OVERVIEW

i. ‘Power relations must figure significantly in explanations of poverty and inequality.’ This paper examines that statement and concludes that relations of power underpin inequality and are among the critical variables that cause and keep people in poverty. It, therefore, underscores the importance of integrating ‘power’ into analyses of inequality and poverty.

ii. The paper’s main objectives are to:
   (a) Highlight some of the key ways in which power influences inequality and poverty; and
   (b) Provide guiding principles and early directions for future longitudinal research on the relationship between power and poverty. Correspondingly, it will:
      - Synthesize arguments on the relations between power, vertical and horizontal inequalities, and poverty;
      - Use theoretical and empirical data to provide explanations of the links between power, inequalities/disparities and poverty – emphasizing crucial factors such as the role of history, institutions, economic opportunities, factor endowments and ideology – and to identify critical areas for data collection; and
      - Suggest subjects for future research.

iii. The paper is not intended as a theoretical treatise on power. Instead, it uses case examples to highlight key features and to emphasize the role of power in inequality and poverty.

iv. The paper draws substantially on selected major publications. Section 1 outlines the case for focusing on power. It suggests that there is a relationship between power, poverty and inequality; that by not focusing explicitly on power, dominant methodological approaches fail to analyze one of the critical variables that both keep people poor and undermine development initiatives; and that poverty analysis would profit from combined methodological approaches and an explicit focus on power. Section 2 reviews some of the major approaches to poverty and inequality. It then uses debates on the policymaking process to (a) identify key dimensions and features of power and (b) emphasize that empowerment of the poor also depends on external accountabilities. Section 3 uses a case study of Ceres, South Africa to focus on how power performs in the domestic arena. It expands on the themes outlined in Section 2. Section 4 summarizes the main arguments and highlights key areas for future research.

1. APPROACHES TO UNDERSTANDING POVERTY: TWO EXAMPLES

1.1 Subsection 1.1 starts with a personal account of a family’s decline into poverty. It summarizes David Hulme’s (2003) life histories of one mother (Maymana) and her son (Moziful) who live in a village just outside Mymensingh in central Bangladesh. From Hulme’s account, the family lost much of its asset base and economic power when the main breadwinner died. However, there were other factors that precipitated their decline into poverty and blocked their escape. Hulme describes some of the adverse consequences of patriarchal traditions, of social norms that discriminate against persons with disabilities (such as Moziful), widows (like Maymana), and that exclude the ‘unworthy poor’ from social networks; lack of access to justice and official discrimination. Therefore, Hulme underscores the relational dimension of poverty: People can become and remain poor because of the deliberate actions and the inaction of others. More dominant groups influence poverty processes and outcomes either by preventing or helping the poor to improve their
‘capacity to make purposive choice’/ exercise agency. Poverty is likely to deepen when people are trapped in arrangements that limit their power, meaning, their capacity to make choice effective’.

1.2 The section then compares the findings from this qualitative study of relational poverty with those from a quantitative and more large-scale methodological approach: Binayak Sen (2003) uses the multiple assets approach in his of analysis of ‘drivers of escape and descent’ in rural Bangladesh. The quantitative study uses a panel dataset of 379 households in 21 villages to analyze ‘changing household fortunes’. It studies broad categories of the poor and shows that:

- Those who experience poverty over long periods have lower initial asset levels than groups who are able to move out of poverty; and
- Chronic/long term poor groups do not have or are denied the financial resources (such as credit) and opportunities (such as agricultural and non-agricultural employment) to transform the few assets they possess into better life chances

1.3 The paper uses this comparison of methodologies to show how qualitative and quantitative approaches can provide different lessons on how power influences poverty outcomes. While the quantitative study makes broad observations about categories of the poor, the qualitative analysis personalizes poverty and describes the processes and relations of power that underpin the trends than the quantitative study observes. (This is not to suggest that all qualitative approaches are good at unearthing relational inequality and poverty. An explicit focus on power is important for understanding how relations between people produce and sustain poverty.) Sen shows that long term poor groups are distinct from other categories of the poor. Hulme shows that even within these categorizations, people experience poverty in substantially different ways. People’s power depends on variables as diverse as socially ascribed identities, conventional norms, intra-household relations and personal beliefs. Both approaches are important for understanding power relations and poverty processes.

