Thoughts on poverty and its elimination†

MORTON S. BARATZ* and WILLIAM G. GRIGSBY‡

Efforts to eliminate poverty as a major domestic problem in the United States have a long history. The attack was significantly heightened in 1964 with the passage of the Economic Opportunity Act, the statute designed as the foundation of the so-called war on poverty. In the succeeding years which have encompassed two national Administrations, one Democratic and the other Republican, a variety of means have been brought to bear on the problem. Public-assistance expenditures have spiralled upward and substantial amounts of money and manpower have been funnelled into pre-existing and new programmes to increase total employment, improve housing, provide more and better health care, equalize opportunities and outcomes across ethnic and racial groupings, and bring legal justice, safety and security to those who have heretofore lacked the financial means for full enjoyment of these values. Still other anti-poverty programmes are under active consideration, most notably President Nixon’s proposal to put an income floor under every American household.

By some measures these efforts seem to have been reasonably successful: figures compiled by the federal government indicate a sharp decline during the 1960s in the number of individuals and families in poverty. On the other hand, there is authoritative evidence in abundance that, even as the incomes of the lowest fourth or fifth of the population were rising, other aspects of their absolute and relative well-being were deteriorating. Indeed, a strong case can be made that the much-discussed but ill-defined ‘urban crisis’ in America is rooted in the worsening circumstances of an increasing number of our cities’ poor.

It is nonsensical to say that poverty is diminishing and increasing simultaneously and among the same people. The contradiction must stem in largest part, if not entirely, from differing conceptions and definitions of the phenomenon. The purposes of this paper are to examine differing meanings of poverty and the policy-implications that flow from them.

† This paper is an outgrowth of a lengthy period of research, financed under two contracts with the US Office of Economic Opportunity (OEO-619 and OEO-1373). We acknowledge our appreciation for the agency’s continued support. Neither the OEO nor any of its officials necessarily shares the views expressed in this paper.

* Chairman, Department of Economics, Boston University, USA.

‡ Professor of City Planning, University of Pennsylvania, USA.
MEANINGS OF POVERTY

There are several meanings that may be assigned to the concept of poverty. Most commonly, it is conceived of as economic insufficiency, that is, lack of enough money (income, assets and borrowing power) to buy a market basket of goods and services which, by society's standards, must be consumed for enjoyment of a minimally 'decent' level of living. Poverty is also commonly taken to mean severe economic inequality, the poor being seen as those whose share of total income and wealth is far smaller than their percentage representation in the total population. Alternatively, poverty is conceived of as a condition of economic dependency or of self-perceived deprivations or as actual failure (as opposed to mere inability) to consume everything in the minimum market basket. Finally, poverty is viewed by some analysts as a combination of all these conceptions.

Running through all six of these conceptions are two common threads. One is that the poor have serious personal problems such as sickness, lack of self-respect and exclusion from the political process, which are not only very harmful to their own well-being but often produce substantial social disutility. Indeed, implicit in the distinction between an 'adequate' and 'inadequate' amount of income or consumption is the notion of problems: if the standard for a minimum market basket or for an equitable distribution were set so high that a large number of those identified as poor did not have serious difficulties in coping with their situations in life, the dividing line between the poor and non-poor would promptly be lowered.

However, not all personal problems can be viewed as poverty-related. Some afflict to an equal degree not only those persons who would be classified as poor according to any of the conceptions mentioned previously, but also those who would not be so classified. Only some deprivations must therefore be poverty-related. But which ones? The answer lies in the second thread common to all six conceptions, the notion of inadequate economic resources. Some personal problems are highly associated with low income, while others are more or less uniformly prevalent across income groups. The former, it seems clear, are poverty-related, the latter are not. Poverty, then, is perhaps best viewed as a condition involving those severe deprivations and adverse occurrences that are closely (but not necessarily exclusively) associated with inadequate economic resources.

In order to distinguish this conception from others, some elaboration is called for.

