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JOHN VEIT-WILSON'S PAPERS  
ON CONCEPTS, DEFINITIONS AND MEASURES OF POVERTY,  
ON INCOME ADEQUACY AND ON MINIMUM INCOME STANDARDS.**

**NB: this is the original text of the article below. If you want to quote the page numbers on which passages appeared in print, you will have to check the published book [but see note below]. John Veit-Wilson asserts his moral right to be identified as the author of this work.**

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Note that the published version of this paper was editorially altered and differs in significant respects in its references to the closure which discourses impose. Policy Press kindly inserted corrections slips into copies of the published book. The original text given here conveys what I wanted to say.

**HORSES FOR DISCOURSES: POVERTY, PURPOSE AND CLOSURE  
IN MINIMUM INCOME STANDARDS POLICY.**

#### *ACKNOWLEDGEMENTS.*

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#### *ABSTRACT.*

Reviews of poverty research within and between countries reveal that the concepts, definitions and measures in use vary discrepantly. Research into Governmental Minimum Income Standards shows that a major barrier to unambiguous communication is the unexamined problem of discourse conflict and closure, both manipulative and unreflective. Failure to clarify the interaction of disparate purposes for poverty measures and the variety of discourses in competing use before examination of poverty or deprivation problems or policy-making vitiates productive analysis and constructive dialogue on solutions, both theoretical and policy-oriented.

#### *AIM OF THIS CHAPTER*

There is in fact no single measure (of poverty) that can be used in all circumstances. ... How poverty is studied, the method used, depends on the conceptual framework and the dominant preoccupations of the researcher or research sponsor. (Bradshaw, written 1992, published 1997 p 54)

There is a growing consensus that no single definition of poverty is capable of serving all (research) purposes ... (Kohl 1996 p 277)

Horses run best on the race-courses which suit their individual characteristics. The same is no less true of the use of definitions and measures of poverty and of minimum income standards, and of the diverse discourses in which they are expressed. This chapter addresses the questions Kohl and Bradshaw raise about social science research by reporting on the diverse ways in which ten countries use rough notions about poverty to set their Governmental Minimum Income Standards (hereafter called MIS). MIS are defined as the *political* criteria of the adequacy of income levels to achieve

some minimal level of living. These normative political standards are not the same as the empirically-derived standards used in social science, though much ordinary debate wrongly assumes they are interchangeable. The reasons for asserting this and the findings as a whole are reported in *Setting Adequacy Standards: how governments define minimum incomes* (Veit-Wilson 1998) and further detailed references are therefore omitted.

Both Kohl (1996) and Bradshaw (1997) report at length on epistemological and methodological muddle in the academic study of poverty, and scholarly repetition here of the case they make would exhaust both the publisher's purse and the reader's patience. This chapter takes their case as read (a possibly dangerous assumption) and complements their analyses with a tentative explanation for some of the muddle, since similar muddle exists in the conflict of discourses in unreflecting use in the political world of MIS. It concludes that both poverty researchers and MIS policy-makers must pay careful attention to discourse usage, whether it applies to the poverty problem being researched or the conventional dominant culture of the country in question.

Nevertheless, we must first set the scene by considering the variety of purposes for which poverty measures of some sort may be required. Are the ostensible purposes of research or policy-making consistent with the concepts, measures and standards available and in use? In which available discourse are they expressed, and what consequences do these choices have for both government policies and the poor by favouring some options and excluding others?

The confusion described by Bradshaw and Kohl is not new. Perception of the issues has been confused for at least a century since Seebohm Rowntree used a behavioural measure to identify and then count the poor and a heuristic budget measure to devise an income too low to live on (Rowntree 1901). References to his work as if he devised a ('primary poverty') budget adequate for minimal social life and used it to identify and count the poor continue to be widespread and wrong (Veit-Wilson 1986a, 1986b), but, together with persistent confusions between financial, statistical, behavioural or relational approaches to poverty, they exemplify the problems which demand clarification. Particularly in the UK, both research and policy debate suffer from a history of incomprehension and officialdom's resistance to discussion of poverty issues (Veit-Wilson 1989; 1997).

### ***SEVEN PURPOSES: REASONS FOR WANTING OR SEEKING A POVERTY MEASURE***

There are at least seven distinct reasons why researchers or policy-makers might want a discrete measure of poverty, embodying a single concept or definition. An earlier paper written in 1991 suggested five purposes (Veit-Wilson 1997), but further reasons subsequently became clear and more may yet do so: there is nothing final about this formulation, nor the coincidence of finding seven discourses. Further research and analysis is needed to clarify the issues. The chapter outlines these purposes before briefly reviewing the seven discourses found. It then reports on the ways in which these purposes interacted with the discourses conventionally used in the ten countries studied, and in the UK, and draws attention to the policy closures (what becomes invisible or inadmissible) implied or imposed by convention or choice.

