





Yes, we can end poverty. Forever.

The coronavirus crash halted 30 years of progress that lifted more than a billion people above the extreme poverty line. But that's not the end of the story.

[by Chris Taylor](#)

NOTE FOR 2020 READERS: This is the 13th in [an award-winning series of open letters to the next century](#), now just one generation away. Babies born [in more than 40 countries](#) this year are expected to live to 2100 and beyond. These letters examine what the world could look like then — and how we can make the best scenario happen.

Dear 22nd Century,

Do you like to time travel as much as I do? If you're reading this letter, a form of time travel in its own right, I expect you do. My current favorite way to visit a bygone era is to watch [upscaled, digitally-enhanced 4K videos of street scenes](#), usually filmed around the turn of the 20th century, which look spookily real. Perhaps you've turned these scenes into holograms, just to make a moment of connection with the dead faces of the past even more eerie.

A no less compelling way to time travel, which gives me almost as much of a "you are there" chill down the spine, is to read any kind of history where contemporary sources describe everyday life. Here's a quote I came across recently, discussing the kind of neighborhood that few of those early cinematographers dared show us. See if you can guess which decade and country it's from.

The inhabitants, easily distinguishable from the inhabitants of the other parts of the town, had all a sickly, miserable appearance. The open drains ran immediately before the doors of the houses, and some were surrounded by wide-open drains full of all the animal and vegetable refuse [of the entire town]... in many of the houses, persons were confined with fever and different diseases, and all I talked to either were ill or had been so: and the whole community presented a melancholy spectacle of disease and misery.

That's from an official British government report about the conditions of poverty in 1842 by a reformer named Edwin Chadwick. The Poor Law commissioners, those hated workhouse bureaucrats put into power when the UK nixed an early form of [Universal Basic Income](#), tried to block the report from being written, and when Chadwick wrote it anyway, refused to sign it. Like conservatives in many eras, they believed the poor were entirely capable of lifting themselves out of poverty if they'd only work hard, and wished to hear nothing about the "melancholy spectacle of disease and misery" that prevents such upwardly mobile movement.

They didn't want anyone to see that to be penniless is to have no protection at all from a torrent of shit engulfing your home.

[60 fps] Laborers in Victorian England, 1901



Now here we are in 2020, and the torrent is well and truly flowing. The melancholy spectacle is everywhere. We have disease in the form of fever-inducing coronavirus confining us to our houses, and we have misery in the form of a shattered economy. [Up to 150 million people worldwide will slip below the extreme poverty line](#) (also known as absolute poverty) this year and next, according to the World Bank, which has already had to revise its estimate upwards. This at a time when all sides of a vigorous debate about the Bank's current definition of absolute poverty — earning under \$1.90 a day — agree that it is too low.

Here in the U.S., we just learned that [8 million Americans have slipped below the poverty line](#) since the pandemic began. Evictions are [skyrocketing](#), despite half-hearted attempts to slow them. The prevailing mood is a queasy sensation that we don't know how bad this will get before it's over. [Vague hopes that Congress might pass a Universal Basic Income solution](#) to the crisis (\$2,000 to every American every month for its duration was proposed by Democrats in the House of Representatives this spring) have foundered on the rocks of Republican leadership. We are governed, at least for the next few months, by modern-day Poor Law commissioners who would rather confirm a conservative Supreme Court justice than [consider relief for a pandemic poverty disaster](#).

Despite all this, there are a surprising number of reasons to be optimistic about poverty in the long-term. As bad as 2020 is, the recent past was far worse. More than a billion people have moved above the "absolute poverty" line since 1990, and the vast majority of them have stayed above it. Times were so good until very recently that the United Nations had officially committed to end extreme poverty by the year 2030. Progress started to slow in 2018; we weren't quite on course before the coronavirus and we're less on course now, but not even the most pessimistic poverty researcher I spoke to for this letter believed we would fail to end it by mid-century. At worst, 2020 has reset the Poverty Clock (which is a real thing, as we'll discover) to where it was in 2015.

