

Nationalising the Anti- Poverty Agenda

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1 Contradictions of an International Anti-Poverty Agenda

The theme of this article is that research into poverty has to be multi-disciplinary and, perhaps more controversially, that the dominant discipline should be political science. At present, to the extent that poverty research is multi-disciplinary, the dominant discipline is economics. We are looking at a situation in which a small (but technically sophisticated) economics tail is trying to wag a very large political dog. We need to arrive at a position from which we understand much better how the politics of national anti-poverty strategies works, so that the economists of poverty can play the role that Keynes once envisioned for them, similar to that of humble but competent dentists.

Our fundamental political assumption here will be the following: international agendas on poverty reduction, however sincerely espoused, can be effective only by influencing national political agendas. This point has been well put by the Indian political scientist Rajni Kothari: 'History has shown very clearly that one cannot constructively transform a society from the outside. All genuine social transformations have been initiated from within the society, even though in many cases the genesis for such transformation lay in the cross-fertilisation of ideas and experiences from different societies' (1993, 152). The problem is to move from the cross-fertilisation of ideas on poverty reduction to internally driven political agendas.

But the 1990s revival in poverty studies is driven to a very significant extent by the policies of the international agencies, starting with UNICEF in the mid-1980s, joined by UNDP and then the World Bank with its 1990 *World Development Report*. There is nothing intrinsically wrong with this: putting poverty back onto the international organisations' agenda is an achievement. Nevertheless, by the mid-1990s we can see that an anti-poverty agenda that is driven largely by international agencies like these contains its own internal contradictions. The following ideas (de Swaan 1988) have been pointed out elsewhere (Toye and Jackson 1996: 57):

Any international effort, like that of the Bank, to promote poverty reduction in particular countries must face up to the implications of one very central difficulty. It is perhaps not fully appreciated that the poverty reduction agenda has received

high political priority in the now developed countries only at particular historical moments and under well-defined conditions. Research shows that the attitudes of the elite were crucial. They took action on the poverty alleviation issue because they shared a consensus around three beliefs. They were that: (a) the welfare of the elite and the welfare of the poor were interdependent, and the elite was not able to insulate itself from the living conditions of the poor; (b) the poor did in fact have the means to affect the welfare of the elite, principally by three methods, namely crime, insurrection and epidemic disease; and (c) some actions by the state would be efficacious in reducing the threat to the welfare of the elite posed by the behavior of the poor.

If this historical interpretation is correct, then the Bank can only make progress by taking on, with the help of bilateral aid donors, a quasi-political role. The logic of the situation seems to dictate that the Bank and the members who subscribe its capital must initiate, and then carry forward as best they can, a participatory process aimed at changing elite perceptions in ways that raise the issue of poverty reduction to a much higher priority in the domestic political agenda. ... [T]he task now is to push the policy dialogue forward to the point where governments that have not already done so recognise and internalise the three propositions (a, b, and c given above) which should trigger their own active engagement with the conditions of the poor.

The fact that the anti-poverty agenda is being driven by these international organisations also results in the fact that the available diagnosis of the poverty problem is the diagnosis made by them. Because the international organisations have the resources to prepare poverty assessments for numerous poor countries over a fairly short time-scale and because many of these countries have not tackled this task for themselves, the nature and scope of the poverty problem tend to get defined externally and in a particular highly economistic way. This definition in turn sets the parameters for the policies that count as solutions. The situation is not quite as simple as just stated; the international organisations have in fact sporadically tried to incorporate into their methods of poverty description and diagnosis certain more 'bottom-up' anthropological and sociological methods consisting of an array of information-gathering

techniques collectively called 'participatory poverty appraisal'. But the fit among the poverty descriptions, diagnoses, and prescriptions based on the (interestingly labeled) 'objective' and 'subjective' methods is frequently imperfect, when the latter are used at all.