#### ***Normative approaches.***

Historically, the social actors concerned to identify poverty measures were members of the ruling or intellectual elites. The ways in which the purposes developed exemplified the top-down Us and Them normative approaches: We the Non-Poor want to do something to or about Them the Poor and need a measure to identify them. The interest of governments and power elites and the academics who serve them remains at this prescriptive level.

Normative approaches are arbitrary: the poverty measures adopted reflect the particular problematics of the actors and moments. But if all poverty measures are inherently arbitrary matters of subjective opinion (as some assert) then poverty measures cannot be scientific. To hold a normative view of this kind excludes accepting the possibility that poverty measures could be found empirically.<sup>1</sup>

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<sup>1</sup> By scientific is meant, in Popperian manner, open to reliable test, replication and refutation. I am indebted to Gordon M. Fisher for this observation, which is based on his detailed studies of past and present approaches to poverty conceptualisation and measurement in USA.

### ***Empirical approaches.***

It was only during the mid-twentieth century that pioneering social scientists such as Brian Abel-Smith and Peter Townsend started to ask the question, what would empirical social surveys reveal about what *the population as a whole* says about the nature of conventionally-defined needs and deprivation-poverty, and discover empirically at what income levels the social experience of poverty is in practice avoided.<sup>2</sup> This approach took it for granted that since 'poverty' is a socially constructed phenomenon, one must seek its conceptualisation and facticity in societies empirically. From this perspective, science may study but must not uncritically adopt either taken-for-granted elitist normative understandings, nor commonplace politically-expedient prescriptions and practices.<sup>3</sup>

Empirical studies of the population's views about poverty have been developed with two distinct purposes. One purpose is to **report** what the population on average would consider a minimum disposable cash income sufficient to avoid poverty as ordinary people themselves experience it. This is the method developed at the universities of Leyden and Antwerp (see Van den Bosch 1993). The other purpose avoids begging the question of what that social definition of poverty is, by surveying the population to **discover** what people consider to be the essentials of minimally decent life which no one should be without; it then discovers statistically the income levels at which that population actually manages in practice to achieve the minimum levels of living so defined. These roughly reflect the indirect and direct approaches to poverty (Ringen 1988); in the former, income estimates act as explicit proxies for the lowest level of living tacitly acceptable (Veit-Wilson 1987).

### ***The centrality of money.***

Both of these empirical approaches start from the assumption that while the characteristics of deprivation and social exclusion can be found across the economic spectrum, the characteristics of poverty are never found amongst those with enough money who choose to avoid them. To be blunt, *poverty is about an enforced lack of enough money to buy a socially-defined minimum level of living* (Mack and Lansley 1985 chapter 6; Walker and Walker 1997 p 8). Mack and Lansley concluded from their research that "the rich do not choose the lifestyles associated with the lack of necessities" [1985 p 96]. but the issue is not in the least a novel or mere debating position. As long ago as the eighteenth century, the writer and social observer Dr Samuel Johnson commented on the topic:

Sir, all the arguments which are brought to represent poverty as no evil, show it to be evidently a great evil. You never find people labouring to convince you that you may live very happily upon a plentiful fortune. [Quoted<sup>4</sup> in Hayward 1948 p 15]

While there is extensive but inconclusive argument about all else 'poverty' may consist of, it inevitably has a hard centre in every country or society where money is a major measure of power and status and the chief medium of exchange -- do individuals and families have enough money to participate in at least a minimally decent way in society, and not be excluded from conventional services and life-experiences by their lack of money to buy their way out of poverty (whatever else they may lack instead or as well)? To ask *why* people do not have enough money is a fundamentally

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<sup>2</sup> This is not the same question as asking what people who are currently poor say about their experience of poverty, a distinct but important topic publicised for years by the welfare organisation Aide à Toute Détresse (ATD) and discussed in Beresford et al (1999). The question of the degree of stratification of attitudes, standards and aspirations is highly problematic -- are 'the poor' a different set of people from the non-poor, with different views, or are they the same kind of people but in a different economic position? -- and forms part of the debate over the existence of a 'culture of poverty' or 'underclass'. For a dated but still relevant review of the key issues see Valentine (1968); Kempson (1996) provides extensive empirical evidence of the critique of the 'subculture' or 'underclass' notions.

<sup>3</sup> Some social scientists, as well as most politicians and government officials, still find it extraordinarily hard to accept this basic scientific proposition and go to considerable lengths to deny or dispute it; it is an example of discourse conflict. Who is privileged to 'know best' what poverty is and how to measure it?

