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The Long  
Debate on  
Poverty

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R. M. Hartwell

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Social Welfare Research Program

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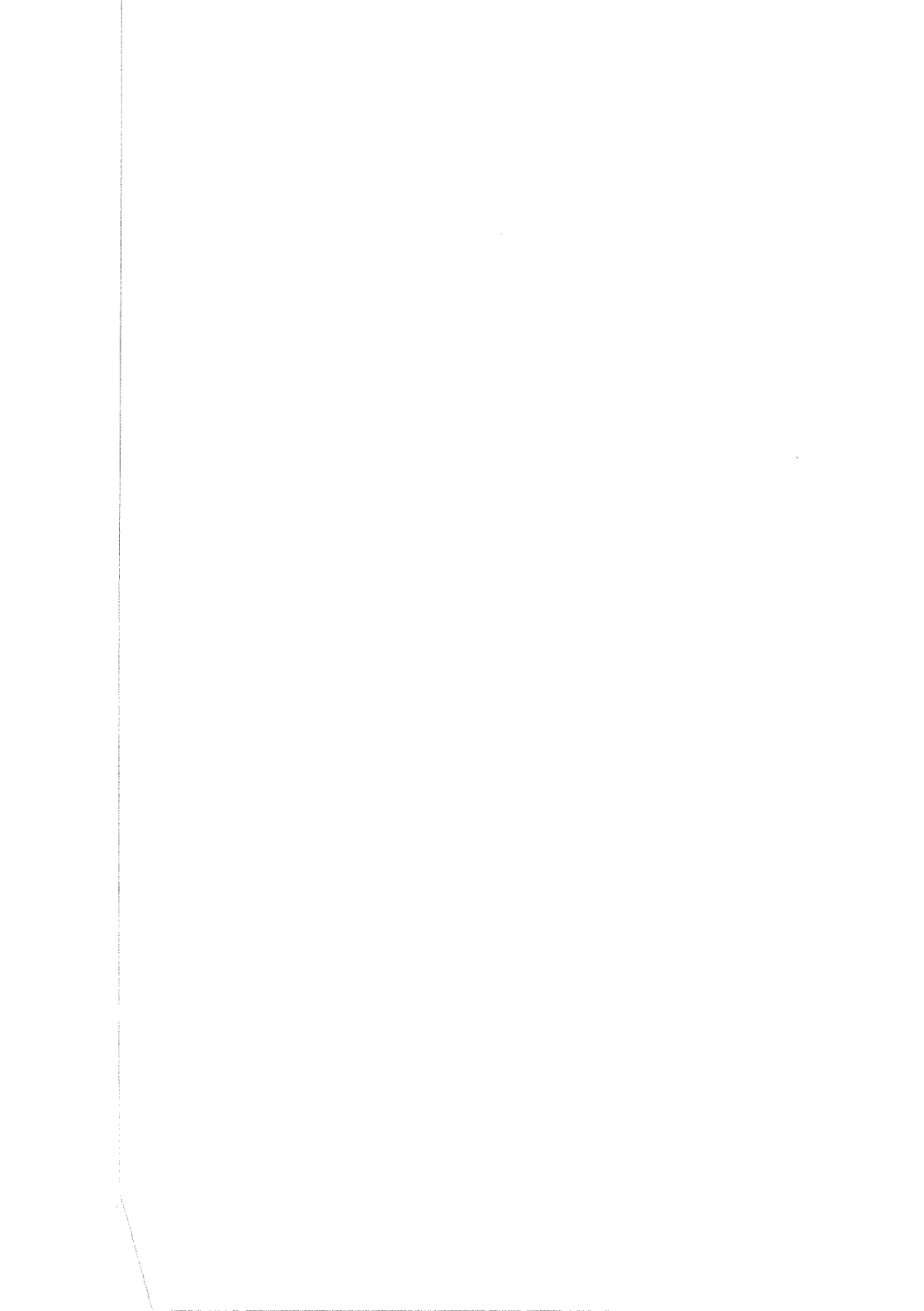
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# The Long Debate on Poverty

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# **The Long Debate on Poverty**

**R. M. Hartwell**

**Second in a series of published studies from the the Centre  
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# Foreword

Michael James

Few topics of debate are as ridden with fallacies and confusion as that of poverty. Several of these are perpetuated by today's 'poverty spotters' (as Professor Hartwell calls them). For instance, while the number of 'poor' in Australia is put at several millions and said to be growing, it is rarely asked why this should happen when the federal government alone spends more than \$15 billion per annum on social security. This silence diverts attention from any maldistribution of welfare benefits and perpetuates the belief that existing spending programs are always 'inadequate'.

Again, the causes and effects of poverty are frequently inverted. This is especially so in the case of the poverty of 'third world' countries, which is often blamed on an exploitative international 'capitalist system' that serves the prosperous West. This fallacy is adequately refuted by the experience of countries like Hong Kong and South Korea, both of which have progressed from poverty to prosperity in a single generation by competing on international markets. Yet sometimes such countries are accused of succumbing to the sin of 'materialism', as if permanent dependency on foreign aid was a sign of virtue.

