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Scott P. Kelley Ph.D.

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Subsidiarity and Global Poverty: Development from Below Upwards

BY

SCOTT P. KELLEY, PH.D.

*Assistant Vice President for Vincentian Scholarship,
Mission and Values, DePaul University*

In early November of 2007 DePaul University hosted the 14th annual International Vincentian Business Ethics conference which addressed the topic of globalization and poverty.¹ As a Catholic, Vincentian University it is quite fitting that DePaul would host such a conference. But, poverty studies are nothing new to many universities; in fact Chicago is home to the Joint Center for Poverty Research, a collaborative endeavor between Northwestern University and the University of Chicago, which has been examining poverty-related issues since 1996.² If some, or even many, universities engage in poverty studies, is there anything unique about such endeavors at a Catholic, Vincentian University in light of its mission and/or heritage? Beneath the surface of engaging in poverty studies in any capacity, however, some approaches may be more attuned to a Catholic, Vincentian mission than others. Thus, there remains an important question: what does the Catholic, Vincentian heritage have to offer poverty studies at a university that values its mission?

To address this challenge, I will examine three perspectives on poverty alleviation: the first from a contemporary debate between two popular development economists; the second from the principle of subsidiarity from Catholic social teaching; and the third from the legacy of Frederick Ozanam. I will conclude by identifying several exciting contemporary approaches that are particularly suited to the study of poverty alleviation at a Catholic, Vincentian University.

The Sachs—Easterly Debate

Ever since the United Nations aimed to eradicate extreme poverty in the Millennium Development Goals of 2000, there has been a contentious debate

¹ "Globalization and Poverty: Oxymoron or New Possibilities?" from http://commerce.depaul.edu/ethics/contents/programs/Call_For_Papers_2007.pdf (accessed 13 January 2008).

² <http://www.jcpr.org/> (accessed 13 January 2008).

among development economists Jeffrey Sachs and William Easterly.³ Jeffrey Sachs believes the primary responsibility for ending global poverty belongs to wealthy nations who could effectively end it by 2025, with relatively small investment in foreign aid. William Easterly, to the contrary, believes that the ambitions of wealthy nations are a residue of the colonial mentality and that effective economic development must emerge from poor communities. The Sachs—Easterly debate is much more than a strategic disagreement over public policy; it engages some very basic questions concerning both social responsibility and theory. The debate over global poverty becomes particularly acute among those cognizant of their own relative privilege in the global economy. As such, critical reflection on values must complement reflection on effective policy and strategy.

Although a host of interested parties, including global institutions like the International Monetary Fund (IMF) and the World Bank, wealthy philanthropists, development economists, non-profits, and entertainers — all desire to end world poverty through foreign aid, William Easterly seems at times to be a lone critic crying in the wilderness. On the surface it seems morally repugnant for anyone to critique the generous efforts of those living at the top of the economic pyramid to assist the four billion who live on less than \$2 a day. Jeffrey Sachs, and many others, believe that foreign aid and philanthropy can be effective when planned properly. In contrast, William Easterly is highly skeptical of foreign aid and poorly planned philanthropy. The simmering debate between the two has significant implications and is worthy of close attention.⁴

If the purpose of aid and philanthropy is to alleviate the effects of global poverty and not merely to assuage the guilt of privilege, there are some very critical questions concerning what can and ought to be done. Wasting resources through indiscriminate aid efforts may be foolish or imprudent, but indirectly supporting corrupt or oppressive governments through the reckless distribution of resources is as morally problematic as ignoring global poverty altogether, if not more so.

³ See the United Nation's Millennium Development Goals, <http://www.un.org/millenniumgoals/> (accessed 13 January 2008); Jeffrey Sachs, *The End of Poverty: Economic Possibilities For Our Time* (New York: 2005); William Easterly, *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good* (New York: 2006).

⁴ William Easterly, interview by Paul Solman in "Authors Analyze, Criticize Foreign Aid Agencies in New Books," *The Online NewsHour*, PBS, 21 September 2006, http://www.pbs.org/newshour/bb/social_issues/july-dec06/foreignaid_09-21.html (accessed 9 August 2007); William Easterly, "A Modest Proposal," review of *The End of Poverty*, by Jeffrey Sachs, *washingtonpost.com*, Sunday, 13 March 2005, <http://www.washingtonpost.com/wp-dyn/articles/A25562-2005Mar10.html> (accessed 9 August 2007); Jeffrey Sachs, "Letters," *washingtonpost.com*, Sunday, 27 March 2005, <http://www.washingtonpost.com/wp-dyn/articles/A64541-2005Mar24.html> (accessed 9 August 2007).