<sup>4</sup> If it is right constantly to quote Adam Smith on socially-defined necessities, it must be equally valid to quote Samuel Johnson, especially as the argument he contested is often used today to justify ignoring the role of low income in causing other aspects of poverty, deprivation and social exclusion.

different question from *how much* money do they need, even though they are often confused: it demands different answers and policies.<sup>5</sup>

### ***The role of government.***

Ensuring that *all* the members of society, residents in or citizens of a nation state, have enough money is a clear role which governments can adopt or reject, but they cannot deny they have the ultimate power over net income distribution. Whether they have power sufficient to distribute enough of all other socially-useful material or intangible resources to protect against deprivations and exclusions, such as cultural capital or protection from risk, discrimination, exploitation or oppression, is a highly contentious and ideologically variable matter. The chapter therefore treats poverty simply as lack of sufficient disposable cash income empirically shown to be needed to take part in society decently and *contest* exclusion<sup>6</sup> through purchasing power. This is what is meant by 'a (minimally) adequate income'.<sup>7</sup>

Governments want measures for policy-making which are politically credible and exact in precise situations. They are less concerned with whether or not these measures are scientifically reliable. Conversely, social science methods produce results which are statistically probable but which are rarely precise; that is, it is in the nature of such findings that they are broadly reliable but do not exactly specify any one instance. Thus empirical approaches to report and discovery are mainly of interest to social scientists and others for whom the integrity of social science is more important than political credibility. Since these two empirical purposes are widely discussed elsewhere (eg Berghman and Cantillon 1993; Gordon and Pantazis 1997) the chapter will confine itself to the others.

### ***Five normative purposes.***

The other five purposes for poverty measures are all more likely to be associated with those who want to do something to or about the poor. In that sense they can be described as prescriptive in their approach; that is, although describing or counting the poor may superficially be a purpose for social scientists conducting empirical research, the underlying question is *who for?* Such prescriptive purposes are, in no significant order:

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<sup>5</sup> Most academic commentaries carefully use phrases such as 'material resources' or 'disposable or discretionary incomes' or include stocks of wealth as well as flows of income, to be more accurately inclusive than 'money'. But here the word money is used in an inclusive sense, since in the last analysis money is the most important material resource, and other material resources without money would not be sufficient in modern societies.

<sup>6</sup> Note the strong formulation (can the poor contest exclusion?) which focuses attention on *who does the excluding* by withholding opportunities for adequately paid work and other incomes, not weakly on the characteristics of the excluded alone.

<sup>7</sup> In no way does this prejudice the question of how far and in what ways governments ought to or do meet needs by providing the requisite goods, services and experiences in other ways. Nor does it pre-empt the question of how far Amartya Sen's 'capabilities' can best be provided for through the market or in other more direct ways in any particular country (since the ways differ between cultures and countries). However, having money to spend is in itself a capability in modern capitalist societies: "freedom to spend is part of essential freedom" (William Beveridge: letter to Seebohm Rowntree, 18 August 1942).

- To **describe** the appearance and life styles of the poor; and
- to **explain** why people seem poor. These are generally purposes for the non-poor.
- To **count** the numbers defined as poor; and
- to **compare** differing levels of living. If the poor could mobilise they might have these purposes, but generally it is the non-poor who want to know.
- To **prescribe** a boundary measure: for instance, a definition to divide the non-poor and included from the poor or excluded, or to prescribe income lines (for households of varying size and composition) to act as general MIS or as actual income maintenance system wage, tax or benefit rates.

In practice, governments often make use of their MIS for one or more of these purposes (see Veit-Wilson 1998 chapter 4). Countries which had used MIS for counting the poor included Australia, Belgium, France, Germany and USA, while Australia, Belgium, Germany and the three Nordic countries used their MIS as criteria of the adequacy of their income maintenance benefits; that is, for making comparisons of levels of living. But what was found to be far more widespread globally is the use of totally disparate methodological paradigms for one or more of these purposes, commonly behavioural or economic paradigms for describing and explaining the poor, and statistical or legalistic measures for counting, comparing and prescribing. Indeed, these methods are so embedded in unreflecting and taken-for-granted modes of thought, conventional epistemologies, that one can justly describe them as discourses.

### ***SEVEN DISPARATE DISCOURSES OF POVERTY***

*Discourse* is used here as a technical term meaning the 'package' of an epistemological and disciplinary paradigm with the grammar and vocabulary in which it is expressed, and embedded in an ideology of values and power to some end. The package may also carry value assumptions and implied prescriptions for action. As derived from Michel Foucault, a discourse is not coterminous with a science, a discipline, a paradigm or an ideology, though the boundaries may provisionally coincide, nor is it a logical or linguistic system alone. It is conceptually more diffuse than these formally distinct systems; it is a particular way of thinking and talking about a subject used by those with powers of various kinds (intellectual as well as social and political). Users may be unconscious of its problematic status; they take it for granted as appropriate. Or they may use it deliberately to pre-empt the possibility of other ways of thinking and talking about the subject, to invalidate the perceptions and devalue the experiences of those without relevant powers: what is often called *closure*.