A third, and especially pernicious, fallacy is the conviction that government intervention can, in principle, abolish poverty. While the open market order is condemned for falling short of perfection, the failure of official welfare policies are forgiven and then compounded, partly because of the presumed purity of the motives behind them and partly because of faith in the ability of governments to find the key to policy success.

The appearance of Professor Hartwell's book is itself a sign that this kind of thinking is already losing its hold on informed opinion. The Ethiopian famines have taught many Western people a bitter lesson in the near-impotence of international compassion in the face of brutal national policies. Similarly, the persistence of America's underclass of urban welfare dependents in conditions of virtually full employment has demonstrated the limits of the most well-intentioned transfer programs. But as Professor Hartwell shows, this kind of discovery has been made before: Britain's Poor Laws were reformed in the 1830s because it was generally agreed that existing forms of official relief were actually perpetuating poverty.

This is just one example of Professor Hartwell's more general point, which is that many popular notions about the causes and cure of poverty

are centuries-old, and have moved into and out of fashion with changing social conditions. But one extremely important idea that first emerged in the late 19th century has so far refused to fade away. This is the belief that poverty should be defined not in terms of subsistence — the minimum level of physical welfare below which one begins to die of deprivation — but in terms of 'an expected conventional standard of living' (p.9). Professor Hartwell claims that this deprives poverty of any objective meaning by making it relative to the prevailing standard of living. But it certainly provides the tools of the poverty industry: an upwardly-mobile poverty line, solemn debates about whether someone who can't afford a colour television set should be classified as poor, and a blurring of the distinction between poverty and inequality — thus ensuring that the poor will always be with us.

Despite the demands of the poverty lobby for more social spending (demands that will probably grow as the economy recovers and the budget moves strongly into surplus), welfare policy is already reverting to the approach of the 19th century British Poor Law reforms: to administer relief in a way that discourages dependency. No one who reads this book, however, will feel confident that a debate that has already lasted hundreds of years will be settled in the final decade of the 20th century, if only because those who search for poverty usually make sure that they find it.

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## About the Author

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# The Long Debate on Poverty

R.M. Hartwell

## I. INTRODUCTION

The political economy of poverty is a matter of universal concern and inquiry, but to imagine that this is a new phenomenon, the preoccupation only of our age, is to ignore history. It is to ignore just how long, in historical terms, the debate on poverty has been. Hesiod of Boetia, in his great poem *Works and Days*, portrays vividly what poverty was like in early Greece, discusses its causes, and questions its justice. The debate was continued through ancient, medieval and early modern societies, and was particularly intense in the 19th century. It is the purpose of this paper, by analysing the English debate on poverty, to demonstrate the historical roots of the problem of poverty, and the remarkable similarity between earlier and modern discussions of the subject.

The modern inquiry into, and analysis of, poverty centres, as it has through history, on two big questions: What causes poverty? How can poverty best be relieved or cured? These questions today are asked about two types of poverty, individual poverty and national poverty. There are poor people and poor nations. Individual poverty — within particular societies — is seen most commonly as a problem of distribution (of unequal and/or unfair sharing of output) or organisation (of an inefficient and unproductive economy), but also is often expressed in ethnic, class or regional terms. National poverty is the fate of economies that are poor, or underdeveloped, and whose poverty is often related functionally to the wealth of the rich economies. The poverty of the 'Third World' is not the concern of this paper, but it is important to note that this too is not a new concern. Adam Smith's *An Inquiry into the Nature and Causes of the Wealth of Nations* was just that, and the usual reference to it as *The Wealth of Nations* misses the essential universality of its argument. Smith explained the difference between stationary, declining and advancing economies — China, Bengal and the North American colonies, for example — by the nature of their governments and political systems. And when he thought of individual poverty, he saw its solution in the advancement of the national economy. Individual effort,

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he argued, impeded but not completely frustrated by 'the profusion of government', 'protected by law and allowed by liberty to exert itself in the manner that is most advantageous, ... has maintained the progress of England towards opulence and improvement in all former times, and ... it is to be hoped, will do so in all future times'. Smith wrote just as the Industrial Revolution was beginning, and just before a quickening of the debate about the Old Poor Law, which launched the massive 19th-century debate about poverty in England.

## **II. THE POOR WILL ALWAYS BE WITH US?**

Whether or not it be true that the poor will always be with us, it is certain that English poverty as a subject of inquiry has been with us for a long time. From the massive debate on the Old Poor Law in the early 19th century, and that on the working of the New Poor Law after 1834, through the great surveys of Mayhew, Booth, and Rowntree, to the Royal Commission on the Poor Laws of 1905 to 1909, to the numerous surveys on urban poverty of the inter-war years, to the discussions of Titmuss and Beveridge at the time of World War II, to a host of modern writers, English politicians, social scientists, humanitarians, and historians — all have surveyed, analysed, measured and explained poverty, have moralised endlessly about it, and have suggested remedies for it. But the subject has an even longer history. Colquhoun pointed out in his *A Treatise on Indigence* of 1806 that 'many of the ablest and the best men whom this country has produced, have, in the course of the last two centuries, employed their thoughts and communicated their ideas on the means of ameliorating the condition of the poor'; 'without producing', he added, 'any salutary arrangement calculated to remedy the excessive evil'. (Colquhoun counted 49 works on poverty between 1524 and 1676 and 42 between 1676 and 1806.) The problem of poverty was also a matter of concern — practical and theological of the medieval church, of the canonists of the late middle ages, and of Tudor statesmen. The longevity of the debate, its failure to explain poverty, its failure to produce a remedy for poverty, its political overtones, its attraction for some of the most influential of social thinkers, indicate perhaps that poverty indeed will always be with us, as an inexplicable and insoluble problem.

