

Book Review

Gareth Steadman Jones
An End to Poverty? A Historical Debate
New York: Columbia University Press, 2005

Reviewed by Howard A. Doughty

The history of modernity provides some important examples of success in the struggle to achieve political goals. They are commonly attributed to the accomplishments of liberal democracy. Around the world there are plenty of examples of thriving parliamentary or presidential systems which boast the rule of law, majority rule, minority rights, free elections and codes of individual liberties. Sometimes democracy was introduced abruptly by violent revolution; sometimes it evolved incrementally over time. Sometimes the rules of the democratic polity are respected and followed reverently; sometimes they mask corruption and cronyism. Sometimes the triumph of political liberalism is credited to the influence of philosophers, sometimes to political activists and sometimes to the relentless struggles of anonymous plebian activists who pressured politicians to enact reform (and who subsequently looked sardonically upon the corridors of power where strode leaders latterly taking credit for progressive changes that they themselves had long and bitterly opposed.)

Still, while US President Jefferson and Treasury Secretary Hamilton may have disagreed about the extension of the franchise, and while Gladstone, Palmerston, Russell and Disraeli engaged in a dizzying decade-long dance of opportunistic machinations and occasionally authentic differences in principles, the fact remains that the basic institutions of liberal democratic politics were firmly entrenched in the Anglo-American democracies and parts of Europe by the end of the nineteenth century. Moreover, although the twentieth century witnessed the rise of unprecedented totalitarianism, it also witnessed its spectacular defeat in World War II and in the subsequent implosion of the USSR. Now, while China resists democratic reform, it is becoming the target of choice for Wal-Mart. Can popular elections be far behind?

In short, those of sound judgment and narrow vision can look upon the political achievements of the European Enlightenment and pronounce with satisfaction that progress has been made,

and that the optimism and rationalism of the eighteenth century has been largely redeemed. While opposition in the form of a so-called clash of cultures may be acknowledged and sometimes exaggerated, and while there remain a host of “challenges” in the form of poverty, ignorance, disease, local tyranny and global ecological breakdown, the comfortable and the complacent, the self-righteous and the self-satisfied have reason to feel good about themselves. When the worst to be feared are increasing mortgage rates and youthful disaffection, those who are negotiating life in affluent societies without over-dependence on mood-altering and sleep-inducing pharmaceuticals can experience intermittent anxiety attacks, but need not fear pauperism or the conditions of urban life before electricity, indoor plumbing and municipal police forces.

Lives of “quiet desperation,” masked only by terminally cheerful “smiley face” buttons, are nonetheless common. The regular doses of valium betoken a sense that something has been missed and that something, perhaps, still needs to be done.

In *An End to Poverty?* Gareth Steadman Jones explores the origins and evolution of the liberal political economy and discloses the roots of contemporary psychological angst and the more important fault lines of the contemporary political economy that make our collective satisfaction seem somewhat premature. He concedes that significant steps have been taken toward formal democratic governance. The history of economic goals is not so easily described.

Liberalism, it must be noted, was first, foremost and most forthrightly a movement aimed at the liberation of capital from motley feudal ties and from the mercantilism that placed state regulation above private enterprise. Edmund Burke, the putative father of modern conservatism, and Karl Marx, the supposed sire of modern communism, agreed at least on this: the dynamics of early capitalism rudely tore off the stately robes of authority and reduced venerated traditions to shallow calculations, leaving social harmony in tatters and human relations exposed in the callous cash nexus of commodification.

The great liberal tradition found the emancipation of capital invigorating, but looked upon equality (always of “opportunity” and never of “condition”) as intimidating and fraternity as

quite unthinkable. Democracy, of course, eventually emerged – but only after much pressure from adult, working men and, by the early twentieth century, adult women as well. Then, after World War II, a minimal welfare state was put shakily in place in many Western democracies, partly as a concession to working class demands but also as a guarantor of a reliable, competent and respectful workforce. Ruthless “social Darwinism” came to be understood, for a while, as counter-productive to the ends of business and industry. Social investment came to be accepted, for a time, as a major contributor to the prosperity not only of employees, but of employers as well.

All of this was seen as a progressive synthesis of capitalism, democracy and social justice that was the ultimate result of the liberal tradition. Add in respect for ethnic minorities, religious toleration and gender equity, and the process can be made to appear seamless, praiseworthy, and almost inevitable.

Apply this pattern to global relations, and the modernization of the “Third World” – now free from the dangers of Soviet expansionism and the associated cancer of communism, and a bright young and freshly minted Master of Business Administration (or Social Work) could easily believe that advancement and improvement – both facilitated by the intricacies of the world-wide-web – were the desirable destiny of ordinary citizens in developed nations and, a little behind but sometimes catching up, citizens of developing nations as well. Fuelled by globalization, the world economy and the spread of democracy have both been growing.

Yet, there is something missing.