In the poverty research and policy fields several discourses compete simultaneously and in parallel. The ten-country study of MIS found seven diverse discourses in use to discuss the subject of poverty as a whole and the bases of MIS in particular. Because of the diffuse nature of discourse, discussion was not usually prefaced by methodological protocols about the discourse or paradigm to be used; on the contrary, the very taken-for-granted nature of discourse often led to surprise, incomprehension or frustration on the subsequent discovery of different usages.<sup>8</sup>

The different discourses seemed on reflection to be distinguished by their (non-poor) users' implicit assumptions about the nature of the people whose poverty was being discussed. In some, poor people were assumed to have complex human individuality like other people, a view based on humanistic values. In others, the poor were discussed as if they were interchangeable units identified only by economic characteristics, statistical position or legal status. These are asocial abstractions often remote from empirical reality.<sup>9</sup>

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<sup>8</sup> This is a common experience in debate between academics and politicians where no one discourse is dominant, as in the UK.

<sup>9</sup> This distinction is no mere academic game but is profoundly important in the formulation of policy affecting real human lives. Poverty is centrally about human suffering, but as Arthur Koestler remarked about the Holocaust, "statistics don't bleed" -- hence the understandable frustration of those who want the non-poor to listen to the poor and learn about the realities of poverty.

The seven discourses are briefly outlined below<sup>10</sup>, with their inherent 'solutions' and targets. The notes also suggest some of the poor whose poverty is 'deproblematized' by each discourse's closure. Just as important but too extensive to indicate here is closure on the range of potential other anti-poverty policies which use of each discourse implies.

**(a) Discourses based on humanistic assumptions:**

**1. Structural.**

Structural discourse treats poverty as a severe or enforced lack of material resources to take adequate part in the level of living of dominant society. It is society itself which sets the standards of necessities and deprivations and which defines the resources required, such as disposable incomes. Social, political and economic structures and processes distribute opportunities and obstructions to the allocation of the various relevant resources. Broader forms of the discourse take account of control over all forms of necessary resources and life-experiences, collective as well as individual; the narrowest forms confine themselves to the disposable incomes required for minimally adequate participation.

Solutions: structural change in the social, political and economic institutions distributing control over all the resources required for the socially-defined necessities and to avoid deprivations, to ensure adequate minimum incomes for all.

Target: adequate levels of 'power over resources through time' (Titmuss) and life-experiences for all.

Closure: Depends on the degree of breadth, but in theory no form of poverty or the poor should be excluded by the broader forms. Focus on distributive institutional structures and material resources alone may however exclude observation of the relative powers of individuals and groups in imposing deprivations and exclusions or in experiencing them.

**2. Social exclusion.**

Exclusion discourse is commonly used in many different and often imprecise ways, some of which concern resource-poverty and some which have only a peripheral relation to it. Scholars have described a number of variants (see for instance Silver 1995; Bradshaw et al 1998; Levitas 1998; Byrne 1999). Poverty is defined relationally, as the identifiable categorical or spatial characteristics of groups or individuals which hamper or prevent them from taking an adequate part in dominant society. Disposable incomes are seen as peripheral or even irrelevant to the general problem of exclusion.<sup>11</sup>

Solutions: in the 'weak' versions of this discourse, the solutions lie in altering socially excluded peoples' handicapping characteristics and enhancing their integration into dominant society. 'Strong' forms of the discourse emphasise the role of those who do the excluding, and therefore aim for solutions which address the powers of exclusion as well as furthering integration.

Target: (weak) abolition of the defining characteristics of the excluded; (strong) abolition of the power to exclude. In both cases, inclusion or integration into mainstream society's patterns of living.

Closure: the resource-poor who lack the defined characteristics of social exclusion such as not being members of identifiable 'excluded' groups.

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<sup>10</sup> Readers are referred to the growing literature on discourses used to discuss poverty but which is not reviewed here, and to Veit-Wilson (1998 chapters 3 and 6) for more detailed accounts of poverty discourse usages encountered in the ten countries studied.

<sup>11</sup> This should not be confused with the structural discourse's use of the expression that lack of resources excludes people from participation. The European Union uses this expression in its definition of poverty and in 1992 recommended member states to set MIS to reflect the resources needed for adequacy. But several, including the UK, have still not done so.

### 3. Behaviouristic.

Poverty is expressed in the form of unacceptable behaviours deviating from the 'respectable' behavioural norms of dominant society or as dysfunctional to standards of conformity, for instance as the deprived or depraved lifestyle of a subculture or 'underclass'. The inadequacy of people's power over resources is seen as irrelevant to the question of how they behave.

Solutions: behavioural re-education and personal adjustment of the poor.

Target: no deviant 'poor' behaviour as defined by the non-poor.

Closure: the 'respectable' or 'invisible' resource-poor.

### 4. 'Egalitarian average'.

An arbitrary label for a common discourse used to discuss social difference in the small-scale, culturally homogeneous, democratic Nordic societies. It denies or plays down the existence of poverty because the 'real' issue is problematic divergences from the levels of living of average citizens in dominant society.