1 This section is drawn from our manuscript, now in final revision for publication, The Meaning and Measurement of Poverty, Philadelphia, 1968, ch. II. mimeo.
First, poverty is seen here as an actual condition of life, not the low income that contributes to this condition. This distinction, usually ignored, is of central importance. Currently, the extent of poverty in the United States is measured exclusively with reference to income and wealth data, a short-hand that, though convenient, overlooks other crucial factors affecting the living conditions of a family at any particular income-level: to name a few, the length of time the family has been at that level, its ability to consume ‘wisely’, its special medical needs, and the array of public goods and services available to it. Failure to consider these and related factors has resulted in mis-classification of millions of families, and in particular has greatly under-estimated the extent of poverty among blacks and over-estimated it among whites. More serious, major programmatic recommendations assume explicitly that higher incomes will automatically bring a corresponding improvement in the well-being of recipient families.

Second, the conception distinguishes between deprivations and adverse occurrences in order to highlight the fact that the poverty-stricken are not only hobbled by enduring disabilities, such as chronic illness, but are also abnormally prone to unexpected events of a very unpleasant kind, such as eviction from living quarters, which, even if comparatively short-lived, can be punishing in their effects. Characteristically, adverse occurrences serve to intensify an existing set of deprivations, but there are times when they are harbingers, even proximate causes, of severe deprivations. They also serve to complicate the problem of measuring poverty unless one is willing to settle for income and wealth as suitable proxy indicators.

Third, despite surface appearances to the contrary, the notion of economic inequality is not absent from this conception. Instead of being measured in terms of shares of income and wealth, however, inequality is assessed by reference to the distribution of severe deprivations and adverse occurrences across income and wealth groups.

Fourth, while it is possible to develop the conception in both societal and individual terms simultaneously, this is not the case when it comes to translating the conception into a definition that can be used for measurement. To the extent that the two systems of value are in conflict, one must give way to the other. Although we do not know in what degree systems of value differ among persons, families and social classes, the weight of the evidence is that most low-income persons share the aspirations and preferences predominant in their society. On that assumption, it is appropriate to conceptualize poverty as deprivation primarily of things or events that most members of society desire. Thus, poverty is viewed here as more culturally than individually determined, a view which dictates that self-perceived
deprivations of the poor be used only to adjust societal standards as seems appropriate.2

Fifth and finally, economic dependency is not part of the basic conception. It is not dependency per se that creates problems, but rather the forms which it sometimes takes and the attitudes taken towards it by either the recipient or society. Thus, it is not necessarily a relevant variable at all. For this reason, it is incorporated here only as it relates to economic insufficiency generally.

A major question arises from our conception. What deprivations and adverse occurrences are closely associated with low income? Although data are lacking to develop an exhaustive list, the prime candidates are grouped in Figures 1 and 2 under five broad headings: lack of physical comfort, lack of health, lack of safety and security, lack of welfare values, and lack of deference values.3 In order to be included in the list each deprivation and occurrence had to satisfy each of three criteria. First, lack of the item must constitute a serious personal or family problem, defined as pronounced deviation in a negative direction from a socially defined norm, negative direction also being socially defined. Second, the deprivation must be significantly correlated with economic insufficiency. Third, elimination of the deprivation must be seen by society as an important end in itself, not simply a means to another end.

The job of putting together Figures 1 and 2 proved to be much more demanding and difficult than had been expected. It is a simple matter to make a list of deprivations that seem to be highly associated with low income. The literature on poverty contains several, any one of which might have been put to use here, with or without amendment. What the two figures represent, however, is an attempt to exhaust the possibilities that satisfy the above criteria and to order the deprivations hierarchically into non-overlapping categories. This effort may have fallen short. In particular, some relevant deprivations may have been omitted inadvertently and others that were considered but later dropped — for example, lack of amenities and leisure — perhaps should have been included.

2 In this connection, note should be taken that it is possible, and for some purposes useful, to form a conception of poverty in global or cross-cultural terms; that is, to express a state of deprivation in terms of a value or values on which there is international agreement. But to identify such a set of values would require us to operate on a higher level of abstraction than is appropriate for our purposes.

3 The terms 'welfare values' and 'deference values' are borrowed from Harold D. Lasswell and Abraham Kaplan, Power and Society, New Haven: Yale University Press, 1950. 'Welfare values' is used here as a catch-all for things bearing upon an individual's view of himself. 'Deferenence values' is an umbrella label for things bearing upon society's (or some social segment's) view of the individual. Put another way, welfare values have to do with a person's self-perception, deference values with the way and extent to which he is taken into account in the acts of others.
Thoughts on poverty and its elimination

Exhaustive or not, the listing suggests that poverty, conceived of as multiple income-related deprivations, is a far more complex phenomenon than is usually recognized. In this respect, the list's relationship to the economic-insufficiency conception is analogous to the relationship between social indicators and the concept of gross national product; it implies multi-rather than uni-dimensional goals. Furthermore, the list makes it clear that if poverty is to be reduced materially, progress will have to be made in a variety of ways and in many areas of human life.

