remaining below \$1.25/day will be further from the line. Official development assistance is also shrinking as a proportion of capital flows, compared to investment, remittances, even charity—but, at the same time, many middle-income countries are starting to mobilize their own resources and implement social safety nets themselves. And while technology transfers from the developed to developing world may subside as globalization breaks down barriers to access—new technologies (e.g., mobile money, big data) could have profound implications for targeting services and, especially, for expanding financial inclusion—e.g., mobile banking may increase access to financial services by 1 billion people within as few as five years.²¹

Maintaining the last two decade’s progress will undoubtedly prove challenging. To end poverty by 2030, we must find better ways to advance inclusive growth, mitigate fragility, and bring health care, food security, education, and other essential services to the world’s most vulnerable and marginalized. USAID will continue this important conversation within the Agency and with external partners, convening experts and development actors from a range of backgrounds and perspectives to identify and understand the most effective, timely, and scalable solutions to help end extreme poverty by 2030—and we will apply this learning to define a framework for action that will enable us to realize a world without extreme poverty.

¹ Barack Obama, “Remarks by the President in the State of the Union Address,” The White House Office of the Press Secretary, 2013. <http://www.whitehouse.gov/the-press-office/2013/02/12/remarks-president-state-union-address>

² *USAID Policy Framework 2011 – 2015*, U.S. Agency for International Development (Washington: USAID, 2011). <http://www.usaid.gov/sites/default/files/documents/1870/USAID%20Policy%20Framework%202011-2015.PDF>

³ Bureau of Labor Statistics, Average Prices. <http://www.bls.gov/ro3/apmw.htm>

^{##} Estimates of average growth elasticity of poverty range from -1.6 to as much as -7.9 across developing countries. Even at the lowest end, an increase of just 1% in annual growth, extended over 20 years, leads to a roughly 30% decrease in the poverty rate.

^{§§} Edward and Sumner, for example, suggest that using one set of assumptions—survey mean consumption, pessimistic growth trajectories, current inequality trends—yields 1.3 billion extreme poor in 2030. At the other end of the spectrum—survey mean consumption, optimistic growth trajectories, ‘best ever’ inequality trends—they estimate 305 million extreme poor in 2030. Given every iteration of these three variables—and others—there is a wide range of feasible projections for future poverty.

⁴ Martin Ravallion, “How Long Will It Take to Lift One Billion People Out of Poverty,” Policy Research Working Paper 6325 (Washington: World Bank, 2013). http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2013/01/22/000158349_20130122091052/Rendered/PDF/wps6325.pdf

⁵ *The Millennium Development Goals Report 2013*, Department of Economic and Social Affairs of the United Nations Secretariat (New York: United Nations, 2013). <http://www.undp.org/content/dam/undp/library/MDG/english/mdg-report-2013-english.pdf>

⁶ See: Ravallion, 2013; Laurence Chandy, Natasha Ledlie, and Veronika Penciakova, “The Final Countdown: Prospects for Ending Extreme Poverty by 2030,” Policy Paper 2013-04 (Washington: Brookings Institution, 2013). http://www.brookings.edu/~media/Research/Files/Reports/2013/04/ending%20extreme%20poverty%20chandy/The_Final_Countdown.pdf Barry B. Hughes, Mohammad T. Irfan, Haider Khan, Krishna B. Kumar, Dale S. Rothman, José R. Solórzano, “Reducing Global Poverty: Patterns of Potential Human Progress (Volume 1),” Frederick S. Pardee Center for International Futures, University of Denver (Denver: Paradigm, 2009). <http://www.ifs.du.edu/assets/documents/PPHP1/PPHP1FULL.pdf>; Jonathan Karver, Charles Kenny, and Andy Sumner, “MDGs 2.0: What Goals, Targets, and Timeframe?” Working Paper 297 (Washington: CGD, 2012). http://www.cgdev.org/files/1426271_file_Kenny_Karver_MDGs_FINAL.pdf; Homi Kharas and Andrew Rogerson, “Horizon 2025: Creative Destruction in the Aid Industry,” Overseas Development Institute (ODI, 2012). <http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/7723.pdf>; Martin Ravallion, “Benchmarking Global Poverty Reduction,” Policy Research Working Paper 6205 (Washington: World Bank, 2012). http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2150038; *Global Monitoring Report 2013: Rural-Urban Dynamics and the Millennium Development Goals*, Jos Verbeek (lead author), World Bank and International Monetary Fund (Washington: World Bank, 2013). http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1327948020811/8401693-1355753354515/8980448-1366123749799/GMR_2013_Full_Report.pdf

⁷ Joao Pedro Azevedo, Gabriela Inchauste, Sergio Olivieri, Jaime Saavedra, and Hernan Winkler, “Is labor income responsible for poverty reduction? A decomposition approach,” Policy Research Working Paper 6414 (Washington: World Bank, 2012). http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2013/04/18/000158349_20130418083935/Rendered/PDF/wps6414.pdf

⁸ Andy Sumner, “Where Will the World’s Poor Live? An Update on Global Poverty and the New Bottom Billion,” Working Paper 305 (Washington: Center for Global Development, 2012). http://www.cgdev.org/files/1426481_file_Sumner_where_in_the_world_FINAL.pdf

⁹ Chandy, Ledlie, and Penciakova, 2013.

¹⁰ OECD.stat, Organization for Economic Cooperation and Development, 2012. <http://stats.oecd.org/#>

¹¹ Martin Ravallion, Shaohua Chen, and Prem Sangraula, “Dollar a Day Revisited,” Policy Research Working Paper 4620 (Washington: World Bank, 2008). http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2008/09/02/000158349_20080902095754/Rendered/PDF/wps4620.pdf

¹² Lant Pritchett, “What Is *Not* Poor? Dreaming of a World Free of Poverty,” in *World Bank Research Observer* 21:1 (2006). http://elibrary.worldbank.org/docserver/download/15646971-21-1-1-24.pdf?expires=1354899774&id=id&accname=ic_auto37167&checksum=544D42C17DE7292B52E2B4C267497758

¹³ “Chapter 4: Measures of Poverty,” in *Introduction to Poverty Analysis*, Shahid Kandker and Jonathan Haughton (eds.), World Bank Institute (Washington: World Bank, 2005). http://siteresources.worldbank.org/PGLP/Resources/povertymanual_ch4.pdf

¹⁴ Karver, Kenny, and Sumner, 2012.

¹⁵ Sabina Alkire and James Foster, “Counting and Multidimensional Poverty,” in *The Poorest and Hungry: Assessments, Analyses, and Actions*, Joachim van Braun, Ruth Vargas Hill, and Rajul Pandya-Lorch eds. (Washington: International Food Policy Research Institute, 2009), pp. 77-90. <http://www.ifpri.org/sites/default/files/publications/oc63ch03.pdf>

¹⁶ Jeni Klugman (lead author), *Human Development Report 2010: The Real Wealth of Nations: Pathways to Human Development* (New York: UNDP, 2010). http://hdr.undp.org/en/media/HDR_2010_EN_Complete_reprint.pdf

¹⁷ Dan Morrell, "Who Is Poor?" *Harvard Magazine* (2011). <http://harvardmagazine.com/2011/01/who-is-poor>

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