If we wanted to take a more active approach, we could turn the clock forward now — another form of time travel. Poverty in America [could be completely eliminated for \\$1.74 trillion](#), or a little more than what Republicans spent on their tax cut for the rich. The figure to end global extreme poverty, if you could figure out how to distribute it, is just \$70 billion, says Andy Sumner, a professor of global development at King's College London. It's a logistics challenge more than a financial one, and it's increasingly focused on one region. "The world is rich enough to end absolute poverty and maybe more," Sumner says.

And then there's history itself, which presents an irresistible trend line. Poverty started declining in the years after Chadwick wrote his report, picked up speed after World War II, and really hit the accelerator pedal in the 1990s. It wasn't just economic growth; it was that the more we paid attention to the problem, the more we figured out ways to fix it. With enough attention, brainpower and political will, the very concept of poverty itself could be as outdated to you as 19th century street scenes seem to us.

Here's the thing about that Chadwick quote. You could have guessed that it came from nearly any decade in any country on the planet, and you might have been right. In every era you and I might time travel to, the vast majority of human beings lived in conditions inherently impossible to escape, and the rich, the one-percenters, didn't want to hear about it.

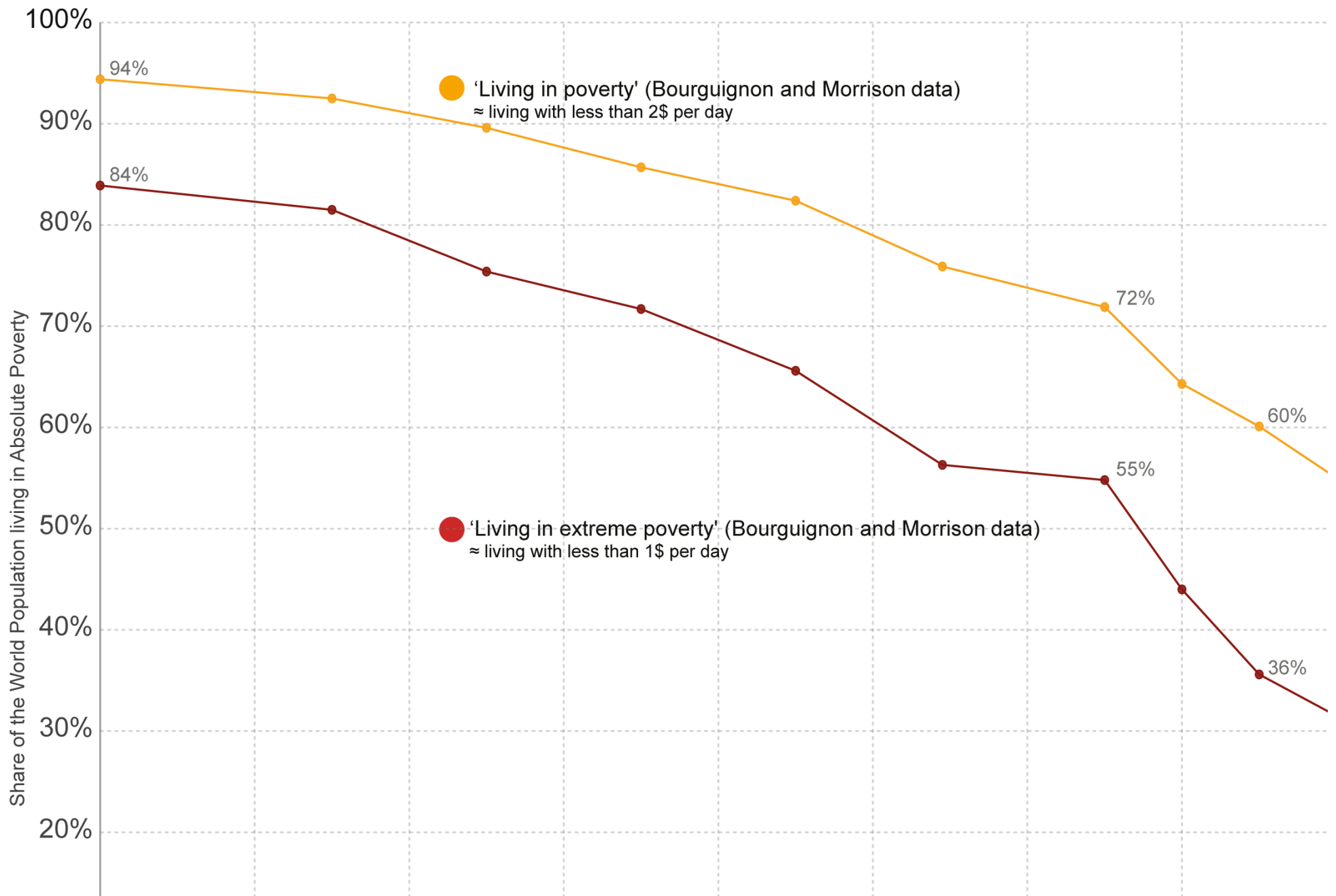
We've lived this way since we started building cities, hoarding grain, crowning kings, and making inequality possible. I'm reminded of an economist's description of ancient Rome. If the population of the city marched past your door in one hour, and their size was relative to their wealth, you wouldn't see any of them for the first fifty five minutes — they would be the size of ants. Then you'd see a few minutes of average-sized people, and in the 59th minute, giants.