The End of Poverty

In *The End of Poverty: Economic Possibilities for Our Time*, Sachs makes a compelling case for increasing foreign aid. He begins by painting a global portrait of poverty and the world's 6.6 billion inhabitants: 40 percent of humanity is made up of the extreme poor, the one billion who fight for survival on a daily basis, and the poor, another 1.5 billion who live slightly above subsistence level. While half of the world is experiencing economic growth, extreme poverty in sub-Saharan Africa has risen since 1981.⁵ Many of the world's 6.6 billion live in a "poverty trap," conditions that preclude economic development ranging from physical geography to geopolitics.⁶

The core of Sachs' prognosis is targeted investments backed by aid from donor countries. Since the poor operate in a poverty trap where the ratio of capital per person falls from generation to generation, "the poor do not have the ability — by themselves — to get out of the mess." Because the poor are unable to overcome the poverty trap, donor countries must take steps to establish or reestablish a healthy economy.⁷ Donor-backed investments that correct particular deficiencies will raise the level of capital per person, effectively ending the poverty trap.

Sachs finds three primary sources of obligation for the United States, as a wealthy donor nation, to increase its contribution of GNP from the 2004 rate of 0.14 percent (\$15 billion) to 0.7 percent (\$75 billion) in Official Development Assistance to those in the poverty trap: one, the U.S. has publicly promised as much, yet has failed to deliver; two, such minimal investment when compared to military spending (thirty times more or \$450 billion in 2004) better serves an "enlightened globalization" than does foreign policy focused exclusively on military power; and three, the wealthy have an implied moral obligation to contribute to those unable to secure their own economic welfare.⁸ I will not address the first two obligations on moral terms since failing to live up to a public commitment is a basic matter of integrity, and since "enlightened globalization" carries no special *moral* obligation other than rational self-interest.

Sachs' implied moral argument is noteworthy. If one assumes his descriptive account of the poverty trap is correct, then donor assistance at some reasonable percent of GNP is a morally responsible course of action. Peter Singer makes a similar argument by considering the gravity of extreme poverty and the relatively small contribution required to correct it. It would be a violation of a basic duty of care not to contribute even though the problem

⁵ Sachs, *End of Poverty*, 19-21.

⁶ *Ibid.*, 56-66.

⁷ *Ibid.*, 56.

⁸ *Ibid.*, 218-19, 329, 358.

may appear to be outside one's immediate sphere of concern.⁹ Such small contributions are unlikely to pose any immediate challenge to one's local obligations, and so are considered to be a duty and are not supererogatory. The sentiment of such moral obligation is best expressed by Bono: "what is happening in Africa mocks our pieties, doubts our concern, and questions our commitment to that whole concept.... Deep down, if we really accept that their lives — African lives — are equal to ours, we would all be doing more to put the fire out. It's an uncomfortable truth."¹⁰ However, is Official Direct Assistance the only expression of a true belief in equality?

The White Man's Burden

In *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good*, William Easterly takes a very different approach. He argues that in addition to the tragedy of global poverty, there is the tragedy that the West has spent \$2.3 trillion in aid over the last five decades and extreme poverty still persists, that "so much well-meaning compassion did not bring these results for needy people."¹¹ His critique is not simply that money has been wasted which could have been used more productively, but that big Western plans are a residue of colonialism, are often counter-productive, and usually exacerbate the effects of extreme poverty. Easterly distinguishes "planners," who articulate grand visions but do not effectively implement them, from "searchers," who seek successful answers to individual problems through trial and error, recognizing that global poverty is not a monolithic problem with a single scientific solution.¹² Easterly sees Sachs as a planner with a big plan, although Sachs denies the charge.¹³

Searchers have no grand plan and focus exclusively on small, pragmatic results. Looking for workable solutions to particular problems and often operating below the level of national policy, searchers are "the social entrepreneurs and nongovernmental organizations trying to achieve modest goals one at a time, like making micro-loans to village entrepreneurs or distributing mosquito nets to eliminate malaria in the African country of Malawi."¹⁴

Easterly is critical of planners because he is sensitive to the way Western policies are often a guise for political self-interest, and foreign aid often ends

⁹ Peter Singer, "Global Poverty and International Aid," *Philosophy Talk*, San Francisco's KALW (91.7 FM), 21 June 2005, <http://www.philosophytalk.org/pastShows/GlobalPovertyandInternationalAid.htm> (accessed 9 August 2007).

