

THE ECONOMIC AND SOCIAL RESEARCH INSTITUTE

POVERTY IN IRELAND:
RESEARCH PRIORITIES

Account of One-Day Conference held in ESRI, April 18, 1972

Compiled

by

BRENDAN WALSH

BROADSHEET No. 7

OCTOBER, 1972

Brendan Walsh is a Senior Research Officer with the Economic and Social Research Institute. The paper has been accepted for publication by the Institute, which is not responsible for the content or the views expressed therein.

Copies of this paper may be obtained from the Economic and Social Research Institute, 4 Burlington Road, Dublin 4.

Price £0.40

(Special rate for students £0.20)

THE ECONOMIC AND SOCIAL RESEARCH INSTITUTE

POVERTY IN IRELAND:
RESEARCH PRIORITIES

Account of One-Day Conference held in ESRI, April 18, 1972

Compiled

by

BRENDAN WALSH

BROADSHEET No. 7

OCTOBER, 1972

Printed by Cahill & Co. Limited, Parkgate Street, Dublin 8.

FOREWORD

At an informal meeting of Directors of research institutes in Ireland in February, 1972, the suggestion was made that the ESRI should organise a conference on research priorities in relation to poverty. The Directors were concerned that, despite rapid economic growth in the 1960s, significant problems of poverty remained. Moreover, the reduced economic growth rates since 1969, and the resulting increase in unemployment, have intensified concern about poverty and social deprivation. The Directors' suggestion was also inspired by the Conference on Poverty in Ireland held in Kilkenny in November, 1971 under the auspices of the Council for Social Welfare.

A conference was held at the ESRI in April, 1972. Unlike the Kilkenny conference, which covered the subject in its wider aspects, the central aim of this discussion was to identify and consider those aspects of poverty for the alleviation of which research was required. This was reflected in the choice of participants (listed in the appendix), consisting mainly of interested scholars and a small number of persons with relevant practical and administrative experience.

The report of the conference, prepared by the conference convenor, Dr Brendan Walsh, will serve as a background to our thinking in this Institute on all related research topics. It also provides an overall framework within which to consider specific research projects on poverty in conjunction with other interested research institutes. In this connection it is proposed to set up a small working party, consisting mainly of scholars from the various research institutes, to advise on the priority areas of research and how best to organise resources for this purpose. The report of the conference is now being published to stimulate wider discussion on the subject.

Some may feel apprehensive that research may be used as an excuse for deferment of necessary remedial action. It is earnestly hoped that this will not happen. We recognise fully the need for urgent action in relation to many areas of poverty and we hope

that the more pressing areas will be tackled without delay. But it remains true that the effective solution of some of the problems of poverty will require the greater understanding of their nature and causes that can only be achieved by systematic research. It is precisely in this area that the ESRI, and other research institutes, can play their most appropriate and effective role.

The potential contribution of research should not be exaggerated, however, and it is important to be clear at the outset about its role. First, research can help to awaken the public conscience to major social problems. While it is certainly not the function or practice of this Institute to propound ideological or political points of view, nevertheless we can help to inform public opinion through the balanced presentation of carefully-documented facts that may not be generally known. Secondly, research can help to evaluate alternative solutions in terms of their relative costs and relative effectiveness. It can also uncover conflicts that are likely to arise in pursuing different courses of action and help to harmonise means towards the more effective achievement of the desired ends. And, thirdly, research can help to identify and draw attention to future problems before they reach major proportions, thereby offering the possibility of preventive treatment.

As the conference report makes clear, poverty is not a uni-dimensional phenomenon: it is rather a many-sided problem. No one research project can, therefore, be expected to come up with final solutions. Indeed, research on poverty is best regarded as an umbrella under which to focus and organise a range of projects geared ultimately towards the solution of aspects of the problem. It should also be stressed that research on poverty is not something new from the viewpoint of this Institute. As Brendan Walsh rightly points out, most economic and social research is relevant to poverty, and the purpose is not so much to re-direct existing research into a new field of endeavour as to give existing work a new perspective. By making the focus more explicit, it may be possible to secure a more concentrated and effective effort.

KIERAN A. KENNEDY
Director

POVERTY IN IRELAND: RESEARCH PRIORITIES

Account of One-Day Conference held in ESRI, April 18, 1972

*Brendan Walsh**

Introduction

The Director of the ESRI asked me to organise a Conference to which people active in research in the social sciences would be invited with a view to clarifying the role of research in relation to the problem of poverty in Ireland. I organised the Conference around seven topics, and asked research workers associated with each of these to take responsibility for steering the discussion on his speciality.

The aim of the Conference was not to produce a blueprint for action, but rather to point out the major gaps that exist in our present knowledge of the problems discussed, and the need for research in these areas. Naturally, the discussion of research priorities frequently involved a discussion of the importance of particular problems or hypotheses as these relate to the more general concept of "poverty". But the present account is not a heavily documented, statistically detailed picture of the Irish poverty problem: the emphasis throughout is on how little we know (even about how to define "poverty") and how much more research is needed before we shall be able to claim that we understand the causes of poverty in Ireland.

The coverage of the Conference was selective, and some important topics (notably, housing) were left undiscussed. This selectiveness arose from a desire to keep the Conference small and from a belief that some aspects of the subject (of which

*Miss Kathleen O'Higgins and Mrs M. Dempsey provided invaluable help in organising the Conference and in compiling this account of the proceedings. Numerous contributors suggested improvements on an earlier draft of this report.

housing is an example) had already been the object of detailed discussion by more specialist gatherings.