The dominant conceptualisation of poverty thus remains the narrow economistic one of private consumption (or income poverty), albeit now with the head-count indices for the traditional upper and lower poverty lines supplemented by the calculation of the poverty gap and the index of poverty severity on Foster-Greer-Thorbecke lines (Ravallion 1992, Blackwood and Lynch 1994). The 'objectivity' of these numbers depends on pre-specified standards of nutrition, the identification of discrete 'households', the reliability of recall in a survey interview, knowledge of relevant local prices, and so on. The measures are *narrowly* economistic because they usually exclude even economic variables like the value of private assets, the use of common property resources, and the social dividend (public spending benefits minus taxes). They are economistic because they exclude social and political aspects of well-being such as leisure, personal security, cultural goods, social recognition, and political rights. All of these excluded variables are constituents of well-being in themselves but are also resources that vulnerable households and communities can use to try to cope when confronted by shocks.

The consumption poverty statistics are also highly aggregative. They can be broken down by region and the rural/urban split and by household descriptors. But these categories provide only very faint clues to the dynamics of impoverishment – the movements of those social groups that are moving in and out of poverty either temporarily or permanently. The descriptions that emerge from such measurement exercises tend to be banal. Typically, the majority of people in poor countries turn out to be poor, although given the data limitations it is difficult to know whether, say, 52% or 64% is the right number. Those in rural areas are found to be poorer than those in urban areas. Certain correlates of poverty are identified, such as the unemployed, women, households with a high dependency ratio, the disabled, the displaced, elderly single people, and so forth, and these vary from country to country. None of this can be the slightest surprise to anyone who has visited a poor country, however briefly. But if the foregoing conceptualisation is the appropriate description of the problem of poverty, then there

really is only one possible solution, namely, the promotion of economic growth. The international anti-poverty agenda is limited to that of more growth, and policies aimed at the direct reduction of poverty are sidelined or totally disappear. Once poverty, measured 'objectively', has been revealed on such a vast scale, the anti-poverty agenda must collapse back into the broad strategy for economic development. The wheel of the international organisations' anti-poverty policy turns full circle, and their policy dialogue becomes the process of persuading countries of the inevitability of this perception and process.

2 An Alternative Perspective on the 'Poverty Problem'

Does there exist another way to conceptualise the 'poverty problem' in poor countries? There does once one breaks away from the universalistic definitions and criteria that are the stock-in-trade of international organisations in search of indicators of their own performance. Individual countries, or provinces within countries, from time to time arrive at their own formulations of their own particular poverty problem. Concepts of poverty can be geographically, historically, and culturally specific. Such concepts did emerge in countries that in economic or material terms were no better off than the poor countries of today.

Take as an example the perceptions of the poverty problem that led to the development of a national Poor Law system in England by the early 17th century. At that time about half of the English population was poor in the sense of having no property beyond a few personal possessions. Economic conditions were deteriorating, and many of the poor had already become vagrants. State action was prompted by the following: the idea of society as a 'commonwealth', the parts of which all had to function cooperatively to produce social order; the elite's fear of the social and political consequences of an increase in the number of the vagrant poor; and the humanist belief that idleness among the poor could be cured by education and training (Beier 1983, 1–18). Strict punishments for sturdy vagabonds were combined with state-regulated charity for the settled poor in both urban and rural areas.

What we see here is a specific state response to a perceived social and political threat (of rising crime,

riot, and possibly rebellion) when the ranks of sturdy beggars, rogues, and vagabonds were swollen by impoverishment in a pre-industrial society. Nobody did a poverty assessment first. The pioneer estimate of the number and income of vagrants in England, by Gregory King, relates to the year 1688. The state response was a mixed one, both punitive and reformatory: there was to be harassment, not charity, for the dangerous poor.

The origin of the British welfare state lies in another time-specific episode, one that produced a quite different conceptualisation of 'the problem of poverty'. In the late 19th century, the great depression was perceived as generating a process of urban impoverishment. In large cities, especially London, the bottom layers of the respectable working class were seen as threatened with descent into the ranks of the criminal and the destitute. The imminent absorption of part of the proletariat by the lumpen proletariat was the problem, not poverty in general. This was why the creation of new categories of universal benefits (old-age pensions, unemployment benefits), separate from means-tested poor relief, was eventually adopted as the solution. This time a poverty assessment was done first, by Charles Booth. But (unlike Rowntree's later estimate of primary poverty in York) Booth did not rely in his analysis of life and labour in London on a simple poverty line approach. Once again, the state response was selective: the respectable poor were to be protected, while the very poor were left to the mercies of the means test, once Booth's proposal for state labour colonies was dropped (Himmelfarb 1991, 123–28).