Solutions: since minimum incomes were assumed to be adequate, solutions to problems of divergence and deprivation are held to lie in enhancing personal access to a range of conventional resources and experiences.

Target: greater social and economic equality: no one should have resources or experiences 'too far' from the average.

Closure: poverty and the resource-poor. Users of the discourse did not address the distinction between the empirical act of discovering the distribution and average, and the normative act of defining some divergence from it as problematic (when is an inequality intolerable and to whom?).

#### *(b) Discourses based on asocial assumptions.*

### 5. Statistical inequality.

A globally widespread and politically influential discourse which represents poverty as a statistical condition: having an equivalised household or individual income or expenditure (as a proxy for achieved level of living) less than some specified percentile of mean or median of the national distribution of incomes or expenditures, before or after housing costs or taxes. A common expedient measure globally used in recent decades has been half of mean incomes; while this is gradually changing, it is currently unclear if the proposed changes have any basis in evidence of income needs. In a variant of this statistical discourse low income poverty is defined as, for instance, the average income level of the lowest quantile (often decile) of relevant household or tax units.

Solutions: income redistribution until the lowest incomes are equal to or greater than the specified percentile. Lowest quantiles cannot be abolished, but their average incomes can similarly be raised above the statistical threshold. The solution of squeezing the bottom of the income distribution is not radically egalitarian as it remains problematic how far the highest incomes must be reduced to achieve the statistical target.

Target: no incomes less than the specified percentile of national distribution.

Closure: the poverty experienced by people with incomes or expenditures above the specified percentile. Empirical evidence shows that relevant socially-defined enforced deprivations also commonly occur at income levels *above* the half of mean or median incomes commonly used (Townsend 1979; Mack and Lansley 1985; Waldegrave and Frater 1996; Gordon and Pantazis 1997). However, if the critical percentile were itself flexibly based on changing *empirical* evidence of the relation between the income required for participation in each country and average incomes (instead of expedient decision by statisticians or officials as currently), it might exclude only units in exceptional circumstances.

### 6. Economistic.

Economistic discourse treats human behaviour as if it conforms to the formal models of certain kinds of simple individualistic economic theories. Human motivation is believed to be based simply on the maximisation of material rewards through 'rational' choices, and other social and psychological motivations are dismissed as non-existent or irrelevant. Poverty is then the result of

failure to make the 'right' choices in for instance acquiring cultural capital for the labour market or in movement within it, or in 'irrational' economic behaviour over time. Elegant theoretical modelling is more important to the maintenance of this discourse than is empirical social survey evidence about human behaviour, which often fails to support it.

Solutions: people should behave in rational ways according to the formal models embodied in these economic theories; in increasing their labour market supply qualities, in calculating risks rationally and accurately, and in always saving sufficient for future contingent needs.

Target: efficient labour force reproduction where and when needed; no social or economic dependencies as imperfections in capital accumulation.

Closure: individual poverty is not problematic; collectively, poverty is a macro-economic problem of lack of aggregate demand. The discourse excludes all human experience and all social values and psychological motives other than individualistic materialism. Insofar as the users of the economic discourse address questions of minimum incomes at all, they tend to adopt some naive notion of physiological subsistence as the irreducible minimum for reproducing labour power, thus denying the validity of unmet social and psychological needs.<sup>12</sup>

## 7. Legalistic.

Legalistic discourse identifies poverty with pauperism: what is problematic is the characteristics of those identified as poor by their receipt of social assistance or their apparent entitlement to it. Concern about the burden of pauperism goes back as long as the histories of the Poor Laws in different countries, but that is not the issue here: this discourse explicitly identifies the poor's 'dependency status' as the central criterion of poverty rather than their lack of resources (as originally expressed by the German sociologist Georg Simmel in 1908). It has become globally used in treating national social assistance benefit levels as defining characteristics and calibrators of poverty. Poverty is a negatively valued legal status at the bottom of a hierarchical but in principle integrated society, and the minimum resources associated with it are those which the government has decided to pay, whatever political rather than scientific considerations they are based on.

Solutions: ensuring that everyone gets the social assistance benefits they are entitled to will deal with 'invisible' poverty. Whether or not the level is adequate for social participation is irrelevant as long as the statutory requirements have been met.

Target: effective poverty policy means all those eligible will claim social assistance. Poverty abolition implies everyone is ineligible: when no one claims social assistance or is entitled to claim it, pauperism is abolished.

Closure: discounts the deprivations of all the poor not entitled to claim social assistance or with incomes above social assistance eligibility levels, for instance the working poor (whose economic poverty Simmel acknowledged but which he considered not as 'dreadful' as the paupers' legal status which excluded them from 'decent' society).