This account of the Conference is divided into two parts. Part I is a summary of the proceedings, Part II contains my reflections on these proceedings. In Part I, I have tried to summarise the discussion that occurred after the invited speakers on each topic addressed the Conference. Only the invited speakers have been identified by name, the ensuing discussion being summarised without attribution of individual contributions. I am grateful to all who attended the Conference and especially to those who participated in the discussions, without whom the present report could not have been written.

PART I

First Session: Measurement and Definitions

In introducing this topic, and the Conference, I tried to review approaches to the measurement of poverty currently used in other countries. I stressed that, as social scientists, we must accord measurement a central place in our discussions. Despite an inevitable arbitrariness in any yardstick, it was vital to compile measures that would allow us to assess the nation's progress in regard to alleviating or eliminating poverty, at least as far as this is susceptible to economic measurement. My preference was for defining "poverty" largely in economic terms, and then using this definition as a method of evaluating progress towards defined policy goals. The statistics used in other countries to derive poverty indices seem to be based mainly on:

- (1) Earnings surveys of all employed workers.
- (2) Income statistics generated by the process of collecting income tax.
- (3) Family expenditure surveys.
- (4) Income questions included in the Census of Population.
- (5) Sample surveys geared to collecting data on adequacy of diet, housing, etc.

The main approaches to the actual measurement of poverty seemed to be:

- (a) Distribution statistics derived from the size and distribution of income in the population. This approach concentrates on inequality as an indicator of poverty (Lorenz or Pareto curves) or some modification thereof (e.g. the proportion of the population receiving less than 50 per cent of the median income level).

- (b) Household income, before and after taxation and transfer payments, classified by one or more demographic variables and by occupation. This approach identifies special groups that are very likely to be "poor", and allows an assessment of the impact of government transfers on the situation.
- (c) The detailed studies performed on the US Census data on incomes allows identification of the proportion of various population groups falling below a "poverty line" defined as a minimum income adequate to ensure a modest standard of living to the type of household in question.
- (d) Studies based on employment and earnings data that allow exploration of the special problems associated with low productivity employment.

Many of these approaches stress the household, rather than the individual, as the unit to be studied. Donal Murphy (CSO) gave a summary of the Irish data sources, especially the Household Budget Inquiry and the uses to which it might be put in the present context. He referred to unpublished work on the 1965/66 Inquiry assessing the redistributive role of government, and felt that the new Inquiry (1972) would be even better suited to this purpose. (It would also allow more detailed analysis of non-response). In general, the prospect for such study of poverty as can be based on the Household Budget Inquiry is improving, and Donal Murphy assured the Conference of his own interest in co-operating with work of this type. As regards earnings surveys, the existing Census of Industrial Production provides comprehensive earnings information for the workers covered, but coverage is limited to the Industrial Sector, and the rest of the economy is rather poorly described from available sources. There is, however, some prospect of a really comprehensive earnings survey pursuant to EEC entry. In regard to income data from Census sources it was very unlikely that any such question would be included in an Irish Census of Population.

In respect of the data generated by the Revenue Commissioners, the plea was made by several of those present that these should be made available to research workers in a form that would

allow the calculation of the standard measures of income inequality among taxpayers, as soon as possible. Obviously, this statistical work would in no way violate the confidentiality of individual returns. The Department of Social Welfare has available data in regard to those claiming non-contributory benefits.

The recent studies by P. M. Lyons on the distribution of personal wealth in Ireland* provide some evidence that is relevant to income distribution, and suggest a greater inequality of wealth ownership here than in Northern Ireland or Britain.

At this stage the question was raised: "What is being measured"? Is there any point in detailed investigations of income distribution and related concepts if we are not convinced that this is the appropriate way to measure "poverty"? Surely the aim of a Conference of this type should be to identify population groups especially prone to poverty however defined and to suggest policies designed to remove or reduce this problem? It was not evident that poverty could be measured according to an exclusively economic formula: broader cultural considerations, and aspects of the quality of life, need to be taken into the reckoning. The view was also propounded that "poverty" was a meaningless term, since it implied a judgment about happiness or individual states of mind. The yardsticks discussed above certainly fail to measure "poverty" in this more subjective—but possibly more meaningful—sense. In fact, many of the indices suggested relate to *inequality*, and hence why introduce the notion of "poverty" at all? The importance of identifying problem groups and training people capable of helping those in these groups was stressed. Emphasis was placed on the need to study the values and attitudes of persons living in poverty, and of the system that made them poor. There is a need to allow all people the regular opportunity to express their satisfaction or otherwise with their economic lot, with the efficiency of their Government and the uses to which tax receipts were put.

Returning to the measurement problem, a number of speakers stressed the need for objective yardsticks which would allow us to say so many people are below the income level sufficient to

*A. A. Tait and J. A. Bristow, editors, *Ireland: Some Problems of a Developing Economy*, Gill and Macmillan, Dublin 1972, Chapter VI.

ensure them a decent standard of life. A strong interest was again expressed in seeing the Revenue Commissioners publish data suitable for studies of the distribution of income among taxpayers.

Second Session: Social Administration and Poverty

Seamus Ó Cinneide (IPA) introduced this topic by stressing the need for workable definitions and measures of poverty so that the public may be educated on the need for improvements and a general sentiment in favour of change created. He stressed the role of social scientists in bringing about a climate of reform, from the days of Booth and Rowntree to the present.

