Poverty, work, and freedom

The poor seem easy to identify: those who do not have enough money or enough of the things money can buy. This book explores a different approach to poverty, one suggested by the notion of capabilities that is emphasized by Amartya Sen and Martha Nussbaum. In the spirit of the capabilities approach, the book argues that poverty refers not to a lack of things but to the lack of the ability to live life in a particular way. However, rather than seeking to identify a prescribed set of activities and ways of being that are necessary for a fully human life, the book focuses attention on a particular capability, the capability for creative living, and explores the idea that we might consider poverty to be the inability to live creatively. The authors argue that the poor are those who cannot live a life that is discovered and created rather than already known. Avoiding poverty means having the capacity and opportunity to achieve this type of living. The authors argue that the capacity to do skilled work plays a particularly important role in creative living, and suggest that the development of the ability to do skilled work is a vital part of solving the problem of poverty.

DAVID P. LEVINE is Professor of Economics at the Graduate School of International Studies, University of Denver. He has published numerous articles and nine books in economics and political economy, most recently *Normative Political Economy: Subjective Freedom, the Market and the State* (2001). He has also published in the field of applied psychoanalysis.

S. ABU TURAB RIZVI is Associate Professor at the Department of Economics, University of Vermont. His research, concerning microeconomics and its history, has been published in the *Cambridge Journal of Economics, History of Political Economy*, and the *Review of Political Economy*.
Poverty, work, and freedom

Political economy and the moral order

David P. Levine
University of Denver

S. Abu Turab Rizvi
University of Vermont
## Contents

*Preface*  
page vii  

*Acknowledgments*  
xi  

1 Introduction  
1  

### Part I

2 The classical period  
13  

3 Poverty policy  
29  

4 Income, basic needs, and capabilities  
41  

### Part II

5 Needs, work, and identity  
55  

6 Creativity and freedom  
66  

7 Work and freedom  
78  

8 Work and satisfaction  
95  

9 The psychology of work  
114  

### Part III

10 Beyond the moral order  
129  

Conclusion  
144  

*References*  
148  

*Index*  
155
We speak about the poor as if we know who they are. We speak, for example, as if the arbitrary definitions used by government agencies to determine eligibility for their programs tell us who is poor and who is not. If we know who are the poor, the problem is what, if anything, to do about them. For some, knowing what to do about poverty means becoming an advocate for the poor, or for what their interests are imagined to be. Then, the problem becomes one of representation of interests, and possibly of the struggle on behalf of those interests against the interests of those who are not poor and whose interests might be opposed to the interests of the poor.

Sometimes we speak about poverty as if it were defined by wealth. The poor are those who do not have enough wealth. This is the approach taken by Adam Smith in the first paragraphs of *The Wealth of Nations*, where he defines the problem of political economy as the problem of wealth and poverty. When we speak this way, poverty often becomes a relative matter; the more wealth on average in our society, the more wealth we need to avoid being poor. This way of thinking about poverty makes it an implication of inequality, which, for some, makes poverty a problem of injustice. This follows if we convince ourselves that those who have less (and therefore are poor) do so because others have more. If the rich become rich by exploiting the poor, then what makes some wealthy makes others poor.

Yet, we will not get very far in understanding poverty by starting with the poor and seeking to identify their shared interests and characteristics. This is because attempting to do so assumes that we already know what an inquiry into poverty is meant to find out: what it is we lack that makes us poor, and therefore who is poor and who is not. Our purpose in writing this book is to explore the idea of poverty so that we can come to know better what it means to be poor, and therefore who is and who is not poor.

Our concern, then, is not with the empirical description of poverty, but with the idea of poverty. The idea of poverty is the idea of something
that is missing. To be poor is to lack this something. But everyone lacks something; so an idea of poverty depends on a judgment about the things we might lack. This judgment tells us when not having something leaves us poor. The judgment involved here cannot be made empirically since it is meant to guide us in our effort to understand experience. It can only be made on the basis of an idea about living that tells us what we need to lead a life of a particular kind. This makes any effort to define poverty a matter of norms or ideals.

Appeal to ideals of living might seem to take us onto terrain just as arbitrary as the terrain on which we began: the arbitrary definition of poverty as a level of income designated by a government agency. Reference to norms can be arbitrary, especially if those making the reference do little more than project their own personal values onto others, or, in a more collective spirit, seek to compile a list of valued and necessary life activities based on what is valued by the community.

Our approach is meant to avoid the arbitrary specification of a level of income, a living standard, or a set of life activities. In place of these ideas, we offer the simple premise that, so far as we respect individual freedom, we cannot know in advance what makes any particular individual’s life worthwhile, because what makes a life worthwhile in a society of individuals remains to be determined by those individuals themselves. Our problem is how to conceive poverty in a way consistent with this premise. This is the central problem we need to solve if we are to have an idea of poverty applicable to a modern society. Our task, then, is to answer questions such as these: Can we have a meaningful notion of poverty that respects self-determination? Can we conceive poverty in a way that incorporates into our ideal of living the condition that we do not know what others need to have and to do to make their lives meaningful? We can only respect freedom if we drop the assumption that answers to questions about living can be provided for rather than by the individual. We must, in other words, start from not knowing and the unknown rather than from what is already known.

