

Contrasting Theoretical and Case-Related Thinking in Poverty Alleviation: A Framework Based on the Capability Approach

Judit Juhász

University of Szeged Faculty of Economics
and Business Administration Research Center
judit.juhasz@eco.u-szeged.hu

Zoltán Bajmócy

University of Szeged Faculty of Economics
and Business Administration Research Center
bajmocy.zoltan@eco.u-szeged.hu

György Málovics

University of Szeged Faculty of Economics
and Business Administration Research Center
malovics.gyorgy@eco.u-szeged.hu

Judit Gébert

University of Szeged Faculty of Economics
and Business Administration Research Center
gebert.judit@eco.u-szeged.hu

ABSTRACT: The capability approach of Amartya Sen focuses on the freedom of individuals, their real opportunity to lead a life they have a reason to value. Within this framework poverty is not solely the lack of material goods, but the lack of valuable doings and beings one has the freedom to choose. The objective of present paper was to propose a minimum set of aspects to be considered by poverty alleviation initiatives on the basis of the capability approach; and to test this framework through a qualitative empirical analysis carried out in Hungary. The paper analyzed how were the proposed aspects of poverty alleviation reflected by various stakeholders of poverty reduction initiatives (decision makers, experts and civil activists). It first examined the general thinking of stakeholders about poverty, then it analyzed their opinion about a planned housing project for disadvantaged people in Szeged, Hungary. According to the results, the general thinking of stakeholders about poverty was in harmony with the aspects we proposed on the basis of the capability approach. However, stakeholders' focus of attention shifted when they evaluated a given case instead of just thinking generally about poverty.
KEYWORDS: Poverty Alleviation, Capability Approach, Relation of Economics to Social Values, Human Development, International Linkages to Development

The human development and the capability approach (CA) of Amartya Sen (1993, 1999) has gained significant attention in the theoretical and practical debates regarding poverty and poverty alleviation. CA provides such an open-ended approach that may be able – at least partially – to integrate the numerous aspects introduced by the various disciplines (economics, sociology, psychology, economic geography etc.) dealing with this issue (Lessmann 2011; Rippin 2015; Vizard and Speed 2015). The capability approach does not ask what people have, but rather what they can actually achieve. The approach refers to these real opportunities of people (i.e. the valuable doings and beings they have the freedom to achieve) as *capabilities*.

The objective of present paper is to suggest a framework of poverty alleviation (a set of minimum aspects to be considered) on the basis of the CA at the local level; and to test the practical applicability of this framework. We use in-depth interviews conducted with local decision makers, experts and representatives of civil society organizations to analyze how the suggested aspects emerge in the general thinking of stakeholders. Then we examine how the same aspects emerge in the stakeholders' view when they evaluate a given case: a planned housing project for disadvantaged people in Szeged, Hungary. The novelty of our approach lies in (1) the integration of a set of multidisciplinary arguments into a coherent framework based on the capability approach, (2) the analysis of how theory is put into practice by contrasting the general and the case-related thinking of the stakeholders of poverty alleviation initiatives, and (3) carrying out empirical analysis on the basis of the CA in a relatively high income region contrary to the dominance of empirical knowledge stemming from low income settings.

In the first section we demonstrate the most important notions of the capability approach and it's most relevant arguments related to the issue of poverty. In the second section we set up our analytical framework: the minimum set of aspects suggested for consideration in poverty reduction initiatives and programmes. We introduce our empirical results in the fourth and fifth chapters. First we analyze the general thinking of our interviewees related to poverty and poverty reduction, then we examine how these aspects emerge in their evaluative judgments about a given case. In the final section we summarize and draw conclusions.

1. Poverty as capability deprivation

The capability approach was originally developed by Amartya Sen. Later on many researchers contributed to the refinement of the theory. The related body of literature has grown exponentially in the last few decades. The CA is being used as an analytical

and assessment framework in various fields of social sciences, related to the topics of well-being, human development, poverty and social justice among others (Dang 2014; Robeyns 2006).

The capability approach separates the means of human development from its objectives (Sen 1995). It does not focus on the means the individuals possess, but asks what they can actually achieve with their means. Ultimately, it is not the possession of means that makes human life valuable, but what the individuals can do or become with the help of his/her means. This differentiation is substantial, because the linkage between possessing means and achieving functionings is not unequivocal. The ability to use the available means in order to achieve valuable doings and beings depends on different *conversion factors* (Robeyns 2005; Sen 1995). For example, despite the fact that someone has enough bread, (s)he may not be able to reach the functioning of being well-nourished, if (s)he is coeliac, for instance. So the fact that someone has the real opportunity to achieve valuable “doings and being” depends on two things: the available means and the conversion factors. The conversion factors can be manifold: personal (e.g. being allergic), social (prejudices against woman), or environmental (air pollution).