The figures are largely self-explanatory. Two points, however, deserve brief mention. First, many persons, we suspect, look upon lack of a well-paying job as a 'basic' deprivation in and of itself. It is not treated this way in our conception of poverty, because lack of a job (i.e. non-performance of a socially valued function) and lack of a well-paying job are really aspects of severe deprivation of deference values and of welfare values. Second, and also contrary to a commonly stated viewpoint, we subsume lack of a good-quality education under deprivation of welfare values and of deference values, rather than treating it as 'basic' or 'ultimate'. This approach may be

![Figure 1. Dimensions of poverty](image-url)
Figure 2. Sub-dimensions of poverty
Thoughts on poverty and its elimination

Severe lack of welfare values

- Personally unacceptable ratio of earned to total income
- Personaly stigmatizing form of financial dependency
- Inability to perform a socially valued function (e.g. paid work)

- Lack of a good-quality education
- Highly unfavourable self-conception
- Low aspirations for, or hopelessness about, potentiality for upward socio-economic mobility
- Severe family instability (e.g. 'broken home')

- Severe lack of deference values

  - Severe restrictions on economic and social opportunity and activity (e.g. discrimination)
  - Exclusion from participation in the political process (esp. 'powerlessness')
  - Victim of injustice in the law enforcement process
  - Non-possession of socially valued skill

- Non-possession of symbols of medium-high social status (e.g. fine clothing, attractive house)

- Lack of good-quality education
- Socially stigmatizing form of financial dependency
- Non-possession of symbols of medium-high social status (e.g. fine clothing, attractive house)
defended on the ground that one of the things most valued about a good education is its contribution to a person’s self-conception and the respect he commands from others.

**DEFINING THE POVERTY-FREE SOCIETY**

The substance of the multiple-deprivations conception can be clarified, and the differences between it and other formulations highlighted, by examining what, by reference to it, would constitute a poverty-free society. At first glance, the answer seems to be simply that it would be one in which all deprivations and adverse occurrences of the kinds just listed would be eliminated. This situation, of course, is the best of all possible results, but the goal need not be stated in such utopian terms. Because poverty is viewed as a set of problems, each highly associated with inadequate economic resources, its abolition could be said to be attained when the problems are distributed uniformly with respect to purchasing power, that is, no income group has more or less of the deprivations than any other. This result could come about if the prevalence of the deprivations and adverse occurrences were reduced more significantly among low-income groups than in the population generally. It could also occur if some of the problems were simply shifted from low-income families to more affluent ones (e.g. if garbage- and trash-removal services were increased in poor neighbourhoods at the expense of middle- and upper-income areas) without reducing them in toto. Similarly, achievement of an equal distribution of the problems would result if their prevalence increased among those with sufficient economic resources and remained the same among those with severely limited resources. Finally, a more nearly equal distribution of problems among groups could be achieved if the incomes of those at the low end of the distribution were to rise without any change in the number of their problems.

The possibility that deprivations and adverse occurrences could cease to be correlated with levels of economic resources, without being reduced in aggregate, might seem to put the usefulness of the conception into serious question. It could be argued that if, as we have stated, our concern is with problems and not simply economic insufficiency or inadequate consumption, there could hardly be a reduction in poverty, even within the terms of the conception itself, unless and until the prevalence of problems was actually reduced. We agree in part. It unduly stretches the imagination to say that income redistribution has significantly reduced poverty, if equalization of problems with respect to income leaves the same families with the same problems. By the same token, if problems increased in the aggregate even as they were being redistributed among income groups, it might be argued
thoughts on poverty and its elimination

that poverty had in some sense increased also. But if problems, not incomes, were redistributed from the poor to the non-poor without being reduced in total number, it would seem that poverty had indeed diminished. Since poverty is in part a relative concept, a more egalitarian distribution of the same problems does represent poverty-reduction, though by other criteria it may not represent progress.