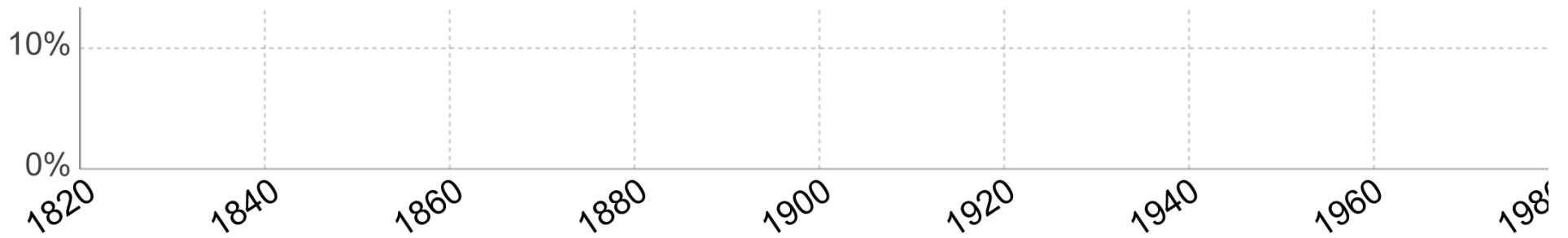
We began to chip away at the inequality problem in the 19th century. Reformers like Chadwick shone a spotlight on the unacknowledged side of society for the first time. Sanitation laws were passed. Writers like Charles Dickens took the conditions and causes of poverty and stuffed them into the era's most entertaining stories; more laws were reformed. Still, the workhouses of *Oliver Twist* remained. In 1870, nearly 83 percent of the world's population was living on less than the equivalent of two modern dollars a day.

Progress was frustratingly slow for decades. I recently time-traveled to 1910 (because 2020 is the kind of year you really need a break from) by reading *The Ragged Trousered Philanthropists*, a novel that is also a thinly-veiled memoir of life among a group of British house painters. Not much seemed to have changed from Dickensian times. The painters could not afford to stop working, even for a day, even for old age. Their families were constantly in arrears, and often ate no more than a loaf of bread a day between them. No wonder the crew often discussed "the causes of poverty," with the few socialists among them blaming the entire economic system and its "money trick." Others believed the conservative newspapers, which blamed foreign trade. Nobody even thought of forming a union.