Our existing social services have evolved in response to several needs, alleviating poverty being only one of these. The goals of economic development, social and political cohesiveness, even national prestige, would probably never be entirely abandoned in order to concentrate on the elimination of poverty. However, social services do aim at increasing equality (of opportunity and of access to amenities) among citizens, compensating for natural or imposed disadvantages, maintaining income in the face of insurable contingencies such as unemployment, ill-health, old age and bereavement. All of these goals were clearly relevant to the poverty issue.

Seamus Ó Cinneide suggested that there was need to evaluate our social services from the viewpoint of their impact on poverty. He felt it was possible that the *ad hoc* nature of many services made it very hard for the administrators to have a clear picture of what exactly was being achieved by the sum total of their activities.

With these aims in mind he suggested that social services be divided into two broad groups:

- (a) General services (health, education etc.).
- (b) Specifically "anti-poverty" services (income maintenance, aid to special categories etc.).

In regard to group (a), three questions should be researched:

1. Are they equally accessible to all the groups? (For example, do we ensure equality of educational opportunity?)
2. Do they have an equalising effect or do they tend to compound existing inequalities?
3. Are they socially integrative or divisive? (e.g. how does a two-tier health service function in this regard?)

In regard to group (b), it may be asked:

1. Are they effective in coping with their immediate aims?
2. Are they effective in solving the long-term problems they are dealing with or do they tend to perpetuate a dependence on welfare?

Finally, some broader issues may be raised are the existing services comprehensive (for example, are lower-paid workers discriminated against in the present scheme of things, since they receive no transfer payments, despite the possibility that they are worse off than some people living on welfare payments?) Are they mutually coherent or consistent, are they administered with equity? Are national standards enforced or are local authorities constrained by local tax bases?

Seamus Ó Cinneide stressed that under all of these headings there was a full agenda for research in Ireland.

In the discussion immediately following this contribution, the political and economic problems involved in breaking the cycle of ignorance and poverty were stressed. How can we utilise our resources to the full, and overcome those forces in our economic system that had a vested interest in the present unequal and unjust allocation of resources? The example of violence in Northern Ireland could not fail to affect our own society if we fail to improve on the *status quo*.

In commenting on the discussion on social administration, it was pointed out that we wished to move towards a system where benefits were given as of right, generally based on past con-

tributions, where selectivity and a means test were avoided, and where the burden of contributions on employers was relatively light. How compatible are these aims? In particular, how reasonable is the goal of avoiding selectivity with that of maximum efficiency in relieving the most urgent poverty? The impact of the children's allowance scheme, for example, is reduced because it is extended to all income groups. In regard to some issues raised in earlier discussion (e.g. whether the husband or the wife should be paid certain benefits) the issue is one for the legislators, not for the administrators. We in Ireland are faced with special problems due to our demographic and economic structure—the high proportion of young dependants and self-employed persons in the population being two major aspects of our social services problem.

A plea was made at this point for research that is centred on, and shares the views of, "the poor". How do the people that are allocated to the status of poverty by various criteria define their own position? We must try to understand their values and aspirations, by locality-based research of the participant-observation type. Any real research programme on poverty must allocate some of its budget to studying how social scientists, social workers, administrators etc. regard the poor—how is the whole "poverty industry" organised, managed and sustained.

Third Session: Demographic Aspects of the Problem

In introducing the third session, on demographic aspects of the Irish situation, I stressed the economic dimensions of the problem. The role of population growth in economic development has been debated by economists since the early 19th century, and it is approximately accurate to divide the profession into those who side with Malthus and those who side with Marx on this issue. The "Malthusian" viewpoint stresses the existence of diminishing returns somewhere in the system, and regards rapid population growth as a major obstacle to development. The "Marxist" viewpoint, on the other hand, regards the problems that may occur in high population growth areas as a reflection

of the imperfections of the system (usually capitalist or feudal) and claims that, if the economy were properly organised, rapid population growth could even stimulate economic development. One Marxist commentator recently summarised the issue: "is capitalism or sex the real enemy"?* Both these interpretations are over-simplifications of the complexity of the issues involved, but of the two I favour the "Malthusian", and this preference tends to colour the remarks that I made on the demographic aspects of poverty in Ireland.

I drew attention to the high burden of dependency in Ireland (74 "inactive" for every 100 "active", compared with 56 per 100 in the UK), due above all to the high proportion aged under 15 (54 per 100 active, compared with 36 in UK). Add to this some special aspects of our labour force (e.g. the low proportion of married women working, the inflation of the agricultural labour force by older farmers) and the magnitude of this "burden" of dependency becomes clear. This fact acts as a constraint on all our efforts to raise educational standards and social welfare benefits, and dilutes the impact of existing transfers. Unfortunately, the projections available to 1996 show that it is very unlikely that any dramatic improvement in the situation will occur: old dependency may decline with lower emigration, but young dependency may rise almost equally.

On the macroeconomic level, we know that a high burden of dependency tends to depress the savings ratio. Econometric models (mostly developed to simulate conditions in less developed countries) show that a higher birth rate implies a lower level of *per capita* consumption: the most important mechanism lowering consumption is the lower level and growth rate of output that follows from the reduced availability of productive investment *per capita*. On the micro level, the US data show a very close association between the incidence of large families and of poverty: in 1966, for white families with male heads, 5 per cent of the families with 2 children were living in poverty, compared with 25 per cent of those with 6 or more children (poverty defined by Bureau of Labor Statistics, modest but adequate

*Howard Sherman, *Radical Political Economy*, Basic Books: New York, 1972, p. 77.

standard of living). This is partly due to the negative correlation between family income and family size, but also reflects the effect of increasing family size in rendering a given family income inadequate.