The capability approach focuses primarily on individuals’ achievable options, instead of the means or the actually achieved doings and beings. Paying attention to the alternative valuable options (choices) is important, because individuals may assign value to things they do not actually choose (but could). The core characteristic of the capability approach is its focus on capabilities, which refers to the individuals’ freedom to achieve valuable doings and beings (Robeyns 2005; Sen 1999). The capabilities of people show what kind of lives they have the freedom to lead. According to the capability approach human development is the expansion of individuals’ capabilities, in other words, the expansion of their freedom to lead a life they have a reason to value, to choose the kind of life they want to live (Sen 1999). For that reason poverty is not simply the lack of income, it means much more than that: being deprived of capabilities. In other words, individuals in poverty have less opportunity to achieve valuable doings and beings. In line with this, income just means for the capability approach that may (or may not) help to achieve valuable functionings (Robeyns 2006; Sen 1999).

With regard to poverty-related analysis, we have a number of reasons to concentrate on the set of individuals’ options, instead of income (Sen 1999). On the one hand, the effect of income on capabilities is not uniform: the conversion of income into valuable functionings is influenced by various conversion factors. For example: the same level of real income may imply different sets of capabilities for a healthy person and for someone who suffers from chronic disease, since the latter must spend a

(significant) proportion of her/his income to medicine and treatment. Therefore 'income poverty' does not inform as about all the relevant forms of social deprivation (Robeyns 2006). Going by several empirical studies, the relation between certain basic capabilities (e.g. living long and healthy life, being well-educated) and real income is not linear (e.g. Alkire *et al.* 2008; Ruggeri Laderchi 1997). Focusing on capabilities (real opportunities) does not mean that it is unnecessary to consider income-status, since income is basically means helping us to achieve our ends. But real income based evaluations with regard to poverty treatment are insufficient, because they leave several important sets of information hidden.

The capability approach leaves the questions of selecting and ranking valuable doings and beings open. Sen (2008) argues that these lists should be formed through open public debates. On the other hand, Nussbaum (2011) argues for a well-defined list of human capabilities. The 10 components of her list are the following: (1) Life; (2) Bodily health; (3) Bodily integrity; (4) Senses, imagination and thought; (5) Emotions; (6) Practical reason; (7) Affiliation; (8) Other species; (9) Play; and (10) Political and material control over one's environment (Nussbaum 2011). According to the literature of the CA, the set of capabilities vital for the analysis should always be adjusted to the aim of the given evaluation; one should not insist on a fixed (pre-defined) list (Robeyns 2005; Sen 2008).

Poverty-related studies and analyzes generally focus on particular basic capabilities (for example health and literacy). However, those culturally determined capabilities that give individuals the opportunity to participate in the life of the community or to appear at public occasions without shame should also be embraced by the evaluations (Sen 1999). In higher income countries, for example, the availability through internet or mobile phone are such capabilities. The capability approach pays special attention to individuals' ability to act as agents of change, their freedom to further their own ends (Robeyns 2005; Sen 1995). This is actually a special capability (freedom), which helps to achieve other valuable functionings. So the capability approach considers individuals as agents not as passive recipients (patients) of the development process.

2. The aspects of poverty alleviation in the light of the capability approach

The objective of this section is to suggest a framework on the basis of the CA, which comprises the minimum set of aspects needed to be considered in poverty reduction initiatives. We make an attempt to systematize various arguments of different social science disciplines (economics, sociology, psychology, economic geography) and to fit

them to the perspective of the capability approach. The CA-based poverty reduction concentrates primarily on the *expansion of individuals' capabilities*. This general framework provides us the basis for specifying the aspects of poverty reduction that serve as a minimum set of information needed to be considered during poverty alleviation programmes – at least in the light of the capability approach (Figure 1).