Share of the World Population living in Absolute Poverty, 182

All data are adjusted for inflation over time and for price differences between countries (PPP adjustment)





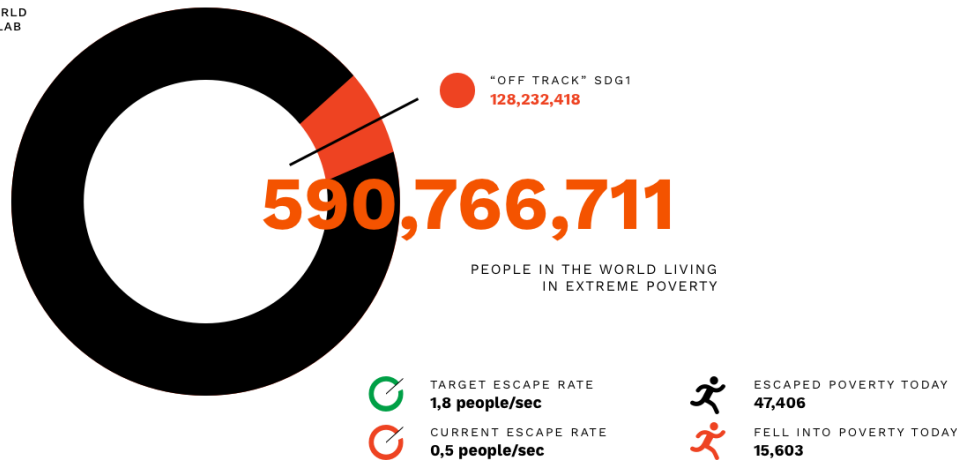
Data sources: 1820-1992 Bourguignon and Morrison (2002) - Inequality among World Citizens, In The American Economic Review; 1981-2015 World Bank. The interactive data visualisation is available at [OurWorldinData.org](https://www.ourworldindata.org). There you find the raw data and more visualisations on this topic. L

Skip forward a few more decades, and the poverty of the Great Depression looks equally grim. Cue John Steinbeck's *Grapes of Wrath* (1939) and George Orwell's devastating nonfiction book on hardship in northern England, *The Road to Wigan Pier* (1937) — stories that are as close to me in time as I am to you, and in parts they read like Chadwick's report. Dirt and disease and misery were still very much in fashion. More than 75 percent of the world lived on less than \$2 a day, according to a [landmark historical study](#) from 2002.

The Second World War could have impoverished the world even more, except that we were extremely motivated to fix things after that global calamity. And so we found the will to give ourselves social safety nets, and massive international aid packages like the Marshall plan, and universal healthcare in almost every developed nation except the U.S., and high marginal tax rates for the rich in every developed nation including the U.S. Lo and behold, the middle class boomed, and poverty started a long decline.

In 1981, the World Bank set a global poverty line at \$1 a day, in part because it was close to the median of the poverty line in the world's poorest nations, and in part because "a dollar a day" is just an easy-to-remember way to draw a line that has to go somewhere. "The dollar amount is just a way to focus the attention," says Carolina Sánchez-Páramo, global director of the Poverty and Equity Global Practice at the World Bank. The line was revised upwards to keep pace with inflation, to \$1.25 and then to \$1.90 (everything is now pegged to \$1.90 in 2011 dollars; in 2020, that's about \$2.20). Still, the number kept dropping, from 44 percent of the world's population in the 1980s to 10 percent in 2015.

Clock of Ages



PM LATE!

The Poverty Clock in 2019.

world data lab

In retrospect, 2015 now seems like a high-water mark of optimistic international agreements that took aim at our planet's most pressing problems. The first truly global framework on fighting climate change was reached in Paris. Iran signed up to a deal that would limit its nuclear abilities. And with rather less fanfare, the United Nations agreed to 17 ambitious "Sustainable Development Goals" that would make the world a better place, with a deadline of 2030. Goal number 1: End extreme poverty.

But how to chart that progress? How to see whether the world was on track to meet its 2030 goal (which was, more precisely, to have more than 97 percent of the population in every country on Earth earning more than \$1.90 a day)? In 2017, a nonprofit called World Data Lab won funding from the German government to create a website called the [World Poverty Clock](#).