Interest in poverty has been variously motivated. If in the Middle Ages the interest was moral and theological, and in the Tudor Period largely a response to the problem of vagrancy, interest in the early 19th century was fiscal and in the late 19th century fiscal, moral and prudential. The modern historian, for example, studies poverty for at least three reasons. First, poverty in a real sense is the basic substance of the human condition; for most of history most of mankind has been poor; to study history is to study poverty. Second, the modern fashion

in history and social studies is to study 'the mass of the population', the 'working classes' who have always been poor, at least relatively, rather than, or as well as, 'the middle and upper classes'. Third, the problem of poverty features as a central and emotional subject in an ideological debate about capitalism and 'the market order'; about what economic system is the most desirable, on moral and efficiency criteria. A great volume of modern historical writing on poverty is an intrinsic part of the denunciation of capitalism and can be interpreted, at one level, as political pamphleteering.

On the first reason — really a commonplace admission about the material condition of mankind over history — it was rare until very recently for the historian to argue explicitly that poverty is, and should be, a prime study of history despite the fact that the two dominant characteristics of human societies over history have been, on the one hand, poverty, and on the other hand, servility. Over most of history most people have been poor, usually very poor, and in terms of status in the societies in which they lived, servile and subject to varying degrees of coercive control by a minority group. Thus the fate of the mass of mankind has been a brief existence characterised on the one hand by poverty, hunger, dirt, disease and ignorance, and on the other by fear, servility, coercion and immobility. Even with change, and change is endemic in history, most people's lives either were made worse or went on much as before; between fighting in wars, for example, men went on tilling the soil, harvesting, procreating and surviving at much the same low standard of living.

If history is about poverty and servility, however, it is also about wealth and freedom. It is interesting to note that most historians have depicted the history of modern Europe as the history of increasing freedom, rather than as the history of decreasing poverty; freedom, achieved by the progressive diminution of the coercive and arbitrary powers of autocratic rulers and authoritarian governments, rather than the erosion of poverty by economic growth. But can they be separated? If the growth of European liberalism resulted in societies of much greater individual freedom and autonomy, including economic freedom, enabled the individual to exercise his freedom over a wider range of choices and opportunities, further enhancing individual development and creating pressures for even greater freedom. If most of history can be depicted as the history of poverty and servility, the history of modern Europe can be seen as the history of economic growth and freedom, of the diminution of both poverty and servility. The interest of many modern scholars in poverty, however, is its persistence, not its diminution; to them, poverty is the consequence of freedom, the freedom of the market place, which ensures inequality and 'relative poverty'; indeed, the conventional story of the Industrial Revolution was that it resulted not in increasing living standards but in increasing poverty.

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On the second reason I will be brief. History is about people, about all people, including the poor. As it developed as a subject, however, history was concerned mainly with the 'makers and breakers'. In seeking the sources of change in history, historians pictured change as originating in the ideas and actions of a small number of individuals, whose activities shaped the lives of the rest of society. Modern social history, however, attributes change in history to the resolutions of the competing actions of collectivities, of which, it is often asserted, 'the working class' is the most important. There is no doubt that the social historians have effected a salutary expansion of historical interests, but what began as a liberating and enriching diversion has tended to become a constraining and impoverishing imperative. The study of the working class, that is, the mass of the population, its poverty and its conflicts, has become the total of history! To the impartial spectator it could seem that social history is only the history of labour.

On the third reason, in many ways the most significant, it is clear that many historians are prompted by contemporary concerns, by political commitments that incline them to politicise history and to use it as a weapon in ideological debate. The motivation is seldom pure, however, so that other motives also operate; for example, a humanitarian concern for the poor; a morbid curiosity and anthropological interest in 'the lower orders' of society; even a genuine interest in the past. But the signs of politicisation are to be detected in the didactic tone of much of the historical writing about poverty, in expressions of indignation and a search for villains, and in the comfortable assumption that poverty could and should have been alleviated or abolished. Writing about poverty, whether in the past or today, becomes a condemnation of the economic and political system that generated poverty, and of the governments that did little about it. Thus the study of poverty is used also to confirm views about market economy and *laissez-faire*. The endemic and apparently irremedial poverty of 19th-century England is used to prove the failure of the market system of capitalism from its beginnings. The history of poverty becomes, therefore, part of the contemporary debate about capitalism. If some historians study historical poverty to confirm views about capitalism, others study it to confirm a theory of history that centres on immiserisation, class conflict and revolution. Evidence of the increasing poverty of the working classes that allegedly occurred during the Industrial Revolution confirms the Marxist theory of immiserisation. Much of the writing on poverty cannot be understood — as the debate on living standards cannot be understood — if it is read only as an objective contribution to history. It must be placed in the larger debate about capitalism; only then can the energy and passion generated be located in the political debate of which it is a part. There are historians who are trying genuinely to write about poverty, but the writings that have stimulated the most interest — world-wide interest —

are by historians whose historical skills, combined with a powerful political message, excite and rouse emotions that cannot be matched by historians writing history as it actually was.