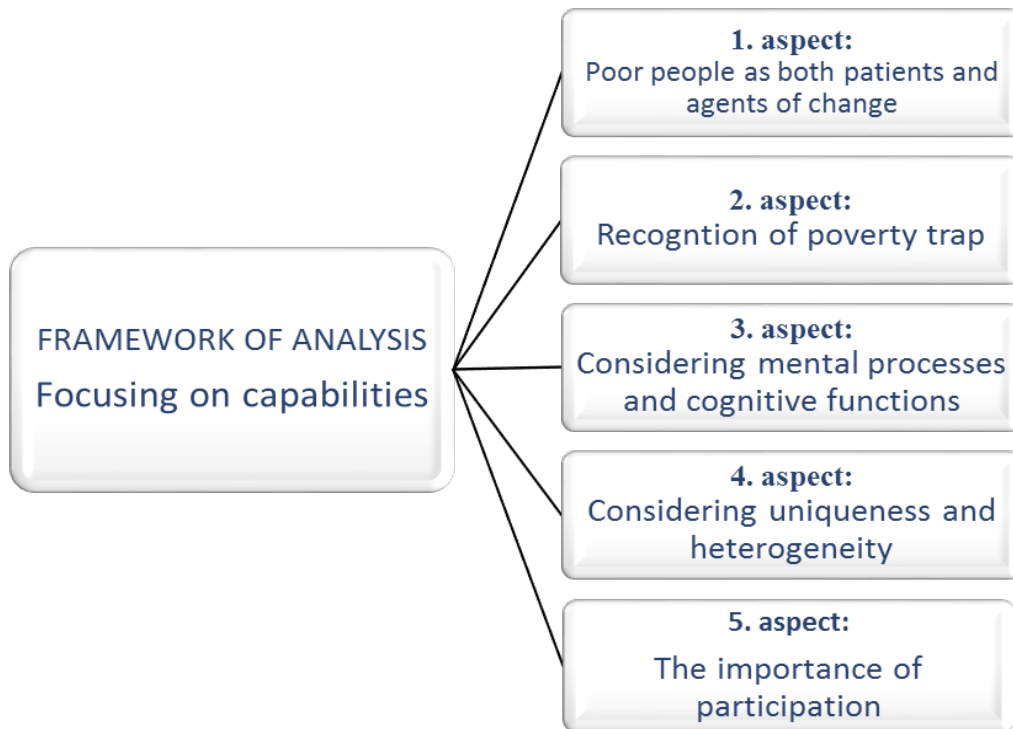


Figure 1. The aspects of poverty alleviation in the light of the capability approach (own construction)

The outlined aspects jointly reflect on the important building blocks of the capability approach (capabilities, conversion factors, agency, open public debates). The aspects are largely interdependent and in most cases they are related to more than one building blocks of the CA. However, considering one aspect does not imply automatically the recognition of the other aspects, therefore it is necessary to highlight them one by one. The *first aspect* is the recognition that, besides being passive recipients of the development programmes, people are also active agents. The capability approach attaches particular importance to people's ability to *lead* a life they have a reason to value and considers this capability to be an integral part of well-being (Sen 1999). Accordingly, poverty reduction programmes should put particular emphasis on empowerment, the process

through which stakeholders are enabled to actively shape their lives and destinies and to manage without assistance. At the same time, this endeavour does not necessarily replace helping methods that are not empowering. In other words, we may have a good reason to give bread for starving people even though we cannot help them to become bread-winners themselves. Extreme poverty may often bring about situations, where stakeholders should be considered to be passive recipients as well. Still, in CA-based poverty alleviation empowerment remains a primary task.

The *second aspect* is the recognition of the poverty trap. This is closely connected to the empowerment process highlighted in the former aspect. It points out that people living in poverty can be hindered in many ways in actively shaping their own lives. According to the literature people living in extreme poverty are characterized by a number of behavioral patterns that diverge from the majority norms. For example, they use less preventive health care or their ability to manage their finances is impaired (Mani *et al.* 2013). Parents living in deprivation are less equipped to give their children a good start in life thus limiting their opportunities to flourish from the very start (Khumalo 2013). As a consequence of the peripheral situation, economic processes and power structures also restrict the spaces of action of these social groups (Timár 2014). Regardless of the starting point – be it the cultural differences coupled with income deprivation, insufficient education, poor health, territorial and ethnical segregation (Orfield and Lee 2005; Quillian 2013; World Bank 2015) – it is unambiguous that these factors interact with each other, which generates further aggravating circumstances. Therefore, in case of the extremely disadvantaged, the depth, length and multi-dimensional character of poverty manifests in poverty trap (Smith and Todaro 2012). Poverty reduction programs are often incapable of reaching those, who are unable to find their way out from the poverty trap without external assistance (Smith and Todaro 2012). Therefore the recognition of these groups' helplessness is of key importance. This implies that poverty alleviation programs should implement interventions that break the vicious circle of poverty.