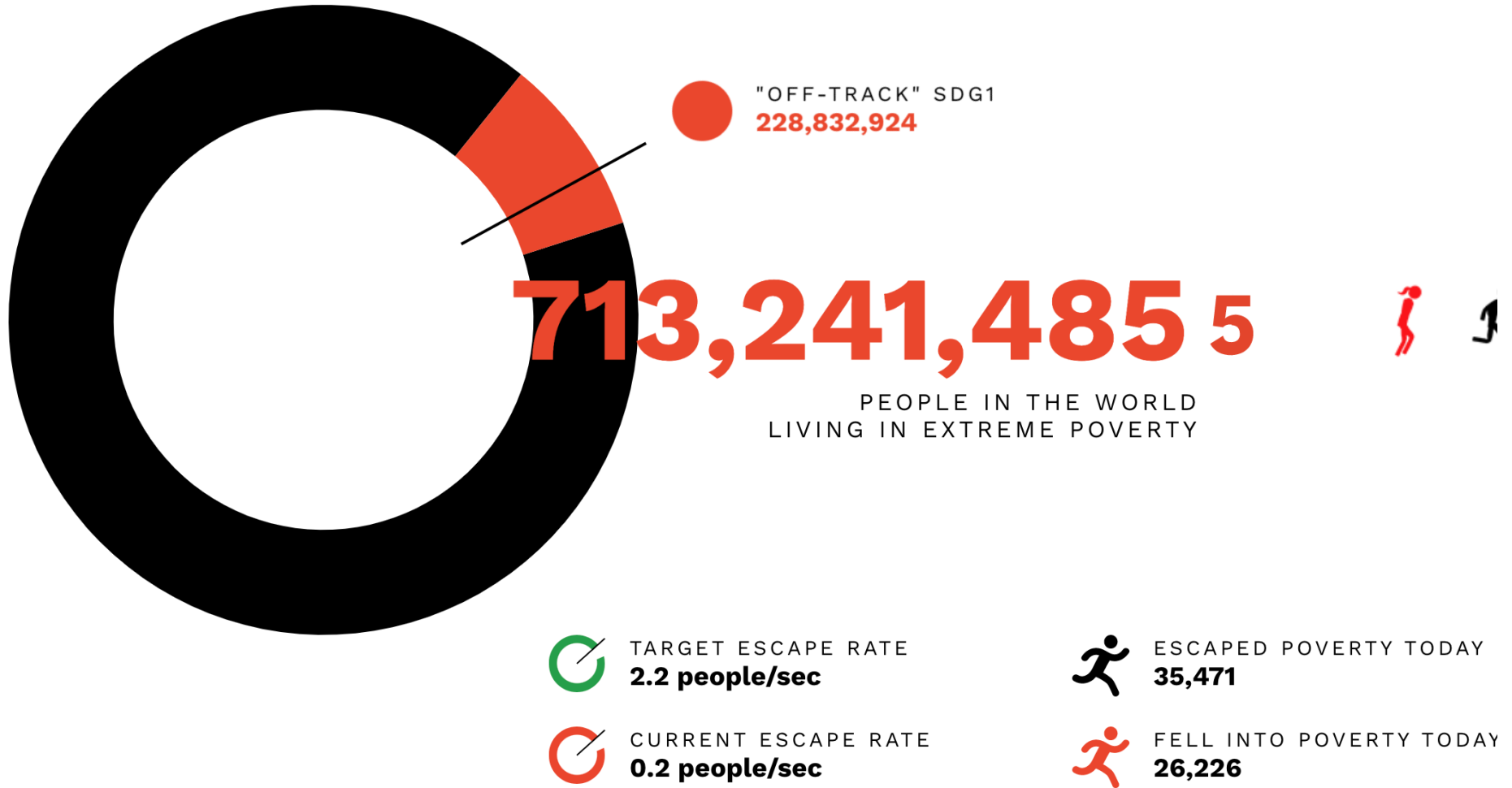
For the first time, the clock provided a realtime number of human beings in extreme poverty. It used economic growth forecasts, plus household surveys from around the world, to estimate the number of people who had risen above the \$1.90 line on any given day, the number who had slipped below it, and the current total. A [peer-reviewed paper](#) in *Nature* laid out the methodology. You could zoom in on any country or continent to see where the war on want was being fought most successfully. And you could project it forward into the future, up to the year 2030.

