RESEARCH & POLICY CENTRE

Brotherhood of St Laurence
Working for an Australia free of poverty

WORKING PAPER

Economic dignity and financial capabilities

Connecting principles and concepts

Jeremiah Thomas Brown

The Brotherhood of St Laurence is a non-government, community-based organisation concerned with social justice. Based in Melbourne, but with programs and services throughout Australia, the Brotherhood is working for a better deal for disadvantaged people. It undertakes research, service development and delivery, and advocacy, with the objective of addressing unmet needs and translating learning into new policies, programs and practices for implementation by government and others. For more information visit <www.bsl.org.au>.

About the project

The ANZ Tony Nicholson Research Fellowship is a one-year position funded by ANZ in honour of former BSL Executive Director, Tony Nicholson. Each research fellow will work on a different issue of interest.

The work of the inaugural fellowship has concentrated on how financial capabilities can be conceptualised in a way that embraces the needs of disadvantaged and vulnerable households. This work has contributed to the development of a financial wellbeing framework, which will help guide practice and strategic thinking across the sector. This discussion paper provides the conceptual work that underpins the framework which is presented in a companion paper.

Dr Jeremiah Brown is the inaugural ANZ Tony Nicholson Fellow in the Work and Economic Security team in the Brotherhood's Research and Policy Centre.

Published by

Brotherhood of St Laurence
67 Brunswick Street
Fitzroy, Victoria 3065
Australia

ABN 24 603 467 024

T (03) 9483 1183
www.bsl.org.au

Suggested citation: Brown, JT 2020, *Economic dignity and financial capabilities: connecting principles and concepts*, Brotherhood of St Laurence, Fitzroy, Vic.

CONTENTS

Acknowledgements

I am grateful to BSL for providing me with the opportunity to undertake this research, and for ANZ for providing the donation for the fellowship. I am grateful to Dina Bowman for all her support and guidance which has been immensely valuable. Thank you to the various BSL Work and Economic Security staff who gave up their own time to help with this project, especially Claire Lindsay-Johns. Thanks to Michelle Commandeur and the ANZ Financial Inclusion team for their assistance and support throughout the fellowship. Finally, thank you to Deborah Patterson for help in refining these ideas with careful editing, which has been greatly appreciated.

SUMMARY

A broad body of literature has demonstrated that in established economies around the world people are living in increasingly financialised times. This paper develops the concept of economic dignity as a guiding principle which can be used to understand how these changes are impacting the economic, social, and political context which people must navigate.

The paper further uses the concept of economic dignity to develop a fuller account of financial capability that pays attention to how that context can constrain the choices that people make.

In political theory it is common to distinguish between a concept, and the different conceptions of it (Rawls 1971): 'a concept is a general term whose details are filled in by a particular conception' (Formosa & Mackenzie 2014). By reflecting on the different conceptions, we can gain a deeper understanding of what values underpin the concept. This paper draws on the Capability Approach and existing literature about dignity to explore how economic dignity can be used to evaluate competing conceptions of financial capabilities.

Key points

Financial capability: Promoting financial capability is a feature of policy that aims to promote financial wellbeing (Salignac et al. 2019). The most common conceptions of financial capability concentrate on a person's knowledge, skills, and behaviours. However, this ignores the structural conditions that people exist in, and this paper critiques this absence.

Economic dignity: Economic dignity deals with the dimensions of a person's dignity that are linked to their economic context. It connects to four different ways that the term dignity is commonly used—as intrinsic to people, as a marker of status, as linked to serving a purpose in the community, and as a reflection of person's manner or bearing. In the paper economic dignity serves as a bridge between the concepts of financial capabilities and financial wellbeing.

How the Capability Approach can extend the concept of financial capability: Amartya Sen's Capability Approach is a multidimensional approach to understanding human freedom and wellbeing that concentrates on what is required to live a life with human dignity. It provides a useful framework to understand the social, political, and contextual factors that constrain people's financial choices but that are currently missing from the definitions of financial capabilities. Recognising the structural and systemic conditions that people must navigate is essential for financial capability that supports economic dignity.