Gareth Steadman Jones shows us what we have neglected or, perhaps, repressed. He re-tells the story of social democracy. He makes clear that ideas about eradicating poverty were marginalized from the beginning, and excluded from the inventory of social ambitions by the early liberal economists, reactionary conservatives and revolutionary leftists. He outlines the historical debates about poverty and, in the process, restores the suppressed discussion of destitution in a way that sheds light on current concerns from globalization to social welfare, and from government regulation of domestic industries to foreign aid. Especially important in an age that is not content to forget the past, but insists on expunging it from our personal and

collective memories is his ability to link today's "hot button" issues to dialogues that have been carried on for two centuries and more.

Steadman Jones re-examines antique thinkers such as Adam Smith, Burke, Antoine-Nicolas de Condorcet, Thomas Malthus and Tom Paine. In a manner that would astonish neoliberals (if they could be compelled to attend to what Adam Smith *really* said), he allows the author of *The Wealth of Nations* to express his hopes that a vibrant commercial society would lead to greater equity and equality. Unimpeded by the rise of corporate capitalism, which Smith considered an abomination and a monstrous distortion of free enterprise and the free market, the far-famed professor of moral philosophy (Adam Smith was never an "economist") anticipated an age in which universal pensions, free education and other social "entitlements" would eliminate economic insecurity – not the sort of talk expected from the alleged high priest of tax-reduction and small government.

Those who expressed egalitarian ideas and fought for equalitarian conditions were, of course, a threat to liberal hegemony. Adam Smith was no socialist, but his wisdom must be carefully organized and parceled out lest it give aid and comfort to the lower classes. For their part, Burke and Malthus might have been appalled by the French Revolution which assailed the authorities and undercut Christian conservatism, but so were the liberal economists. The intransigence of the bourgeoisie and the pious communicants of the high church combined to drive mildly egalitarian thinkers into defiantly anti-capitalist corners. Activists from the Luddites (who did not oppose technology, but merely wanted its benefits to be equitably shared) to the trade unionists (defined under law as "criminal conspirators in restraint of trade") and on to the radical abolitionists, feminists and proletarian insurrectionists did not normally come to their extreme beliefs and tactics by choice, but out of desperation and despair of winning compromises with the dominant class. We must remember that the authors of *Communist Manifesto* would likely have been satisfied with such practical reforms as public education, a free press, and the right to vote; we must remember, as well, that such elementary social programs as unemployment insurance and medicare took another century of struggle to win and, in some places, have yet to be won.

Steadman Jones points to the legacy of social progress and argues forcefully that, instead of retreating into apathy or acquiescing in the hegemonic neoliberal agenda, it is required of current political activists to revisit the ideals of their predecessors and reinstate the debate about fundamental equality. There is plainly something amiss when high technology and concurrently massive increases in industrial productivity, the gross domestic product and international trade all fail to usher in an era of leisure and, in fact, witness a labour market in which both parents in “traditional” families must work outside the home – sometimes at two jobs each – merely to make ends meet. It is poignant to recollect magazine articles that worried about how working people would cope with the problem of boredom when the twenty-hour work week was upon us. That is certainly one worry that need concern us no more.

The appropriation of leisure time and the return of the sixty-hour week are, of course, not necessary elements of the “postmodern” economy. Western productivity is well able to eliminate poverty at home. The transfer of wealth from the middle to the upper class is a political choice. The concentration of political power, economic wealth and ideological control is a contingency of the current political economy. Steadman Jones knows this intimately and wants us to make this state of affairs the topic of a vigorous public debate. He is eager to use the limited but real tools of democratic governance to compel the restoration of public goods, universality in social services as well as ecological, medical and economic protection. Doing so requires that citizens reconnect with their own traditions and refuse to live brain-addled by PowerPoint and “infotainment” in the virtual vortex of the specious present.

Some enthusiasm might be garnered if we were encouraged to understand that the battles being fought today for human dignity and material security are categorically the same as those that were fought over two centuries ago. That they have not yet been won should not be a source of despondency. Quite the reverse, by renewing our familiarity with our past and the inheritance of constant valor and discontinuous accomplishment, we can rejuvenate the ideas and attitudes that encouraged Mary Wollstonecraft to write *A Vindication of the Rights of Women* in 1792 and Tom Paine to follow a few months later with *The Rights of Man*. Though

far from a sweeping call to arms (or the ballot box), Gareth Steadman Jones provides a helpful set of directions toward a more humane future.

The union of political, economic and social rights was, says Steadman Jones “part of a pitched battle between enlightenment and the receding powers personified by the aristocracy and the established church.” The combination of all three domains of human emancipation produced not just a political philosophy, but also a practical program and a consequent set of specific policies. All were premised on equality and each understood that the future contained no natural obstacles to their fulfillment. Today, it is not so much the aristocracy and the established church, but corporate downsizers, commodities traders and inchoate human rights abusers who need to be watched.