The *third aspect* draws attention to the importance of mental processes. Within the capability approach this is substantial for several reasons. On one hand, being a conversion factor, it significantly affects how the poor people are able to use their available means, or those provided them during the poverty alleviation initiatives. On the other hand, the capability approach criticized the preference-utilitarian thinking, which is dominant in contemporary economics, exactly by pointing out certain mental processes (Hausman and McPherson 1996; Sen 1999). According to this, in the long run people may adjust to their unfavourable circumstances, may cut back on their desires or resign to their fate. Therefore preference satisfaction hardly refers to their

well-being. Another way to approach mental processes – and the phenomenon of poverty trap – is 'learned helplessness', which has been used to interpret several social problems such as depression, various addictions, domestic violence or poverty. The gist of this phenomenon is that experiencing a series of uncontrolled negative events will enhance our expectations that the future events will also be unimpressible. In this state decreasing motivation, emotional instability, passive, demoralizing behavior are observed, where the individual does not take steps to avoid the negative consequences even if it was possible (Peterson et al. 1993).

Hence, the mental processes of the poor, deprived and excluded are limited in several respects (World Bank 2015). Childhood poverty may eventually reduce adult cognitive capacity (Mani et al. 2013). The chronically poor tend to have decreased life expectations as well as lowered self-esteem (Shekhawat 2011). Poverty is associated specifically with unhappiness, depression, anger and stress which affect risk-taking and temporal preferences as well (Haushofer and Fehr 2014). Stress induces a shift from a goal-oriented to a habit-oriented behavior impeding the longer term strategic thinking (Vohs 2013). The extremely poor are unable to stick out if the benefits of their investments and efforts are likely to emerge on a longer time scale (Ladányi and Szelényi 2004). In case they attempt to, the result is often exhaustion thus eliminating all the previous results (Vohs 2013).

According to Mani et al. (2013) preoccupation with pressing financial concerns leaves fewer cognitive resources available for other tasks, those with monetary concerns lose their capacity to fully concentrate on problems. A recent review of 115 studies (Lund et al. 2011) highlighted that 79% of the studies found negative correlation between mental health and poverty (based on different indicators). This indicates the existence of a feedback loop in which the disadvantaged situation reinforces itself due to psychological effects and in most cases leads to detrimental economic behavior (Haushofer and Fehr 2014). All these could lengthen the process of escaping poverty or can even make it impossible. Therefore this aspect embraces the recognition of the reduced cognitive functions associated to poverty, the consideration of psychological aspects, as well as the importance of recreating self-respect and confidence.

The *fourth aspect* in our framework is the consideration of uniqueness. The capability approach emphasizes the diversity of conversion factors. The most important conversion factors that influence (limit) the use of different means constantly vary depending on individuals, societies, space and time. As Carr (2008) argues, the practice of poverty alleviation is greatly limited by a vision of poverty that fails to capture the locally specific causes of and solutions to the challenges that threaten human well-being. The recognition of this is essential, if during poverty reduction programmes we

address the capabilities (the set of actual choices) and not solely the means possessed by the individuals. The link between low income and capability deprivation varies among communities, families or individuals. This relation is strongly affected for example by age, sex, social role or housing circumstances (Sen 1999). Therefore, a single model cannot offer solutions for all the problems; programs adjusted to local specialities are needed (Unwin 2004).

The *fifth aspect* we highlight is the importance of stakeholders' participation. The central focus of the capability approach is the extension of capabilities (valuable opportunities). This necessarily raises the question: what can be considered valuable for the individuals and for the communities. The capability approach argues that the list of valuable doings and beings should be decided through democratic processes, open public debates (deliberation) (Clark 2005; Sen 1999, 2008). What gives this special importance is that poverty-related communication typically does not take place among the poor, this is rather a topic for the middle-class (Aschauer and Málóvics 2012). At the same time, it is the most disadvantaged who may face the most serious barriers in actually participating such social debates. It usually takes long years to empower the extremely poor to be able to recognize and articulate their personal problems, to formulate personal strategies for themselves, and on this basis to take part in community strategic planning (Bodorkós and Pataki 2009; Newman and Jennings 2008). Nevertheless, the difficulties of the practical implementation cannot justify the rejection of deliberative participation (Bajmócy and Gébert 2014).