> “… economic dignity as a guiding principle …”

1 DEFINING FINANCIAL CAPABILITY

Financial capabilities research sits within a larger body of work to understand the overall financial wellbeing of individuals (Kempson, Finney & Poppe 2017; Salignac et al. 2019). Four key concepts have been treated as important drivers of financial wellbeing outcomes: financial literacy, financial resilience, financial inclusion and financial capabilities (Salignac et al. 2019). The fact that the concept of financial capability has developed from financial literacy (Sherraden & Ansong 2016) helps to explain why it is usually conceived in relation to knowledge, skills and behaviours—and specifically, why financial capability is understood narrowly in most programs and policies.

Starting from financial literacy

For the last two decades, increasing consumer financial literacy has been pursued around the world as a public policy objective to improve welfare through better decision making (OECD 2005). Work that aims to improve financial literacy is based on a theoretical model that 'introducing financial education … would lead to financial literacy, changed financial attitudes, and ultimately more effective financial behaviours' (Alsemgeest 2015). Underpinning this is the view that improving financial literacy increases ability to make informed and better financial life choices (Lusardi & Mitchell 2011, 2014). On this view, increased knowledge is a catalyst for changing behaviour, with people selecting the best option based upon a rational evaluation. As financial literacy increases, we can expect that more people will make better financial decisions, and consequently, financial wellbeing will increase.

However, research from behavioural economics has challenged this assumption. Some have argued that based upon recent critiques of the rational choice model of agency, 'education cannot be expected, with any degree of confidence, to do the trick in affecting choice behaviour' (Altman 2012). Instead, we must recognise that 'more often than not, choice behaviour is considered to be ecologically rational or rational from a process perspective' (Altman 2012). In short, there are diverse financial logics, rather than one singular financial logic. This means that people's choices make sense from their subjective position, not from the perspective of some objective, purely rational agent. In addition to challenging the theoretical model of improving financial literacy as a sufficient intervention, researchers report mixed evidence about the overall effectiveness of programs that focus solely on increasing knowledge as a pathway to improving financial wellbeing (Carpena et al. 2011; Hilgert, Hogarth & Beverly 2003; Huston 2010; Mandell & Klein 2009). As Storchi and Johnson (2016) note, the critique from behavioural economics motivated a transition of financial education programs away from a simple model with knowledge as the driver of behaviour, towards a more sophisticated understanding where knowledge alone is an insufficient explanation of financial behaviour[1] (Scanlon & Sanders 2017). This is reflected in programs that initially focused on developing financial literacy moving towards the terminology of financial capability (Kempson, Perotti & Scott 2013). A good example is Australia moving from a national financial literacy strategy (ASIC 2011; 2014), to a national financial capability strategy in 2018 (ASIC 2018).

From financial literacy to financial capabilities

Financial capability is challenging to define, and the definition is contested. This challenge is not unique to financial capability: in a meta-analysis of definitions and measures of financial literacy, Sandra Huston (2010) notes that 'the majority (72%) of studies did not include a definition of financial literacy', with resulting problems. This same issue is present in the financial capabilities literature, with numerous papers that present no definition, and differing approaches to defining financial capability in those that do.

One key point of difference is whether definitions are determined through exploratory analysis (using techniques like factor analysis and principal component analysis) or from a theoretical perspective (Schuhen & Schürkmann 2016). Exploratory analysis is prominent in earlier papers about the concept of financial capability (Atkinson et al. 2007; Kempson, Collard & Moore 2006; Taylor 2010), whereas later works have presented a more theoretical perspective, challenging the limits of the exploratory definitions (Scanlon & Sanders 2017; Sherraden 2013; Storchi & Johnson 2016).