### *An apology for brevity.*

This brutally short summary cannot do justice to the complexity and sophistication of the ways in which these discourses are used, often in elaborated forms which form intellectually satisfying structures for their users. Some conscious users (among academics and politicians) switch easily between discourses to manipulate target audiences who may not be aware of the incompatibilities. Some users suffer from *cognitive dissonance*, a term for the apparently unconscious ability to hold mutually incompatible views simultaneously. The issues of discourse dominance and plausibility depend on the relative power of their users in the relevant academic or political arenas and the audiences to whom they are addressed. While the chapter continues by reporting next on the disparities between purpose and discourse which the MIS study found, it cannot claim to offer explanations which need far more intensive research and complex theories.

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<sup>12</sup> As individuals, users of the economic discourse naturally vary widely in their beliefs, but in my experience they tend to use non-monetary discourses -- exclusion or behaviouristic -- when discussing the individual human aspects of deprivations and policy to combat them.

## ***DOMINANT DISCOURSES AND DISCREPANCIES***

### ***IN THE DISCUSSION OF POVERTY.***

In each country the MIS study found that there were discourses which seemed to be broadly taken for granted by both researchers and policy-makers as appropriate for discussion of issues surrounding poverty and related policy. These are described here as dominant.

#### ***Dominant discourse for discussions of poverty and the poor:***

##### ***Humanistic values:***

Structural: Australia, Belgium, Netherlands, New Zealand.

Social Exclusion: France.

Behaviouristic: USA (also economic).

Egalitarian: Nordic countries (Finland, Norway, Sweden).

##### ***Asocial values:***

Statistical: (Luxembourg Income Study; OECD; global usage).

Economic: USA (also behaviouristic).

Legalistic: Germany.

In practice, a country's dominant discourse did not always address each of the purposes for which a poverty measure or MIS might be sought. Setting a MIS by definition involves some kind of quantification in cash terms of the cost of a notional minimally adequate level of living. The more vaguely this is conceptualised and expressed, the harder it may be to quantify it, and the dominant discourse may not lend itself to quantification of the concept of poverty. Governments then adopted other methods drawn from other discourses on what seemed a pragmatic basis. The apparent discrepancies found by the study are examples of issues with which this chapter is concerned. While they can be no more than tentative, some examples follow to illustrate the issues of discrepancy and closure.

#### ***Dominant discourses and some methodological variations used in formulation of MIS and derivatives.***

##### **Structural discourse.**

Australia: the MIS used *statistical* percentages of a poverty measure based on minimum wage structures or of average earnings. As in other countries, the use of percentages of an otherwise arguable foundation in the construction of an MIS or for its derivatives raises the question of the empirical justification for those and not other percentages.

(Belgium: did not use its empirically-based MIS to prescribe income maintenance but only for counting and comparison.)<sup>13</sup>

Netherlands: the MIS is the statutory minimum wage, but derivatives were related to it by formula driven sums, a kind of *statistical* assumption.

New Zealand: the MIS before 1990 used *statistical* percentages of the wage structure; after 1990, it used *economic* calculations (a minimum subsistence budget).

##### **Social exclusion discourse.**

France: the MIS is an originally *economic* minimum wage based on subsistence budgets. However, it was periodically updated in *statistical* percentages of national prices and earnings indices.

##### **Egalitarian discourse.**

Finland and Norway: The MIS are politically consensual negotiated minimum pensions, but their derivatives were expressed as *statistical* percentages of it.

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<sup>13</sup> Strictly speaking this was not official but the government accepted it as a valid criterion of adequacy. It was the sole example of a scientific measure being used as a MIS, probably because the academic lawyer of social security who developed it (Herman Deleek) had been a Senator and had chaired a government enquiry into the establishment of minimum incomes.

Sweden: the MIS is a set of 'reasonable' household budget recommendations based on *structural* considerations of normal modest but adequate levels of living in Sweden. The budget source data were not inconsistent with the egalitarian discourse, but their use implied that a structural account of an inadequate, 'unreasonably low' budget could in theory be given -- in other words, an approach to a poverty measure denied by the dominant discourse.

#### **Economistic and behaviouristic discourses.**

USA: the MIS is an originally *economistic* minimum subsistence budget (the 'Orshansky' poverty measure), and *statistical* measures are also used in some contexts for MIS purposes. Because of the overwhelming dominance of the economistic and behaviouristic discourses of poverty, there are many studies of 'the poor' (as identified by statistical or behaviouristic criteria) but the effect of the discourse closure is that no one has yet carried out an empirical study in USA of the public's definitions of poverty and its associated extent, and this in spite of the dominance of public opinion studies in all other walks of life.

#### **Legalistic discourse.**

Germany: the MIS is Federal recommendations to Länder for social assistance rates, which were based on national statistical data on the *structural* level of living of households with earnings levels some 20 per cent higher than those of social assistance rates for similar households. The measure at first sight seemed somewhat tautologous, which was consistent with the legalistic approach but then raises questions about the basis of the statistical margin and counterfactuals allowing other structurally-defined household levels of living to be taken as the comparators. Reports to the study showed that the actual basis of government decisions was expedient and economic: the pattern chosen had to fit within political parameters, and when it exceeded them it was suspended in 1993.