¹⁰ Sachs, *End of Poverty*, xvi.

¹¹ Easterly, *White Man's Burden*, 4.

¹² *Ibid.*, 4-7.

¹³ Sachs, "Letters."

¹⁴ Easterly, "Authors Analyze."

up in the pockets of corrupt governments. The recent stagnation of the poorest countries has more to do with awful government than with a poverty trap.¹⁵ Countries which receive high amounts of aid are no more likely to grow economically than countries that receive low amounts of aid.¹⁶

Easterly's prognosis envisions "piecemeal" solutions from the bottom up. Considering that no one can fully grasp the complexity of extreme poverty, and that there is no single recipe for economic development, "only a confusing welter of bottom-up social institutions and norms essential for markets" will work; "Western outsiders and Planners don't have a clue how to create these norms and institutions."¹⁷ While the market can address many of the problems of development, there also needs to be norms that curb exclusive self-interest and avarice. What those norms are precisely, and how they evolve, are the particularities searchers must address.

Easterly is critical of the effects of foreign aid. Not only is it often ineffective and inefficient, it can even exacerbate the effects of corruption by benefiting political insiders who oppose democratic reform. High aid revenues make national governments worse, even causing setbacks to democracy in the last third of the twentieth century. Conversely, bad governments can sabotage well-intentioned aid programs through various failures of implementation.¹⁸ Western institutions like the IMF can prop up bad governments by extending them credit, as Haiti's history illustrates.¹⁹

Beyond the factual question of whether aid alleviates or exacerbates the effects of poverty, and the debate whether Sachs is or isn't a "planner" lies the moral question of responsibility. What does reasonable and responsible engagement look like? While colonialism is often seen as an expression of Western exploitation, it can also be seen as an expression of misguided altruism. Many "nation builders" and "utopian social engineers" have strong altruistic tendencies that can bring some significant economic achievements. However, a pervasive bias perdures: "excessive self-confidence of bureaucrats, coercive top-down planning, desultory knowledge of local conditions, and little feedback from the locals on what worked" established a "whites know best" outlook.²⁰ A heightened sensitivity to the moral problems of the colonial mindset demonstrates that paternalism often precludes a relationship of partnership and equality, a moral sentiment that must not be tossed aside

¹⁵ Easterly, *White Man's Burden*, 43.

¹⁶ *Ibid.*, 51.

¹⁷ *Ibid.*, 77.

¹⁸ *Ibid.*, 132-37.

¹⁹ *Ibid.*, 147-48.

²⁰ *Ibid.*, 281.

carelessly. One must be cautious not to employ “caregiver” logic too liberally and to avoid the “utopian social engineering projects” that Karl Popper feared a half century ago. Easterly’s critique is an attempt to create the intellectual free space within which sustainable solutions are most likely to emerge.

But in addition to social analysis, poverty studies at Catholic, Vincentian universities must also be conscious of underlying values and social theories that are part and parcel of such an endeavor. An approach that is faithful to a Catholic, Vincentian heritage adds another obligation to poverty reduction: the obligation to engage and dialogue with the poor in a spirit of equality. So a particular challenge emerges: how can one approach the problem of global poverty in a way that is attentive, intelligent, reasonable, and responsible, yet respects the dignity, autonomy, and creativity of those living in extreme poverty?

Subsidiarity in Catholic social teaching

The principle of subsidiarity in Catholic social teaching provides a framework for addressing many of the moral questions broached by the Sachs—Easterly debate. As a principle it is general in approach rather than particular, but it is not a blueprint for social life or a utopian social engineering project. Rather, it provides categories for identifying those conditions that are necessary for human flourishing and those that frustrate the dynamism of the creative process. Therefore it has both a positive pole and a negative pole. The principle of subsidiarity helps moral discernment navigate a complex matrix of obligations.