An interesting question arises as to whether, under this formulation, poverty would be reduced if the prevalence of problems and their relationship to income remained constant over time, but upward and downward mobility increased so as to scatter the problems over a larger segment of the population. Although the answer is not clear, distributive justice in society might be better served in a situation where there is temporary poverty for the many, as opposed to permanent poverty for the few.

IMPLICATIONS FOR MEASUREMENT

If the conception of poverty just described were to be accepted, it seems probable that quite different measures of the problem would have to be developed. First of all, establishment of poverty lines by reference to hypothetical minimum market baskets would have to be abandoned. The baskets assume too much and are incapable of reflecting non-consumption deprivations. Instead, it would be necessary to establish these minimal standards directly by analysing the distribution of various deprivations across income and wealth groups and by adjusting income and wealth measures to reflect the other factors discussed above that affect the ability of families to consume adequately.

Second, even with this greater sensitivity of measurement to the problems of low-income families, it is not certain that a most-deprived one-fourth or one-fifth of the population could be specified. There are just too many different kinds of deprivation that would have to be combined and arbitrarily weighted into a single index. In addition, certain types of adverse

---

4 One very real possibility, for instance, is that equalization of employment problems could not be achieved without raising the overall sub-employment rate to a level well above what society has refused to tolerate in the past. Strictly speaking, according to our conception achievement of equalization of the problems would mean elimination of poverty, but overall social well-being would have diminished in the process.

5 If a more egalitarian distribution of problems is also regarded by all concerned as more equitable, it could be argued that there has indeed been progress by any criterion. Indeed, if redistribution of income takes place unaccompanied by reduction or redistribution of problems, but is viewed by all concerned as a more equitable arrangement than previously, it could be said that poverty has thereby been reduced.

6 It may be noted in passing that distributive justice and elimination of poverty are not necessarily synonymous in all respects. In a poverty-free society injustice could persist along ethnic or other non-income lines. Similarly, depending upon the ethical code, individuals in a just society might be permitted to live in physical squalor.
occurrence and their changing relationship to income are almost impossible to identify and enumerate through family interviews or other means. Injustice in the court system is a good example. It would be more helpful to policy-makers, therefore, simply to select a list of key indicators in each of the five areas of deprivation and monitor their changing distribution among income-wealth groups over time.

**IMPLICATIONS FOR POLICY**

Conceiving of poverty as multiple income-related deprivations not only has implications for measurement, but also suggests, at least indirectly, the need for important policy changes. Despite the Economic Opportunity Act of 1964, current anti-poverty policy emphasizes ‘floors’ as opposed to ‘doors’, that is, expansion of the consumption of families to a minimal level versus improvement in economic or educational opportunities of individuals. Although the absolute size and source of funds for anti-poverty activities have changed markedly over the decades, income supplementation continues to be the centrepiece of policy. The central issue in the minds of most of today’s anti-poverty warriors is not floors versus doors, but rather what form the floors should take – general and categorical assistance with or without work incentives, family assistance, children’s allowances, negative income tax, etc. While the controversy goes on, new forms of real-income transfer come into being and older ones are transformed in one degree or another – food stamps, rent certificates, medi-cards, educational vouchers, special transit tickets, and ‘free’ or heavily subsidized personal services (legal, medical, educational). These funny-money schemes alleviate some of the symptoms of poverty, but do not cure the illness. And by separating the poor from the rest of society, they both make the illness worse and contribute to its permanence as a social malaise.

The enduring attraction of income-transfer schemes stems from the belief that poverty is simply lack of enough monetary claims to consume a minimum market basket. Absence of poverty, so defined, would result if everyone were provided enough income to consume the basket – and what easier way to assure this than an ‘adequate’ income floor? However, there are many persons and families for whom the source of income and the terms upon which it is received are as important as the amount they get. Even if the process of transferring cash, goods or services to these people were unobtrusive and considerate, they might still stigmatize themselves or be stigmatized by others, i.e. continue to be severely deprived of welfare values

---

7 This distinction is made by S. M. Miller in a review article of Sar A. Levitan’s The Great Society’s Poor Law: A New Approach to Poverty in The Annals of the American Academy of Political and Social Science, vol. 385 (September 1969), p. 176.
Thoughts on poverty and its elimination

or deference values, or both, and thus remain in poverty even though no longer suffering economic insufficiency.8