The current concern in France, and now in the European Union, with the problem of social exclusion has taken off from the social selectivity that remains in European welfare states. Contrasted with a French cultural and political ideal of social solidarity, the growth in numbers of the long-term unemployed, homeless, deviants, social misfits, and youth from broken families threatens violent disorder in poor suburbs, a threat that is expected to grow with structural economic change and the cutting back of the welfare state (Rodgers, Gore, and Figueiredo 1995: 1–3). The state response has therefore been to link targeting of income transfers to schemes of active reinsertion of beneficiaries into education and training, jobs, and community projects. But the social-inclusion agenda in France has its other face: the

heightened fear of immigration and the raising of barriers to entry into the national territory.

These three examples underline the point made earlier that the way in which 'the poverty problem' is defined differs according to time (England in the early 17th and late 19th centuries) and place (modern France and the United States – for the latter, see Patterson 1994). 'The poor you have with you always', but poverty is always problematised differently. Also, the anti-poverty policies that countries actually adopt depend on the specific way in which the problem of poverty is defined by the social and political processes of that place and date. Yet despite this specificity, there seem to be common conditions for catalysing state action to reduce (some aspect of) poverty. They are the belief in the social interdependence of rich and poor; the existence of a credible threat from the poor, often in terms of increased social disorder; and the belief that state action can make a significant difference to the situation.

We must recognise, too, that in the real world, anti-poverty policies are rarely an expression of pure humanitarian impulse. They tend to come in a package with policies like penalties for vagabondage, state labour colonies, and stricter immigration controls. Indeed, it may be that they become politically possible *because* they are packaged like this. This thought has evidently not occurred to those who are astonished to find that 'sometimes a punitive piece of politics is presented as... welfare' or that 'punitive and coercive forms of social policy [are] frequently deployed under the mantle of "welfare"' (Schaffer and Lamb 1981: 61; Squires 1990: 1).

3 Alternative Approaches to Research and Policy

3.1 Elite perceptions of poverty

The alternative perspective emphasises the importance of national elites and the specific way in which they formulate 'their' problems of poverty. How do the elites of poor countries perceive the condition of their poor? Do they believe that there is, or ought to be, some kind of social compact that includes the poor? Do they distinguish between the deserving and the dangerous poor? Do they think that all or some aspects of poverty do or could constitute a threat to their own well-being? Do they have confidence that the state could act to defuse

any threat? In what measure would that response be humanitarian and in what measure authoritarian? If the state lacks the capacity to act, are there other agencies that could substitute effectively for it?

It is too early to say what results might emerge from seeking the answers to such questions. But it is intriguing to speculate on possibilities. A possible result is to find that elites in poor countries do accept some notion of a social compact that includes the poor and do recognise that the poor can mount a threat to social order, but that at the same time these same elites have no confidence that the state or any substitute agency can do anything about poverty. If that were so and if genuine success stories in poverty alleviation could be identified, this would create an exciting opportunity. By feeding back the success stories to the representatives of the elites, it might even prove possible to shift elite perceptions in favour of pro-poor actions, and not merely to find out what they are. The cross-fertilisation of ideas and experiences that Kothari referred to could then become more sharply focused and perhaps more effective.

3.2 Reframing the problem of the poor: the dynamics of impoverishment

The alternative perspective on the international anti-poverty agenda has implications for economic, as well as social and political, research. As we have seen, the logic of poor countries' situation is that the consumption poverty of the masses can be significantly reduced only by broad-based economic growth. In saying that, the international organisations are quite right. But by the same logic, specific anti-poverty interventions must be designed to affect particular problems of impoverishment and to assist particular groups of households and communities that are untouched by economic growth or even affected adversely by it. The design of anti-poverty policies is then not helped at all by exercises that measure consumption poverty with the aid of one or two poverty lines and that at best permit point comparisons of the aggregate percentage in poverty over an interval of time. The point was well made by Amartya Sen: 'as a category of causal analysis, "the poor" is not a very helpful one, since different groups sharing the same predicament get there in widely different ways' (1981: 156).