The first formal articulation of the subsidiarity principle occurs in Pope Pius XI’s *Quadragesimo Anno*, written in 1931. Its underlying themes, however, are implicit in Catholic social teaching well beforehand. In section 79, Pius XI uses the phrase *subsidiarii officii principium* (“principle of subsidiary function”) to describe the proper relationship between higher and lower orders of society. The Latin term *subsidium* carried no negative connotation originally, but was used by Cicero, Ovid, and Caesar, as a military term referring to the way a second line of defense functioned as a backup to aid the front line.²¹ The general arguments articulated in *Quadragesimo Anno* have a strong correlation to the federalism of Thomas Jefferson and Abraham Lincoln, supporting Pius XI’s claim that it is “a fundamental principle of social philosophy.”²² Although the logic of subsidiarity has substantive antecedents and parallels in secular social philosophy, especially during the formation of the European Union, I will omit them here both for the sake of brevity and because the

²¹ John Kelley, *Freedom in the Church: A Documented History of the Principle of Subsidiary Function* (Ohio: 2000), 13.

²² *Ibid.*, 9-10.

origin of the principle itself comes from Catholic social teaching.²³

Although other sources, especially papal encyclicals, offer more thorough and nuanced examinations, the most concise expression of the principle can be found in sections 1883 to 1885 of the *Catechism of the Catholic Church*.²⁴ The *Catechism* identifies three distinct but interrelated spheres of attention that, taken together, comprise the principle of subsidiarity: non-arrogation, empowerment, and collaborative pluralism.

Non-Arrogation

The principle of non-arrogation expresses the negative or prohibitive function of subsidiarity. Section 1883 identifies concern over “excessive intervention” by the state, which threatens both personal freedom and initiative. Papal concern over state encroachment into areas beyond its competence and responsibility extends to the very beginning of Catholic social teaching.²⁵ Letters from the Pre-Leonine period popes (1740-1877), for example, express concern over state encroachment on Church affairs and government oppression of citizens. Papal fears emerged prior to the French Revolution when Roman Catholic rulers developed national, state-controlled Church structures and expelled the Society of Jesus in a number of European countries. From expropriation of Church property to the active destruction of long-standing institutions of charity, the designs of the state afforded little room for the Church or true freedom for private citizens.

Such anti-clerical stances also were held by socialists similarly charged with property theft and usurping the powers and responsibilities of the Church.²⁶ Leonine letters (1878-1958) shared many of the concerns of their predecessors, but the experience of communist states and fascist totalitarianism exacerbated them. Pius XI used the term “collective terrorism” to refer to the suppression of worker associations and other practices of state

²³ See, for example, the protocol on the application of the principles of subsidiarity and proportionality from the Treaty of Amsterdam, available at <http://europa.eu.int/eur-lex/en/treaties/selected/livre345.html> (accessed 9 August 2007).

²⁴ *Catechism of the Catholic Church*, available at http://www.vatican.va/archive/catechism/ccc_toc.htm. Sections 1883 to 1885 can be found at <http://www.vatican.va/archive/catechism/p3s1c2a1.htm> (accessed 9 August 2007).

²⁵ Most Catholic scholars assume Catholic social teaching begins in 1891 with the letters of Pope Leo XIII, but Michael Schuck takes a different approach in, *That They Be One: The Social Teaching of the Papal Encyclicals 1740-1989* (Washington, D.C.: 1991), hereinafter referred to as *Encyclicals*. He argues that Catholic social teaching is best viewed as part of a longer trajectory that begins in 1740 and has three distinct phases: Pre-Leonine (1740-1877), Leonine (1878-1958), and Post-Leonine (1959-1989). Within Schuck’s broader historical context, including the pressing socio-political concerns facing the papacy in each period, the roots of subsidiarity are more clearly evident.