The most vulnerable aspect of floors as an anti-poverty policy, however, is its mistaken premise that because most of the poverty-stricken are unemployable or underemployed, the centrepiece of anti-poverty policy should be income support programmes. It is true that at any point in time most persons in poverty are either not in the labour force or are earning inadequate wages: they are retired, too young to work, physically or mentally disabled, kept at home by domestic responsibilities, or are in low-paying occupations. But in nearly all cases their severe deprivations can be traced to a current or previous employment problem of their own or of a person on whom they depend for life’s necessities. Thus, if the employment problems of the working-age poor could be solved, much of existing poverty would be remedied and most of future poverty prevented. Until these problems are solved, the poor will indeed always be with us, and as a group apart. Programmes to provide better health, housing and so on may reduce a certain amount of poverty, but they will not cut away the root of the problem. Equally, programmes of income support will be inadequate, because economic and political realities dictate that benefit levels be geared to prevailing wage rates for the low-income sector of the working population. And because the poor lack much political power, authority and influence, such programmes will always be inadequately funded if they focus on the poor alone.

What is the essence of the employment problem from which so much poverty stems? Basically, it is that even when aggregate demand for labour is high and rising, a sizeable portion of the working-age population remains jobless for long periods or, if working, earns too little to avoid poverty. In these circumstances, fiscal-monetary policies to further expand demand for labour lose much of their net effectiveness, reducing sub-employment only at the cost of rapid price inflation.

The persistence of considerable sub-employment in the midst of general prosperity has been explained by economists in one or a combination of three general ways, each of which is almost totally different from the other two:

1. Serious imperfections in the process by which workers are matched with available job vacancies. According to this explanation, well-paying job opportunities are plentiful, but because of insufficient dissemination of labour-market information, racial or other types of discrimination in hiring, ‘unrealistic’ hiring requirements, and serious commutation difficulties for

8 This point is strongly suggested by Edward Banfield, ‘Welfare: A Crisis without “Solutions”’, The Public Interest, vol. 16 (Summer 1969), pp. 89–101.
persons who must travel by public transportation, the good jobs go begging while the poor are begging for good jobs.

2. An insufficiency of well-paying jobs. This explanation essentially denies the first one, arguing that there are not enough good jobs to go around. Because of automation, the number of jobs in the private sector has been increasing much less rapidly than has the labour force. Growth of governmental employment has relieved only some of the resulting strain. Automation, the argument continues, will proceed steadily in the future; indeed, the pace may quicken and with it the difficulty in providing well-paying jobs for all who wish to be gainfully employed.

3. A mis-match between available skills and available jobs. In the middle and upper ranges of the occupational hierarchy — craftsmen, technicians, engineers, scientists, teachers, etc. — there is a serious shortage of workers, a shortage that becomes especially noticeable when business activity is high and rising. Even during periods of economic recession, unemployment rates of these highly trained persons are well below the average rate for the entire labour force and many of them work overtime or ‘moonlight’ or both. In some cases, the shortages are so great that certain kinds of work simply never get done at all: health-care services are not delivered, construction projects are not started, equipment is not repaired. Accurate counts of all the high-skill vacancies involved are very hard to arrive at, but there is a strong probability that their number is at least equal to the pool of sub-employed persons. The workers who might fill the vacancies, however, lack the requisite skills and have no way of acquiring them. Instead, they either accept low-paying jobs or remain out of work. Meantime, wage rates rise steadily in the shortage occupations, contributing to cost-push inflation.