The 19th-century interest in poverty was somewhat differently motivated. A period of unprecedented growth of wealth saw an exceptional and intense preoccupation with poverty and indigence, their causes and their cure. The interest early in the century was fiscal, originating in the escalating cost of the Old Poor Law, which gave rise to multifarious schemes for poor-law reform. All discussion in this period, however, was influenced by Malthus, whose explanation of poverty was plausible and, to the tax-payer, appealing. He argued that, given the human propensity to multiply faster than the supply of food, the Old Poor Law was not only expensive but also self-defeating, encouraging population growth in an already crowded nation. As Malthusian fears subsided — reality belied the Malthusian rhetoric — two other characteristics of 19th-century life inspired continued interest in poverty. The first was the visual impact of urban poverty — the obtrusive character of concentrated urban poverty, in contrast with pre-industrial dispersed rural poverty — which resulted in numerous official investigations and in aesthetic and moral revulsion in the minds and writings of many influential authors. Chadwick's *Report on the Sanitary Condition of the Labouring Population of Great Britain* (1842) and Dickens's *Hard Times* (1854) are examples of official social inquiry and the social novel that had wide impact. The phenomena of industrialisation, urbanisation and increased crime made urban poverty and its consequences a matter of widespread concern. But more than that: poverty was a paradox. Poverty created a dissonance in an improving universe, a flaw in an otherwise successful system. Moreover, could it be that poverty was converting the labouring classes into the dangerous classes? Was not crime increasing, and the danger of revolution? Did behavioural patterns change below a certain standard of living? Slum housing, defective public health facilities, endemic and epidemic diseases, crime and disorder! Were these the fruits of successful industrialisation? How were they to be explained in an obviously successful and wealthy society? I do not here discuss whether or not poverty and crime were increasing. I am referring to contemporary perceptions, formed on the observations that the poor were more numerous, more obvious and more worrying.

The existence of poverty also sat uneasily within the reality and idea of progress: the pervasive belief in a world of increasing social and economic well-being, a belief that improving social institutions and continued economic growth would surely solve the problems of degradation and poverty. Basic to that belief in progress was the certainty that all social problems could be solved by identification, investigation, analysis and remedial action supervised by expert

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bureaucrats and high-minded humanitarians. Thus old ills long endured were now seen as new ills to be solved, usually by legislative reform. Poverty, in particular, would be remedied. From Adam Smith — who argued that, given ‘the system of natural liberty’, the result would be economic growth and a ‘universal opulence which extends itself to the lowest ranks of the people’ — to Alfred Marshall — who argued that poverty was not ‘the inevitable condition of this great mass of wage earners’, as ‘the steady progress of the working classes during the nineteenth century’ had demonstrated — there was an underlying conviction that in the long run the problem of poverty would disappear. And the idea of progress also had moral dimensions. Economic growth was not enough. Reform was also necessary, to protect the working classes and to establish a just society. Thus Alfred Marshall and his contemporaries saw ‘no limit to the possibility of integrating social and economic justice into the contemporary competitive system’. Growth plus reform was the 19th-century formula for progress. But the right reform, because misguided reform made matters worse. ‘England is the richest country in the world’, Thomas Mackay wrote in 1898, ‘yet by the perverted ingenuity of its legislation it seems condemned to remain the most pauperised’. If there was continuing poverty, it was the fault of the legislators, not of the market system of industrial capitalism.

There was, however, another strand of 19th-century thought that derived much of its force from the recognition of poverty: socialism, the theory that the economic system that had generated industrialisation inevitably produced poverty. First the Ricardian socialists, then Marx and Engels, and finally the Fabians, all thrived on the existence of poverty, particularly as demonstrated by the massive inquiries into social conditions made by parliament. It was concern for ‘the condition of England question’ that prompted so much inquiry and so many attempts to alleviate or cure the problems investigated; it was the evidence generated by this reform movement that was used so successfully by Marx as the basic empirical evidence for his economic and historical theories. It was, indeed, the alleged increasing poverty of the working classes that provided the stimulus in the Marxian theory of revolution and in the transition from capitalism to socialism ‘in a certain way’, a way determined largely by the increasing poverty of the mass of the population.

### **III. WHAT IS POVERTY**

The Poor Law Report of 1834 referred to ‘the mischievous ambiguity of the word poor’. Certainly the word has had various meanings to various people at various times, and the debate about its meaning has proceeded, since the Middle Ages, on two levels of understanding, one ‘objective’ and one ‘moral’. Broadly, on the objective level, emphasis has varied