While there is no authoritative definition of financial capabilities, the definitions developed through exploratory analysis are most common, especially in literature that evaluates the relationship between financial capabilities and other phenomena (Taylor, Jenkins & Sacker 2011). These emphasise that the key way to understand financial capability is as the combination of knowledge, skills and behaviour. Sub-domains of financial capability vary, but roughly are defined as: managing money, planning ahead,

1 This behavioural turn seen in the definition of financial concepts is part of a broader behavioural turn in social policy that seeks to adopt the insights of behavioural economics (Altman 2012; Curchin 2017; 2019; Deeming 2015; Klein 2016; OECD 2019; Stoesz 2013).

choosing products and staying informed (Atkinson et al. 2007). This articulation is widely used as a foundation for papers evaluating the financial capabilities of individuals (Johnson & Lamdin 2015; Reyers 2019; Taylor, Jenkins & Sacker 2011; von Stumm, Fenton O'Creevy & Furnham 2013; Xiao & O'Neill 2016; 2018). It is also internally focused, with each aspect engaging with the decisions people are making, rather than considering the context in which they are acting.

Many of the differences in defining financial capabilities can also be linked to different disciplinary perspectives. Perspectives range from those informed by behavioural economics (Altman 2012; Kempson, Collard & Moore 2006), to educational practice (Appleyard & Rowlingson 2013; Becchetti, Caiazza & Coviello 2013), social work (Birkenmaier et al. 2013; Doran & Bagdasaryan 2018; Stuart 2013), and public policy (Kasekende 2014).

The difference in the construction of the concept translates into variations in the overall possibilities for a definition. Exploratory analysis is bound to evaluating the concept as it already exists in the world; this limits the scope of engagement with how it ought to operate, and leaves questions of normative valuation aside. When we ask 'What does a financially capable person look like?', we leave aside questions like 'What financial capabilities should a person possess in our society'? Taking the world as it is, rather than asking what it might be, inherently favours those who are already doing well under current social conditions, and obscures any possible alternatives.

Definitions of financial capability can be classified as those that are internally focused (on knowledge, skills and behaviours) and those that also acknowledge a person's external context (including systems and structures). External context is often present in introducing the concept of financial capability; however, it is hard to identify in the measurement or subsequent discussion. In short, context or circumstance is treated as a peripheral rather than a central feature of a person's financial capabilities.

These definitions ignore or downplay the extent to which economic context affects a person's knowledge, skills and behaviours. In contrast, we argue that changing the economic context and structures can provide scope for people to change their behaviours in ways that meaningfully impact their financial wellbeing. Simply put, translating knowledge and skills into behaviour requires the resources and appropriate environment to do so.

Within this literature, financial inclusion is used as a concept to explain the overall connectivity of people to the financial system—in terms of the financial products which they can access. However, access doesn't adequately capture the role that circumstance and context play in shaping a person's options. This is where Sen's Capability Approach is useful in understanding what people can actually do.

"Definitions of financial capability can be classified as those that are internally focused (on knowledge, skills and behaviours) and those that also acknowledge a person's external context (including systems and structures).

2 THE IMPORTANCE OF THE CAPABILITY APPROACH

The Capability Approach is an approach to human welfare and wellbeing pioneered by Amartya Sen (1980; 1993; 1995; 2001; 2005; 2009), and developed by Martha Nussbaum (1992; 2003; 2005; 2013). The core proposition of the Capability Approach is to ask: *What are people **actually** able to do and be?*

This recognises that people face a multitude of different types of constraints, and that we must pay attention to them. When we fail to do so, we make flawed assessments about how free someone is to do something. In turn, we misunderstand the plausibility of them undertaking an action, and when we talk about policies to promote activities or behaviours, we can overlook the context that is required to enable that activity or behaviour to take place.

The Capability Approach is a theory developed to understand and increase the range of options and opportunities that people actually possess; it can be thought of as a theory of freedom and human agency (Brown 2017). Furthermore, its approach to freedom recognises the varied constraints that people face and that to understand freedom requires an acknowledgement of human diversity.