We have come some way in the field of politics. Most people today – say what we must about the manipulation of public opinion, the processing of propaganda and the irrefutable distortions arising from the influence of wealth on the political system – at least have minimal rights of democratic choice and legal protection from egregious abuses of authority. These were not freely given by generous monarchs and aristocracies, nor even by prime ministers and presidents. They were won in a contest with what was once deemed divine power and now functions in a secular domain under the title of the power elite. There is no excuse for the process to be halted now, much less to be reversed.

The process (and at long last the connection to the problems of developing nations can be made explicit) is not a matter for Western societies alone. Universal welfare states may today be in retreat as global corporations and their like-minded allies in international economic organizations pound away at any enterprise or endeavour that does not exist in preternatural conditions of privatized competition, but it remains clear to anyone with nominal powers of observation that poverty can be overcome and, for most practical purposes, has been overcome in small welfare states including, but not exclusive to those in the northern European region of Scandinavia. The lessons are available for all to see and to implement if they choose.

The pragmatic application to developing countries has seldom been made better than in the work of Sir Partha Dasgupta of the Department of Economics at Cambridge University in

England. At a minimum, Dasgupta, in his 2003 essay, *World Poverty: Causes and Pathways*, urges a reversal of the common neoliberal argument that entrenched non-market institutions conspire to prevent potentially more efficient producers. He argues instead that externally imposed market mechanisms and predatory institutions constitute a threat to sustaining, communitarian institutions that not only protect the most vulnerable members of society, but also enhance economic contributions across a wider range of the population thus, in fact, contributing to a greater material quality of life. Dr. Dasgupta, it might be mentioned in passing, is no dreamy idealist. He is, instead, the first and (so far) the only economist ever elected to Britain's Royal Society, an influential and self-selected group of forty-four members whose small number includes eighteen Nobel laureates, all of whom (save Dasgupta) are scientists and mathematicians. He does, however, have an unusual and, in some circles, a counter-intuitive perspective. He insists that, in the genuine tradition of Adam Smith, economics must relate to moral philosophy. More important still is his recognition that the substance of economic development is not exclusively a matter of ledgers, flow-charts, arrows plotted on graphs and bottom lines. He is, among many other accomplishments, an expert on rural poverty with a special interest and expertise in the agricultural problems of India. Mobilizing resources, he concurs, is a precondition for development, and mobilization includes the provision of public investment in education, health care and some measure of social security. Progressive social policies are not luxuries to be put off until they are within a country's means, for unless they are somehow provided from the outset, presumably through some form of financial aid, they will never become affordable.

Gareth Steadman Jones, by reviving the idea that poverty is a contingent fact of life in both rich countries and poor countries, allows us to re-evaluate the definition of economic progress, the pertinent strategies for economic development, and real nature of the obstacles to achieving the measure of human happiness that was promised by Enlightenment thinkers, but which has been denied by their self-interested progeny.

It is commonplace to acknowledge that wealth is rarely voluntarily ceded by the rich to the poor. It is also obvious that wealth is primarily appropriated by the rich from the labour of others. This is the stuff of simple dialectics, class consciousness and class conflict that Marx set out a century and a half ago. Though indebted to Marx on several levels, Steadman Jones

has his own contributions to make to the theory and practice of social change. Since Marx, at least two things have changed. First, the history of the contest has been lost or ignored as the price of the culture of individual isolation in late capitalism. Second, the predicted immiseration of the industrial working class has not taken place (or, rather, has been exported to the colonies and maintained under neocolonial conditions), and the naked exploitation of the labour of the working class and of colonial peoples has been modified partly by the phenomenon known as “embourgeoisement” (the approximation of middle class income and status and the acceptance of capitalist ideology by the skilled working classes) and partly by the huge technological transformations that have altered the structure and conditions of labour. The dark, satanic mills of nineteenth-century industrialism have been replaced by the sort of keyboard upon which I am currently pecking in an approximation of work. The shift in the mode of production from agriculture to industrial manufacturing has now been largely transformed into what is variously called a tertiary, service or information sector. Furthermore, the division of labour has been at least partly globalized, so that national policies and standards are rendered vulnerable – in rich nations and well as in poor nations – by the operations of multinational enterprises.

Confronted with this array of innovation and the reorganization of everything from natural resource extraction through investment finance to the division of labour in the production and distribution of goods and services, Steadman Jones puts forward a passionate but meticulously argued case for intellectual and political engagement with both extreme and relative poverty. He wants the understanding of the heritage of struggles for equality to be restored and extended, and the cultural differences between nations and regions to be re-examined as sources of new vitality, new alliances and new tactics. The old European empires were skilled at the techniques of “divide and conquer.” In the new world disorder, those methods still work well or better, and they will not be meaningfully contested until and unless the forgotten element of the Enlightenment mantra, the elimination of poverty, is recalled, embraced and made the focus of political thought and action.

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