²⁶ *Ibid.*, 4-8.

encroachment. In economic matters, the popes also expressed concern over “artificial trade barriers” and overtaking among other things.²⁷

Papal concerns over state encroachment are more than a simple plea for religious freedom. State interference in the internal life of communities of lower order is problematic because it takes on tasks and functions *better served* by those lower communities, and because it *usurps* power and responsibility from them.²⁸ Such actions tear at the cooperative and collaborative nature of the common good. When the state arrogates power and responsibility from lower communities, it deprives individuals of a central meaning of their work, that of “contributing to the well-being of the larger community.”²⁹ Section 1885 expresses this concern by stating that subsidiarity is opposed to “all forms of collectivism.” Following Daniel Finn’s interpretation of *Centesimus Annus*, the negative aspect of subsidiarity is best described as non-arrogation, where the higher authority should not usurp the power, responsibility, or meaning of the individual’s or intermediary institution’s contribution to the common good.³⁰ The state should undertake “only those initiatives which exceed the capacities of individuals or private groups acting independently.”³¹

Empowerment

The positive functions of subsidiarity are twofold, expressed as the principles of empowerment and collaborative pluralism. Section 1884 of the *Catechism* uses a theological model for empowerment: “God has not willed to reserve to himself all exercise of power” and therefore “*entrusts* to every creature the functions it is capable of performing, according to the capacities of *its own nature*.”³² Empowerment is the obverse of arrogation, where government positively creates favorable conditions leading to “abundant opportunities for employment and sources of wealth.”³³ Since positive development can, and most often does, occur from the bottom up, the state should support

²⁷ *Ibid.*, 49-52.

²⁸ Richard R. Gaillardetz, “The Ecclesiological Foundations of Modern Catholic Social Teaching,” in *Modern Catholic Social Teaching*, ed. Kenneth R. Himes (Washington, DC: 2005), 92 (hereinafter, *CST*). See also, Stephen J. Pope, “Natural Law in Catholic Social Teachings,” *Ibid.*, 50.

²⁹ U.S. Catholic Conference of Bishops, *Economic Justice For All* (Washington, DC: 1997), section 97 (hereinafter *EJFA*).

³⁰ Daniel Finn, “Commentary on *Centesimus annus* (On the Hundredth Anniversary of *Rerum Novarum*),” in *CST*, 449.

³¹ *EJFA*, section 124 (italics added).

³² (Italics added).

³³ Finn, “Commentary,” in *CST*, 449.

lower communities “in case of need” and help to “co-ordinate its activity with the activities of the rest of society.”³⁴ Thus government has a positive moral responsibility to safeguard human rights and to ensure that the minimum conditions of human dignity are met for all.³⁵ Ensuring such conditions does not mean that the state must be the sole or primary actor in securing them.

Leonine-period popes (1878-1958) argue that states have a special obligation to oversee “the interests of the poor,” which includes housing, clothing, health care, and employment.³⁶ The term social justice, first introduced by Pius XI, suggests that the state has a positive obligation “to assist” (in the original, Latin sense of subsidiarity) and not simply to arrest its practices of arrogation. Alongside papal concern over the state’s political power, there is also concern over “mistaken notions of amoral economic laws and narrow self-interest.”³⁷ Somewhere between state encroachment and “laissez faire et laissez passer” economics lies the positive but limited role of the state. What positive actions the state undertakes are varied and contextual, so long as the interests of the poor are being served.

Collaborative Pluralism

The second positive function of subsidiarity is to foster the creative activity that flourishes in multiple facets of personal and social life. Section 1885 of the *Catechism* describes the positive function of subsidiarity as that which “harmonizes the relationships between individuals and societies.” John Coleman argues that subsidiarity is “fundamentally, a plea for pluralism,” where pluralism is inherently participatory and collaborative.³⁸ The history of subsidiarity includes the growing recognition of the importance of intermediary institutions in any social theory that is excessively collectivist or individualistic.³⁹

In post-Leonine thought (1959-1989), all three principles of subsidiarity are evident: the state has authority and positive responsibility to intervene for the sake of the common good in the interest of the poor, but it must refrain from inordinate intervention and must seek to establish just and equitable distribution of goods through collaborative pluralism.⁴⁰

In *We Hold These Truths*, John Courtney Murray argues that the principle

³⁴ *Catechism*, section 1883.

³⁵ *EJFA*, section 18.

³⁶ Schuck, *Encyclicals*, 85.

³⁷ *Ibid.*, 18.

³⁸ John A. Coleman, “The Future of Catholic Social Thought,” in *CST*, 528.