Each of these three perceptions of the sub-employment-with-inflation problem carries with it its own set of solutions, most of them well known. Those who make the labour-market mechanism the prime culprit plump for Job Banks, location of new firms in the inner city, subsidized public transportation from city to suburb, strict enforcement of equal-opportunity laws, redefinition of job specifications, and elimination of statutory and union-enforced barriers to occupational entry. Those who favour the automation explanation argue for either or both of two approaches: (a) financial incentives to private employers to spread work among more employees (shorter hours, longer vacations, earlier retirement, etc.) or to create new jobs, and (b) expansion of public-sector employment through New Careers, government as employer of last resort, or government as employer of first resort. Finally, analysts who see the problem mainly as a mis-match between skills required and skills possessed argue for educational and training programmes.
There are substantial elements of truth in all three explanations, but the three associated remedial approaches have unequal potential for solving the problem of sub-employment at this point in time. Attempts to facilitate the labour-market mechanism through expanded and improved public transportation and attraction of employers to the inner city have already been shown to be unfeasible on a large scale. Job Banks have demonstrated little more than the facility and speed with which computers can communicate the non-existence of enough suitable openings. Assaults on discriminatory hiring and promotion practices, especially when coupled with very high demand for skilled workers, have with a few notable exceptions proved so successful that further efforts would contribute only moderately towards reduction of sub-employment. In brief, although the labour-market mechanism still operates imperfectly, there is little reason to think further improvements in its operation would do much to solve the nation's employment problems.

The case for the too-few-jobs theory, and the programmes that flow from it, must be discounted for somewhat different reasons. First, there is no satisfactory evidence that automation is proceeding any more rapidly today than it has in the past fifty to 100 years nor that it has caused a net loss of jobs in the economy as a whole. Equally, reduction in the length of the work week and similar responses to labour-saving innovations continue to be adopted in the private sector at about the same pace as in the past. Second, although expanded public-sector employment would help reduce sub-employment, programmes such as New Careers and guaranteed employment seem unfeasible on any significant scale, except during severe economic recessions.

The heart of the employment problem, in both the short run and the long, is the imbalance between the skills available and the skills required. However, attacking this problem through low-level skill training, exemplified by Neighbourhood Youth Corps, Job Corps and most Manpower Development Training programmes, is not the answer. Even if the training were of high quality – and too often it is not – it is wasteful to the extent that it under-educes potentially high-powered talent; it prepares many trainees for jobs that will soon be obsolete; it often fails to provide basic skills that would enable trainees to upgrade themselves as their working lives progress; and most importantly, it does not reduce the supply of low-level labour and thus helps perpetuate low wage rates in the bottom half of the occupational hierarchy.

The answer to the skills/job mis-match is a greatly expanded programme of post-secondary vocational and technical training and higher education, with particular emphasis on children and young adults from low-income
families. In the short run, this means an expansion of Upward Bound and similar college-preparatory programmes, accompanied by compensatory secondary schooling and early identification of promising youngsters, before they have lost their motivation and dropped far behind their peers in educational performance. It also means a much higher amount and quality of institutional and on-job training, and broadened governmental support for private scholarship programmes of the kinds already being offered by some business concerns. Over the longer term, as problems of under-achievement in primary and secondary schools are lessened, the expensive compensatory aspects of the programme would diminish in importance and some of the special training components could probably be phased out too.

Candidates for post-secondary schooling programmes would include students now in school, adults who are currently out of the labour force, the unemployed and under-employed, and the 'fully employed'. As those already holding good jobs entered post-secondary education or training in order to upgrade themselves, they would be replaced by lower-skilled persons, thus helping the poor indirectly through a kind of filtering process in the labour market. The training would thus have the immediate beneficial effect of reducing the labour force, especially that part at the bottom of the job hierarchy, as well as the longer-term consequence of reducing the imbalance between the supply of and demand for high-level skills.

BROADER POLICY IMPLICATIONS

America's war on poverty has been waged, by and large, on the assumption that the problem can be eliminated or at least substantially reduced without much change in the larger social, political and economic setting in which it occurs. The war's unstated premise is that if floors or doors or some combination of the two were provided, most of the poor could and would find a comfortable niche in 'the system'. Furthermore, current anti-poverty policies and programmes take as given the basic values and institutions that characterize the system and determine the distribution of benefits and privileges in society. True, certain institutions have been challenged in the course of the anti-poverty effort, but the challenges have been peripheral, indicating only slight and hesitant adherence of policy-makers to the notion that poverty is just one manifestation of a deep-seated inequalitarian bias in the process by which values are allocated. The currently orthodox approach to curing poverty is thus analogous to performing a routine appendectomy: the offending part is cut out while other essential organs and functions are left undisturbed.