A core reason that Sen developed the Capability Approach was to critique the lack of sensitivity to human diversity which is present in a purely resource-based account of welfare (Sen 1980). In Sen's critique, it's not enough to ask how many resources someone has, because not everyone can convert the same resources into the same outcomes. For example, a person with a leg impairment requires extra assistance (resources) to achieve the same transport outcome as someone without the impairment.

Imagine that everyone is provided with a free bicycle so that they can have access to basic transport. For many, having the bicycle and suitable paths is enough for them to be considered as possessing the capability to use it. But for the person with the leg impairment, being given a bicycle (unmodified) in no way changes their transport options. Similarly, a woman might not be able to use the bicycle safely if cultural and social attitudes frown upon such activity. The point is that if we are concerned with ensuring that people are actually able to achieve a particular outcome, we need to ask what is required so that they can achieve it.

Access to the same resources can have very different impacts on the welfare of different people. This is one of the key insights that the Capability Approach has contributed to a variety of disciplines. The assumption that an intervention will affect everyone similarly should be challenged because different circumstances can profoundly impact the options a person holds (Burchardt, Evans & Holder 2015), how they think about those options (Muffels & Headey 2013), and consequently, the kinds of choices which they are able to make. The Capability Approach highlights that people face constraints in different domains, and that often deprivation and poverty is multidimensional (Vizard & Speed 2015).

There are various ways to construct the overall model of capabilities that Sen proposes (Robeyns 2016). This paper employs Nussbaum's classification of them as basic capabilities, internal capabilities, combined capabilities, and functionings (shown in Table 1). Each type represents a level of capability, although as Nussbaum notes, the distinction between them is at times blurry, with some capabilities that might be considered as belonging to multiple levels.

Table 1 Types of capabilities

Type	Description
Basic capabilities	'the innate equipment of individuals that is the necessary basis for developing the more advanced capabilities' (Nussbaum 2005)
Internal capabilities	'developed states of the person herself that are … sufficient conditions for the exercise of the requisite functions' (Nussbaum 2005) 'These include mature conditions of readiness such as bodily maturity and being able to speak a native language.' (Hart 2012)
Combined capabilities	'internal capabilities combined with suitable external conditions for the exercise of the function' (Nussbaum 2005)
Functionings	'the beings and doings individuals actually achieve that they have reason to value' (Hart 2012)

At each level, it is possible for someone to encounter constraints to realising their capability—that is, that restrict them from achieving an outcome or set of outcomes. These constraints can be varied—and social, material or physical. In addition to the different types of constraints, we can distinguish between the freedom that someone possesses (the options available to them), and the worth of those options. In the vast majority of circumstances, being able to eat a meal that provides good nutrition is more important than being able to eat caviar. Simply put, some options are of much greater moral significance than others. The next section draws on these different types of constraints to explain how the Capability Approach can extend the definition of financial capability.

3 HOW THE CAPABILITY APPROACH CAN EXTEND THE CONCEPT OF FINANCIAL CAPABILITY

The capability approach has contributed multiple ideas to the overall concept of financial capability (Storchi & Johnson 2016). Despite this, some insights from the capability approach remain underrepresented or missing from financial capability literature. The first is the significant role that external context plays in shaping the plausible options available to people. The second idea is a way to think through the notion of plausible options, and the differences in real options which are linked to a change in skills, resources or circumstance.

The concept of financial capabilities fits into two of the levels articulated by Nussbaum—internal capabilities (as knowledge and skills) and functionings (as behaviours). What is missing from the current model of financial capabilities is the key idea of combined capabilities—in particular, the structural and resource conditions which enable (or prevent) the translation of an internal capability into a functioning. These conditions are linked to the overall economic insecurity and changing economic climate outlined above.

We can think about these external conditions as different systems and structures in which people are embedded. The economic system enables and limits the range of options available, with uneven effect. For example, the legal restrictions placed on lending affect different segments of the population in different ways. Another key system is the social security system; and the way that system is structured has important implications for those who need it—which will be most Australians at some stage during their life (Herscovitch & Stanton 2008).

