

# My thought on Poverty

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Poverty is one of the most familiar and protracted conditions that faces humanity. It has been the focus of social sciences for long, but remains incomprehensible and complicated. This is because people face different time types of poverty and in different degrees. For the sake of measurement some has reduced poverty to material lack and deprivation. The United Nations Development Programme (UNDP), presented poverty both as a concept and as a measurable phenomenon in its multidimensional poverty framework. This is closely related to Amartya Sen's, two approaches in understanding poverty – biological which is a minimum nutrition required and the concept of relative poverty. This takes us back to Peter Townsend's view which states that 'poverty can be defined objectively and applied consistently in terms of a concept and relative deprivation' (Townsend, 1979:31). However, the use of relative deprivation by Townsend and subsequent scholars focuses on social indicators while ignoring extreme or ultimate poverty. Moreover the use of material deprivation indicator is still a relative, rather than an absolute measure (Fahay, 2010)

According to the World Bank definition of extreme poverty,<sup>1</sup> about 34 per cent of the world's population lives on \$2 per day globally. The Gallup data in 86 countries shows that more than three percent of the nation covered live on \$1.25 per day or less while a self-reported household income data of 131 countries indicate that 22 per cent live on \$1.25 or less daily (Phelps and Crabtree, 2013<sup>2</sup>). Generally the number of people living in extreme poverty has been falling since 1990 with the largest reduction coming from Asia, largely due to China's success in lifting 500,000 of its population (World Bank, 2010). This is an indication that extreme poverty remains the ultimate global challenge. However, reducing the understanding of extreme poverty beyond mere number will help to detangle its deep complexity. It will provide understanding to why those living in extreme poverty find it hard to dislodge themselves from that particular situation. The use of \$1.25 per day has been controversial. This is because even though the method is useful in measuring extreme poverty, it does not reflect the psychology of those who are living by or below this standard measurement. Another way of understanding poverty is the use of basic life necessity. This is both limited and relative because what quantify as life basic necessity in country A might not be in country B. As Alfred Marshall pointed out:

... the differences in climate and differences in custom make things necessary in some places, which are superfluous in others ... but ... a more careful analysis has made it evident that there is for each rank of industry, at any time and place, a place more or less clearly defined income which is necessary for merely sustaining its members; while there is another and larger income which is necessary for keeping it in full efficiency ... Every estimate of necessities must be relative to place and time. Alfred Marshall (1890 cf Townsend, 1962:219)

Since we are addressing ultimate poverty, basic life necessity at this level is lack of access to food, water, clothing and shelter and sanitation, in that order. This list was introduced by Seebom Rowntree in his 1901 book *Poverty, A Study of Town Life* which was later adopted

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<sup>1</sup> Extreme poverty is defined as average daily consumption of \$1.25 or less and means living on the edge of subsistence

<sup>2</sup> This is from December 2013 Gallup report and be found here <http://www.gallup.com/poll/166565/one-five-worldwide-living-extreme-poverty.aspx>

by scholars of poverty. However, in some countries even the possession of these basic necessities will not alleviate a group from poverty. This indicates that the condition of poverty is beyond material acquisition. For example, the poorest group in India remains the Dalit (the untouchable.) Even if they have access to food, clothing and housing etc, they still remain perpetually entrapped because of structural deprivation of right to live to full potential. This level of poverty gives a deeper sociological and psychological impact leading to extreme and chronic condition that traps generation into poverty – the ultimate poverty of which is very hard to escape without assistance. It has been argued that education could alleviate poverty but, this depends on the level poverty. Those who lack the basic necessity might not be able to attend school or stay in school that could alleviate their condition on the long run due to the protracted condition they found themselves. For example, in many parts of the poor region of the world, the reason for high dropout rates from school even with free education is lack of food and access to clean water. These also deprive individuals from the opportunity to actualize their potentials which is explained in Sen's capability approach.

In this regard, Sen described poverty as deprivation of basic capabilities rather than the material use that emphasizes on income. This approach is intrinsic and takes into consideration the groups like Dalit whose condition could be referred to as ultimate poverty. It also explains the relative poverty and provides understanding for another kind of condition where choosing to live a certain way to fulfill one's capability might be viewed differently. For example, Socrates, the ancient Greek philosopher viewed himself as poor because he shunned material acquisitions in pursuit of knowledge. This type of poverty is relative and referred to as voluntary poverty by James Schall<sup>3</sup>. If we follow Sen's reasoning, one might argue that Socrates was not poor because he has the freedom to choose what he considered to be virtue – knowledge and wisdom, in order to fulfill his capability. Many poor do not have freedom to choose but rather a constant trade-off of basic needs like food, clothing, health or shelter. There are differences between the voluntary, the relative and the bottom poor. The bottom poor is what is referred to as extreme poverty and this easily leads to chronic and then to ultimate poverty. This is what exist in most countries that lack social policy to help the poor especially the extremely socially excluded like the Dalit in India. Hence, one can view ultimate poverty from both instrumental, as expressed by Rowntree and intrinsically as explained by Sen through capability deprivation approach.

The convoluted and daunting challenge of reducing global poverty today is because relative poverty is left to escalate. It is critical to understand the degree of psychological crippling of poverty to individual and groups in order to fully address global poverty. This psychological impact is dependent on the degree of poverty. An extremely deprived does not have the mental and physical capability to extricate self from his/her condition to develop his/her capability. It is therefore important to integrate a multidimensional approach that includes structural and psychological research to fully understand poverty in order to address the condition. Narayan and Petesch (2007:11) argue that focusing on economic statistics and ignoring the psychological gives a one dimensional solution to a multidimensional problem. Poverty, whether relative or ultimate has a collegial implication to the society at large that does not necessarily insulate the wealthy when it leads to society malaise. It is therefore, imperative to take an integrated and holistic approach in addressing the problem.

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<sup>3</sup> <http://www.acton.org/pub/religion-liberty/volume-23-number-3/poverty-ultimate-riches>

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