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1 Here, we use the World Bank’s succinct definition of power in its positive sense. This definition of power—the capacity to make choice effective—also applies to the negative uses/abuses of power. (One may well contend that in some circumstances, the capacity to choose is itself a measure of power). However, it is important to qualify the definition. This view of power maps quite easily with the concept of agency, which the Bank defines as the capacity to make purposive choice. In much of the literature, ‘agency’ assumes that people who are adequately empowered will act to improve their welfare. However, people need not use power in this ‘rational’ way, which means that power need not produce agency and agency need not result in poverty reduction.
The section emphasizes three points:

- Inequality and poverty can be understood as relational as well as categorical.
- Quantitative measures alone are inadequate for understanding ‘relational’ forms of poverty and inequality.
- By combining qualitative and quantitative methods (particularly those explicitly designed to understand power relations), analysts can gain a better understanding of the processes underlying poverty and inequality.

<table>
<thead>
<tr>
<th>Table 1.1 Quantitative, Qualitative, and Combined Methodological Approaches: Some Advantages and Disadvantages</th>
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<tbody>
<tr>
<td><strong>Quantitative Approaches</strong></td>
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<tr>
<td>- Large-scale quantitative approaches are good for making broad observations about different categories/groups of the poor. As political tools, they can highlight the vast scale of deprivation that exists.</td>
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<td>- However, one danger of constructing categories is that they tend to assume social collectives that may not exist. Such ‘imagined’ collectives can mask inequalities and the processes of exclusion and power relations that support them. For example, among broad categories of chronic poor groups, a child with a disability who belongs to a particular caste or ethnic group may suffer multiple forms of injustice. Therefore, policies that are broadly geared to reach ‘the chronic poor’ or ‘people with disabilities’ may have little effect. Further, categorization can miss the ways in which groups and identities change/shift/overlap.</td>
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<td>- Quantitative approaches assume that classifications and measurement provide ‘objective’ evidence. However, classifications and measurements can generate unintended changes in social relations (such as provoking dissent among those labelled ‘progressive’/deserving and non-progressive poor), which may hamper efforts to promote peaceful social transitions.</td>
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<td><strong>Qualitative Approaches</strong></td>
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<td>- Where they are well designed and executed (and particularly where they focus explicitly on analyzing power), qualitative approaches can highlight the relational dimensions of poverty. For example, as Hulme demonstrates, life stories can be particularly useful for personalizing poverty and for describing the processes and relations of power that underpin broadly observed trends.</td>
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<td>- Qualitative approaches also use categories. As noted above, categories provide the basis for making statements about sets of people; however, there are disadvantages to categorization.</td>
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<td>- Qualitative approaches are largely inappropriate for making broad generalizations or observations. Further, qualitative approaches tend to rely on personal/subjective interpretations of contexts, which often raises concerns about data quality, reliability and wider applicability.</td>
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<tr>
<td><strong>Combined Methodological Approaches</strong></td>
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<td>- By combining methodological approaches, researchers can use qualitative and quantitative data in ways that explain important issues such as how exclusion, adverse incorporation, discrimination, and the underlying power relations, influence poverty trends.</td>
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<tr>
<td>- Not all qualitative and quantitative approaches can be combined. In some cases, the ideas, motives and goals that underpin different approaches are vastly inconsistent and incompatible.</td>
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<tr>
<td>- Not all qualitative methodologies are good at analyzing how power performs. Much depends on the extent to which the study includes power analysis. Further, we should not assume that quantitative methods have nothing to say about power. However, quantitative categorical studies (such as those that focus on the chronic poor or households) are often by themselves incapable of conducting the deep analysis that is required for understanding power.</td>
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2. POWER, KNOWLEDGE AND ‘FRAMING’ POVERTY

21. Section Two has four principal objectives: to outline concepts of poverty and inequality; to portray some of the key features of power, focusing especially on the relationship between power and knowledge; and to emphasize how power in the wider, supranational domain affects poverty outcomes.

2.2 Subsection 2.1.1 argues that despite the marked progression in economic understandings of poverty, current frameworks do not pay sufficient attention to the relational dimension of poverty. Economic approaches are still the most influential in poverty analyses, which in large part explains the inadequate emphasis on power.

2.3 The section comments on developments in economic approaches to poverty and inequality, particularly the classic utilitarian, capabilities and livelihoods frameworks. It outlines some of the major critiques and concludes that:

- Economic understandings of poverty and inequality have progressed beyond the classic monetary approach.
- Theorists now stress the multidimensional nature of poverty, including the importance of capabilities such as health, education and civil liberties.
- Livelihoods frameworks improve poverty analysis, as they provide a historical, multilevel and multi-sectoral approach to understanding poverty.
- However, economic approaches are still largely individualistic; they do not focus on how relations between people affect poverty outcomes.