The concept of financial capability is linked to improving people's overall financial wellbeing—improving one is viewed as improving the other. Within the literature and in programs that provide financial capabilities education, building people's financial capability is treated as a core mechanism to develop overall financial wellbeing in the population—and this is generally undertaken through financial education programs that aim to change behaviours, rather than just increasing knowledge about financial products and processes (Kempson, Perotti & Scott 2013).

In the Capability Approach literature, there is debate about whether capabilities are a continuous or a threshold notion (Robeyns 2005). This distinction is applicable to the idea of financial capabilities as well. We can distinguish between the idea of how much financial capability someone has (a continuous concept), and the idea of whether or not they have become financially capable (a threshold concept).

The threshold notion is useful when thinking about financial capability related behaviours. For services and policymakers who are interested in changing financial behaviours, it can be used to think about why a person has not achieved a particular financial outcome. If the person has the appropriate knowledge and skills, but still does not achieve the outcome that is deemed financially capable, we can consider what prevented them from obtaining the outcome. In doing so, we start to see how important external factors are in fully understanding financial capability.

Let us suppose that a person with relevant knowledge and skills fails to demonstrate a behaviour that is treated in the literature as essential for a financially capable person—keeping up with expenses like paying their bills or their rent. An internally focused definition of financial capability must see this as an internal failure related to the person's behavioural disposition—as the other two domains (knowledge and skills) have already been ruled out. There *are* times where people lack the appropriate knowledge or skills and this undermines their financial wellbeing. Yet often, the failure to meet day-to-day expenses may simply be a result of inadequate resources. At a certain point it does not matter how effectively they budget or understand the value of saving, if the amount of money available to them is insufficient for basic needs (Bowman & Banks 2018).

The point is that while internal capabilities are an important part of the story, they are not the only part. If we are to understand from a financial perspective what people are able to actually do and be, then we must do so through the structures and systems which they navigate. These structures and systems not only shape options directly through the constraints they represent, but can also shape options indirectly through the way that people adapt their preferences because of the structures around them.

Improving outcomes for those with inadequate income requires increasing the resources that they can access, rather than simply teaching them how to do more with less. The financial problems which many Australians face are not tied simply to making poor or uninformed financial decisions. They are instead tied to changing structural elements of the economy that are increasing their exposure to risk, and making it more difficult to secure a stable and sufficient income. If the risk is caused by exposure to circumstances where their resources are inadequate regardless of the decisions that they make, then increasing their capacity to make financial decisions will not meaningfully change their situation.

While everyone may be impacted by both internal and external factors, they are not impacted in the same ways. Risks associated with internal factors centre on making poor choices with money and wasting or mismanaging resources. Risks from external factors are more diverse, and relate to

How the capability approach can extend the concept of financial capability continued

broader shifts in structures that can impact people. For example, a shift in the global market could translate into businesses needing to reduce their staffing, and this could lead to someone losing their job and most of their income.

We might think of those in less secure economic circumstances as being much more impacted by external, structural factors, whereas the financial wellbeing outcomes for those who possess stability and economic security are much more closely tied to internal factors. For the first group, external shocks or trigger points can rapidly result in economic crisis as they have fewer resources to buffer the impacts when they occur (Bowman & Banks 2018). With less of a buffer to fall back on, these households have far less ability to respond to shocks and changes in the economy before they find themselves in financial hardship. Downturns in labour market conditions, as well as in changes in social security access and adequacy, can also have greater impact on low-income households (Trlifajová & Hurrle 2018).

At the same time, structural factors can affect those with greater wealth. Indeed one could argue that they are often favoured: for example, negative gearing or tax concessions for voluntary contributions to superannuation favour those with more resources.