We attempt to develop a notion of poverty consistent with the ideal of freedom by considering what demands are placed on the individual by the absence of predetermination of ends. We speak of the ideal of freedom in the language of creativity and creative living, of a life devoted to exploring, in the words of Erik Erikson, opportunities yet to be determined. We argue that what people need to live a life that is not predetermined is not particular goods, a specific standard of living, or the capability to engage in a predetermined set of activities, but instead the capacity and opportunity to discover and to create. We try to indicate as concretely as we can what it means to have the capacity to discover
and to create. We consider someone poor in a society committed to the ideal of freedom when he or she lacks this capacity or the opportunity to exercise it.

We do not argue that the ideal of freedom as the capacity to discover and create is the only reasonable ideal that could be applied to the problem of conceiving poverty; nor do we insist that this ideal is inherently the best among a set of competing options. We do, however, suggest that this ideal is uniquely relevant to the world in which we find ourselves, and, more importantly, has a special power in that world to make alternatives unconvincing and inapplicable.

This special power is the power of individual difference. Older ideals derive their power from that of the group and the norms embedded in the group’s cultural reality. This group-based cultural reality is also a moral reality or moral order. Freedom and individual self-determination rest uneasily in a moral order, since a moral order consists of already known and predetermined ways of life. The moral order is not open to opportunities yet to be determined; it subsumes the individual self into the group self rather than offering the individual a facilitating environment for self-development.

The power of the norms that constitute a moral order derives from the group’s ability to require compliance as a condition of membership and from its ability to make membership the only path to moral standing. But, in a world where many groups must coexist, and where the individual can exist outside the group, the power of the group to control access to moral standing weakens. After all, there are other groups with different notions of the good life, and there are individuals who define the good life outside the group. Thus, the power of the ideal of creative living derives from the power of the ideal of individual freedom to undermine the hold the group has over its members.

The role of groups bears on whether we consider poverty a matter of injustice. If some are denied access to the opportunity to develop and exercise the capacity for creative living because they are ascribed membership in groups independently of their will (groups based, for example, on such characteristics as race, ethnicity, and gender), then we can consider injustice a primary cause of their poverty. This is in part the injustice that inevitably follows when individual self-determination is sacrificed to group identification. Denial of individual self-determination is, of course, only an injustice when the idea of justice is grounded in individual self-determination.

The issue, then, has to do primarily with the norm that governs the relationship between the individual and the group. In a modern society, which is to say a society organized around the ideal of freedom, we
cannot escape from poverty unless we can escape from ascribed group identification, although our ability to do so does not in itself guarantee we will not be poor. Still, the struggle over poverty is a struggle for individual identity.

The problem of poverty in a modern setting not only concerns what it means to be poor when needs and activities are no longer predeter-mined, it is also the problem of how regard for others can be consistent with the breakdown of the moral order and its replacement by a society of individuals. This latter has a bearing on the question alluded to above: Assuming we can determine what it means to be poor, what, if anything, needs to be done about the condition of those who are poor? Is a society of individuals in any way compelled to be concerned about those who fail to realize the ideal on which it is founded? At the end of our study of poverty, we consider how we might answer this question in the affirmative, and how regard for others might develop outside the moral order.

Though we may still apply a notion of justice as freedom to the problem of poverty, thinking about poverty in the way we suggest tends to remove it from the terrain of inequality and justice, placing it instead on the terrain of capability and opportunity. These are no doubt overlapping regions, but they are not the same space. We wrote this book in part out of a conviction that poverty is a much more important question than inequality and therefore a more important question than justice defined on the basis of equality. Put another way, we seek to focus attention on poverty and the poor rather than on the relationship between those who are poor and those who are not. We do so on the grounds that if you are poor your problem is that you lack something vital for living. This does not become a problem because others have what you do not; it is a problem regardless of the circumstances in which others find themselves.
Acknowledgments

Some material included here was originally published in the *American Behavioral Scientist*, vol. 43, no. 2 (October 1999), the *Review of Political Economy* vol. 16, no. 1 (January 2004), and by the University of Denver as The University Lecture (Denver 2004). Preliminary versions of ideas developed in the book were presented at the University of Vermont, the University of New South Wales, and St. Michael's College (Vermont).

Abu Rizvi would like to thank Elaine McCrate, Stephanie Seguino, Ross Thomson, and Jaafar Rizvi for helpful discussions. He would like to dedicate his contribution to this volume to his father and to the memory of his mother.