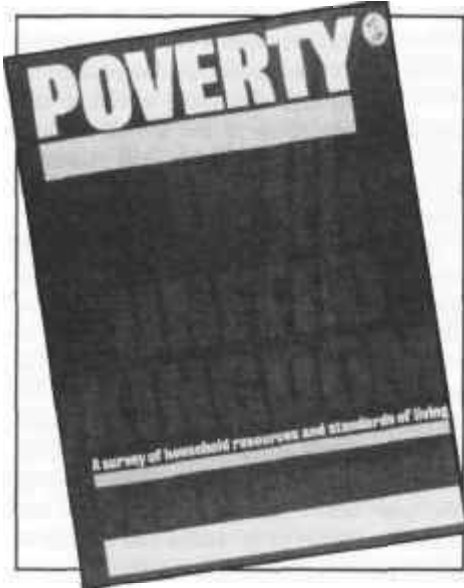


Reviews

POVERTY IN THE UNITED KINGDOM

Peter Townsend

Penguin 1979. 1,216pp. Paperback £7.95.



In one respect, the title of Peter Townsend's *Poverty in the United Kingdom* is misleading. The book says as much about the rich as about the poor. Indeed, one of the main principles which Professor Townsend asserts in this book is that poverty 'has to be understood not only as an inevitable feature of severe social inequality but also as a particular consequence of actions by the rich to preserve and enhance their wealth and so deny it to others'.

The book has its roots in a major survey of living standards (covering a representative sample of 2000 households) carried out in 1968/69. The end result is no less valuable for having been ten years in the making. As Townsend's analysis, not only of his own survey material but of a wide range of other sources, makes clear, poverty and inequality have shown themselves to be remarkably persistent, changing little this century. The past decade, with its increase in unemployment, in the numbers of pensioners and of single parent families, has probably brought with it a still greater incidence of poverty; the next decade is likely to see inequalities enhanced further still.

Townsend's survey material is particularly valuable as an alternative to official data, which is often inadequate and, on issues as contentious as poverty or inequality, tends to

present an unduly 'optimistic' view of the world consistent with prevailing governmental values. Throughout the text, which stretches to over 1200 pages (including appendices and references), Townsend reviews a wide range of material — official and unofficial — while also reporting the results of his own survey. For those wishing to equip themselves with the facts of economic and social inequality in Britain, this will be an invaluable reference. Those who have the stamina to read the volume from cover to cover (an exhausting but rewarding exercise) will find the task rendered less arduous by Townsend's literary style.

Official data seriously understate the true dimensions of economic inequality. Using the state definition of poverty (the basic supplementary benefit level) Townsend's survey found that there were about 3.3 million people (in 1.3 million households) in poverty in 1968/69. These represented six to seven per cent of the population. If a slightly more 'generous' definition is taken (adding 40 per cent to the basic rates), the official standard suggested almost 12 million people (in 4.5 million households) in poverty or on its margins. Even on this stringent definition, therefore, the 'poor' accounted for between a quarter and a third of the total UK population. More-over, this is only a 'snapshot' of the problem at one point in time and Townsend concludes that, even on the State's definition, more than half the population experience poverty, or near poverty, for at least part of their lives.

He argues, however, that poverty can only realistically be viewed in relation to incomes as a whole, defining the 'poor' as those with less than (say) half the average income of households of their type. On this definition (the 'relative income standard'), the numbers of poor increased to about a tenth of the total population (five million people), while almost 30 per cent of the population lived on the margins of poverty (having an income less than 80 per cent of the relevant average). But this too is an inadequate way of measuring poverty. The poor cannot live by bread alone: 'poverty can be defined objectively and applied consistently only in terms of the concept of relative deprivation'.

This 'objective measure' draws a line below which people are unable to participate fully in the society to which they belong. To try and identify such a division, Townsend and his research team examined a wide range of social indicators, including diet, clothing, housing and home amenities, recreation, education, health and social relations. Most of these indicators seemed to suggest that an appropriate definition of poverty, manifest in a range of deprivations, might be drawn at

about two-thirds the average income or 50 per cent above the Supplementary Benefit level. Taking this as their definition, the researchers found that 12.5 million people, representing a quarter of the population, could be said to be in poverty.

Townsend highlights the fact that almost half those who found themselves in poverty on this definition were in households in which someone was employed, and he goes on to remark that a situation in which a majority of those living in poverty or on its margins have earnings as their main source of income is likely to be regarded 'with some discomfiture in any society setting considerable store by the work ethic and self-help'. Class differences play an important role in Townsend's analysis: 54 per cent of the unskilled manual workers in his sample were found to be 'relatively deprived' — proportionately eleven times as many as in the professional classes.