"The goal was to democratize this information, which has traditionally been the province of the high priests of economic development — the World Bank, the IMF," World Data Lab COO Kristofer Hamel told me in 2019. "Some countries don't want forecasts available, because it looks pretty bad if you have insane amounts of poverty."

On the other hand, it looked pretty good if you were a country like India, where extreme poverty plunged below the 3 percent threshold in 2019. More than 270 million Indians climbed above the \$1.90 line in less than a decade. In 2018, World Data Lab had broken the news that [Nigeria had overtaken India](#) to become the country with the most people in extreme poverty. Sub-Saharan Africa was now the only region in the world where the number of people below the \$1.90 line was growing. Everywhere else, it was decreasing.

Hamel and his team did their best not to make the Poverty Clock look too triumphalist. It contained another measure, which was how far off the Sustainable Development Goal that constantly decreasing global number was. "We predict there will still be 400 million people in extreme poverty by 2030," he told me in 2019. "So yeah, the target will not be met. Not even close."

Still, there was something strangely soothing about the Poverty Clock back then; something that seemed to encourage complacency. Little stick figures would run across the screen every second or so, symbolizing another human being who'd risen above the \$1.90 line. Look at our global economic miracle, the clock seemed to say. If one region of the world, sub-Saharan Africa, wasn't experiencing the benefits — well, that just showed aid organizations where they could get the most bang for their bucks. And no matter that those recently escaped stick figures may merely be earning the equivalent of \$1.91 a day; on the Poverty Clock, they were now invisible.



TURNING THE CLOCK BACK

The Poverty Clock in October 2020.

world data lab

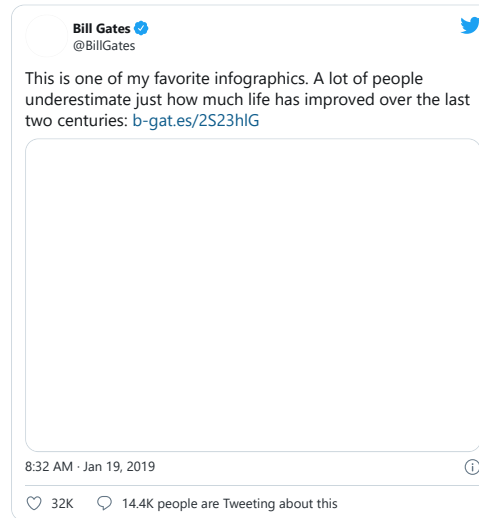
Fast forward to 2020, and there is little comfort to be found in the Poverty Clock anymore. The global number now ticks back and forth, erratically, like a clock that has lost its battery. If a website could go insane, it might look like this. From a 2019 low of 590 million, the number of people in extreme poverty has ballooned to 713 million — erasing all the gains made since 2015. Up to 150 million will have slipped below the \$1.90 line before the COVID-19 pandemic is over, according to the World Bank's latest estimate. (In April, before it started doing phone surveys, the World Bank estimated the number would be [closer to 49 million](#).)

To even have a chance of meeting the 2030 goal, the global economy would have to recover in 2021 and grow at an unprecedented rate of around 8 percent per year for the rest of the decade, Sumner, of King's College, estimates. Maybe you're chuckling to yourself right now because you know the 2020s were in fact an era of unmitigated prosperity. I think it more likely that you're giving a hollow laugh because we have no idea of the scale of the recession or depression that lies ahead. If there is despair on the part of the Poverty Clock's creators, there is also some measure of relief that the scale of the problem cannot be ignored.