³⁹ Marvin L. Mich, “Commentary on *Mater et magistra (Christianity and Social Progress)*,” in *CST*, 207.

⁴⁰ Schuck, *Encyclicals*, 149.

of subsidiarity asserts the organic character of the state through the autonomous functioning of various “sub-political groups.” The freedom of the individual is secured through institutions that are intermediate between person and state; these include family, local community, professions, occupational groups, minority cultural or linguistic groups, etc. It is precisely the health of these intermediary institutions that denies a variety of erroneous social theories: the false antithesis between individual and state that emerged from the French Revolution, state totalitarian monism that usurps personhood, and liberalistic atomism that precludes any measure of political control for the sake of the common good.⁴¹

Subsidiarity is also evident in the worldview of social activists like Dorothy Day who confesses allegiance to certain principles of anarchism in her autobiography *The Long Loneliness*. She was drawn to the thinking of the Russian scientist-turned-explorer Prince Kropotkin, who discovered that small voluntary associations of men were far more efficient than the “regimentation of military men” when it came to scientific exploration and discovery. Looking back on the guilds of the Middle Ages, Kropotkin envisioned collaboration between small voluntary associations free from the veiled designs of the government.⁴² As co-founder of the Catholic Worker Movement, Day’s personal sense of vocation meshed with her penchant for intermediary institutions and voluntary collaboration, ultimately culminating in an effective response to the unmet needs of the poor. Day neither relied on nor expected the state to care for the poor in her community although she was a vocal critic of unjust policies. Instead, she worked in local Houses of Hospitality.

The three aspects of subsidiarity have significant implications for economic development and responsible action in the interest of the poor. As a principle of non-arrogation, it seeks to curb the veiled designs of power and the naïve social engineering projects that are often disastrous. As a principle of empowerment, it seeks to develop the capacities and functions of all members of society to serve a greater good. As a principle of collaborative pluralism, it seeks to foster a shared sense of community. The principle serves as a constant reminder that the common good transcends public policy and that *all* levels of society are called to participate in bringing about social change.

The principle of subsidiarity is a *theological* principle, that is, a reflection on experience in light of scripture and tradition. Prior to the principle’s first formal articulation in *Quadragesimo Anno*, it was embodied in the legacy of Frederick Ozanam’s work.

⁴¹ John Courtney Murray, *We Hold These Truths: Catholic Reflections On The American Proposition* (Kansas City: 1988), 334.

⁴² Dorothy Day, *The Long Loneliness: The Autobiography of Dorothy Day* (San Francisco: 1980), 55.



Antoine Frederick Ozanam.
Portrait.

Image Collection of the Vincentian Studies Institute

Antoine Frederick Ozanam's Legacy

Not only is Frederick Ozanam a model of faith for lay Catholics who work at a university, he is also a model for scholars who wish to pursue their intellectual life in service of the poor. Ozanam was a formidable intellectual: by the age of 26, he received doctorates in law and literature from the University of Paris. As a founder of the St. Vincent de Paul Society in 1833, when he was only twenty years old, he was also deeply committed to addressing the poverty he encountered personally. By drawing on the Catholic natural law tradition in light of his own experience, he pioneered the concept of natural wage, which eventually became the conceptual foundation for minimum wage law and the Fair Labor Standards Act, enacted during the New Deal.⁴³ Three aspects of his legacy are particularly relevant for a discussion of approaches to poverty studies at a Catholic, Vincentian university: personal transformation, insights that come from personal transformation, and the praxis-oriented implications of subsidiarity.

Encountering the Poor

The most striking principle of the St. Vincent de Paul Society that Ozanam helped create is the insistence on direct, personal interaction with the poor, as opposed to the "bureaucratic and anonymous administration of

⁴³ David L. Gregory, "Antoine Frederick Ozanam: Building the Good Society," *St. John's Legal Studies Research Paper No. 10-0029* (October 2005), available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=827389 (accessed 13 January 2008), 4-5.

