

Poverty and Justice:
A Rawlsian Framework

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The World Bank has recently argued that “[n]o task should command a higher priority for the world’s policymakers than that of reducing global poverty”.¹ This view is shared by large numbers of individuals and institutions all over the world, and has spurred an enormous interest in ways of defining and measuring the problem of poverty. The World Bank (1992, 1993) has introduced guidelines for “Poverty Assessments” to be done for all borrower countries, official poverty lines have been introduced in the U.S. and EU, UNDP presents annual reports on absolute poverty in developing countries, and numerous researchers have developed new methods for dealing with aggregation problems in poverty

measurement. The aim of all this work has of course been to contribute to the alleviation of poverty, by focusing attention and improving our understanding of the problem.

This focus on poverty has not been unchallenged, though, and the relevance of the concept of poverty has been questioned.² Is there any meaningful definition of poverty, and if so, why should we pay particular attention to the poor in our evaluation of changes in a society? In most cases, these two questions are not dealt with thoroughly, and seemingly rather arbitrary arguments underly suggested definitions of the problem of poverty. Therefore, in this paper, I address these issues by elaborating on some possible

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1. World Bank (1993:5).

2. By way of illustration, the relevance of the concept of poverty has been a much debated issue in the UK. Former Prime Minister Margaret Thatcher told the House of Commons in the 1980’s that any poverty definition is wholly artificial. Moreover, in 1989, the Secretary of State for Social Security said that – because living standard had improved so much – the concept of poverty no longer had any meaning; see Save the Children (1995). See Stern (1987) for an academic position questioning the relevance of the concept of poverty.

links between normative reasoning and a well-founded understanding of the concept of poverty. In particular, I discuss the Rawlsian framework, which frequently is referred to as the normative basis for focusing on the problem of poverty. First, I survey some general arguments that can be used in clarifying the concept of poverty. Thereafter, I link this discussion to the Rawlsian framework, and illustrate why there is a deep unresolved difficulty within this framework that may be of importance in debating poverty. Finally, I suggest some possible ways of resolving this difficulty and explore the implications for our understanding of the concept of poverty within the Rawlsian framework.

Why care about poverty?

The concept of poverty does not make sense without a poverty line that divides the population into poor and non-poor people.³ Hence in order to provide an interesting interpretation of poverty in a society, we have to defend a particular poverty line.⁴ In other words, we have to argue that there is a poverty line that conveys something of normative relevance, and hence justifies that we pay particular attention to the group of people below this line.

The framework of a Bergson-Samuelson social welfare function can provide some general structure on this discussion.⁵ (In the following, I shall not pay any attention to how we define individual well-being and make interpersonal comparisons, but simply

assume that the utility functions represent individual well-being in a reasonable way and that absolute interpersonal comparisons of well-being is possible.) A Bergson-Samuelson social welfare function reflects an ordering of social states, and within this framework the only elements that affect this ordering are the levels of individual utility (or well-being) in the various social states and the normative position we take up on how to weigh these utility levels in an aggregate evaluation. Hence, if we adopt this line of reasoning, any normative defence of a poverty line must either derive from some particular assumptions about the shape of the utility functions of individuals or about the shape of the social welfare function (or about both of them). We shall refer to the first possibility as the well-being defence of a poverty line and the second as the social welfare defence of a poverty line, though, obviously they are closely linked. It almost goes without saying that any well-being defence of the poverty line needs to be backed up with a social welfare argument; i.e. we need to explain why we should pay particular attention to people below a poverty line, even if this poverty line is supported by an argument about the shape of the utility function. But nevertheless, in the following, these two lines of reasoning shall be treated separately, and the rest of this section is devoted to briefly exploring the possibility of a well-being defence of the poverty line.

Conventionally, a poverty line has been interpreted as referring to the lack of ful-

3. Of course, it may be the case that we should accept that the poverty line may vary over a certain range, but that is not an important issue for the following discussion as long as we assume that the range is finite. See Atkinson (1987) on this question.

4. This issue is discussed in more detail in Tungodden (1995).

5. See Sen (1986) for a formal discussion of the Bergson-Samuelson framework. In this discussion, I avoid the issue of numerical representation of the ranking of social states; the purpose of introducing this framework is solely to provide a general structure on how to think about morally relevant arguments in a discussion of the poverty line.