One of the major reasons for the understatement of inequality in official (and most independent) studies is the concentration on cash incomes. Townsend warns that this approach is too restrictive. Living standards depend on a number of different types of resources distributed through various systems. In particular, he argues, the traditional distinction between income and wealth — encouraged by official data sources — is highly artificial. By combining the two into a single measure, his study shows that the degree of inequality is increased dramatically. The same is true if one takes account of fringe benefits (which have increased substantially in the years since the survey was conducted). The rich even gained more, in *cash* terms, from expenditure on social services in kind (including education and the health service).

It appears that a number of systems of resource distribution, both private and public, reflect and reinforce the underlying inequalities. How is this to be explained? Townsend reviews some of the major theories of poverty (through few of them approach the problem as one of inequality). He rejects the idea, popular in America in recent years, that the poor are trapped into their own 'sub-culture' of poverty. Such explanations are essentially a resurrection of the Victorian concept of the 'undeserving poor', comforting to a society 'which feels guilty about its inequalities but does not quite want to forsake them'. But there is little valid evidence to support the hypothesis. Nor is Townsend impressed by the British version of such an approach, the 'Cycle of Deprivation' thesis, so popular with Sir Keith Joseph. Again the theory is convenient as a means of legitimising inequality and attribut-

ing responsibility for poverty to individuals or families rather than to structural causes.

Turning to the economists, Townsend finds little satisfactory explanation for the persistence of inequalities in the orthodox (neo-classical) approach which relates earnings to productivity or innate abilities. Again, the effect (and perhaps the purpose) has been to legitimise inequality rather than to explain it. Governments have accepted that all they can do is to educate or train 'the poor' out of their poverty. The focal point again is poverty, rather than the inequality of which it is a part. It is indeed remarkable that such explanations have persisted against the weight of evidence and, in Townsend's view, 'the failure to explain differences in earnings between the sexes is a major deficiency of the orthodox approach'. Moreover, the approach relies heavily on the assumption of perfect markets.

In an attempt to adapt their theories some neo-classical economists have developed the concept of 'dual labour markets'. Workers could be separated into those in 'good jobs' and those in 'bad jobs'. The first enjoyed favourable pay and conditions, training and job security, all characteristics of which those in the 'secondary' labour market were deprived. Townsend is critical of this approach too, arguing that it is 'not properly related to the history of segmentation and the long-standing occupational class divisions of

the labour market'. But some economists have gone further, to develop a radical theory of 'labour market segmentation' which takes account of class factors and employers' interests in promoting divisions within the labour force. While such an approach is promising, in Townsend's view, it says too little about the status of minorities outside the labour force. (He is not satisfied with the explanation that the status of such groups is determined by their *past* association with the labour market). At the same time, he argues, there is a need to widen the analysis to consider not just earnings but the distribution of other resources as well; to examine the position of households (instead of just income recipients); and to 'analyse the contemporary class structure' in some depth. One of the central messages of the book is that the mechanisms for resource distribution are diverse but that there is a major division between classes in the receipt of those resources. Moreover 'the unequal distribution of resources confers power to control the further allocation of resources'.

A distinctive feature of Townsend's approach is his emphasis on the importance of 'minority groups' (in which he includes single parent families, immigrants, the disabled, the low paid and the unemployed). These low status social groups, he argues, have certain specific characteristics which give them an existence independent of social

class yet directly and indirectly support that class system. 'Societies recognise and, indeed, promote minority groups and . . . such groups exist within and help to explain a structure of inequality'. Townsend labels his approach one of 'class structuration'.

Because of this emphasis on minority groups, the book includes a number of chapters analysing separately the conditions affecting each. Each chapter draws not only on the author's own survey material (from which statistical data and case studies are extracted) but on other available studies. Some may disagree with Townsend's analysis of the role of minorities as independent of (but reinforcing) the class structure and largely independent of the labour market. But each of these chapters will remain a valuable source of information on specific groups for some time to come.

Peter Townsend's exhaustive catalogue of economic and social inequalities support strongly his emphasis on the structural nature of poverty. His final policy proposals — which include the abolition of excessive wealth and income and unemployment — therefore seems disjointed from the main body of analysis. But Townsend is aware that such changes are unlikely to come about in the near future against a background 'the elaborate hierarchy of wealth and esteem, of which poverty is an integral part'.

Chris Pond