between 'subsistence' poverty, defined by some absolute minimum necessary for life and work, and 'relative' poverty, defined by an inferior position on an income scale. On the moral level, the distinction has been between those who work and are still poor — 'the worthy poor' — and those who can work but choose not to work — 'the unworthy poor'. This distinction becomes blurred when there are many who can work, want to work, but who cannot find work. Poverty, however, has always been linked with relief, with the moral or legal obligation to help the poor (charity) or to provide public assistance (relief). Hence an operational distinction between 'the labouring poor' (those who work and who provide subsistence for themselves at a low but life-sustaining level) and 'the destitute or indigent poor' (those who are not working or cannot work, or those who are working but whose wages are insufficient to sustain life), who are dependent on charity or relief. There was another category, a medieval one, of those who, for religious purposes, chose poverty as a way of life, even though they might also have worked. In the Middle Ages, canonist theory divided the poor into three categories: 'Some were born poor but willingly endured their poverty for the love of God. Others joined themselves to the poor by giving all their possessions to follow Christ. These two kinds of poverty were called voluntary. But there [was] a third sort of poor who were filled only with "the voracity of cupidity". That sort of poverty was called necessary or involuntary'. Here was being forged the distinction between the worthy and unworthy poor made statutory by the Elizabethan Poor Law. Here was the origin of an attitude towards poverty that stigmatised poverty as the consequence of personal and avoidable failure, and hence as something to be burdened with legal disabilities and discouraged.

The empirical test for poverty since the 16th century has been in terms of those people who sought and received public or private relief; such people were, by self-choice and administrative agreement, in 'a state of poverty'. Once the relief of poverty became statutory, somebody had to decide who was poor and who was entitled to relief. For public relief, deciding who was poor became an administrative decision made by civil authorities. At the same time 'sturdy beggars', those able to work but not working, were to be punished. A long line of enactments from the Tudor Period imposed penalties, some very harsh, on 'all those wandering persons and common labourers, able in body and refusing to work for wages commonly given'. The distinction survived into the 19th century, along with the discouragement; so that the New Poor Law of 1834 can be interpreted, in some of its aspects, as an attempt to restrain voluntary idleness. Those who sought relief under the New Poor Law were subjected to the principle of less eligibility (relief at a level lower than the lowest prevailing wage of employed workers). And already in the 18th century the important distinction between 'poverty' — a natural state — and 'indigence' — a state of need — was becoming

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explicit. Colquhoun pointed out in 1806 that poverty was both natural and necessary; the Poor Law Commissioners in 1834 defined poverty as 'the state of one, who in order to obtain a mere subsistence, is forced to recourse to labour', while indigence was a state in which a person could not provide himself with mere subsistence. And, as the Commissioners affirmed, 'the relief of indigence, not the relief of poverty' was the business of government. They also recognised the existence of 'low pay', of wages that did not provide adequate subsistence, at the same time as asserting that the most pressing evil of the day was 'the relief of the able-bodied' who were capable of work. Their discussions and decisions, however, were always in the context of the Malthusian fears of an over-population that would only be encouraged by too generous support of the poor. Nevertheless, in this concern were the germs of the ideas that prevailed later in the 19th century: that ill-conceived relief of poverty would create a culture of dependency and increasing pauperism.

In the definition of poverty, however, it was not until the work of Booth and Rowntree between 1880 and 1900 that the debate was lifted to a scientific plane. They argued that it was necessary not just to define but to measure and to specify poverty exactly in terms of income. Booth, like the 1834 report, distinguished poverty from indigence, though he called them 'the poor' and 'the very poor', with the poor 'living under a struggle to obtain the necessaries of life and make both ends meet', and the very poor living in 'a state of chronic want'. The terms were vague, but the income levels explicit — 18s to 21s per week for the poor, an income barely sufficient 'for decent independent life'; anything below this was 'very poor'. Rowntree refined the concept of poverty by using 'physical efficiency' as the criterion of poverty. 'Primary poverty', Booth's 'very poor', was defined by Rowntree as the condition of those whose earnings were insufficient 'to obtain the minimum necessaries for the maintenance of merely physical efficiency'. Rowntree surveyed 'the whole of the working class population' of York and, underlying the normative character of definitions of 'the poor', he meant by working class those families that did not keep servants! Rowntree made precise calculations of the income necessary for 'physical efficiency' by using nutritional standards to determine food needs, and added the cost of rent and some household items, including clothing and fuel. Rowntree thus arrived at 'a poverty line' by quantitative methods, and this approach in estimating poverty has been used ever since. Surveys that followed up to 1950 in many towns (Sheffield, Bristol, Liverpool, Plymouth, Southampton, Northampton, Warrington, Reading and Bolton) used the same method. In all these surveys the idea of 'subsistence poverty' was used.

Subsistence poverty was conceptualised by Booth and Rowntree as an absolute minimum, which it clearly was not, if that means an income below which life cannot be sustained. Their idea of subsistence, or the



poverty line, was a level of income that allowed people to be 'physically efficient' (which itself greatly varies from person to person, and from job to job). Rowntree's standards, nevertheless, were meant to be universal, which again they clearly could not be, in terms of personal, regional and national differences in incomes and wealth. The poverty line also was calculated without reference to other incomes; both Booth and Rowntree excluded comparisons with the incomes of those who were not 'working class'.

