

# The freedom to be frugal

Molly Scott Cato

*Raising the incomes of the poor in relation to those of the rich would improve the health and life expectancy of the less-well-off. Unfortunately, however, if the poor are enabled to catch up by growing the economy, their gain will be at the planet's cost.*

*How do you know that Adam and Eve were Russian?*

*Because they thought they were in paradise when they had no clothes and only one apple to share between them – Russian joke*

Ever since the publication of Peter Townsend's book, *Poverty in the United Kingdom*, in 1979, liberals have generally agreed that an absolute definition of poverty is archaic and that in a modern, civilised society we should define poverty in relation to some proportion of the average income in that society rather than in terms of the absolute minimum necessary for survival. The most recent contribution to this consensus comes from a Nobel-Prize-winning economist, and darling of the liberal elite, Amartya Sen.

Sen's approach to poverty has been refined over several decades, most recently in his collection of essays, *Development as Freedom*. In this he provides a powerful case for his 'capability approach' to poverty, suggesting that the inability to function in society is the best marker of poverty, and that this can be related to different levels of actual income in different societies at different times. "Poverty" he says, "must be seen as the deprivation of basic capabilities rather than merely as lowness of incomes." He goes on: "Being relatively poor in a rich country can be a great capability handicap, even when one's absolute income is high in terms of world standards. In a generally opulent country, more income is needed to buy enough commodities to achieve the *same social functioning*". (Sen's emphasis).

This makes it clear that that the capability definition of poverty is a simply a variant of the relative-income definition. This matters to those of us striving to achieve sustainability because a relative poverty definition means that the resources required to reduce poverty are related

to a country's level of economic growth and the pressure on the planet that such growth creates.

Traditional economists see the economic system as being like the peach in the Roald Dahl story *James and the Giant Peach*: it will simply expand for ever, while we sit on its ever-expanding skin, enjoying the sunshine, and munching to our hearts' content. Greens, on the other hand, are opposed to growth because they recognise that planet Earth is a closed system. Growth must face the limits imposed by that system, whether they become apparent via resource depletion or the overloading of the natural environment with waste products. And, since the resources of planet Earth are finite, if there are five peaches and I eat four, that only leaves one for you. Or if we eat five between us and then our friend Bettina comes along, she will have to do without.

From a Green perspective, then, the danger of defining poverty as relative is that it follows the growth dynamic. If, as the relative definition requires, we base our understanding of poverty on the consumption of a sample of 'ordinary people', then it will be driven by the consumerist, advertising-led society we live in. Most people consider a fridge a necessity, but what about a freezer, a tumble-dryer, or a CD-player?

Unfortunately, the assumption that the standard of living typical of one's neighbours is a given, which one can rightfully claim for oneself, is unquestioned in Sen's theory: "The need to take part in the life of a community may induce demands for modern equipment (televisions, videocassette recorders, automobiles and so on) in a country where such facilities are more or less universal (unlike what would be needed in less affluent countries), and this imposes a strain on a relatively poor person in a rich country even when that person is at a much higher level of income compared with people in less opulent countries" (Sen, 2001: 90).

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After marrying and having children Molly took an MSc with the Open University in social research methods and in 2001 graduated with a PhD in economics from the University of Wales, Aberystwyth. Her doctoral research focussed on work motivations and the future of employment policy in the Rhondda-Cynon-Taff area of South Wales. She wrote *Seven Myths About Work* in 1996 and co-edited *Green Economics: Beyond Supply and Demand to Meeting People's Needs* in 1999. She also published a report about the structure of government specialist science advice committees called *I Don't Know Much About Science*, which influenced the structure of the British government's committee examining the effects of low-level radiation. Her latest book, *The Pit and the Pendulum*, was published in April 2004. It examines UK employment policy using the post-mining unemployment crisis in the Welsh Valleys as a starting point.

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In a rich society, as the rich accumulate more gadgets, the poor will be forced to follow along, always a little behind, always rather 'deprived', but always in the direction of an inexorable increase in consumption.

But what about international comparisons? It would be naïve to ignore the fact that General Motors is targeting the Chinese market with advertising that will soon suggest that another one billion are deprived unless they have a car. But can the planet possibly survive such a massive increase in CO<sub>2</sub> production? We are caught between the need to avert global warming and a commitment to permitting equal development of all nations. A definition of poverty that accepts the cultural norms about what citizens have a right to is an advertiser's dream but the planet's nightmare. In this context it is no accident that the Green movement has been attacked on the grounds that it is élitist because it is opposing the right of citizens of developing nations to the 'standard of living' that we in the West enjoy (see North, 1995; Furedi, 1997).