"The silver lining is a real understanding that the kinds of small changes we were doing to try to reach the Sustainable Development Goals are just not going to be enough, and were never going to be enough," says Homi Kharas, Poverty Clock co-founder and director of the Global Economy and Development program at the Brookings Institution. "We really need much more of a systemic transformation in economies. So now you see country after country coming out with recovery plans like the European Green Deal that emphasize environmental sustainability and social inclusion. There's a tremendous mindset change."

In other words, just like there was after World War II. And the U.S. is one of the few countries that isn't working on a sustainable recovery plan — as with healthcare after World War II.

The Bill Gates syndrome



Still, all of this marks a tremendous shift from a year ago. The policymaker mindset of 2019 on the topic of poverty — which is when I wrote a first draft of this letter — could best be described as smug. In January of that year, Bill Gates tweeted out an infographic on extreme poverty, showing how much it had declined in the past two centuries. He was right, as we've seen, and it's not like he's not putting his money where his mouth is; the [Gates Foundation](#) is doing a ton of good work to help the world's poorest people.

But something about being told how great the state of play on global poverty was, by the world's second-richest man (while he was on the way to the World Economic Forum in Davos, no less), stuck in the collective craw. A British anthropologist named Jason Hickel launched a [blistering broadside against Gates](#) and his fellow prognosticator of progress on poverty, Steven Pinker.

Hickel hurt his cause by arguing that the Microsoft founder "couldn't be more wrong" (a headline he later said wasn't his idea), that the 19th century data was "meaningless" (the academics who meticulously researched it [begged to differ](#)), and that we should ignore variations in the cost of living and simply make the U.S. poverty line the standard (\$15 a day, which would put you firmly in the middle class for much of the global south).

At the same time, the back-and-forth over the Gates tweet revealed broad agreement on this one point: \$1.90 a day is a ridiculously low figure, and the World Bank had to fudge the economic data to arrive at it in the first place. "The underlying problem is we don't know whether you can actually live on it," Sumner says.

Sumner is one of the academics behind a [global multidimensional poverty index](#). Its aim: to provide a richer picture of global access to nutrition, decent shelter, education, and healthcare — the basic rights of human life. (Personally, I'd add "access to internet." I'm sure you will scoff at the idea it was ever unavailable anywhere.) Tellingly, the index reveals that 2 billion people on the planet are still living without adequate sanitation, or the same problem that faced the subjects of Chadwick's report.

If we must put a dollar number on it, Sumner suggests, the bare minimum to scrape by is more likely to be around \$3.20 a day. "If you take the World Bank \$1.90 line, you basically get this very rosy picture of falling poverty over time," Sumner says. "But every 10 cents you add is another hundred million people, so the number is incredibly sensitive to where you draw the line. We tend to forget that almost half the world is living on less than \$5.50 a day."

And that's why the extreme poverty number has been subject to incredible instability in the coronavirus crisis. Tips of icebergs may go up as well as down. That's why India is ahead of Nigeria again, in a numbers game no nation wants to win. Sumner believes the World Bank may have to revise the numbers again; his own calculations suggest up to 400 million people may fall into extreme poverty as a result of the pandemic.

Sumner is, as you can tell, no sunny optimist. But when I told him about the premise of this letter, the proposition that we'll make at least as much progress in the next eight decades as we did in the last eight, he perked up. "Eighty years ago, they would recognize what we have now as a utopia," he said. "The extreme poor would have been the majority in developing countries." He paused. "I feel better already."





UNCERTAIN FUTURE

A queue for a food bank in India, 2020. The country has seen the world's largest growth in extreme poverty this year.

Keshav Singh/Hindustan Times via Getty Images

It won't happen by accident, though. Homi Kharas [insists](#) that the Sustainable Development Goals won't be met unless countries can spend \$300 per person per year on public services — specifically "health, education, agriculture, flood protection, energy systems, transport infrastructure, social assistance, conservation, water and sanitation and justice." In the past, the international money gurus at the World Bank might look askance at such spending. But these days, the World Bank is starting to sound like an activist itself.