Open public discussions may also shed light on value choice dilemmas that would not emerge in a decision making process, which builds on a fixed set of values – for example Nussbaum's list (2011). An example for the application of a fixed set of values, is when "objective" external observers make policy proposals on how to improve one's circumstances. Public reasoning and participatory decision making have central importance from the perspectives of both efficiency and justice (Sen 2012). One of the biggest advantages of the capability approach is that it highlights the necessity of value choices, makes them explicit, and draws attention to the importance of social debates in ranking the values (Alkire 2007; Robeyns 2006).

Hence, this aspect emphasizes the importance of the cooperation with the stakeholders and the significance of participatory decision-making. On the top of its intrinsic value, public deliberation is also valuable as means in the capability approach. For example, it can foster community members' commitment towards collective decisions. The close cooperation with the stakeholders, which also requires new roles and attitudes from the researchers and supporters, improves the relationship of the participants and builds trust

(Málovics et al. 2014). However, all these advantages remain weightless theoretical expectations if participation is only symbolic.

3. Methodology and case description

The objective of our empirical research is to investigate how our capability-based framework fits the conceptions of the social actors who facilitate poverty alleviation processes. We first analyze whether the framework is in line with their general thinking and experience. Then we investigate their opinion about a particular case to be able to analyze the differences between their general and case-related thinking. We carried out 20 in-depth semi-structured interviews in Szeged, Hungary. We recorded then transcribed the interviews, and used the anonymised transcription for the purpose of the analysis. The main aspect with regard to sampling was the practical experience (potentially supplemented by theoretical inquiry) in dealing with poverty and poverty alleviation. We concentrated on three main groups: local politicians, experts and civil activists. Some of the interviewees belong to more than one category. In the sample the three categories were represented roughly in the same proportion.

We asked experts with different backgrounds, for example economists, sociologists and ecologists. The most important criterion was their practical linkage to the topic on the top of their relevant research experience. The civil activists in the sample directly experience the different forms of poverty during their everyday work. The interview consisted of three main parts. First, we asked the interviewees about the phenomena of poverty and poverty reduction in general. Then we turned to the local situation with regard to poverty and specifically to the Roma. Finally, we asked them about a given case: a planned housing project for disadvantaged people in Szeged, Hungary. We carried out so called 'traveller' interviews (Brinkmann and Kvale 2015). This kind of the interviews attempt to unveil the interpretations, stories of the respondents. The structure of the conversation is strongly shaped by the interviewees, s(he) is the one who introduces new topics, the interviewer only asks for more information in connection with topics that have already emerged. This 'traveller' approach let us to analyze the emergence of the aspects of our frameworks in an indirect way.

At the end of 2013 the Bishop of the local Roman Catholic bishopric announced the plans of a residential area primarily for the socially and economically disadvantaged Roma community. Going by the news, they would provide community centre, sports field, trainer, chapel and pastor on the top of new dwellings. Furthermore, following the construction, the church would contribute to the social integration of Roma people by the provision of social workers and the upgrading of human resources. According

to the media, the residential area would not necessarily serve exclusively Roma people, but the exact details of the plans were unknown. The idea of the residential area generated serious social debate and repugnance. One of the political parties started to collect signatures and organized a protest against the project. In their view the project is a type of positive discrimination and causes social injustice. The neighbourhood were also concerned. They posed the question how would this project differ from a former housing project accomplished in 1979; because today's segregate consists of the degraded houses of that project. Therefore, the issue of the planned housing project was of great collective interest, all of the interviewees had a clear opinion on the issue. (It was not built eventually.)

4. The appearance of the aspects of poverty alleviation in the general thinking of the interviewees

In this section we present the first set of our empirical results, which indicate how the aspects of our framework are reflected in the general thinking of the interviewees. During the analysis of the *first aspect* it clearly emerged that most of the interviewees are committed to one of the important messages of the capability approach, namely: considering the poor as mere passive recipients is insufficient. Empowerment should be an important objective, so that they become able to further their own ends (I2-3, I5, I7-8, I10-14, I16, I18, I20).

'... Don't give them bread or let's say, don't give them fish but a fishing rod; possibilities in other words. I suppose that makes some sense.' (I10)

We found that in case of a few interviewees the importance of empowerment partially or totally missed (I1, I4, I6, I9, I15, I19). However, on the whole, the mentality of the interviewees and their relation to poverty (often implicitly but) encompass the idea of empowerment.

With regard to the *second aspect*, we found that the majority of the interviewees clearly referred to the phenomenon of the poverty trap (I3-8, I10-15, I17-20).