## Rights and freedoms

An unexpected consequence of the relative definition of poverty and the growth dynamic that underlies it is the loss of another freedom: the freedom to be poor. In response to the realisation that the level of consumption of most citizens in the developed world is a threat to the survival of our species, some environmentalists have adopted a frugal lifestyle, yet this can result in disapproval from their neighbours. In an article

called 'Poor not Different', the German economist Wolfgang Sachs tells of a visit he made to Mexico City shortly after the 1985 Earthquake. He was impressed by the restoration that had been carried out:

"We had expected ruins and resignation, decay and squalor, but our visit had made us think again: there was a proud neighbourly spirit, vigorous activity with small building co-operatives everywhere; we saw a flourishing shadow economy. But at the end of the day, indulging in a bit of stock-taking, the remark finally slipped out: 'It's all very well, but, when it comes down to it, these people are still terribly poor.' Promptly, one of our companions stiffened: 'No somos pobres, somos Tepitanos' ('We are not poor people, we are Tepitans') ... I had to admit to myself in embarrassment that, quite involuntarily, the clichés of development philosophy had triggered my reaction. (Sachs, 1992: 161)

The insult was created by Sachs's assumption that he could impose an objective judgement of poverty, that he could decide from the outside the acceptable standard of living, that he could deprive the Tepitans of their right to be poor. As Sachs concludes, "The stereotyped talk of 'poverty' fails to distinguish, for example, between frugality, destitution and scarcity ... Frugality is the mark of cultures free from the frenzy of accumulation." His conclusion about the Mexican village where he was working was that 'Poverty here is a way of life maintained by a culture which recognizes and cultivates a state of sufficiency; sufficiency only turns into demeaning poverty when pressurized by an accumulating society.' (Sachs, 1992: 161)

Much of the suffering for those in poverty in Britain and Ireland today is caused by unsatisfied wants rather than basic needs. Of course we have no real basis from which to judge which wants are valid and which not, but it would be naïve to ignore the impact of the advertising industry on such preferences. There have been cases of mothers going to gaol because they have stolen expensive trainers to keep their children happy; can these women really use *poverty* as an excuse? Sen himself presents a quotation from Adam Smith pointing to an early awareness of the relative aspect of poverty, which he offers in terms of 'necessaries':

By necessaries I understand not only the commodities which are indispensably necessary for the support of life, but whatever the custom of the country renders it indecent for creditable people, even the lower order, to be without ... Custom has rendered shoes a necessary of life in England. The poorest creditable person of either sex would be ashamed to appear in public without them. (Smith, 1776: 351-2)

In other words, people are poor if they do not have enough money to buy shoes, not because they need the shoes to keep their feet warm, but because they would be embarrassed to be seen with bare feet. But can we extend this to the example of the child who is embarrassed to wear supermarket-brand trainers to school; and if so, where do we draw the line? Certainly, we cannot assume that wants and needs are the same, or that either is innate. Wants do not arise from human nature, or even from a social agreement, for the most part they are created by an advertising industry that has no other purpose. Following a simplistic relative definition of poverty without taking this into account will inevitably lead to ever-increasing consumption, and the economic growth that facilitates this.

### **The right to be socially excluded**

The importance of consumption in establishing who is in poverty has advanced in recent years thanks to the redefinition of the poor as 'socially excluded': as if there were a club to which we all belonged but they were not allowed to join. Of course, within the club we all agree about what is an 'acceptable' way to live, what items we should all have, how often we should wash, how our children should be dressed and should behave. And the most serious cause of being excluded from the group is being unemployed. Those who are accidentally out of work may be considered

with patronising sympathy; in the UK they may claw their way back into the club by claiming various means-tested benefits. But what about those who reject the work ethic, or the kinds of employment that are possible within a complex, developed, capitalist consumer society? What about those who choose to exclude themselves? The refusal to grant normal social rights to those who are poor, and especially those who are unemployed, is not an accident: as Beder has demonstrated (2001; see also Scott, 1996), the social inferiority of those outside the work system is an important support system for the work ethic.