These data raise major issues of social policy that have not, to my knowledge, been explicitly confronted in Ireland. Should a policy of advocating smaller families amongst the low income groups be pursued in order to raise these families out of poverty? Or should transfer payments (especially housing, health and education subsidies) be vastly increased and concentrated on those with large families, so that the children of these families may escape from the disadvantages they presently suffer? Those who advocate reliance on the second course of action must realistically evaluate the costs and the administrative feasibility of such a programme, as well as its prospects for success.

A recent exhaustive survey of research on the effects of family size concludes:

... the effects associated with (increasing family size) on the well-being of individuals—primarily the children—in a family are serious: increased illness, including malnutrition, serious enough in younger children to increase mortality rates: less satisfactory growth and intellectual development; increased illness in parents, as well as clear-cut economic and emotional stress. Family size is not the only cause of these effects, but it is clearly implicated as an important element in the interacting network of causal factors.*

The fact that IQ among children with 5 or more siblings was on average 22 points below that of only children in one Scottish study, and that 47 per cent of those rejected on mental grounds from US Army Service came from families with 6 or more children, is very striking evidence in itself of the importance of family size in the so-called "culture of poverty". It is not

*T. D. Wray, "Population pressure on families: family size and child spacing", Chapter II in Vol. 2 of *Rapid Population Growth: Consequences and Policy Implications*, ed. by Roger Revelle, National Academy of Sciences and Johns Hopkins University Press, Baltimore, Maryland, 1971, p. 454.

the goal of any society to maximise national IQ, but many of the topics dealt with in the Conference were obviously closely related to equality of educational attainment and hence any serious "war on poverty" had to bring the demographic question to the forefront. It seems clear from the available evidence that, especially in the lower socio-economic groups, increasing family size implies deprivation (economic and psychological). The evidence of studies from countries with much lower fertility than Ireland points to a desire among those in the high fertility groups to control and lower fertility. Research in Ireland is needed to explore the attitudes of the high fertility groups towards their fertility. A related area in need of investigation is the hardship that arises due to the very high incidence of non-marriage in Ireland. We lack information on the large questions of family formation in Irish society.

The discussion that followed this session was curtailed due to lack of time. However, in written comments on earlier drafts of this account of the proceedings, a number of people have expressed scepticism about the direction of the causation in the association between high fertility and poverty. The possibility that high fertility is attributable to the value system associated with poverty (or, in economic terminology, to the lower opportunity costs of children among groups where mothers' and children's educational attainment is low) has been stressed as an alternative interpretation to the suggestion that a high number of offspring (presumably some of them "unplanned") cause poverty.

The quotation from Wray, above, summarises a survey of an immense body of empirical research related to this question. He is guarded in his conclusion, stating only that high fertility is "clearly implicated as an important element in the interacting network of causal factors". It is important to point out that many of the research projects evaluated by Wray studied the effects of family size on child development after controlling for the influence of socio-economic class. Some of these studies assess the influence of specific factors related to family size (for example, degree of contact with adults) in accounting for variations in child development. Of course, the question "would parents of large families have provided better for their children if they had

fewer of them" remains unanswered, and is probably not answerable. Wray's last comment is as close as he comes to giving his opinion on this question:

... for everyone concerned with the welfare of children the message is clear: we must, at the very least, make it possible for parents who do want to control their family size to do so. If effective means are available, there is reason to believe many will use them and be better parents as a consequence. (p. 456)

It may be pointed out that a survey of English Catholic families showed the educational differentials between children from families of different sizes were less pronounced in this group (although similar in direction) than was the case among the rest of the population.* However, in one study of a sample of 112 Irish school-children, it was found that 35 per cent of the "educationally retarded" children came from families of 8 or more, compared with only 10 per cent of the "educationally advanced".** These findings were not cross-classified by social group, but on the whole they point in the same direction as the international research.

A further criticism of the emphasis of this session may be based on the idea that it looks to the high fertility of the poor as a cause of problems that arise from the economic system and especially the vested interests of the rich, who now feel threatened by the rapid population growth of the poor. It is often asserted, on rather slight evidence, that the poor "want" large families. A voluminous literature has appeared in the last ten years attempting to study the determinants of fertility differentials between socio-economic groups, and especially to isolate the *net* effect of a rise in income on family size. A review of this literature led one commentator to state:

Perhaps the conclusion to studies of the income effect must be that, independent of changing tastes,

*J. Floud, A. H. Halsey and F. M. Martin, *Social Class and Educational Opportunity*, Heinemann, London, 1956.

**Kathleen Cullen, *School and Family*, Gill and Macmillan, Dublin, 1969, Table 4.2. These differences are statistically significant.

income is directly related to fertility, but that tastes are rarely independent, and thus that the observed relationships are likely to vary within narrow limits around the measure of no association.*

The importance of these remarks in the Irish situation derives from the very high inter-class differentials in fertility still recorded here (they have largely disappeared elsewhere in western Europe) and our ignorance of the determinants of these differentials.

