

Valpy Fitzgerald, Judith Heyer, and Rosemary Thorpe (eds.): *Overcoming the Persistence of Inequality and Poverty*

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Review: *Lirio Gutiérrez Rivera*

♦ The volume *Overcoming the Persistence of Inequality and Poverty*, is edited by Valpy Fitzgerald, Judith Heyer, and Rosemary Thorpe, who work at Oxford University (Judith Heyer and Rosemary Thorpe are emeritus professors), researching and lecturing on International Development and Economics. The nine articles contribute to the central topic of the book: understanding the persistence of inequality and poverty in developing countries, particularly in countries in Africa, Asia, and Latin America. Like the editors, the contributors of the nine articles are based at different universities predominantly in Western Europe (that is, the United Kingdom and Italy). Only two contributors work in developing countries (India and Nigeria). The book is divided into three parts: (a) Technical Change and Economic Development; (b) Human Development, Income Distribution and Poverty; (c) Conflict, Ethnicity and Inequality.

The individual chapters address poverty and social inequality in developing countries, building on the work of Frances Stewart, emeritus professor at Oxford University who has worked and pioneered the field of development studies (and to whom the book is dedicated). Professor Stewart's concepts and analytical frameworks, such as horizontal inequality, technological gaps, economies of scale, on the one hand serve as the methodological lens for the persistence of the problems of poverty and inequality from a new perspective in the articles of this book. At the same time

they aim at constructing new policies in order to overcome both problems.

In Chapter 2, John Toye introduces important aspects of Frances Stewart's life and work and its importance in development studies for those of us who are not familiar with it. Frances Stewart, the daughter of renowned economist Nicholas Kandor, saw early on the link between technology and development, yet differently from the “modernization through industrialization” paradigm. As Toye points out, Stewart questioned concepts for explaining technique and technology such as ‘product’ and hence challenged the neoclassical model of the sixties and seventies with its comparative statistics. Rather, she advocates an empirical approach and moving beyond the traditional variables used by economists, income and wealth distribution. In this sense, she shares the view of Amartya Sen, particularly his notion of capabilities for measuring positive freedom. As a policy maker and consultant for organizations such as the United Nations, Stewart introduced notions such as the meso-level, which is “an intermediate domain of decision making...[W]hen properly used can improve the lives of vulnerable groups” (2011: 28). In the nineties, Stewart tackled a new subject, that is, war and underdevelopment, using a cross-disciplinary perspective and concepts such as horizontal inequality. In various research groups, Stewart also took into account ethnicity, identity, self-empowerment, and how collective action can improve the situation of the poor.

The nine chapters in this volume discuss Stewart’s legacy from different angles. The contributions to the first part, “Technical Change and Economic Development”, look at how technology change affects human development, the relationship between migration and productivity of firms (in the European Union area), and revisit Stewart’s book, *Technology and Underdevelopment* (1977), using new empirical data. The conclusions of all three articles, which are based on empirical data collected in different developing countries (India, Brazil) and for migrants from the developing world in the European Union, center on ways for improving policies on the level of technology and development. For instance, for better investment in technological change (Ranis et. al), governments are suggested to support scientific interests – particularly the research and development institutions – rather than the private sector’s. Barba Navaretti et. al. point out that migration policies in

the European Union need to be readdressed, as they contradict the needs of local/national firms; furthermore, the regulation of migration (both high skilled and non-skilled workers) can have “unexpected effects on industrial development” (2011: 88). The empirical data presented provide insight into Stewart’s observations on technology and development and contribute to an understanding the importance of these observations.

The second part “Human Development, Income Distribution and Poverty” is discussed with reference to various settings (Costa Rica, the Latin American left, Welfare Regimes) and also supported by analysis of empirical data. In the case of Costa Rica, Denelin’s interesting work on values and human development teaches us that values are linked to class. Dominant classes impose certain values that also impact on the notion of ‘development’.

Denelin notes that the introduction of a neoliberal agenda in Costa Rica, a country known for a rather stable and functioning welfare regime in Latin America, is actually part of a change of values among the dominant classes that call for a ‘new style of development’ (2011: 144). Nevertheless, other groups can also shape values and policies such as the trade unions, environmental groups and political pressure groups. Mkandawire’s work addresses the gap and undertheorization of social policy research of developing countries due to bias in both OECD countries and developing countries. Findings indicate the need to research not only the social policies of developing countries, but also to establish a dialogue between developing and developed countries. Cornia and Martorano ask whether the decreasing inequality in Latin America is linked to external conditions or to new economic and social policies, particularly in what they have termed as “Left-of-Centre countries” (LOC). Results show that LOC have introduced progressive social policies (for instance, in education, modernizing taxation). However, the LOC’s own mistakes threaten their political power and overturn the reduction of inequality achieved in the past years.

The contributions of the final part titled “Conflict, Ethnicity and Inequality” discuss Stewart’s recent contributions on inequality. In Brown’s contribution, the role of civil society is brought to the fore for understanding horizontal inequality. The role and contribution of civil society is often overlooked; Brown suggests a social capital approach and a social meaning approach for understanding the role of civil society in the dynamics of horizontal inequality, particularly in settings of armed conflict. The notion of horizontal inequality is further expanded when exploring it in relation to militancy in the Niger Delta. Horizontal inequality is based on Stewart’s definition and is unders-

tood as the “inequalities between culturally defined and politically salient groups” (2011, 233), here linked to militancy in the area studied. High youth unemployment, elite manipulation and environmental degradation are perceived as horizontal inequality factors linked to militancy. Mustapha looks at the challenge of ethnic representativeness in Nigeria and South Africa, presenting us with various contrasts and similarities in both cases. For instance, in Nigeria ethnicity and religion are important, whereas in South Africa, there is an emphasis on gender rights. Both countries have introduced affirmative action policies, which are experienced differently in each country.

Overcoming the Persistence of Inequality and Poverty is very well structured, adhering to the editors’ main purpose in the introduction to build on Stewart’s foundations in order to contribute to policy decisions. The volume is dedicated to Stewart and her work as a pioneer of in Development Studies; the choice to build on Stewart’s work is valid. Nevertheless, the decision to stop there seems somewhat arbitrary: it would have been interesting to discuss Stewart’s important contributions and concepts alongside the approaches of other pioneers in the field (such as Amartya Sen, whose work is barely mentioned in chapter 1) or to launch a debate with other conceptual-analytical frameworks (such as dependency theory). Aside from this observation, the articles are grounded in solid empirical data and help grasp the various concepts introduced by Stewart. They provide important insights for understanding dynamics of poverty and inequality, hence making this book well worth reading.♦