There is much evidence to support the contention that the psychological results of unemployment are almost as crippling as the financial ones (as Sen discusses on pp. 94-6; see also Smith, 1997), but this is a consequence of the nature of our economic system rather than an intrinsic aspect of human nature. There is no reason why paid work should provide the only basis of our human identity, such that we claim a 'right to work' (see my further discussion in Cato, 1998 and Cato, 2004; see also the conclusions of a workshop at an OECD (1997) conference on the future of work held in Oslo in 1996, which reached similar conclusions). When stripped of its capitalist assumptions, this clarion call seems likely to fall on deaf ears. Can you imagine a Trobriand islander or a New Age Traveller marching for the right to work? If paid work is necessary for our identity within a capitalist economy then that is a problem with capitalism, not with those who choose to find their identity elsewhere. Instead of a system that assumes work as the norm, many of the 'self-excluded' have suggested an alternative view of the provision for basic needs based around a Citizens' Income as a rightful share of the national or global wealth (see van Parijs, 1995).

### **The freedom to destroy the planet**

A debate has been underway amongst political philosophers at least since the time of Hobbes and Rousseau about competing freedoms. I may have perfect freedom of action up to the point where my actions impinge on you. At this point the argument diverges, with libertarians arguing that the disagreement should be resolved in law, with the prior or more essential right taking supremacy, while more interventionist political theorists allow a role for government in determining fair allocations. But the expansion of human activity has added an extra dimension

that has yet to find its way into political philosophy. Following the recognition of the closing of the planetary frontier and the pressure on its ecology resulting from such a vast human population, the Brundtland definition of 'sustainable development' makes clear our obligation to weigh our freedoms against those of future generations.

As individuals we may claim the freedom to drive whenever we choose, and as societies we may choose the freedom to produce whatever level of carbon dioxide we choose, but how can we justify this when our actions remove the freedom of those in Bangladesh to exist, as rising sea levels overwhelm their low-lying land, or when we deprive future generations of existence on a planet whose air is no longer clean enough to breathe? The trivial freedoms to buy and sell, or to decide whether or not to engage in labour-market activity, can be considered second-order when compared with the freedom of the species as a whole to survive. This is the limitation to the concept of 'development as freedom' and it is absolute.

### **Hyacinth Bouquet and the trip to Mount Splashmore**

The key concept of 'shame' features prominently in discussions by those who favour a relative definition of poverty, including Adam Smith and Sen. Although these definitions are almost invariably made by men, those who suffer the shame are more likely to be women. The struggles of women to maintain their social position are the stuff of dramas ranging from mam scrubbing the front step free of coal dust in *How Green Was my Valley* to Hyacinth Bouquet in the UK sitcom 'Keeping up Appearances' who is always peering through her net curtains to make sure she has successfully kept up with the Joneses next door. Yet where do these ideas about social acceptability come from? Although they are often taken as innate they are of course the result of social processes and primarily the overpowering influence of the advertising industry. If you doubt this you need only spend some time perusing the pages of the *International Journal of Advertising and Marketing to Children*. It includes articles on marketing to children via the classroom and the internet and provides helpful profiles of what might appeal. An example is reproduced as Box 1. The statements such as 'turned on by money and the prospect of making money', 'Violent TV

and Videos rule!', and 'risk takers with tobacco, alcohol, drugs (including solvent abuse) and gambling' are reproduced without comment: they are useful selling tips requiring no moral judgement.

This lack of special moral concern for children is unsurprising given that we read in another article that 'I look at children as just another group of consumers'. This director of a promotional marketing agency continues:

I would like to introduce you to Charlotte, she is my target and my customer. What do I know about her and her friends? ... She has taken pester power to new levels. Remember her disposable income depends on it.

(Bowen, 2000: 18-19).

These pressures on the consumers of the future are often mediated through their mothers. Advertisers have turned their attention to children as responsive targets of advertising, but since they are legally barred from earning for themselves, once they have been inculcated with a desire for a certain product in order to obtain it they must put pressure on their parents, so-called 'pester power'. This phenomenon is satirised in the episode of *The Simpsons* when Bart and Lisa watch the advert for the theme park Mount Splashmore and repeatedly ask Homer 'Can we go to Mount Splashmore?' all through the evening. Eventually he gives in, asking 'If I say yes, will you let me get some sleep?'

