

VIII edición

Premios Fundación BBVA Fronteras del Conocimiento

BBVA Foundation Frontiers of Knowledge Awards

8th edition

The last category decided in the eighth edition of the awards

The BBVA Foundation honors economist Martin Ravallion, who by quantifying the threshold of extreme poverty enabled the setting of specific development cooperation goals

- Towards 1990, the Australian economist led the effort to measure the threshold of extreme poverty, which set the minimum needed for survival at one dollar per person per day. This allowed to quantify extreme poverty in the world's developing countries and to design plans and goals for its mitigation
- For Ravallion, economic growth is a necessary condition for poverty alleviation, though it may need to be supplemented by social policies, above all in situations of high inequality
- A former head of the World Bank's research department, his experience on the ground in countries like China and India convinced him that agriculture holds the key to reducing poverty in economically backward countries through its immediate boost effect on growth

Madrid, February 23, 2016.- The BBVA Foundation Frontiers of Knowledge Award in the Development Cooperation category has been granted in this eighth edition to Australian economist Martin Ravallion, a pioneer in the measurement of poverty using internationally applicable standards. In 1991, he was the first author of a paper that set one dollar a day as the extreme poverty line below which survival could not be assured. This threshold has been universally accepted, because "nothing below that is reasonable," explained Ravallion himself after hearing of the prize. "If we are looking for a global standard we need to focus on the minimum levels of the poorest countries."

To illustrate the importance of Ravallion's contribution, the jury cited Lord Kelvin's phrase to the effect that "what cannot be measured cannot be improved." Poverty, it continued, was previously referred to in abstract or subjective terms, "and there was even reluctance to admit that it could objectively measured." Now, however, the metrics provided by the laureate's work, "have allowed the design of more clearly targeted policies to combat extreme poverty or even aim at its elimination."

The Millennium Goals, or the more recent Sustainable Development Goals, have drawn on these metrics to define their objective of eradicating extreme poverty by 2030. Ravallion is optimistic on this score, affirming that "we are on the right road, to judge from the progress made by many developing countries in the last few decades." He warns, however, that there are threats along the way: climate change, the global recession and growing inequality.

Although it is possible, he adds, to reduce extreme poverty in a context of widening income gaps, "inequality may prevent a billion people from being lifted out of poverty in the next fifteen years."

When Ravallion joined the World Bank in 1988, few economists were engaged in measuring poverty, but a group there had made it their calling. His research has its roots in his own background. Born in Australia in 1952 to a family of very limited means, he remembers receiving welfare benefits, and deciding then that "I didn't want to be poor."

After graduating from the University of Sydney, he earned a PhD from the London School of Economics, where he also lectured for some years. He then continued his research career at the University of Oxford and the Australian National University, before moving to Washington in 1988 to work as an economist at the World Bank. By then, he had realized that the conditions of a straitened Australian childhood could not be compared to those of India's poor. Hence the importance of defining precisely calculated poverty lines that were comparable across countries.

His groundbreaking contributions to development studies, focusing on poverty and how to fight it, took him to the head of the World Bank's Development Research Group. There his ideas and methods were enriched by exchanges with a large team of people pursuing the same goals. Under his leadership, hundreds of researchers and economists, within and beyond the World Bank, were mobilized for the task of quantifying and understanding poverty and its varied causes and solutions.

In 2008, Ravallion co-authored a report estimating that the number of people living in extreme poverty had dropped from 1.9 billion (one in two) in 1981 to 1.4 billion (one in four) in 2005. At that point, the poverty line was set at 1.25 dollars/day. The latest estimates, dating from 2012, put it at 1.90 dollars/day.

Ravallion has also made essential contributions in analyzing the relationship between economic growth and poverty. Through economic readings in a number of countries, he was able to show that growth is a necessary condition for poverty mitigation, but one that may not always suffice on its own, especially in situations of high income inequality and unequal access to public services like education and healthcare. Such cases, he concluded, require the complementary action of government social policies.

His research in China and India convinced him that improvements in agriculture hold the key to alleviating extreme poverty, bringing immediate and substantial benefits in countries where most people live off the land. And the importance of agricultural productivity is no less marked in other latitudes, since over 70 percent of the world's population is located in rural areas. Ravallion has observed with concern the "urbanization" of poverty, condemning policies that limit farming yet are at the same time hostile to migrants from rural communities.