'So basically they put themselves into a survival mode, and exactly the strategic thinking, which characterises the middle and the upper class may melt away; and if it this goes on for years or decades and generations, it will narrow down the scale of potential solutions.' (I14)

Considerable proportions of the interviewees presume that, on the one hand, a clear distinction can be made between those who did and did not become poor through

their own fault. On the other hand, this distinction should be considered through the tackling of the problem (I2-4, I7, I9-10, I12, I20). However, a number of respondents believe this approach is mistaken and impedes the problem solving process (I13).

'Because the truth is that according to my experience, programmes so far have not reached their goal, the community has not been adequately addressed, so they didn't recognize the true willingness to help on behalf of the supporters. They didn't get what they needed exactly, hence these programmes could operate only for a short while. It is a big question what we give in order to be able to escape poverty: fish or net. And so far they have been throwing mostly fish, and even when they gave net, they did it wrong as well.' (I11)

The *third aspect* (mental processes and cognitive functions) appeared during some of the interviews (I2, I8, I10-14, I20), but on the whole less often and with smaller weight than the previous aspects. Significant proportion of the interviewees did not mention it at all (I1, I3-4, I6, I9, I15-19).

'Poverty entails psychological things to which it is very easy to slump into ... They don't believe they can go for secondary schools or that they can find a proper job. So it is not just the material and opportunity sides which are important, but I think, the whole thing is about faith as well.' (I20)

'It is also an important influencing factor when they arrive to an extremely difficult life situation, from where there is no way out or they think there is no way out... simply a sort of psychological state evolves.' (I10)

The *fourth aspect* (uniqueness and heterogeneity) appeared in some form during most of the interviews (I2, I4-5, I7-8, I10-15, I17, I19). However, there was a proportion of the respondents where this aspect could not be identified (I1, I3, I6, I9, I16, I18, I20). Among those who touched upon this issue, some simply emphasized the uniqueness of each poverty alleviation challenges (I10, I13), while others highlighted the importance of problem solving at the local level and the significance of the subsidiarity principle (I2, I7-8, I12, I15, I19).

'I don't think there is a panacea, but there are lots of immensely different situations and you should do something in these situations.' (I13)

'A usual problem is that they make decisions from above. If it is not rooted in the given community, it will not be a solution. And it is not sure, that the whole constellation is the same in Szeged as in Budapest or in Csongrád [cities in Hungary], or anywhere.' (I19)

The *fifth aspect* emphasized the importance of participation. The significance of tackling poverty at the local level and the principle of subsidiarity appeared in a few opinions (I2, I7-8, I12, I15, I19), which indicates that the respondents attached importance to

getting familiar with the specific local conditions and cases. Significant proportion of them consider community engagement to be important, but to different extents (I1-2, I4-6, I10-14, I16-20). Although many of the interviewees reckon that the involvement of stakeholders is important, they see its practical implementation problematic (I2, I5, I11, I15, I20). It is also telling, that most of them used the word 'involvement' instead of 'participation'.

'What is very important is that it is not enough to simply involve the members of the community, but the whole process should be based on joint planning; so you can't do anything without them, because it won't work out.' (I14)

According to a few opinions, in case of involvement poor people will keep on asking for more and more unceasingly (I8, I15, I20); they will be unable to judge their situation correctly (I11), and building up direct relationship with the community is not a viable option (I8). Others mentioned that emphasis should be put on methodological issues before their involvement (I2, I6, I12), in order to avoid the abovementioned problems, which could put the members of the community into a pretentious position. In case of a few respondents the importance of stakeholder participation did not appear as an issue (I3, I7-9, I15).

On the whole the poverty reduction aspects formulated on the basis of the capability approach were reflected by the general thinking of the interviewees with regard to poverty. Their approaches embrace the idea of empowerment. The recognition of the poverty trap also characterizes the general thinking of most of the respondents. However, we could detect interviewees making distinction between those who became poor through their own fault and those who could not help it (thus deserve help). So – using Gans' (1990) terminology – the categories of the 'deserving' and 'undeserving' poor appeared. This suggests that although they theoretically accept the circular characteristic of poverty, they do not necessarily draw its practical consequences.

It was spectacular how the importance of the mental processes was much rarely mentioned than the other aspects. In many interviews this issue did not emerge at all. The aspect of uniqueness received smaller emphasis than empowerment or the poverty trap, but higher than the mental processes. Finally, most of the interviewees attach great importance to participation (more precisely involvement), but regarding its method and depth opinions were heterogeneous.