Rowntree lived well into the 20th century and made two other surveys of York, so that comparisons of 'the poverty line' over time can be made. In spite of assertions about it being an absolute minimum, the income in real terms that Rowntree estimated as necessary to sustain physical efficiency rose 16 per cent by 1936, and 30 per cent by 1950. Subsistence poverty clearly was different at different times, or the original calculations had been incorrect. Rowntree and Booth in their original calculations had worked from averages of the lowest incomes, using stringent standards of need and subsistence. Gradually, however, the concept of poverty as a minimum unrelated to the structure of incomes was abandoned, and the concept of poverty in relation to a standard set by the rest of society emerged. The perspective changed from an idea of poverty in terms of incomes below 'a fixed subsistence level' — subsistence poverty — to an idea of poverty in terms of incomes sufficiently below the general level of incomes as to cause hardship in terms of an expected conventional standard of living — relative poverty. Since there now could not be any objective measure of poverty — it could be everybody below the average or median wage — the defining of relative poverty became normative and arbitrary. It also became 'official' — poverty was defined by public officials to determine those eligible for public assistance — and 'fiscal' — the level of assistance was determined by the amounts that governments were willing to make available in national budgets for public assistance.

Is there, then, an unambiguous definition of 'poverty'? Only 'subsistence poverty', measured, for a particular group in a particular society at a particular time, by some minimum flow of food below which it is impossible to work effectively or even to survive? Such a minimum was in the minds of those officials who administered the Poor Laws before the Industrial Revolution, and it is this type of poverty we associate with underdeveloped economies today. At its most austere level, subsistence poverty is a state of deprivation below which one dies from want of food. But very few people have starved in England since the 15th century, so that perceptions of poverty at most times in England since the Reformation have been partly relative and official. Booth and Rowntree tried to define poverty largely in terms of nutrition just at that point in time when the non-nutritional causes of low incomes were becoming more important. If concepts of poverty had

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included some elements of shelter and clothing, they had not generally included other deprivations. Being poor in the 19th century, however, consisted not only in having an inadequate wage to buy food and shelter, but also in not having access to an increasing range of services, like education and medicine, which were improving the quality of human capital and the ability to earn higher wages. If 19th-century ideas about education were at first centred on its role in civilising the poor, they increasingly centred on its economic role in the training of a more skilled workforce. The idea of the revolutionary menace of the 'dangerous class' was replaced by the idea of the economic inefficiency of 'the uneducated worker'. An increasing concern for the quality of human capital as well as a more explicit concept of 'relative poverty', characterised the closing decades of the 19th century.

The idea of relative poverty came with the increasing wealth of the Industrial Revolution, which made nonsense of the idea of 'absolute' or 'subsistence' poverty, except for a minute proportion of the population. Everybody was better off, including those with low incomes, and even the poor and destitute were relieved by public charity. Two powerfully emotional ideas eroded the old concept of poverty: the idea of contract as against that of status in determining life-choices; and the idea of distributive justice. Status in the pre-industrial village community — the habitat of the majority of the populace before the Industrial Revolution — reconciled most people to a low income; status was difficult to change and status was linked with income. But as contract replaced status in human relations, and as the possibility of social mobility was made a reality by industrialisation and urbanisation, and by changes in law, income levels became a focus of comparisons and ambitions. The idea of distributive justice had its origins in the ideas of liberty and equality, the enlightenment concepts of freedom from coercion and equal treatment by the law. What use were liberty and equality if poverty was the endemic condition of the mass of the population? Gradually the idea of redistributing wealth became part of the program of liberalism, both for the alleviation of poverty and to create a just society. The questions became: What level of income is tolerable in a liberal society? What amount of redistribution will achieve a just society? Poverty had become completely normative.

#### IV. CAUSES AND CURES

The causes, relief and cure of poverty have been a matter of serious concern to theologians, statesmen, civic servants, intellectuals, tax-payers and humanitarians since the Middle Ages. The statutory provision of relief for the poor has been continuous in England since the 16th century. Attitudes have fluctuated considerably, but the most significant change came with the Industrial Revolution. In the pre-industrial world it was the fate of most people to be poor, so that the attitude towards poverty was conditioned by two strongly-held beliefs: that poverty was the inevitable and unavoidable condition of the mass of humanity; and that work was a necessity for survival, especially at the level of poverty. These beliefs generated a resignation about, and an acceptance of, poverty as a natural phenomenon, along with a moral attitude towards the necessity of work. Idleness was a vice, or luxury, that a poor society could not afford; to be idle was to be morally selfish and, in a finite world, to be dependent for livelihood on others, indeed, at the expense of the already low standard of living of others. It was sensible therefore to punish idleness, and hence to discourage it. With the Industrial Revolution, however, two other beliefs took hold: a belief in progress, in an expanding universe of increasing wealth and opportunities; and a belief in reform, that no social ills were irremedial, including poverty. Both beliefs bred optimism about the human situation — the vision of a future history of continuous improvement, the consequence partly of economic growth, partly of beneficial reform. Reform, indeed, was seen as ‘social engineering’, the improvement of social institutions by design.