So rather than taking undifferentiated mass poverty as 'the problem' and looking for optimal solutions

to it, it is necessary to try to reframe the problem. We need to find a new generative metaphor for anti-poverty policy (Schon 1993: 137–9). We also need to stop thinking about poverty in terms of a *stock* of poor people, often seen as helpless victims who need some kind of treatment, and to start thinking about poverty in terms of *flows* of people whose powers of agency are impaired as they become poorer but can be enhanced sufficiently for them to escape from poverty. We need to know more about these flows. Some people, of course, are born into poverty and never escape: the congenitally disabled and the children of large families whose education cannot be afforded. Others enter and leave poverty within their life cycle: youthful unemployment may be followed by a more prosperous middle life, and then by the poverty caused by old age, infirmity, and the loss of relatives. There are other more contingent causes of poverty, like contracting AIDS or becoming a refugee from civil conflict. Then there are economic causes – bad husbandry or environmental disasters that lead to the loss of land and other assets, or technological change that outcompetes traditionally made products, or (dare one say it?) major price shifts that come from the removal of subsidies in an economic-reform process. There are so many ways to fall into poverty, and they are very different. And by the same token, the prospects for emerging from poverty are also many and different.

3.3 Distinguishing between transitory and chronic poverty

In order to devise effective anti-poverty policies, it is therefore necessary to understand better, in particular countries, the dynamics of impoverishment and the emergence from poverty. What could research do to make the task easier? A good beginning would be to do more work on the distinction between those experiencing transitory poverty and those experiencing chronic poverty. Can we learn more about which types of poor people are transiting and which are not? Can we show that the characteristics of the former are fundamentally different from those of the latter? Or are the 'transitones' merely experiencing the same degree of fluctuation in their income/consumption as do the 'chronics', but at a higher average level – that is just above and just below the poverty line?

Some Indian evidence suggests that even over a short period (three years), three eighths of households cross the poverty line, in one direction or the other.

Even in a context of agricultural growth stemming from technical change, while one fourth of all households escaped from poverty, a different one eighth was becoming impoverished (Gaiha 1993: 43–58). These figures show a very dynamic situation, in which growth is impoverishing some groups while at the same time reducing the overall numbers of those in poverty. The same study also suggests that the chronically poor are not the poorest of the poor but are distributed through all strata of the poor. The main characteristics of the chronically poor were lack of land, little education, and large dependent families. At all levels of poverty, some households were flowing in, while others were flowing out.

3.4 Objectives of anti-poverty policy

From the perspective of a flows model of poverty, the tasks of anti-poverty policy are to prevent the fall into poverty of those who are not now poor but who face risks that make them vulnerable to poverty, to relieve the poor as far as this is possible, and to avoid forms of relief that will deter those that could escape from poverty by their own agency from doing so. Reconciling these three objectives of prevention, relief, and avoiding the creation of 'poverty traps' has proved in practice to be extraordinarily difficult. Certainly, the recognition of the poor as agents and not patients reveals noteworthy complications in any attempt to reduce poverty through strict income-based targeting of state benefits (Sen 1995: 11–24).

In part these difficulties arise because some deep ethical dilemmas are involved. It is often taken as an article of faith that the best anti-poverty policies are those that do most to improve the welfare of the poorest of the poor. Sen, for example, deplores 'the distorting effects on policy matters' of the head-count measure of poverty, because 'with (its) use... the best rewards to poverty removal policies are almost always obtained by concentrating on the people who are just below the poverty line rather than those suffering deep poverty' (Sen 1981: 157). Sen here takes it as axiomatic that resources should be concentrated on those whose suffering is greatest. This approach is characteristic of a rights-based ethics, which has a strong moral appeal, but not of a utilitarian ethics, which is willing to trade off increases in the welfare of the poorest and of better-off groups. One can either treat this as a pure choice of moral principles, or one can be more pragmatic and make a practical judgment after investigating what the trade-offs actually are.

These trade-offs have a time dimension. The problem cannot be reduced to one of maximising collective welfare in a single time period. After all, the most venerable maxim of anti-poverty policy is that it is good to give a poor man a fish but much better to teach him how to fish. The superiority of the skill transfer to the consumption dole arises precisely because of the multi-period welfare consequences of the former. Once this investment feature of anti-poverty policies is recognised, the rule of concentrating resources on the poorest of the poor becomes problematic if it happens that, because of their lack of assets or skills, they are the least able to make such investments fructify.