These discrepancies do not paralyse policy-making in most of these countries. They were found as ways of adjusting dominant discourses to the realities of policy-making and reflect pragmatic compromises. MIS require quantification, and if the dominant discourse does not offer it, it is chosen from another. When it comes to incomes, the policy-makers in most countries recognise that their prescriptions for MIS or its derivatives will arguably have to reflect some sort of direct measure of the minimum level of living. This means tacitly or explicitly recognising the centrality of 'enough' money, a fundamentally structural notion.

Nor did anyone find the use of statistical proportions of some given standard questionable, even if (in scientific terms) they may have no status as reflections of a minimally adequate level of living. The use of statistical percentages of MIS for prescribing some parts of the income maintenance system was sometimes a matter of pragmatic and expedient adjustment and sometimes of normative evaluation. The egalitarian Nordic countries which recommended a norm for their basic social assistance benefits at 80 or 85 per cent of their minimum pension rates were not treating the percentile as having anything more than indicative value of the reasonableness of the differential, when the actual social assistance payments would anyway be adjusted upwards to need in individual cases. By contrast, the use of percentages of median family incomes in USA as a MIS for means testing eligibility for certain Federal benefits was ascribing normative value to the statistical fact without any consideration of the quality of the level of living which such median incomes supported or the boundaries of inadequacy which might have exceeded it or fallen below it. In USA 'the poor' were discussed in behaviouristic terms, while in Germany they were social assistance claimants and in France they were the excluded; but in these countries 'low incomes' were discussed in economistic or statistical discourse; virtually no one discussed the poverty boundary in structural discourse.

The UK was not included in the MIS study since it lacks one, but the situation in the UK in 1999 most clearly exemplifies the issue of purpose and discourse discrepancy and is therefore worth mentioning here. The dominant academic discourse is *structural*, and its purposes are empirical discovery and report. But the political players have long denied the validity of any empirical poverty approach for description, explanation, counting, comparing or prescribing, even though government pursues each of these purposes. The UK government's discourses vary according to policy arena and purpose:

- In *describing* poverty, the New Labour government employs *social exclusion* discourse very explicitly to close off others which might have public expenditure implications.
- But its *explanations* are expressed in *economistic* (unemployed and other social assistance claimants) or *behaviouristic* terms (lone parents).

- An *economistic* discourse of individual opportunity and economic growth explicitly closes off *egalitarian comparisons* which formerly would have influenced Labour Party policy formulation.
- The official method both of *counting* the poor and for quantifying the policy target of abolishing child poverty<sup>14</sup> (which is described in *exclusion* terms) continues to be expressed in purely *statistical* terms (households below half average income) -- a measure introduced by the previous Conservative governments as a substitute for the preceding count of *legalistically*-defined social assistance claimants and others with similarly low incomes, in order to avoid having to confront any poverty issues at all.
- The *prescription* of a minimum guaranteed pension is in *legalistic* terms, relating it closely to social assistance levels.

It is understated to describe these inconsistencies of purpose and discourse as discrepancies; to an observer, the UK governmental approach to debate over poverty issues seems to reflect complete intellectual incoherence.<sup>15</sup>

In the context of international confusion, the lazy notion of 'official poverty lines', so common in cross-national research and discussion, loses all usable meaning. In which discourse is any official standard expressed, for what purpose is it to be used? What the MIS study showed was the importance to each country's political elite's culture of the general plausibility of the MIS for its acceptance, legitimacy and continuing use. This varied profoundly by dominant discourse. For example, in Norway and Finland where the minimum pensions were the MIS, the involvement of wide popular sectors in arriving at consensus on the reasonableness of the annual uprating was treated as highly important. In Germany the carefully constructed political consensus over the new budget-based MIS collapsed in the face of the costs of reunification and it was suspended in 1993. The change of government in New Zealand in 1990 led to the abandonment of an explicitly 'participation' level of MIS based on Royal Commission recommendations and the substitution (with US Treasury advice) of a minimum subsistence approach to setting the social assistance levels. The administrative courts in the Nordic countries or Germany, called upon to interpret the statutory 'reasonableness' of benefits, over time influenced the ways in which benefits were related to the MIS.

Behind both empirical findings about poverty's social values, attitudes, experiences and practices, and behind MIS, lie common notions of adequacy for some sort of minimally acceptable level of living in time and place, but in practice there seemed to be little which linked them in any identifiable let alone formal sense. The distinction is emphasised by the weighty and valuable US scientific review of what Americans persist in calling inaccurately the 'poverty measure' (Citro and Michael 1995). Its conclusions about the essentials of a credible MIS are very apposite and indisputable: it must be (1) publicly acceptable, (2) methodologically defensible and (3) administratively feasible. But compare these criteria of political credibility with those of an empirical poverty measure: the findings of research must of course be methodologically defensible, but the public may be unaware of or opposed to them and the question of administration is irrelevant.