2.4 Subsections 2.1.2 – 2.1.4 introduce some of the major social and political approaches to understanding poverty and inequality. They (a) provide a synopsis of Marx and Weber's theories on class and status, respectively, as these continue to influence approaches to social inequality and power; (b) summarize the main tenets of the social exclusion approach, which is, increasingly, being used to analyze poverty processes and the underlying relations of power; (c) comment on rights based approaches and on the horizontal inequality approach, which includes elements of the economic, social and political approaches. The section highlights the merits and limitations of each approach and suggests that while they accentuate the importance of integrating power into poverty analyses, there are gaps, which must be recognized and addressed in any good poverty/power analysis. The table below summarizes the main arguments and critiques.
### SELECTION OF MAJOR SOCIAL AND POLITICAL APPROACHES

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<th>Main Arguments</th>
<th>Major Critique(s)</th>
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| **Social Exclusion**    | - Poverty is multi-dimensional; it incorporates social and political considerations.  
                           - There are certain groups and individuals who are systematically denied the rights, livelihoods, security, justice, representation and citizenship, which they should enjoy. It is important to analyze how institutions, actors and power relations influence these processes of deprivation. | - S.E. may not be applicable to differing developing country contexts.  
                           - The approach polarizes exclusion and inclusion; it does not focus sufficiently on adverse terms of incorporation.  
                           - S.E. integrates various forms of exclusion; there is need for more distinct analysis of different ‘axes of exclusion, such as race, gender, disability.  
                           - Inclusion (such as of women in the labour market) is not necessarily advantageous, particularly where power relations are not changed.  
                           - Inclusion often aims at improving outcomes; however, the focus on outcomes can divert attention from the processes of inclusion, which can be exclusionary. |
| **Rights-Based Approaches** | - Certain aspects of deprivation result from lack of rights and/or from the failure or inability to claim rights.  
                           - Access to and participation in the political process are important for making claims and ensuring that these are heard and understood. | - RBAs recognize the importance of political power; however, the emphasis on agency (which Eyben (2004) defines as ‘the capacity to contest, challenge, negotiate and capture’) can have both positive and negative consequences. Agency refutes the view that poor people are incapable. However, it also tends to overlook varying capacity levels among the poor and the deep structures and adverse relations of power that constrain some groups more than others. |
| **Horizontal Inequality** | There are significant disparities across groups, which may have social political and economic dimensions. Comprehensive economic, social and political strategies are required. | - H.I. still prioritizes categorical rather than relational forms of poverty.  
                           - It is not clear why inequalities among groups are not portrayed as vertical.  
                           - H.I. draws attention to group inequalities; however, groups have their own informal norms, by which sub-groups and individuals can remain persistently disadvantaged. |

2.5 Subsection 2.2 notes that these approaches to poverty and inequality reflect distinct theoretical traditions, which are rooted in particular social and historical contexts. Further, the ideas that inform these disciplinary perspectives provide the frames of reference/tools for interpretation; they are highly consequential to how poverty and inequality are conceptualized, framed and addressed. The subsection draws on Brock et al’s (2001) review of the transition in development orthodoxy, particularly their analysis of how ideas are transmitted and received as discourses. It uses these lessons on how power works in the policymaking process to make general statements about how power performs. The figure below describes the main conclusions on the multiple features of power.
Figure 2.1 MULTIPLE FEATURES OF POWER

Overt and Coercive:
- The more powerful can use their positions to compel others to act in ways they would prefer not to.
- Coercion can entail the use of force. It may also rely on subtle but no less effective strategies, such as categorizing people and problems in ways that suit the more dominant.

Hidden and Coercive:
- The more powerful can operate effectively from behind-the-scenes, influencing agendas and discourses.
- Coercive power can be embedded in formal and informal institutions, remaining hidden but effective.

POWER CAN BE:

Overt and Non-Coercive:
- Power is not only coercive; it can also be (visibly) instrumental in building consensus.

Hidden and Non-Coercive:
- Where there is ‘tacit consensus’, power relations are upheld unintentionally and even unconsciously. For example, there are groups who not only come to accept disadvantageous hierarchical arrangements but actively defend and uphold them. Here, power relations are so ingrained that there is little need for overt coercive demonstrations.