It seems clear, however, that on balance the social, economic and political
Thoughts on poverty and its elimination

sub-systems that together make up the larger system are poverty-creating. This is particularly manifested in a set of ‘pro-poverty’ policies and programmes, i.e. statutes, regulations and practices that directly or indirectly benefit the affluent: tax ‘loopholes’ such as depletion allowances and preferential treatment of capital gains; subsidies to operators of giant-sized agricultural enterprises, preferential financing arrangements for suburban home-owners, restrictions upon entry into well-paying occupations, differential educational subsidies in favour of children from middle- and upper-income families, and so on.

Obliteration or even substantial modification of these poverty-increasing policies can be brought about in either or both of two ways, short of revolution. One is a voluntary surrender of the privileges by those who enjoy them. The other is expansion of the political resources of persons and groups committed to effecting change in the allocation of values in society. Whichever is the more feasible, it goes almost without saying that a war on poverty that fails to countermand or at least countervail pro-poverty policies is not likely to have great impact.

Poverty in this context stems not from the inability or failure of certain individuals and groups to take full advantage of opportunities allegedly available to all Americans, but rather from the system’s powerful bias in favour of ‘haves’ as against ‘have-nots’. Or, as Adam Walinsky prophetically observed at the time the war on poverty was begun: ‘...the middle class majority does not want to improve significantly the lot of the poor...’

Some who argue in these terms – notably, Marxists and self-styled radical political economists – go on to insist that nothing short of destruction of established institutions and procedures, and especially abolition of the private-property system and the market economy, will suffice to make possible the creation of a poverty-free society, let alone a just one. Whether these drastic changes would really lead to elimination of poverty or would simply reverse the positions of today’s top dogs and underdogs is an unsettled question. Just as open is whether socialization of property and establishment of a non-market economy are necessary conditions for eliminating poverty in America.

For comment and analysis along these lines, see especially S. M. Miller and Pamela Roby, The Future of Inequality, New York: Basic Books, 1970; Richard C. Edwards, Arthur MacEwan et al., ‘A Radical Approach to Economics’, American Economic Review, Supplement (May 1970); and Peter Bachrach and Morton S. Baratz, Power and Poverty: Theory and Practice, New York: Oxford University Press, 1970.

Adam Walinsky, ‘Keeping the Poor in Their Place: Notes on the Importance of Being One-Up’, The New Republic (4 July 1964), reprinted in Arthur Shostak and William Gomberg (eds), New Perspectives on Poverty, Englewood Cliffs, New Jersey: Prentice-Hall, 1965, pp. 159–68.

For a brilliant discussion of the nature of a just society, see W. J. Runciman, Relative Deprivation and Social Justice, Berkeley: University of California Press, 1966.
On this question, the evidence at hand is open to more than one interpretation. It strikes us, though, that currently the American majority is only conservative, not reactionary. This is to say that the prevailing 'mobilization of bias' is perceptibly different today from what it was a decade ago, as a result of which the inter-group distribution of outcomes has changed. 'Institutional racism' is far from dead but, judging from impressive improvements in the economic, political and social status of blacks during the 1960s, it is far less pervasive than it once was. Private ownership of property remains a highly valued institution but, judging from changes in the legal position of tenants vis-à-vis landlords, workers vis-à-vis employers, home-buyers vis-à-vis sellers, etc., the privileges of property before the law have been considerably diluted through time. And although the children of the rich continue to have a large head-start over poor children, efforts to narrow the gap have grown through the years and promise to continue.

What we are saying can be put another way. American society is still far from egalitarian in fact, but the principle of egalitarianism is firmly rooted in the national system of values. For two reasons, the gap between myth and reality seems to be closing. First, through different means the unprivileged and underprivileged have begun to acquire both the capacity to achieve desired ends through the threat of severe sanctions and the capacity to achieve desired ends through 'reasoned elaboration'. Using these and correlative political resources, they have been able to get access to key political institutions and to alter the flow of outcomes in their own favour. This new state of affairs appears to be irreversable. Second, as the affluent sector's awareness of the gap between myth and reality has increased and the social costs of its perpetuation have risen, the majority's resistance against any significant change in the distribution of benefits and privileges has slowly but perceptibly lessened.

There is no guarantee, of course, that these twin tendencies will persist long enough to culminate in dismantling of the existing network of pro-poverty policies. Indeed, a sharp reaction could set in at any time. In our opinion, however, the prospects for achievement of a poverty-free society in America are reasonably bright.

12 Bachrach and Baratz, op. cit. p. 43.