The reality of 19th-century history, however, belied such optimism. Poverty not only continued, but seemed to increase, at least according to Victorian perceptions. Who or what was to blame? Was it because of exploitation? Was it because of a defect in the institutions of society? Was it because reform had accentuated the problem of poverty rather than solving it? Was poverty inevitable, even in an era of progress? Or had the nature of poverty changed? One long-standing view of poverty was certainly eroded: that poverty was, in any sense, a good thing. There is little talk in the 19th century about ‘the worthy poor’, and even less about ‘the virtue of poverty’, the rationalisations of the pre-industrial age. Poverty might have been seen as ‘a form of asceticism, good in itself’ by the poverty-seeking clerics of the Middle Ages, but the common sense attitude of the Victorians was to be unambiguously disapproving of poverty: poverty was a bad thing because it could lead to moral and physical degeneration rather than to spiritual uplift; poverty was a bad thing because it restricted choice and inhibited individual development. It is paradoxical that, in the even richer 20th-century society, there is a modern school of asceticism that questions the virtue

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of wealth and elevates the virtue of the lack of material goods. This school inherits an ancient tradition, but one forged in the very poor societies of the past, in which poverty was omnipresent and it was plausibly realistic to believe that poverty had to be taken for granted as God-given. In such societies, also, destitution, a condition below poverty, could be avoided only by work and charity, obviously virtues. Poverty, the general condition of mankind, was accepted, along with work, with humility and Christian forbearance. Out of such attitudes was born a cult of poverty and asceticism on the grounds that poverty could bring spiritual enrichment to those who accepted it voluntarily. Idleness, however, was a vice. In medieval times this respect for poverty led to its protection; poverty was not a vice to be burdened with legal disabilities. The poor were, on the grounds of justice and morality, entitled to relief and charity when it was necessary.

On the relief of poverty, the medieval church moved from a position that extolled charity as a duty, beneficial to giver and receiver, to a position of arguing that charity by givers should be enforced. This concept of compulsory contributions for the relief of poverty was based on a right to receive rather than a duty to give, a concept that has been revived strongly in the 20th century. In the meantime, however, attitudes changed. Tudor England experienced a resurgence of economic growth and a population increase after the late medieval decline, in the context of a strong monarchy and an increasingly mercantilist economy. Economic change, and the ability to move freely, freed the labour market and led to a great deal of labour mobility. Statutory regulation of labour dates from the Statute of Labourers of 1341-51, and the Elizabethan Statute of Artificers of 1563 attempted comprehensive labour regulation, including compulsory employment of the unemployed. Unrest, idleness, unemployment, vagrancy, poverty and indigence: these now were the vocabulary of the poor. What had once been accepted was now criticised and deemed to be avoidable. The vagrancy of Tudor England dissipated the generalised medieval sympathy for the poor. The poor, indeed, had become a dangerous class, to be relieved certainly, but also to be disciplined. Penal legislation against 'sturdy vagabonds' had been enacted by Richard II. Repressive legislation increased under the Tudors, who accepted statutory responsibility for 'the impotent poor', along with whipping and other punishments for vagabonds. Those who were entitled to relief were 'licensed', identified by official selection. Vagrancy remained a concern through to the 19th century, and a long line of measures attempted its reduction. 'The unholy trinity of rogues, vagabonds and sturdy beggars [were] variously subject to whipping, branding, boring through the ears, enslavement, service in the king's galleys, and execution.' The Elizabethan Poor Law, whose principles survived to the 19th century, provided for a compulsory parish poor rate (taxation), the provision of work, and the building of 'Houses of

Correction', under the supervision of officials, Overseers of the Poor, supervised by the Justices of the Peace.

The next great shift in attitudes came with industrialisation. Partly there was a return to a more favourable view of the poor. To the Methodists, for example, the poor were potential Christians, because Wesley feared that increasing wealth would subvert religion. 'The poor are the Christians', he proclaimed, and he denounced as 'wickedly, devilishly false' the insinuation that poverty was the product of idleness. But Wesley was preaching on the eve of the great increase in the poor rate in the early 19th century, which swamped any feeling that poverty was an honourable or even a Christian state, let alone a virtuous one. The 19th-century attitudes toward poverty had their origin in the fiscal crisis of the Old Poor Law, and their continuing impetus in the inquiries into social problems made by parliament. The focus of attention was on causes and methods of relief. If Malthus made poverty inevitable, and the reform of the Poor Laws seem urgent, the problem of poverty continued and seemed to intensify after the passing of the New Poor Law. What Malthus did for the continuing debate about poverty was to argue that relief itself could be a pauperising agent. His arguments were at first biological, though modified subsequently by appeals to moral restraint. But the debate about the causes of poverty has never been the same again. Few people before Malthus argued against relief, but in the 19th century many did. A crucial question asked was whether 'unregulated charity is always and of necessity a pauperising influence, inimical to the real interests of the poor themselves'. The question was debated as much about private as about public relief; indeed much of the most interesting literature is about 'endowed charity'.