programs," an insistence that members must personally visit those they were assisting.⁴⁴ Personal encounter is part of a transformative process, bringing ultimate meaning to one's work and providing a context for encountering "the suffering Christ."⁴⁵ While the Society's ethos is clearly Christocentric, there is an important philosophical insight to the principle of encounter; namely, that work acquires a fuller sense of meaning and purpose when it serves marginal members of society. Work on behalf of the poor, in this context, is as much about addressing the longing for one's work to have a deep sense of social meaning, as it is about service. Ozanam and his friends frequently brought wood and coal to the poor because the vision of "regenerating France" seemed remote, distant, and utopian. He did not have the generalized goal of eradicating poverty, but merely sought to ameliorate the suffering of individuals.⁴⁶ Because his own sense of meaning was tied directly to the suffering of the poor, Ozanam had a unique perspective that shaped his fight against structural injustice. Although he possessed an intellectual commitment to the Catholic conception of the common good, it was his personal encounter with the poor that shaped his struggle against structural injustice on behalf of the poor. Thus, personal encounter was a methodological commitment as well.

Being With the Poor: A Necessary Perspective

France was divided during Ozanam's day. Most French Catholic elites did not align themselves with the poor masses, but rather with the royalists. Ozanam believed the poor were the true allies of the Church, and that the middle class had betrayed the working class in the Revolution of 1830.⁴⁷ Because of his personal encounter with the poor, he argued that natural wage "does not depend on any particular mechanical, quantitative formula," but rather on the dynamic needs of the poor: housing, education, and food. Work, Ozanam believed, was the fundamental way one applied their abilities to the satisfaction of basic needs. The natural wage, he found, was perhaps the most crucial instrument for combating poverty. Since work empowered the poor to meet their own needs, Ozanam strongly supported workers' rights to form unions.⁴⁸

Because of his encounters with the poor, and the insights he derived as a result, Ozanam enjoyed a nuanced social theory: beginning with the family,

⁴⁴ Gregory, "Ozanam," 11.

⁴⁵ *The Rule of the Society of St. Vincent de Paul*, <http://www.svdpmadison.org/rule.htm> (accessed 13 January 2008).

⁴⁶ Gregory, "Ozanam," 13-14.

⁴⁷ *Ibid.*, 21.

⁴⁸ *Ibid.*, 22-25.

the individual exercised duties and responsibilities, subordinating self-interest for the greater good of various social corporations. His commitment to private property did not align with socialism, yet his belief in social corporations opposed the greed of *laissez-faire* individualism.⁴⁹

Unfortunately, Ozanam did not live to witness the number of people and events that his work helped to inspire. He did not read the first great social encyclical *Rerum Novarum* in 1891, a foundational document for Catholic social teaching. He never met Peter Maurin or Dorothy Day, who founded the Catholic Worker movement in New York in the 1930s. Ozanam's legacy, however, need not be limited to natural wage struggles; in fact, some of today's most innovative approaches to poverty alleviation echo his approach.

Contemporary Approaches to Poverty Alleviation

The work of Muhammad Yunus and the Grameen Bank is one of the best illustrations of an approach to poverty alleviation faithful to the legacy of Frederick Ozanam. Opting for "the worm's eye view" as opposed to the "bird's eye view," Yunus grew tired of teaching grand economic theory while one of Bangladesh's worst famines in recent history left many starving in the streets. Through extended conversations with the poor women of Jobra, Yunus discovered the effects of exclusive banking practices that posed a formidable obstacle to their economic welfare, and he developed a way to lend small amounts of money to women who had no formal collateral. Since its inception, microfinance as an alternative to formal banking has contributed significantly to alleviating the effects of extreme poverty. Yunus discovered that lending to women predominantly was the best way to empower the family.⁵⁰ His Nobel Peace Prize in 2006 attests to the value and popularity of such an approach. More important than its popularity, however, is the basic insight that microfinance itself emerged from Yunus' personal encounter with the poor. There was little, if anything, in "grand economic theory" that equipped him to address such a basic obstacle. He did not bother with the best conceptual categories to quantify poverty on a global scale — he merely listened to the women of Jobra. Ozanam and Yunus both ventured beyond the halls of the university to work with the poor and to give meaning to their intellectual endeavors.

The failure of the World Water Corporation's efforts and the success of KickStart, a non-profit organization that designs and sells low-tech farming equipment, are another vivid illustration of development from below

⁴⁹ *Ibid.*, 27.