Fourth Session: Economic Growth and Poverty

Martin O'Donoghue (Department of the Taoiseach) stressed the large areas of ignorance associated with this topic. Economists traditionally measure the absolute level of income, and Irish living standards in this sense have been rising. But the study of poverty is more concerned with income in relation to some yardstick of adequacy, and we know little about the effect of Irish economic growth on this measure. Similarly, we lack measures of income distribution and the effect of economic growth on income distribution. Apart from these basic measurement problems more fundamental issues need to be explored: what is the nature of the trade-off (assuming it exists) between egalitarianism and the rate of growth of output? What impact does the attempt to equalise income have on the (long-run) supply of human capital? What is the nature of the social preference function as far as the intertemporal pattern of consumption is concerned? That is, how much present consumption are we willing to forego in return for an increase in consumption at some future date? We need empirical evidence on the effect of our tax structure on factor movements, especially on the skill-mix of the net migration stream. Is it possible to argue that unemployment is a cost necessarily incurred in the attainment of

*Geoffrey Hawthorn, *The Sociology of Fertility*, Collier Macmillan, London, 1970, p. 82. Recently, the economic determinants of fertility have been systematically explored, notably by W. Sanderson and R. J. Willis: cf. National Bureau of Economic Research, Inc., *51st Annual Report*, New York, 1971, pp. 32-42.

the long-term goal of efficient resource allocation? How can the interpersonal distribution problems inherent in such adjustments be regarded? (Do we have any mechanisms whereby the unemployed share in the more efficient resource use that may follow from their unemployment?) If, as is usually the case, a policy makes one group better off and makes some others worse off, how can economists decide on the desirability of such a policy?

These remarks provoked a number of comments, many of which questioned the assumption that traditional measures and concepts were adequate to the problems of poverty now facing the industrial nations of the world. Was GNP useful as an index of national welfare? Was the usual economic neutrality capable of analysing the essentially political and ethical problems at issue? Martin O'Donoghue warned of the danger of relatively affluent economists excessively downgrading the value of the traditional type of economic growth, since they might inadvertently reflect their own class biases in so doing. Others present, however, felt that the contrary was the case: the weakest groups in society were those who were at the receiving end of most of the external diseconomies of growth (from pollution to exploitative advertising) and it was impossible to impute a unified class bias to academic economists. This session provoked more disagreement among the audience than any other, and revealed, to me at least, (a) the need, already well emphasised, to combine data on the level and growth of GNP with data on its distribution, (b) the need not to accept uncritically measures such as GNP as the last word on the level of economic activity in a country—a need that must be made operational, not remain a mere ritual warning, and (c) the need for economists to work with sociologists and others to achieve these aims and to widen and make more operational the terms of reference of welfare economics.

Fifth Session: The Law and Poverty

Ian Hart's (ESRI) main contention was that the law courts and our prison system currently bear most heavily on the poorer

sections of society. Crime and delinquency have come to be almost exclusively working class phenomena as far as our system of legal penalties is concerned, whereas deviant behaviour may well be equally common at all levels of society. Thus our legal system operates within our social system, not above it, and is not an instrument of reform or change, but rather an ingredient of the existing balance of power in society. Our economic system presupposes a system of legal sanctions, and punishment for those who violate the rules, in order to establish security for those who want to enjoy the fruits of success. With increasing economic growth, it is possible that crime will (or has) become more common, if the gap between the winners and the losers tends to become more accentuated. The purely legal tasks of our police and judiciary will have to be supplemented by a sociological and compensatory role.

The discussion provoked by this contribution expressed considerable concern over the manipulation of people (by advertising and more generally by the institutions of a profit-oriented system) towards acquisitiveness, aggression and depersonalisation. The creative and constructive potential of methods that are currently predominantly dedicated to promoting higher and higher consumption levels was mentioned. Could society learn to use advertising, etc. to serve social rather than merely private goals? Attention was drawn to the labelling process by which deviants were identified, and to the discrimination exercised by those with power and influence in society against others who were labelled "dangerous", "deviant" or "undesirable".

Sixth Session: Education and Poverty

John Raven (ESRI) focused attention on the increasing use of educational qualifications to exclude people from employment. Frequently irrelevant criteria were established as preconditions for jobs, with a view to excluding those who have not mastered these qualifications. The relevance of these qualifications to one's ability to perform the job in question was more often than not

undetermined. Thus a demand for "education" is created, whereas what people really want is the chance to obtain certain jobs and access to avenues of advancement. For those who are incapable of mastering the formal educational criteria, jobs and avenues of advancement are permanently closed—even though their ability to perform the jobs in question might be quite high. As an example of the irrelevance of most of our "educational" pre-conditions for employment to the actual job requirement, he cited the success of West Germany in using a foreign labour force, frequently illiterate and not even able to speak German, as an indispensable component of its labour force. The artificial demand for "education" stimulated by our present system also generated a conflict with more traditional values by emphasising independence, individualism and mobility. As an alternative, John Raven urged that we examine our real needs, defined by the type of society and individuals we wished to have, and mould our educational system to fit their requirements.

Liam Carey (Aontas) spoke of the need for action research in particular localities, participant-observation studies of the educational process, so that its effects on special social groups and their motivations could be established.

This provoked a discussion of the desirability of action-oriented research projects. In defence of this type of work it was pointed out that although people were often eager to criticise any adverse effects from such research, they failed to offset against these the adverse effects that resulted from the *status quo*.