2.6 Section 2 concludes that analyses of how power relations affect poverty and inequality within developing countries must account for:

- the context within which developing country governments operate;
- the ways in which the history of inequality between the ‘North’ and ‘South’ continues to shape policy choices; and
- the important roles of power and knowledge in influencing how poverty and inequality are perceived and in determining which strategies are more and less desirable.

3. HOW POWER PERFORMS: DOMESTIC DOMAINS

3.1 Section 3 uses a synopsis of DuToit’s case study of poverty and inequality in Ceres, South Africa to builds on the analysis in Section 2. The case study outlines the history of inequality and poverty in Ceres; the origin and sources of power; the overt and covert tactics used to secure power; post-Apartheid efforts to transform power relations and the ways in which elites resist. The section then comments on the relation
between power and regime type; the role of macro, meso and micro level institutions; informal norms and power relations and how passive acceptance reproduces power.

3.2. Ceres is located in the Western Cape of South Africa. It is one of the centers for the deciduous fruit export industry. The author explains that slavery shaped social relations in the Cape and continues to have a lasting influence both on the elite group of farm owners and on the workers who depend on farm employment for survival. The case study notes that since 1994, the ANC government has attempted to reverse the regulations that protected white ownership and control. Following a neo-liberal framework, it deregulated the markets but regulated employment conditions. However, despite the institutional and political changes, the white elite has reorganized and still has a firm hold on economic power: ‘The coming into power of a black majority government in South Africa has not signaled the end of white hegemony in the Ceres district or elsewhere in the rural Western Cape’. Further, the language and practices of paternalism continue to define the livelihoods of the poor. Inequality is justified with discourses of female inferiority, male superiority and patriarchy.

3.3. Importantly, formal institutions, such as the Church, have not provided viable avenues for the poor. The poor have not participated in development efforts, such as the Integrated Development Plan. The author suggests a number of possible explanations: the continued dependence on patron client relations; the legacy of spatial apartheid; and the ‘paternalist and demobilizing’ discourse of poverty, in which the poor are portrayed as those who are ‘left-behind’.

3.3. The case study demonstrates the following:

- Power structures and the relationships that support them can be cultivated over long periods and, therefore, have deep historical roots. Such entrenched arrangements are difficult to change.
- Institutional reforms may break patterns of dominance and help to transform relations of power; however, success is not guaranteed and change, if it does occur, is likely to be gradual.
- In principle, certain political regimes offer more scope than others for transforming power relations. In practice, though visible sources of power may change, real power may still be lodged with the old elite, now operating effectively from behind-the-scenes.
- Power relations may persist despite institutional change because less tangible but durable factors, such as accepted norms and perceptions of inferiority and superiority, continue to hold the status quo in place.
- All institutions---those more or less ‘civil’ and more or less ‘formal’---can empower in some ways and disempower in others.
4. CONCLUSION: KEY MESSAGES AND FUTURE WORK

4.1 Section 4 outlines the key messages from the previous sections. The table below demonstrates one of the important observations made in Sections 1-3: people can be both empowered and disempowered in the different domains in which they operate. The table also reinforces the significance of power analysis and the need for policies that explicitly address power relations; it demonstrates that ‘inclusion’ (in global or state markets, political and social systems) and institutional reforms can be insufficient for poverty reduction, where power structures and relations remain unchanged.

