Poverty: Much More Than a Matter of Income

Friday, January 28, 2005 – Poverty is a classic example of what many now call "wicked problems" in social policy. It can be especially pernicious and persistent because it stems from a complex of causal and environmental factors that surrender only to a multi-faceted attack.

Despite this, as Cynthia Williams, CPRN Senior Research fellow, points out in a recent presentation, poverty is still too often thought of almost entirely in terms of income – disposable income in the here and now. That thinking dominates policy, which relies on measures like the Low-Income Cut-Off, or the Market Basket Measure, that focus on income and expenditure.

In ***Poverty is Not Just About Income – It's Also About Assets***, a presentation to the conference, "Investing in Self-Sufficiency: Moving the Asset-Building Agenda Forward in B.C.", in Coquitlam last October, Williams argues that failure to see poverty in broader terms leads to policy responses that emphasize income support, responses that do not go far enough to provide a route out of poverty.

She makes the case for supplementing this income approach with an approach which recognizes that persistent poverty reflects inadequate assets. She uses the term "assets" broadly, to encompass not simply financial capital, but also human and social capital (education, skills and community relationships), and housing and other forms of physical capital.

Williams sees three important advantages to the assets approach to thinking about poverty:

- It has an educational value, leading to a deeper understanding of what keeps some individuals and groups in persistent poverty, while others have more resilience.
- It encourages a life-course perspective, recognizing that individuals accumulate assets during some phases of their life and expend them in others. Just as we accept the importance of "investing" in children today, we need to adopt such an investment approach to persistent poverty.
- It represents a powerful tool for attacking the "culture of poverty", the loss of hope and optimism for a brighter future.

You can access or download a copy of her presentation by clicking here.

e-network e-network work e-network e-net