Issues concerning the nature of the subsidy which the State gives through the educational system were raised. Was the system more generous towards the middle and upper classes in simple cash terms, and was there a further bias towards the middle and upper classes in terms of the values and assumptions of the educational system? The need for the educational system to cater for the real needs of the disadvantaged was stressed, and ways in which these groups as a whole, and drop-outs in particular, could be helped were discussed. As long as the economy operated at less than full employment, employers had an incentive to be over-selective between job applicants, and this situation aggravated the difficulty experienced by members of disadvantaged groups in obtaining employment.

Seventh Session: Rural Poverty

Patrick Cummins (An Foras Talúntais) stressed that poverty among farmers was partly a reflection of a wider problem connected with a regional and locational imbalance acknowledged as far back as 1891 (Congested Districts Board). Special problems now existed in extreme form due to past trends: high emigration had created an aged population, where geriatric care was very difficult to provide. Older farmers were made obsolete by technical change and the heavy demands on new skills and education made by commercial farming. In many ways, these old farmers were alienated by the system which rewarded younger, more successful workers. The rising living standards off-farm meant, however, that income from a "viable farm" had to be steadily raised. Increasingly, the reference group for the agricultural community was the urban middle class. Thus at one end of the spectrum are the older farmers, many of them without heirs and living in isolation, and at the other are the young school leavers in rural areas, increasingly dissatisfied with the attractions offered by life on a farm. Dependence on the dole had become a serious problem among older farmers, and it was unlikely that many of these would benefit from the opportunities generated by higher prices for farm products, or by attempts at allocating industries to rural areas. In this situation we needed:

1. to be able to measure the effects of economic change on all sectors of the population.
2. to be able to measure and identify poverty and the poor's own perception of their condition.
3. to assess the determinants, on an individual level, of success or failure.

In the discussion following this presentation, attention was focused on the downgrading of agriculture in society at large, and among the young in particular, and on the isolation of the aged. To a greater degree than elsewhere, rural poverty was not merely a question of shortage of income. Some of the problems

that existed in rural Ireland were the human problems inseparable from the contraction of the agricultural sector. The idea that some of the extra money that would become available in agriculture from EEC entry should be directed to alleviate the hardship of those who lost out in the process of rapid economic growth was recommended.

PART II

General Remarks on the Conference

My first reaction to the idea of holding a conference to discuss research priorities on poverty was that the brief was too large. Presumably all economic and social research is relevant to poverty—its causes and cures. Perhaps the analogy with a doctor being asked to decide on a research programme to deal with mortality serves to bring the point home. However, just as doctors may lose sight of their ultimate objective in a fascination with technical problems of great intrinsic interest, undoubtedly economists and sociologists need to be confronted with one of the basic issues which should, I think, be a focus of their applied work.

It is abundantly clear that economists and others have been too obsessed with the growth of aggregates such as national income, and too little concerned with their distribution. J. S. Mill claimed "it is only in the backward countries of the world that increased production is still an important object: in those most advanced, what is economically needed is a better distribution . . ." There were many echoes of this sentiment in our Conference, along with, at times, utopian vistas that Mill also anticipated:

I confess I am not charmed with the ideal of life held out by those who think that the normal state of human beings is that of struggling to get on; that the trampling, crushing, elbowing, and treading on each other's heels, which form the existing type of social life, are the most desirable lot of human kind . . .

Like him, many of us expressed the hope that we could reach "the best state for human nature, in which while no one is poor, no one desires to be richer, nor has any reason to fear being thrust back by the efforts of others to push themselves forward". There were also numerous echoes of Mill's ideal that "the better minds

(should) succeed in educating the others into better things”.*

That so little progress has been made towards these goals, or towards knowing even whether they are attainable, in the last 120 years is a serious indictment of the social sciences. The recent resurgence of research on “poverty”, concern about the long-term effects of economic growth, and interest in the effect of growth on income distribution, on social structure and “the quality of life”, is belated acknowledgement that economics must, after all, be involved with subjective political and social issues, and not merely with the behaviour of “objective” magnitudes. The danger must now be faced that an anti-intellectual reaction will set in, leading to a misguided contempt for the tools which have been developed by economists and sociologists concerned with the traditional specialities of their subjects.

The development of economic doctrine from the mid nineteenth century onward, and especially the tradition derived from Marshall, Edgeworth and Pigou, shows that economists have, if anything, devoted too much, rather than too little, energy to the refinement of the intellectual problems that have generated the present-day impasse in welfare economics. On the other hand, we can no longer accept with equanimity Pigou’s (admittedly guarded) assertion that “the effect of any cause on economic welfare . . . (is) *probably* equivalent in direction, though not in magnitude, to the effect on total welfare”.** Despite the careful disclaimers and qualifications any good textbook attaches to its discussion of GNP, its very existence as a measurable concept has led to a bias in favour of those activities that raise GNP, and a neglect of the social costs that are excluded from it. The formalism of much theorising by economists—their tendency to presume that they have discharged their professional responsibility if they can show that the problem under discussion can be described by yet another exegesis of the postulates of neoclassical microeconomics—creates the impression at least that the *status quo* always receives the profession’s blessing. In a recent essay

*These quotations are all from J. S. Mill, *Principles of Political Economy*, (1848), Book IV, Chapter VI, based on 1871 edition edited by Donald Winch, Penguin Books, 1970.

