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REPORT

A PHILOSOPHICAL REVIEW OF POVERTY

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This report explores how poverty has been understood and analysed in contemporary political philosophy.

Philosophers have raised important questions about the concept of poverty as it is currently used in contemporary policy discussions. This report examines:

- how absolute and relative poverty should be defined;
- if 'relative poverty' is really a measure of inequality rather than poverty;
- whether the notion of poverty should be defined in terms of lack of resources, or more broadly in terms of lack of 'capabilities'; and
- how public policy can improve the lives of those currently living in poverty.

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It is fair to say that contemporary political philosophy has been dominated to a very large extent by writings that are highly sympathetic to equality, and pursue a progressive agenda. Although there are notable exceptions (such as Nozick, 1974), most contemporary political philosophy could be described as 'pro-poor'. It is a surprise, therefore, to find that there has been very little use of the term 'poverty', at least in connection with 'domestic justice', i.e. distributive justice within one country.

Why is it that although we can find many philosophers who have built theories around notions of equality, need, disadvantage, deprivation, capability, insufficiency, and priority to the worst off, there is no major philosopher of (domestic) poverty in the contemporary debate, in the sense of using poverty as his or her central concept of analysis? At this stage of the discussion we understand 'poverty' in the loose sense of lacking access to a level of income and wealth that would allow an individual or family to meet a prescribed set of basic needs. In the philosophical literature there has been much discussion of poverty in relation to global justice, but few philosophers have discussed poverty in their theories of justice for developed societies.

One possibility is that the concept of poverty is being used under a different name (for example, in relation to failure to meet basic needs). One important strand in the equality literature, for instance, uses the idea of 'sufficiency' and it is possible that one might wish to identity 'insufficiency' with poverty, as we will explore later.

Another possible explanation is that the aim of most political philosophers has been to present a positive 'ideal theory' of justice. Given that a just society would not contain poverty, then there would be no reason to discuss it.

Identifying injustice

However, even if it is true that in an 'ideal world' there would be no poverty, and hence ideal theory need not mention poverty, an increasing number of theorists in political philosophy have taken the position that political philosophy is too focused on ideals, and should also pay attention to the injustices of the real world (Sen, 2009; see also Hamlin and Stemplowska, 2012). The point of such real-world approaches is to identify manifest injustice and propose appropriate remedies. According to such a view, there would seem very good reason to pay attention to issues of poverty. Yet even so, with a few exceptions to be explored later in this report, we see very little philosophical work on poverty. In fairness, the focus on real-world theory in political philosophy is relatively new, and, somewhat paradoxically, most discussion has been of a theoretical or methodological nature, rather than carrying out the project of identifying injustice. But the dominance until recently of ideal theory could partially explain the absence of interest in poverty.

The 'currency of justice' debate

Nevertheless, there may be a deeper reason why poverty, as traditionally understood in terms of low levels of income or wealth, is not a central focus of analysis. We can best understand the issue by discussing one of the key debates in contemporary political philosophy, known as the 'currency of justice' debate. Introduced by Dworkin (1981a and 1981b) and Sen (1980), it starts with an observation that goes back at least to Marx (1875), that if we make people equal in one respect it may well be that we will make them unequal in some other respect. Most obviously, if two people have different needs then providing them with the same income will leave them unequal in need satisfaction and, quite possibly, happiness. To equalise need satisfaction or happiness, income would have to be unequal. What, then, matters most? This observation sets off the search for 'currency' of justice: that thing of which people should have equal amounts of in an equal society (Cohen, 1989). Although some political philosophers have rejected this approach to equality, arguing that equality really concerns relations between people rather than the distribution of goods (Wolff, 1998; Anderson, 1999; Scheffler, 2003), the search for the egalitarian currency has raised important issues that bear on the place of poverty in the theory of justice.

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Ronald Dworkin concentrated primarily on two different theories of equality: equality of resources and equality of welfare. While acknowledging that resources only have instrumental value, Dworkin (1981b) concluded that egalitarians should prefer a resource-based theory of justice, which is also the conclusion of John Rawls (1971). Others, such as Arneson (1989), favoured a welfare (modified subjective preference) theory, while Cohen (1989) argued for a hybrid of resources and welfare, which he called 'advantage'. Sen, and later Nussbaum, argued for a 'capability' view (Sen, 1980, 1999; Nussbaum, 2000). On the capability account, what matters is not what you possess, or how happy or satisfied you are, but what you are

able to 'do or be'. We will look at the capability theory in much more detail in later chapters, but the importance of the issue is that placing poverty, as currently understood, in the centre of an approach to social justice seems implicitly to take a position in the currency of justice debate.

To assume that income and wealth are at the heart of issues of social justice appears to assume the resourcist position of Dworkin or Rawls. Although it may be possible to back up such an approach with solid arguments, the current sentiment in political philosophy is much more sympathetic to the capability approach, for the reason that what people can do and be is much more important than what they own. How one's life goes is determined by at least three sorts of factors: 'personal resources', such as talents and skills; 'external resources', including, though not limited to, income and wealth (a social network is another type of external resource); and the social, cultural, legal and material structure in which the person operates. These factors combine to determine an individual's opportunities (Wolff and de-Shalit, 2007). Hence we see that, in principle, income and wealth are just some of the determinants of one's capabilities and poverty only one possible cause of capability deprivation. For reasons such as these, Sen proposes to redefine poverty in terms of 'capability deprivation', rather than income and wealth (Sen, 1999). If Sen's argument were accepted it would have very far-reaching consequences for debates and policy discussion concerning poverty. It is vital to turn to the work of Sen and Nussbaum to understand their motivations for re-thinking poverty as capability deprivation.