Various factors associated with the life course also suggest that income or the amount that someone has saved is not a sufficient marker of financial wellbeing (Banerjee, Friedline & Phipps 2017; Bowman et al. 2017; Salignac et al. 2019). For example, while retirement planning is recommended for everyone, the societal expectations around saving levels differ substantially for someone who has just entered the workforce and someone who is entering retirement age.

Structural factors limit the potential of those at the bottom of the distribution to demonstrate behaviours that are deemed 'financially capable', and enable those at the top.

For those with few resources, planning ahead and managing money becomes increasingly difficult in the face of labour market conditions when the household's work hours and income are highly volatile (Bowman & Banks 2018; Hannagan & Morduch 2015; Morduch & Siwicki 2017). People have to estimate or guess the overall income they will receive in a given time period, and start making trade-offs between short and long-term savings: should they buy in bulk to save in the long term, or do they need to save as much as they can for the next pay cycle when they are not sure they will earn enough to pay all of their bills? People often also need to choose cheaper products that will not last as long, trading off long-term value for short-term necessity, knowing full well that it is more expensive to do so.

Uncertainty can constrain choice, and often in ways that are harmful. For example, the uncertainty which arises from the current structure of zero hours contracts is a significant issue for many workers. As the following section will help to explain, many constraints that people face, especially in low-income and vulnerable households, are constraints that are harmful to their economic dignity.

> Structural factors limit the potential of those at the bottom of the distribution to demonstrate behaviours that are deemed 'financially capable', and enable those at the top.

4 ECONOMIC DIGNITY

Dignity is a central concept in the Capabilities Approach. Nussbaum (2013) uses dignity as a guiding principle, the bedrock upon which she develops a list of morally significant capabilities. To Nussbaum, the defining question of any theory of justice is: 'What does a life worthy of **human dignity** require?' (emphasis added). Following a similar line, we can ask what kind of definition of financial capabilities is attentive to the demands of economic dignity.

While there is an abundance of literature on the concept of dignity, the narrower concept of economic dignity has received less attention. Economic dignity is emerging as a useful concept to think about economic relations in our society (Sperling 2019).

There are competing conceptions of dignity, and these translate into different elements of the concept of economic dignity which is advocated here. Economic dignity deals with the dimensions of a person's dignity that are linked to their economic context. The connection of each principle to the different conceptions of dignity is discussed below, and examples are presented in the next section of the paper, where the connection between economic dignity and financial capability is elaborated.

Four different conceptions of dignity

Dignity is a foundational concept of moral value, as reflected in its prominent position in documents like the Universal Declaration of Human Rights (Rosen 2012b). Everyone has a sense of what dignity is, without there being a definition that is agreed (Ober 2012). While there is not a consensus in definition (Düwell 2014), there are several common essential characteristics of dignity.

The first characteristic is shared across the different conceptions of dignity. It is that dignity is social in nature, and it refers to a certain kind of respect or worth that is bestowed upon a person, thing or action. It generally denotes a respect among the community that has important implications for self-worth. Another shared characteristic noted by Jeremy Waldron (2012a) is that dignity has physical connotations of being able to walk upright in one's community and carry oneself with respect, acting as a kind of 'social orthopaedics'.

Outside of the respect that dignity conveys, accounts of dignity diverge. Table 2 outlines four common conceptions of dignity which can be treated as distinct from each other. Terminology for different types of dignity varies. For example, the notion of dignity as intrinsic is also at times referred to as human dignity (Dimock 2012; Gewirth 1998; Graumann 2014; Nussbaum 2008); the key point is that these different terms refer to the same underlying ideas. From Table 2 we can see some of the different directions that dignity starts to pull in. For example, dignity as manner or bearing can be employed to refer to how someone ought to act, whereas dignity as intrinsic suggests how someone ought to be treated—as it is used in the Universal Declaration of Human Rights. This suggests that there are both *empirical* and *intrinsic* types of dignity. Empirical accounts of dignity award some kind of respect to a specific action or thing, and 'in this sense, dignity is a characteristic that is often also signified by its corresponding adjective "dignified"' (Gewirth 1998). Conversely, intrinsic accounts treat persons as objectively having dignity.