<table>
<thead>
<tr>
<th>Domain</th>
<th>Sub-domains</th>
<th>How Power Performs</th>
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<tbody>
<tr>
<td>International</td>
<td>Policy</td>
<td>The more powerful development agencies, lending agencies and governments have significant influence on how poverty is perceived and addressed. This may be both advantageous and disadvantageous to the poor. Agencies can help to make poverty a more prominent domestic issue; on the other hand, a poverty discourse that classifies and prioritizes the deserving poor or that does not address the power relations that keep people poor invariably (a) excludes significant segments and (b) fails to recognize and attack some of the deep causes of poverty.</td>
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<tr>
<td>Social, Political,</td>
<td></td>
<td>Globalization has facilitated a massive upsurge in communication, such that various groups have been able to form associations and make claims on their governments, international actors/agencies and local leaders. However, globalization also disempowers, particularly the poorest (countries and people) whose welfare is quickly eroded through rapidly shifting markets and rationalized social services. The ideology and practice of globalization prioritizes the progressive, which creates deeper inequalities and levels of poverty. Those who lack ‘agency’ are most severely affected.</td>
</tr>
<tr>
<td>Economic</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>Legal</td>
<td>Legal systems can enforce poor people’s rights; they can protect against social discrimination and abuses of power. However, legal systems can support discrimination and infringement of rights. Importantly, state and communal systems can both empower and disempower.</td>
</tr>
<tr>
<td>Political</td>
<td></td>
<td>Political leaders can defend the interests of the poor and seek to address imbalances of power. They can also ignore contraventions of rights, fail to protect and disempower. Political actions and inaction are consequential for poverty. There are other features of the political system that affect people’s capacity to make effective choice, including whether political systems are open or closed to public contestation and whether poor people genuinely have space to present their interests.</td>
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<tr>
<td>Service Delivery</td>
<td></td>
<td>Power relations play out in service delivery arenas. Without adequate protection, the more powerful are likely to be those who have the greater capacity to pay. At the street level, service providers have substantial influence on determining who benefits and how.</td>
</tr>
<tr>
<td>Market</td>
<td>Credit, Labour, Goods</td>
<td>The market is not merely a domain for rational economic transactions. Rather, social relations of power influence the capacity to negotiate and access to credit and goods</td>
</tr>
<tr>
<td>Society</td>
<td>Household and Community</td>
<td>Power relations have substantial weight at the household and community levels for, in these domains, people can sustain dorms that perpetuate discrimination and poverty (such as against the aged, women, people with disabilities); conversely, they can provide important networks that help people to move out of poverty. However, not all these associations may be consistent with/supportive of formal laws or ‘civil’ behaviour.</td>
</tr>
<tr>
<td>Individual</td>
<td></td>
<td>People also operate in a less tangible domain, one in which personal convictions,</td>
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ix
norms and expectations help to define attitudes. This means that ‘rational’ expectations of welfare-enhancing behaviour need not obtain. People may choose to use their power not to participate, own and control resources and make claims. Some of this behaviour may be explained through examining prevailing discourses, particularly the ways these disempower. However, people develop their own value systems and establish priorities that may not be consistent with the ideals of ‘agency’.

4.2. The section outlined a number of areas that require further research and analysis. It emphasized how qualitative studies can be used to qualify quantitative methodologies and research conclusions. The section notes:

- Despite wide acceptance of the ‘multidimensionality’ of poverty, analysts tend to resort to the more popular categorical indicators. Yet, the act of defining and measuring is itself an act of power that can trigger changes in social relations and lead to inequality of outcomes in terms of life chances. Therefore, it is important to understand the relational dimensions of poverty, to improve analysis of the multidimensionality of poverty, and to examine the different ways in which categorical approaches influence poverty experiences.

- There are certain groups, sub-groups and individuals who may have less capacity for agency. For these, ‘an enabling framework’ may not be sufficient. Much research is required to analyze the correspondence between different forms of poverty and differing capacities for purposive choice. Power analysis is critical for assessing the conditions under which people remain poor and for providing a comprehensive evaluation of what is required for moving out of poverty. Here, there is a huge and urgent gap in poverty analysis.

- It is important to investigate how power relations feature in the different domains and sub-domains in which people operate. Power relations may conflict or correspond across and within domains and have significant influence on policy implementation and poverty outcomes. Conventional analyses have not paid sufficient attention to what transpires in these multiple arenas of power. Consequently, policies are implemented without adequate assessment of the likely constraints. For example, analysts are now discovering that some of the serious problems with decentralization are rooted in ingrained power relations at both the centre and local levels.

- Development policies tend to proceed without sufficient thought for how people can be complicit in their own poverty and, thereby, help to perpetuate the relations of power that harm them. This type of analysis is critical for designing realistic programmes; that is, for formulating credible policy components, determining feasibility and assessing the pace of change.

- There is need for work on cross-group and intra-group inequalities. The development agenda prioritizes the individual and there is insufficient attention to how groups empower and disempower. Individuals depend on their group/social identities. Therefore, it is important to investigate how groups perpetuate inequalities and poverty and, conversely, how they provide routes of escape for their members.

- Development agencies tend to minimize their own powerful role in poverty processes. However, power relations across and within major agencies help to define the poverty agenda: they shape the poverty language; enforce or encourage favoured approaches; select and shape constituencies of support; prioritize and define measurement indicators. Development agencies can create new inequalities and help to sustain old ones. By ignoring power relations, agencies can, inadvertently, allow certain forms of poverty and inequality to deepen.