5. The appearance of the aspects of poverty reduction in the case-related thinking of the interviewees

In this section we present the second set of our empirical results, which indicate how the aspects of our framework are reflected in the case-related thinking of the interviewees. For this purpose we use the case of a planned housing project in Szeged, Hungary (introduced in detail in the methodology section). This provides an opportunity to contrast the abstract (theoretical) thinking about poverty to the situation when we need to express our opinion about a given case (where we may have personal experience, may be emotionally committed either in a positive or a negative sense). Should these two diverge, that would have significant implications for poverty reduction programmes.

With regard to the *first aspect* we found that the interviewees clearly expressed their doubts about the contribution of the planned housing project to the future well-being of its prospective dwellers (I3, I7-9, I13, I19, I20). Significant proportion of the interviewees had the opinion that the project would not provide a way out for the dwellers in a long run, unless it would be combined with other elements (I1, I4, I10, I12, I14-17). Others think that the residential area could contribute to the well-being of the Roma people, however they also emphasise the need for a complex programme. These interviewees are positive about the prospects of the programme (I2, I5-6, I11, I18).

'If this housing project is not simply about providing dwellings, but it also involves community services, social workers continuously present, education programs etc. then it can definitely contribute [to their well-being]. So its ability or inability to contribute depends on the programme design.' (I5)

The *second aspect* – the recognition of the poverty trap – received more emphasis in the case-related than in the general thinking. According to the majority of the respondents, the housing project will not provide an opportunity for escaping poverty (I3-4, I7-10, I12-17, I19, I20), due to the reproduction of the segregation. Some of them highlighted that segregation may have positive aspects as well beside its numerous negative effects. For example, the dwellers of the segregate support each other (I5), it provides retaining force (I11), and so it serves as a sort of community network (I13). However, most of the interviewees clearly expressed that the spatial separation first of all produces a detrimental ambience for its dwellers (I2-4, I7, I9-10, I12, I14, I20).

'I don't state that the intention are not good, they obviously want to solve the problem, and they obviously think that this is the way to do that. But I see many reasons why they shouldn't solve it this way, because this seems so be a solution only in short term, but in the long run the segregation will re-generate the problems.' (I7)

The *third aspect* – the importance of considering mental processes – was hardly mentioned in the case-related parts of the interviews. Respondents referred to this issue in connection with the housing project seldom (I1, I2, I11).

'... This training shouldn't be a formal one at the beginning. ... I could imagine some kind of completely atypical training, which could give people back the motivation, at least to some extent, to break out of poverty.' (I11)

'For those who are not motivated to escape the given situation, other types of programmes are needed. Not poverty reduction programmes, but medical programs. To put it clearly, mental conditions should be tackled in these cases.' (I11)

The *fourth aspect* – the recognition of uniqueness and heterogeneity – appeared in all the interviews, at least to some extent. However, just few of them highlighted explicitly that solutions should be fitted to the given situation (I2, I5, I10, I13-14).

'I'm not sure, what we need there are houses equipped with indoor plumbing, gas, drainage, bathroom and everything. Better and safer than the current houses, but which are in line with their life conditions, existential situation, income and their capability to take care of their families.' (I2)

'... I really think that we can't save the time and energy to figure out what, where and how the dwellers want.' (I14)

With regard to the *fifth aspect* – the importance of participation – various opinions emerged. The ideas about participation in connection with the housing project were much more diverse than in case of the general thinking. There were different views about the necessity and the actual prospects of participation.

According to most of the interviewees some sort of participation will occur during the programme (I2, I5-6, I10-11, I13, I16-18). Some of the respondents would primarily concentrate on the methodology of involvement, since it may have significant effects on the success of the process (I1, I5-6, I12, I14). Five of the interviewees believed that community members would not be involved into the planning process (I1, I9, I12, I14, I20). However, three out of these five consider the involvement of the community important in general (I1, I12, I14).