Since leaving the World Bank in 2013, Martin Ravallion has occupied the Edmond D. Villani Chair of Economics at Georgetown University. He has advised numerous governments and international agencies on poverty reduction measures, and has authored five books and over 200 papers in scholarly journals. His latest book, published in January this year by the Oxford University Press, is titled *The Economics of Poverty: History, Measurement and Policy*.

About the BBVA Foundation Frontiers of Knowledge Awards

The BBVA Foundation promotes funds and disseminates world-class scientific research and artistic creation, in the conviction that science, culture and knowledge hold the key to better opportunities for all world citizens. The Foundation designs and implements its programs in partnership with some of the leading scientific and cultural organizations in Spain and abroad, striving to identify and prioritize those projects with the power to significantly advance the frontiers of the known world.

The BBVA Foundation established its Frontiers of Knowledge Awards in 2008 to recognize the authors of outstanding contributions and radical advances in a broad range of scientific, technological and artistic areas congruent with the knowledge map of the late 20th and the 21st centuries, and others that address central challenges, such as climate change and development cooperation.

Their **eight categories** include classical areas like *Basic Sciences*, and other, more recent areas characteristic of our time, ranging from *Biomedicine*, *Information and Communication Technologies*, *Ecology and Conservation Biology*, *Climate Change* and *Economics, Finance and Management* to *Development Cooperation* and the innovative realm of artistic creation that is *Contemporary Music*.

The **juries** in each category are made up of leading international experts in their respective fields, who arrive at their decisions in a wholly independent manner, applying internationally recognized metrics of excellence. The BBVA Foundation is aided in the organization of the awards by the **Spanish National Research Council (CSIC)**. As well as designating each jury chair, the CSIC is responsible for appointing the technical evaluation committees that undertake an initial assessment of candidates and draw up a reasoned shortlist for the consideration of the juries.

CSIC technical committee members in the Development Cooperation category were **Ángel Luis Corbí López**, Research Professor in the Center for Biological Research (CIB-CSIC); **Helena Gómez Macpherson**, Tenured Researcher at the

Institute for Sustainable Agriculture (IAS-CSIC); **Ángel Paniagua Mazorras**, Research Scientist at the Institute of Public Goods and Policies (IPP-CSIC); **Enrique Playán Jubillar**, Coordinator of the CSIC Area of Agricultural Sciences and Research Professor at the Aula Dei Experimental Station (EEAD-CSIC); and **Luis Ignacio Rivas López**, Research Scientist at the Center for Biological Research (CIB-CSIC).

Development Cooperation jury

The jury in this category was chaired by **Clara Menéndez**, Director of the Maternal, Child and Reproductive Health Initiative and Research Professor at ISGlobal, the Barcelona Institute for Global Health (Spain) with **Norman Loayza**, Lead Economist in the World Bank's Development Research Group in Washington (United States) acting as secretary. Remaining members were **Antonio Ciccone**, a professor in the Department of Economics at the University of Mannheim (Germany); **José García Montalvo**, Professor of Economics at Pompeu Fabra University and Research Professor at the Valencian Institute of Economic Research (Ivie) (Spain); **Vicente Larraga**, Research Professor in the Center for Biological Research of the Spanish National Research Council (CSIC); **Francisco Pérez**, Research Director of the Valencian Institute of Economic Research (Ivie) and Professor of Foundations of Economic Analysis at the University of Valencia (Spain); and **Antonio Plasència**, Director General of the Barcelona Institute for Global Health (ISGlobal) (Spain).

Previous laureates

A list of laureates in previous editions is available on the following link:

<http://www.fbbva.es/TLFU/tlfu/ing/microsites/premios/fronteras/index.jsp>

LAUREATE'S FIRST DECLARATIONS AND IMAGES

A video recording of the new laureate's first interview on receiving news of the award is available from the Atlas FTP with the following name and coordinates:

Server: **213.0.38.61**

Username: **AgenciaAtlas5**

Password: **premios**

The name of the video is:

"THE BBVA FOUNDATION FRONTIERS OF KNOWLEDGE AWARD IN THE DEVELOPMENT COOPERATION. PROF. MARTIN RAVALLION"

In the event of connection difficulties, please contact Alejandro Martín at ATLAS:

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