An account of the advertisers' plans for China demonstrates their endless amoral concern to create new and wider markets for their brands:

China's population of children is the largest in the world. . . Since marketers tend to use a simple formula for determining market potential of a geography, that is People X Dollars = Markets, these facts are causing China's children to receive increasing attention from Western marketers. Brands such as Lego, Barbie, Nestle, M&M, Pepsi, Kraft, Crayola, Johnson & Johnson, Nike, and McDonalds are in head-to-head competition with many of China's major producers and retailers for a share of this market.

(McNeal and Zhang, 2000: 31).

The domination of global capitalism by brands has aroused concern in recent years (Klein, 2000), and it is clear that this strategy is most successful with children. 'Brands', we are told 'are an active part of their lives, they are fundamental to their existence. The wrong trainers or T-shirt and there goes all that hard earned credibility.'

### Box 1. Profile of 10-12-year-old boys for use by potential advertisers

## MONEY MERCENARIES!

### Boys 10-12 years

- Turned on by money and the prospect of making money.
- Prime target for financial institutions – Saving/Earnings schemes rule!
- Explosive energy – often boisterous and impulse driven.
- Bicycles, Blades and Music Accessories are status objects prized by peers.
- Sports and Computer interests intensified.
- Computer magazines avidly read.
- Violent TV and Videos rule! Combat sports are essential viewing. Schwarzenegger remains a hero. Soaps keenly watched.
- Collections are in the decline.
- Entertained by TV advertising but sceptical of hard sell.
- Club memberships reflect specialist interests (Computers, Sports, Music).
- Big Brand (global) preferences, particularly sports brands, which translate into fashion statements.
- Mothers still important as clothes suppliers, footwear excepted!
- Board games still played with other family members.
- Girls kept at some distance – tolerated.
- Risk takers with tobacco, alcohol, drugs (including solvent abuse) and gambling.

Source: Reproduced from *Advertising and Marketing to Children*, March/April 2000.

(Bowen, 2000: 19). Advertisers also attempt to persuade us that they play a useful role in ‘socialising’ our children, although the people that are likely to result will be shoppers rather than human beings as we are informed that: ‘Socialization is the process by which “young people acquire skills, knowledge and attitudes relevant to their functioning as consumers in the marketplace” (Mangelburg and Bristol, 1999: 28). And it is made clear why advertisers target children: ‘In the short term, the hedonic value of a commercial, its emotional allure, and its ability to tap into powerful motives may be sufficient to eclipse momentarily any cognitive knowledge/defense’ (Goldberg, 1999: 287). In less technical terms, advertising on children works because they are intellectually vulnerable. Their additional advantage is that they have a much longer ‘consumption life expectancy’ (as an adman might say) than the older person with more disposable income and hence are the ideal target for maintenance of the market cycle (see also Beder, 1998).

## Conclusion

I have attempted to show how the relative definition of poverty and the growth dynamic of a capitalist society enjoy a symbiotic relationship, catalysed by the advertising industry. These major forces combine to impose consumptive pressure on people and the planet and in themselves increase perceived inequality and hence unhappiness. Such definitions actually reduce human freedom, by setting a standard of consumption that we feel pressured to achieve. The role of the advertising industry in driving the onward advance of that standard is clear: its purpose is to manipulate the market for consumer goods against the interest of both people and planet. The limits of planetary capacity must be recognised as a brake on this accelerating movement towards greater consumption.

It is important that we do not seem to be self-satisfied and neglectful of the needs of others, but what we need to keep sight of is the fact that it is inequality that is the central problem.

Studies repeatedly indicate that income disparities (although now between classes rather than genders) generate ill health in advanced societies such as the USA and UK (see Kawachi and Kennedy, 1997). A correlation of the Robin Hood Index used as a measure of inequality in societies with longevity indicates that inequality causes reduced life expectation for the wealthy as well as the impoverished: the more unequal the society the worse are the life chances of everybody in that society (Kennedy and colleagues, 1996). Research on the psychological ill-health of citizens of the United Kingdom concludes that the constant pressure to reach a level of consumption equivalent to that of our neighbours generates a significant proportion of the epidemic of mental illness (James, 1998).

We need to challenge assumptions about human happiness and well-being. If, as Sen and the comfortable liberal consensus suggest, development is about freedom, then we must not forget the Brundtland definition and must respect the freedom of future generations to meet their own needs. We must also free ourselves from the advertising industry's views of what constitutes an acceptable level of consumption and be spared its endless cycle of new market creation. This would represent a move towards development as emancipation, from oppressive economic structures and the ideologies that perpetuate them.

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