Parenthetically, it is hard not to speculate whether, if this is indeed the case, the perceived lack of realism of the policy agenda of the international agencies is not a factor (along with the perceived lack of capacity of national governments) in dissuading elites from embarking on anti-poverty policies. In countries where resources for any kind of anti-poverty programmes are desperately short, recommendations to allocate them according to a moral principle that is unfamiliar to the culture and practically not credible may well undermine the elite's own will to action. On the field of battle, scarce medical resources should not be concentrated on the most severely wounded: there has to be some form of *triage*. In some respects, the current international anti-poverty agenda resembles the Charge of the Light Brigade: *c'est magnifique, mais ce n'est pas la guerre*.

3.5 Vulnerability, coping strategies, and safety nets

If the poor are seen as agents and not as victims, we need to know more about how they act, what they do in the different situations of vulnerability and poverty. Presumably, individuals and households faced with high levels of uncertainty and that know they are vulnerable to sudden shocks will develop livelihood strategies that minimise their risks. In the complex, diverse, and risk-prone environments that prevail in many parts of poor countries, it is likely that livelihood strategies will be adopted that will involve the diversification of sources of income and the accumulation of assets that can be drawn down in an emergency (Davies 1996). When shocks do come they will be dealt with by a sequence of coping strategies: the

progressive liquidation of assets, the drawing on support from available social networks, the search for new local income-earning activities, migration in search of employment, and ultimately movement to relief or refugee camps (Longhurst 1994). But if shocks are quickly repeated, the frequent use of these coping strategies will have the effect of eroding the ability to cope (for example, wage earning leading to the neglect of one's own fields), so that vulnerability is gradually further increased.

This account raises some interesting research hypotheses. What is the evidence that livelihood diversification is a response to covariate risk? Has the ability of social networks to provide satisfactory social security been weakened either by the spread of markets or by the development of alternative state-sponsored social security systems? Does the provision of state-sponsored social security have different effects on coping behaviour according to its form, whether in terms of guaranteed employment, cash transfers, or food subsidies?

4 Evaluating Interventions

In the realm of anti-poverty policy, we still need to do more research on the practical effects of different types of policy intervention. Building on the work by Singh and Hazell (1993) with a cross-section of the ICRISAT dataset,¹ it should be possible to determine which types of anti-poverty policies (asset redistribution, distributionally neutral growth, employment guarantee schemes, and so on) would have the greatest impact on different measures of poverty. Such policy simulation experiments could produce useful policy recommendations.

The choice is not merely among different types of intervention. Choices need to be made among different designs for the same basic type of intervention. For insurance, an employment guarantee scheme can have limited coverage with relatively large benefits, or universal coverage with relatively small benefits. Evidence suggests that the cost-effectiveness of these alternative designs is sensitive to the amount of the total resources available for the scheme. When the budget is small, the former (limited coverage and large benefits) is more cost-effective because it will enable a subset of the poor to escape from poverty

¹ For greater detail on the ICRISAT dataset, see Walker and Ryan (1990).

(Gaiha 1993: 127); this finding underlines the point that when resources are scarce, some form of *triage* is likely to be the best policy. But such a proposition needs testing over a wider range of interventions. The poverty-reducing effects of different schemes of land reform, different patterns of girls' education, and different types of credit unions for the poor (the Grameen Bank) could also be examined.

5 Successes in Poverty Reduction Policies

Experience from poor countries like Indonesia tells us that broad-based economic growth can, in the right conditions, make big inroads on overall poverty. But even with growth, some groups can be descending into poverty. We should be concerned

to pinpoint specific additional state interventions that can be shown to have been beneficial, acting alongside general economic policy. If we can do this, we shall be vindicating a major theme, that intelligent state intervention can produce better outcomes than those produced by a combination of markets and a minimalist state.

We may also have a rare opportunity in front of us. If we produce these results and if we focus our dissemination well, we may even play our part in energising national elites to formulate their own understandings of their poverty problems and to engage in better policymaking as a result. Surely we can now begin to advance beyond the present contradictions of an internationally driven anti-poverty agenda.

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