Table 2 Types of dignity

Type	Description
Dignity as an intrinsic quality/ condition	the dignity people possess by virtue of being a person
Dignity as status	the dignity associated with holding a position of social standing
Dignity as function	the dignity to be found in properly filling a particular role (the dignity in work)
Dignity as manner or bearing	the dignity attributed to one who acts in a dignified way

Table 3 outlines some key characteristics of different types of dignity, reflecting debates among scholars. The first of these characteristics is the way that the type of dignity is grounded. This gets to why someone might be seen to possess dignity. The second is where a type of dignity is located. This gets to who or what might be seen as possessing dignity. The third is the different persons who might be motivated to protect a person whose dignity is attacked. This reflects the different groups or persons that can be seen as benefiting and thus most interested in defending a type of dignity when it is attacked within the community. The fourth characteristic is how a loss of dignity might arise, and. thus what protecting dignity might require.

Economic dignity continued

Table 3 Characteristics of different types of dignity

Type	Grounding	Held by	Protected by	Loss of dignity
Intrinsic	Objective	All persons	Everyone	Denial of personhood
Status	Empirical	Dignitaries	High status persons	Denigration of position
Function	Empirical	Role or job	Community	Enforced arbitrary labour
Bearing	Empirical	Anyone	Community	Impossible choices

Dignity as status, function or bearing can be thought of as an empirical designation where only certain persons, activities or positions possess dignity. These empirical approaches set limits on when someone may or may not possess dignity, and through dignity, possess worth (Herzog 2012; Waldron 2012a). Often when this is done, it is used as a mechanism of social ranking, to distinguish between high status elites and those below them, either through the designation at the personal level, or through the kinds of activities that they undertake.

Economic dignity as intrinsic

Intrinsic dignity is a universal, objective conception of dignity that is granted to all people and cannot be taken away from them (Gewirth 1998). The notion of dignity as intrinsic to all people was brought to prominence in moral philosophy through the work of 18th century philosopher Immanuel Kant (2002). Kant argued that it is of great moral significance that human beings are free and at least in principle capable of making decisions on our own behalf (Kant 2002; Korsgaard 1996). According to him, 'what has a price is such that something else can also be put in its place as its *equivalent*; by contrast, that which is elevated above all price, and admits of no equivalent, has a dignity'. There is nothing equivalent to a person's ability to freely will things; and therefore human beings possess an inherent dignity. The consequence of this inherent dignity is that people must always be treated as an end in themselves.

Kant's is not the only version of intrinsic human dignity, and writers give differing justifications for why all people should be treated as possessing dignity. For some, the basis of dignity is religious—simply by our special status at creation we are endowed with dignity (Kent 2017; Palenčár 2016; Rosen 2012b; Shah 2017; Sison, Ferrero & Guitián 2016). For others, following on from Kant, the basis of dignity is found in our capacity as rational or normative agents (Gewirth 1998; Griffin 2008; Korsgaard 1996; Nussbaum 2008). In both cases dignity is formulated as a special kind of respect for what it means to be a person.

The idea of dignity as universal and intrinsic to persons is commonly employed when discussing what is owed to persons and how they should be treated (Anderson 2014; Gewirth 1998; Korsgaard 1996; Lohmann 2014; Lutz 1995; Nussbaum 2008; Ober 2012; Rosen 2012a; Thiem 2014; Waldron 2012a, 2012b). Universal conceptions of dignity can be useful in making general appeals to moral value—and such a conception of dignity is common in both legal theory and moral philosophy (Waldron 2012b). This approach to the idea of dignity is central in Nussbaum's work (2008, 2013), and aligns with a Capabilities Approach that aims to promote the spaces where people are able to make meaningful choices in their own life.