⁵⁰ Muhammad Yunus, *Banker to the Poor: Micro-Lending and the Battle Against World Poverty* (New York: 2003). It is important to note that there are some vocal critics of microfinance. See, for example, Aneel Karnani, "Microfinance misses its mark," in *Stanford Social Innovation Review*, summer 2007.

upwards. Founded in 1984 by a team of Princeton University engineers to supply clean water to developing countries, World Water Corporation developed a solar-powered system for water distribution. By 2000 they had established 17 operations in developing countries and enjoyed exclusive contract rights. However, the expense of the large infrastructure project, coupled with the unstable or corrupt nature of its government partners, eventually led the company to focus almost exclusively on the more stable U.S. market. In contrast, KickStart is a Kenya-based venture focusing on small-scale solutions to irrigation problems by selling its micro-irrigation technologies directly to farmers for less than \$100.⁵¹ By helping subsistence farmers become “farmerpreneurs” with inexpensive foot-pump irrigation technology, KickStart has helped generate \$52 million in new profits and wages.⁵² While World Water Corporation had noble goals, rotten local politics frustrated the implementation of its new technology. By operating under the radar of big policies and bureaucratic entanglements, KickStart has made positive, incremental contributions in the lives of many Kenyan farmers, something World Water Corporation could not accomplish despite the significant resources it amassed.



Foot-pump irrigation system designed by KickStart and made available to farmers in Kenya.
Public Domain

Collaboration and pluralism are foundational for empowering individuals and intermediary institutions. Successful efforts at poverty alleviation consistently attest to the importance of both principles. Take, for example, the Sustainable Tree Crops Programs Alliance (STCP). The Alliance improves the economic well-being of small farmers and environmental sustainability

⁵¹ Stuart Hart, *Capitalism at the Crossroads: The Unlimited Business Opportunities in Solving the World's Most Difficult Problems* (New Jersey: 2005), 199-201.

⁵² ApproTEC is now Kickstart, <http://www.approtec.org/> (accessed 9 August 2007).

through a network of industry experts, all of whom are concerned with the cultivation and marketing of cocoa. Membership ranges from the U.S. Agency for International Development (USAID) to members of the World Cocoa Foundation, including the Hershey Company, Nestle Products, and Kraft Foods. Since cocoa is the most important tree-based commodity in West Africa, it provides a livelihood for millions of small-scale family farmers. Deforestation, fungal diseases, and insects, however, destroyed a third of the annual crop, and significant inefficiencies in the market system hampered the livelihood of small farmers. Not only did STCP improve the quality and availability of cocoa beans through shade-crop biodiversity methods, it also raised the living standards of small family farmers through a more equitable trade climate. It wasn't until 1998 that cocoa producers finally began to realize some potentially catastrophic consequences when a research paper identified major problems within the cocoa supply chain. After extensive studies, USAID launched the pilot phase of STCP to initiate a collaborative approach to address common concerns. By focusing on farmer education and by linking farmers to markets through producer organizations, STCP has created viable solutions to some of the problems that dogged the industry previously.⁵³ All members of the alliance realized that the future of the chocolate business is directly linked to the future of rural families growing cocoa. STCP was not a grand social plan, but a collaborative engagement of multi-sector organizations all sharing the desire to empower rural families.

Poverty Studies in the spirit of Catholic, Vincentian Heritage

While the particular examples I have outlined are by no means the only approach to poverty reduction, they are approaches that have strong parallels to Frederick Ozanam and the principle of subsidiarity. Because global poverty has received increasing attention since the MDGs of 2000, many have envisioned a world without poverty in the not-so-distant future. Many believe that achieving this goal is predominantly a matter of increasing Official Development Assistance from donor countries; however, William Easterly is highly skeptical. Searchers, he argues, serve the poor better than planners. Beyond the scholarly debate over efficacy, the principle of subsidiarity and the legacy Frederick Ozanam suggest that personal encounter, collaborative pluralism among various intermediary institutions, and a limited role of state all contribute to the primacy of a "bottom up" approach. Therefore, the Catholic, Vincentian heritage suggests that not all approaches to poverty studies are equal.

⁵³ World Cocoa Foundation, http://www.worldcocoafoundation.org/for-the-media/pdf/GDA_Report_Jan2006_Part2a.pdf (accessed 9 August 2007).