The distasteful fact is that confronting the political price of the abolition of poverty in structural terms is not among the purposes of most governments and many scholars and so the structural critique underlying this chapter may have no leverage on them. The adequacy of minimum incomes to combat structurally-defined poverty was not even seen as an interesting question in all the MIS countries. In some, though, the MIS was used as an adequacy comparator more broadly than its ostensible function in prescribing parts of income maintenance, and the 'poor' were identified and counted in some countries in terms of the MIS. Thus in France the minimum wage MIS had been used for this purpose in 1976, but subsequently the discourse changed to social exclusion which was far harder to quantify. Germany's legalistic discourse provided a useful administrative criterion easily quantifiable for identification and counting, and only during the 1990s has German academic research started to ask structural questions about the definition and thus quantification of poverty and

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<sup>14</sup> Written Answer by Economic Secretary to the Treasury to Steven Webb MP, 14 April 1999 (OR, WA, Col 244).

<sup>15</sup> It may be that officials have perfectly consistent and logical policies against even structural poverty but do not reveal them for political reasons. Politicians naturally have answers to such criticisms, and each disparate discourse may be designed to satisfy a different uncritical but politically significant audience. But critical social scientists are rarely among them.

the poor, naturally producing answers which differed from the legalistic ones.<sup>16</sup> But it may not be accidental that the largest scholarly efforts to measure the extent of poverty across the globe, supported by international organs of governments as well as nationally, have been expressed in the statistical inequality discourse which is totally devoid of any human structural or even behavioural content. A measure of income inequality (which may be worth measuring) is not an effective substitute for an empirical measure of deprivation and its income correlates. Indeed, from a structural discourse perspective the statistical inequality discourse of poverty is literally meaningless: it is incapable of reporting anything at all about the nature of socially-defined deprivations or the income levels at which they occur in any society or time. Such purposes might raise political and economic distributive questions unwelcome to governments, and to the extent that academic research nowadays often has to find a 'user or customer' to sponsor it, it may avoid engagement with these questions as well.

### ***CONCLUSION: DISCREPANCIES, POLICIES AND CHOICES.***

If our objective is the development of mutual understanding of the social phenomenon of poverty (meaning lack of income resources adequate for socially-defined participation) and the ability to identify and count all those so affected in any country, then the existing situation is already marked by confusion (as Kohl (1996) and others have noted before). If policy to combat or even abolish poverty is to be developed, the situation is even more confused. There is an obvious discrepant misfit between the discourses conventionally used even by ostensibly informed scholarly academics (never mind manipulative or ignorant politicians) in discussing poverty issues and the purposes for which poverty definitions and measures might be required. This is not to claim that policy against poverty is vitiated by the deliberate maintenance of such discrepancies, but it certainly is not helped by them.<sup>17</sup>

A role of scholarship is to analyse and dispel the mystification and closure involved in such discrepant practices, whether inadvertent or manipulative, and this chapter has done no more than point to such problems as exemplified in government practice in a range of countries. But effective poverty research for good policy-making cannot advance on a global or national scale until these purpose and discourse issues are confronted and the discrepancies and conflicts resolved. To continue to deny money's central role or to treat all poverty measures as merely subjective, as politicians often do, is as fatuous as arguing about the earth's magnetic field. It is invisible but can be detected with the right instruments, and while science shows it varies from place to place and over time, its existence cannot be denied or adjusted on the grounds of political expediency.

To return to the metaphor in the title of this chapter, then: ignorant punters are free to gamble on the horses and lose, but those who aim to win must study form and choose the horses best suited to the course on which the race is in fact to be run. If our politicians (I name no countries) behave like gamblers with our taxes in dealing with poverty policy, wouldn't we prefer them to be better at it and to win instead of constantly losing? The form book must therefore be rewritten to take account not only of the diversity of horses -- the competing purposes and methods deplored by Kohl, Bradshaw and others -- but of the variety of dominant discourses which determine the differing characteristics of the race courses. The responsibility for clarification of these epistemological and methodological issues and for better practice therefore lies with the scholars and researchers to whom this chapter is addressed.

<sup>16</sup> For example Andress (1996). The dynamic research of Leisering and Leibfried and others was based on a legalistic definition but because it sampled longitudinally and not cross-sectionally it produced different quantitative findings to normal administrative reports: (Leisering and Leibfried 1999).

<sup>17</sup> It is common knowledge that the discourse of social exclusion was deliberately adopted by European Community politicians in the 1980s as closure against the income redistributing implications of the previously-recognised structural discourse of poverty which was unacceptable to the governments of some countries. This is completely consistent with the parallel use of the statistical inequality discourse which equally disregards structural issues. The power of these discourses may explain the reluctance of some member states to set MIS as recommended by the European Commission in 1992.

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