***Economics of Welfare*, (fourth edition, 1932), Chapter I. Italics in original.

on radical economics in America, 1970, Bronfenbrenner has warned:

... specialisation leaves too many people intellectually crippled and useless, either for understanding the world or changing it. "In any struggle between lunatics and paralytics, the lunatics always win," and specialisation induces paralysis. (*J. of Ec. Literature*, Sept., 1970).

We in Ireland have been too preoccupied with survival to have been very concerned with the finer aspects of welfare economics: we needed employment, increased productivity, higher incomes far too desperately to take anti-growth ideas too seriously, except as a rationalisation of our failures. This is particularly the case because the openness of the Irish economy (in terms of international trade and movements of capital and people) removes the option of an isolationist and idiosyncratic development, uninfluenced by the example of more affluent societies. We still need economic development, but I think we are increasingly aware that it is unlikely of itself to solve the problems of poverty. These problems, however defined, seem to have become more insistent at the very time when aggregate income has grown at an unprecedented rate. In this we are following the American experience, where the phenomenon of poverty amidst affluence has provided the basis of one of the growth industries in the academic profession since the early 1960s. It is vital to realise that economic growth of itself will not alleviate poverty (even if this is defined in relatively objective terms), let alone necessarily improve the "quality of life". Marxist economists have surely been more perceptive on this score than their "bourgeois" counterparts when they claim that even with the rapid rise in the material standard of living, "increasing misery" has been the lot of the working class in western society, due to the gap between what they can afford and the consumption norms imposed by the societies in which they live.* When applied

*This is Sherman's interpretation of the Marxist doctrine of "immiserisation", and he uses data showing that the net savings of the US working class are zero to back up this point of view. Cf, *op. cit.* Chapter 6. Of course, "alienation" is especially stressed by Marxists as a factor in the misery of workers under capitalism.

to the entire "working class" this view is obviously untenable, but its relevance to the groups who are left behind by the process of economic growth is clear. It is even possible that economic growth could become impossible in an environment in which substantial groups in the population are so disaffected as no longer to respond merely to the inducements of higher wages or the prospect of greater material affluence.

It is, of course, arguable that material prosperity and human happiness are mutually antagonistic goals. The ascetic traditions of most religions seem to assert this belief. The rejection of "materialism" (if only as a *rite de passage*) by some of the young in the world's most affluent societies is the most recent manifestation of an ancient tradition. However, there seemed to be a consensus among participants at the Conference, which is probably also found among Irish people in general, that poverty (in the sense of a material standard of living far below the average for society as a whole) should not be imposed on any members of society as a consequence of the accidents of birth or social origin. On the other hand, Ireland, with its long anchoretic tradition and low population density, can surely find room for those who sincerely feel that the constraints on human freedom imposed by a high-technology, consumer oriented economy are excessive. The history of Ireland since the 1840s, however, may be interpreted as giving ample evidence that the low material standard of living implicit in subsistence agriculture is a higher price than the vast majority of Irish people are willing to pay for the non-economic consolations of that way of life.

We are, nonetheless, becoming increasingly aware of the need for data not only on national income, but also on its distribution by income class and between different demographic groups. We need this information, in the first place, to be able to provide some of the more rudimentary statistics of poverty, and, in the second place, so that we can assess our progress over time, and get some hard facts on the influence of economic growth on inequality. Surely sociologists can assist economists in assessing the importance of economic growth as a goal? To what extent is discontent with existing income levels merely a response to income inequality—so that the majority would accept a considerable slowing down in growth if it got a reduction in inequality

in return? Economists are unlikely to answer these questions relying only on their present methodology, and it seems that an opportunity exists for other social scientists to enter the debate. Techniques should be developed to allow governments to evaluate the priority they should attach to economic growth in the hierarchy of social goals.

Our Conference unearthed much criticism of our "capitalist" system as part, at least, of the root of our ills—income inequality, unemployment, uninformed consumption patterns, industrial unrest etc. It seems that if this idea is to win support, some hard research into the exact way in which our institutions have these presumed effects should be undertaken, and alternatives evaluated. For example: what have the socialist societies to teach us about unemployment, or income equality? Is the problem of alcoholism seriously aggravated by the financial influence of the brewers and distillers? How important is private ownership of the means of production among the causes of economic and social inequality in the West? Where the Conference became most radical, it also seemed to wander farthest from a factual or research-supported foundation. If, in fact, radical solutions seem to be the order of the day, then research workers will have to face up to a problem that they probably cannot evade anyway—the translation of their findings into action, the education of the public (including politicians), the confrontation with the forces in society that obstruct change. Once we become involved in issues such as "poverty", it seems to me that academic aloofness becomes inappropriate, although integrity and scientific honesty become more important than ever.

There were several areas, other than income distribution, where the discussion revealed some clear gaps in our knowledge. The overall goals of social services do not seem to be clearly understood. The possibility of radical alternatives to our patchwork system could be explored. Why have sociologists not explored the often-cited "demoralising" impact of the dole? The obvious alternative here seems to be the negative income tax, and is it not possible to imagine an *experimental* approach? Could an area (ward or estate) be used for a year as a pilot study of the impact of some such alternative system? (The American and British experiments with negative income taxes

are surely relevant to us.) On the demographic side, the constraint placed on our society by the age structure of the population needs to be more widely publicised, and as far as possible a national consciousness about population questions should be established. In view of the very close association in Ireland between low socio-economic status and large family size, and the almost inevitable link with poverty, we should explore the reasons for this association (no longer very marked in the rest of Western Europe).