'If this project comes true than I think they will involve the community members sooner or later for two reasons. Without engagement they would simply be unable to carry out the whole thing. On the other hand, the initiators of the programme have comfortable understanding with the leader of the local Roma self-government, so this way they can reach the community. So there will be involvement.' (I16)

'To go there and tell that I have really figured it out [how to solve their problem] just does not work. They will see the problem entirely differently than we.' (I17)

'If somebody hits the rock bottom, than it's not surprising, s/he won't see too far. So the set in which s/he looks for possible solutions will be very limited.' (I7)

'I wouldn't ask them, that's for sure' (I8)

According to these findings, empowerment and the recognition of the poverty trap gains increased importance when it comes to case-related thinking. On the other hand, the consideration of mental processes hardly appeared during the evaluation of the housing project. The specific features of the project naturally emerged during most of the interviews, since the respondents had to form opinion about a given case. However, very little definite ideas emerged about why and how the specific features of the project in question should be considered. The opinions regarding participation were really scattered; much more diverse than in case of talking about participation in general.

A number of connections can be identified among the opinions that appeared alongside the different aspects of our framework. Most of the interviewees believe in such programmes that strive for the expansion of stakeholders' real opportunities (let it occur through their passive or active role). In line with this, the opinions indicate that the respondents are aware of the existence of the poverty trap.

On the other hand, the theoretical knowledge about the poverty trap does not necessarily go together with the acceptance of its implications. The division of the poor to 'deserving' and 'undeserving' clearly appeared in the interviews. This may also bear a relation to the fact that the consideration of the mental processes and cognitive functions hardly appeared.

A further example for the interrelation of the opinions emerging alongside different aspects occurred with regard to the issue of participation. Those who are in favour of the active participation of the community (either to smaller or larger extent) formulated very similar arguments about the consideration of uniqueness and heterogeneity: the importance of subsidiarity or the recognition of the specific local circumstances and habits.

Conclusions

In this paper we proposed a minimum set of aspects to be considered by poverty reduction initiatives on the basis of the capability approach of Amartya Sen. In the CA one should focus on the real opportunities of the poor (their so called capabilities) and not solely on the means they possess. The differentiation of valuable options from means and the conversion factors served as a basis for highlighting the 5 aspects we analyzed in-depth in the paper:

1. the recognition that poor people are both passive recipients and active agents;
2. recognition and acceptance of poverty trap;
3. consideration of the mental processes and cognitive functions;
4. consideration of uniqueness and heterogeneity; and
5. the importance of stakeholders' participation.

In our empirical research we tested how our theoretical framework fits the practice. We carried out interviews with people who deal with poverty or poverty alleviation on the ground (be they experts, civil activists or local politicians). We contrasted how the interviewees think about poverty and poverty reduction in general and in connection with a given case. On this base we can conclude the following:

(1) The main message of the capability approach (focusing on what people can actually achieve instead of what they have) is in line with the various knowledge and experience of the interviewees – both in their general and case-related thinking. The main goal of poverty reduction was reported to be the expansion of capabilities (real opportunities) rather than the provision of means. We found that our framework developed on the basis of the capability approach fitted to the numerous opinions emerging during the interviews.

(2) We found that the interviewees agree more on the 'what', than on the 'how' of poverty alleviation. The relative the importance of the five aspects for the interviewees varied significantly. However our framework made it easily recognizable and explicit, how much importance do respondents attach to the different aspects and what presumptions and value-commitments they rely on. For example, although most of the interviewees highlighted the importance of poverty trap, some of them distinguished between the categories of 'deserving' and 'undeserving' poor. Or we identified diverse opinions regarding the extent and method of participation.

(3) The mentality of the interviewees somewhat changes when they turn to the evaluation of a given case (in present paper the residential area built for the disadvantaged Roma community in Szeged) from the general. The relative weight of the aspects changes, some of them receive increased attention while others become neglected. However, the degree of this shift in the thinking varies significantly among the respondents. For example, some of the interviewees considered stakeholder participation to be very important in general, but in case of the housing project they thought that the participation of the Roma people was rather difficult. Therefore, we may suppose that in most cases the general principles of poverty reduction programmes will not work out completely or with their planned weight. Therefore, the endeavour to gain feedbacks whether practical implementation follows the aims and values set out originally (and what can be the effects of a possible divergence) is essential.

(4) The fact that the main message of the capability approach and also the five proposed aspects of our framework can be detected in the thinking of the stakeholders involved in the fight against poverty does not imply that the five aspects are always present jointly. It has also become clear that even stakeholders' own poverty handling principles are not necessarily echoed during case-related thinking. In our opinion this confirms that the fight against poverty is a terrain where keeping ourselves away from our values and prejudices is extremely difficult (if possible). Therefore, the challenge is to develop programmes, where these issues could be identified and openly discussed. The importance of the capability approach lies exactly in this. It makes values and presumptions explicit and calls for their open public deliberation.

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