In 2016, the organization officially switched missions, [committing itself to the abolition of extreme poverty](#). So far it appears to be taking the role seriously. In a 200-page September 2020 report on poverty and the coronavirus crisis, aptly titled *Reversals of Fortune*, the World Bank didn't focus on the \$1.90 figure. It also includes estimates for how many people will fall below the \$3.20 line (millions more, most of them in south Asia) and the \$5.50 line (where millions in east Asia are in danger). It even includes a look at multidimensional poverty, and notes that the new extreme poor are disproportionately young (half are children) and in cities.

The COVID crisis is forcing a change of thinking all over, and the World Bank is not immune. "We're already thinking multidimensionally," says Sánchez-Páramo at the World Bank. "I certainly hope that by 2050 we will be able to get rid of extreme poverty. But we can hardly claim victory if you're on \$2 a day, that's still a very low level of income."

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[Carolina Sánchez-Páramo](#), global director of the Poverty and Equity Global Practice at the World Bank

Prime among her concerns is the slowing pace of intergenerational mobility, or the likelihood that the kids of a family in poverty can move out of it, which the World Bank has started to study. “We expected to see a lot of dynamism and mobility across generations and we didn’t, it’s stagnating over time,” she said. “That’s about access to education. Our policies are going to have to get much more intentional.”

The next challenges — eradicating poverty at the \$3.20 and \$5.50 levels — are already baked into the organization’s thinking. I suspect we’ll keep climbing the rungs of this ladder. Those who say we must move to a \$15-a-day international poverty line may just be a few years ahead of their time. Perhaps in the more distant future, we will also tackle the misery of relative poverty by pegging the line to a percentage of the world’s wealthiest one percent.

In the meantime, every week brings fresh proof that a Universal Basic Income might be the most meaningful thing we can do to end poverty entirely. Wealthy countries will want to check out the study that [gave \\$7,500 to homeless people in British Columbia](#) and saved the state money as a result. Poor ones can look to [Kenya’s hugely successful pilot project that gave 75 cents a day](#) to 6,000 villagers via their mobile phones. A paper awaiting peer review says it made them less likely to experience food insecurity, sickness, and even depression. Give people 75 cents a day across sub-Saharan Africa, and it might just be the element that brings the world’s last poverty-producing region in line with the planet’s positive trend.

Imagine a world with no global poverty line — just a global basic income. I’m sure you don’t have to. I’m also sure that current trends like [microfinance](#), or giving the global poor loans to start businesses, is just the beginning. The internet, and global access to it, is going to rapidly transform our ability to find and move to where the jobs are. Allowing people to do that regardless of national origin would be more of a win-win than most of my contemporaries think.

Immigrants really [do get the job done](#), supercharging economies — as [Germany recently showed](#) when its generosity to Syrian refugees reaped financial rewards. Immigrants plus data plus open borders is economic rocket fuel that would directly benefit the world’s poorest, and it is lying around unused. Maybe in a few generations, we will start to pay attention to the data that suggest open borders around the world could [literally double global GDP](#). (But that’s a whole other letter.)

Ultimately, we’re dealing with a problem of empathy. Too much of the poverty discussion revolves around dry statistics. Like those Poor Law commissioners in the 19th century, we’re blind to what the condition of being penniless actually means. But in a world where smartphones and social media covers not just the wealthiest but the poorest half, it will be increasingly difficult to avoid the inhuman conditions of poverty. We will see the situation on the ground more frequently and more clearly than ever, with visuals that outstrip the Chadwick report’s ability to ignite compassion. We won’t be able to look away forever.

And then maybe, just maybe, we can consign the melancholy spectacle of disease and misery, poverty itself, to the open sewer of history.

Yours in hope of change,

2020

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- Written by

Chris Taylor

- Top illustration by

Bob Al-Greene

- Edited by

Kate Sommers-Dawes and Brittany Levine Beckman