Numerous aspects of the Conference touched on the unemployed and their problems. Again, the economic dimensions of our measures of "unemployment" need to be extended, and sociologists should aid in clarifying, if possible, what can be done to alleviate this problem which is more serious here in Ireland than elsewhere in Western Europe. The contrast between an emphasis on the rehabilitation aspects on the one hand, and the purely economic on the other, needs to be reduced and a unified approach pursued. It is obvious too that being employed is not a guarantee of escaping from poverty. Even in the high-wage American economy, a random sample of full-time workers in labouring, service and craft occupations contained 14 per cent whose income was below the poverty level (as defined by the Social Security Administration)*. This study's analysis of the income of the working poor led to the conclusion that the acquisition of labour market skills ("human capital") will not of itself alleviate poverty, since the question remains (even during a full-employment regime) how will these skills be used by the structural environment in which the worker lives?

The legal system was severely criticised not so much for not doing its job, but because of the nature of its job. How much do we know about the sociology of law and law enforcement in Ireland? Are the problems that arise between the poor and the law-enforcement system merely a reflection of pre-existing poverty or is a specific role played by our legal system in perpetuating and even promoting poverty? In this area, the questions seem more than usually abundant, and the answers even more than usually scarce.

*H. M. Wachtel and C. Betsey, "Employment at low wages", *Review of Economics and Statistics*, May 1972.

The inter-relationships between education and poverty appear equally complex, and large areas of ignorance on this subject seem to exist. One topic which deserves investigation, and should be amenable to research, is the exact connection between education and job requirements, between unemployment and lack of skills. This in part comes back to the question of distinguishing between structural elements and more conventional (deficiency of aggregate demand) elements in the Irish unemployment problem.

Our Conference vacillated between radical and comprehensive reformism and piecemeal gradualism, between optimism about improvements in comparison with the past and pessimism about the feasibility of dramatic improvements in the future. One of the purposes of a conference of this type is not so much to redirect all existing research into a new field of endeavour as to give existing work a new perspective. I think the very prominence of the concept of poverty in the contemporary literature of economics and the social sciences generally makes this new emphasis inevitable. I should like to see a more explicit awareness of our needs in this area emerging—a desire to define and measure the problem more accurately, to diagnose at least some of its immediate causes and, above all, to establish what can be done with existing resources to improve matters. It is also desirable that social scientists should try to disentangle the remediable elements of the problem from those that mainly reflect “the fate man is born for”.

Unless the academic and research community discharges its obligations in these areas how can we hope to create the climate of political opinion within which the appropriate policies will be implemented?

APPENDIX

LIST OF PARTICIPANTS AT CONFERENCE

Poverty in Ireland: Research Priorities, April 18, 1972, at The
Economic and Social Research Institute

- Terence Baker, Economic and Social Research Institute.
Thomas J. Barrington, Institute of Public Administration.
Ciaran Benson, Economic and Social Research Institute.
Pauline Berwick, Council for Social Welfare.
Liam Carey, National Association for Adult Education.
*Patrick Cummins, Agricultural Institute.
Sean Damer, Department of Social Studies, Trinity College.
Geoffrey Dean, Medico-Social Research Board.
Mary Dempsey, Economic and Social Research Institute.
Rory Dunne, Economic and Social Research Institute.
Liam Ebrill, Economic and Social Research Institute.
Pauline Faughan, Department of Social Science, University College,
Dublin.
James Forbes, Department of Finance.
Robert C. Geary, Economic and Social Research Institute.
Liam Gorman, Irish Management Institute.
Ruth Handy, Economic and Social Research Institute.
*Ian Hart, Economic and Social Research Institute.
Eamonn Henry, Economic and Social Research Institute.
William A. Honohan, Department of Social Welfare.
Thomas Hoare, Central Bank of Ireland.
J. Gerard Hughes, Economic and Social Research Institute.
Bertram Hutchinson, Economic and Social Research Institute.
Kieran A. Kennedy, Economic and Social Research Institute.
Colm Larkin, Economic and Social Research Institute.
Dermot McAleese, Economic and Social Research Institute.
Dara McCormack, Central Bank of Ireland.
Anthony McCashin, Economic and Social Research Institute.
William G. McGaughey, Economic and Social Research Institute.
John Martin, Economic and Social Research Institute.
Donal Murphy, Central Statistics Office.

Donal Nevin, Irish Congress of Trade Unions.
Peter Neary, Economic and Social Research Institute.
Noirin Ni Bhroin, Economic and Social Research Institute.
Stanley Nielsen, National Science Council.
James F. O'Brien, Economic and Social Research Institute.
*Seamus Ó Cinneide, Institute of Public Administration.
Patricia O'Connor, Economic and Social Research Institute.
Robert O'Connor, Economic and Social Research Institute.
*Martin O'Donoghue, Department of the Taoiseach.
Treaa O'Donoghue, Legion of Mary.
Aileen O'Hare, Medico-Social Research Board.
Kathleen O'Higgins, Economic and Social Research Institute.
Conor O'Neill, Economic and Social Research Institute.
Annette O'Toole, Economic and Social Research Institute.
Gerard Pyke, Department of Labour.
*John Raven, Economic and Social Research Institute.
Pierce Ryan, Agricultural Institute.
Susan Scott, Economic and Social Research Institute.
Brian Torode, Trinity College, Dublin.
*Brendan M. Walsh, Economic and Social Research Institute.
Christopher Whelan, Economic and Social Research Institute.

*Read paper at Conference.