The origins of the attack on charity are to be found in the 18th century, in the writings, for example, of Turgot and Smith. Turgot, in his article on *Fondations* in the *Encyclopaedia*, argues first, that '*un fondateur est un homme qui veut éterniser l'effet de ses volontés*' [He who endows a foundation desires to make eternal the effect of his gift], and second, that endowments made for the relief of the poor engender pauperism (*C'est rendre la condition du fainéant préférable à celle de l'homme qui travaille*) [It makes the condition of pauperism preferable to that of a man who works]. Adam Smith's attitudes towards endowments can be seen most clearly in his discussion of education. 'Endowed teachers are, as a rule, negligent and prejudiced; the course of education in endowed schools and universities does not seem to be the most proper preparation for the business of life.' The opinions of Turgot and Smith that all endowments tend to be pernicious in their effects gathered support in the 19th century, for example from Mill who wrote: 'To give profusely to the people, whether under the name of charity or of employment, without placing them under such influences that prudential motives shall act powerfully upon them, is to lavish the means of

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benefiting mankind, without attaining the object'. The issue of foundations for charitable purposes was highlighted in the early 19th century by Lord Brougham's Commissions of Inquiry, formed with the same intention as the contemporary Commission on the Poor Laws: 'to correct the abuses of obsolete and pernicious endowments'. The Poor Law Commissioners and the Charity Commissioners, the authorities established as a result of inquiries, poured forth an impressive body of evidence in which the message was quite clear: 'charitable help to the poor unless carefully canalised, [is] positively baneful in its effects'. Those efforts, again in contemporary comment, were described as follows:

From a variety of causes — the general sentimentality of the times, the ignorance of local administration, the pressure of a population which does not contribute to, but hopes to share in the general largesse, the corruption of politicians who regard the poor-rate as a mere electioneering fund — the Poor Law as administered throughout the greater part of the country is simply a disaster to the best interests of the poorer classes, and succeeds in maintaining a hoard of pauperism which, though it continues to decrease, is still a disgrace to the intelligence of this country.

What the Poor Law did with public money, the charitable foundation did with private money. The commitment to relief appeared open-ended and without end. As Henry Fawcett, the blind professor of political economy in Cambridge, wrote: 'The legal claim which everyone in this country possessed to be maintained out of the rates, represents perhaps the most perilous responsibility ever assumed by a nation'. Neither the Poor Law Commissioners nor the Charity Commissioners were able to change the system substantially; three out of four paupers relieved at the end of the century by poor relief were 'able-bodied', and the Charity Organization Society, formed with the aim of 'systematising, without unduly controlling, the benevolence of the public', also found that charity was difficult to control and the poor difficult to identify.

While the debate about the pauperising effects of charity continued, the turn of the century saw the emergence of further theories of poverty and a new concept of cure: unemployment as an endemic problem of industrial capitalism came to be seen as the most important cause of poverty; the welfare state, the comprehensive state provision of welfare on the basis of a relatively determined standard of living, came to be seen as the solution to poverty. Both cause and cure are associated with the name of Beveridge. Recognising unemployment as the main cause of poverty (70 per cent according to Rowntree), and arguing that unemployment was usually an involuntary state over which the individual worker had little control, led naturally to dissociating the

individual from responsibility for his poverty and to arguing for the need for a system of social insurance. As old age became increasingly important in the 20th century as a cause of poverty, the argument for a state-enforced system of social security was reinforced. But that is another century and another story.

## V. CONCLUSIONS

What conclusions can be drawn from this paper?

First, the poor have been with us for a long time, and, because of changing concepts of poverty, will continue to be with us. The idea of poverty has never been static. There have always been in society those who have identified the existence of poverty, either for humanitarian or less reputable reasons, and have claimed its persistence or its increase. Poverty spotters are still with us, with their mission made easier by the modern concept of relative poverty. Relative poverty makes inevitable the claims to poverty made for or by some proportion of the lowest income earners in a society in which there is inequality of incomes. In the rich societies of today, in which subsistence poverty has all but disappeared, poverty is defined in relative terms as a condition of deprivation, of lacking some of the goods and services which go into a standard of living which, on some criteria, all citizens should have.

Second, the causes of poverty have been seen differently at different times in history, but three main causes have been identified: the meagreness of nature, the unfairness or inefficiency of human institutions, and individual choice or weakness. If the meagreness of nature is God-given, as it was believed to be over much of history, there was little that could be done about poverty except to relieve it by charity or relief. If, on the other hand, poverty was the unnecessary consequence of human action, and could be attributed to a particular arrangement of human affairs, it should be possible to change that arrangement and remedy poverty. With the evolution of the idea of social engineering, of designing laws and institutions to achieve desired ends, there has been a widespread belief that governments, by constitutional and legal changes, and by redistribution of incomes, could reduce and cure poverty. The lesson of history about poverty, however, is that it has been reduced more by economic growth than by actions of governments. The Industrial Revolution has been more important than the welfare state in reducing poverty. Hence the modern emphasis on the injustice of income differences and the idea of deprivation as criteria for determining poverty rather than subsistence.

Third, the school of thought which attributed poverty to individual weakness or choice always had strong backing, and was coupled with debate about entitlement and deterrence. The modern version centres in the theory of moral hazard, that the incentives induced by welfare lead to

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the over-use of welfare facilities. Charity, or welfare, has a built-in tendency to encourage life-choices which weaken the work-ethic and create a culture of dependency. The secondary effect is fiscal, to escalate the costs of welfare to produce a fiscal crisis. Today a continuing debate about entitlements, costs and deterrents indicates that there is a general sentiment for reform. Is it indeed not time that today's Poor Laws were reformed, and for the same reasons as they were reformed, or attempted to be reformed, in the nineteenth century?



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# The Long Debate on Poverty

R. M. Hartwell

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