With the notion of dignity as intrinsic, every person is worthy of being treated with dignity. In the same way, the notion of economic dignity extends to all persons—that is, they deserve to live in conditions that do not compromise their economic dignity. It is important to recognise that economic systems can be harmful to someone's economic dignity. It doesn't require a specific person to attack them in the way that the broader concept of dignity does. Because of this, we need to acknowledge the context that people are in, rather than ignoring it and treating them as if they are the same.

Economic dignity and choice

Economic dignity draws upon the intrinsic conception of dignity by recognising the degree to which economic constraints can prevent people from acting freely and making choices. When our economic and social structures place people in a position where there is little or no regard for them as agents capable of making important choices in their life, this can be harmful to their dignity.

For intrinsic accounts of dignity, the dignity which we possess as persons is both equal and inalienable. Each person possesses an equal share of human dignity, regardless of how they act; and to use an extreme example, ‘it must belong to Hitler and Stalin as well as to Gandhi and Mother Teresa’ (Gewirth 1998). This means that the way people are treated must not violate their dignity as a person, even if they might be considered unworthy of that dignity. This is important as it ensures that violations of dignity are not tolerated in any circumstances. It also means that there cannot be debate or argument about who can possess dignity.

Because everyone possesses dignity in the intrinsic model, an attack on the dignity of *any* person is an attack on the dignity of *every* person (Ober 2012). Given this, there is an equal incentive for everyone to act against attacks on the intrinsic dignity of others.

There are two ways to undermine this conception of dignity. The first way is to attack someone’s status as a person—to explicitly dehumanise them so that they can then be treated in ways that are not acceptable to treat people.

The other way to harm someone’s dignity is to continue to hold that someone is a person, but to ignore the respect that is owed to them as a person. This is a different kind of attack, since it is inconsistent with the notion that persons have intrinsic dignity. This second form of harming dignity concerns all persons, since it is corrosive to the idea that everyone possesses dignity.

It is harmful to economic dignity to support structures that corrode the capacity of people to exercise their agency and make meaningful choices. For example, policy paradigms like the ‘new paternalism’ advanced by Lawrence Mead can be harmful to economic dignity. Such an approach can be seen in policies that seek to enforce behavioural conditions, which are justified as being in the individual’s best interests (Curchin 2017). This disregards the recipient’s ability to identify and act in their own best interests and undermines their agency. Moreover, it presents a simplistic individualist narrative that ignores the structural conditions in which people are located.

It is important to recognise that choice alone is not enough for people to exercise their agency. In domains where there is an overwhelming amount of information or where expertise is required, then information, support and guidance is needed for someone to meaningfully choose between options. In that sense, having different options doesn’t necessarily entail economic autonomy.

Economic dignity as status

The general notion of dignity as status is the case where the social nature of dignity is most evident. Dignity of status is also thought of as dignity as rank (Darwall 2017; Waldron 2012a), and the worthiness associated with it is embodied in the term dignitary. Here dignity is found in holding a certain office or position, generally one that is perceived as of public importance (Herzog 2012). The dignity is linked to the office or social position, not the specific person holding the office; and while dignity may be attached to someone who has fulfilled such a role, they do not necessarily take it with them.

This conception of dignity as status originates in hierarchical societies where elites were held in a higher esteem (Herzog 2012; Ober 2012; Waldron 2012a). In such societies dignity as status has often been a birthright (Herzog 2012), but in contemporary society this has transitioned from the person to the office itself. The dignity associated with the position is one that is afforded regardless of how well someone performs the specific role (although they might erode the dignity or esteem associated with the position). They might be otherwise criticised for their performance, but that is a separate consideration from the dignity which is associated with the position.

The status dimensions of economic dignity are linked to the status we attribute to different economic groups and positions in society. Whereas high status is often granted to those with wealth and economic resources, those without are often seen as low status. In much the same way that stigma becomes attached to those who work in undesirable jobs, being in an undesirable financial position can become stigmatised (Hamilton 2012). The extent to which we express particular negative attitudes about those in economically precarious situations—when we blame them for their position and treat them as inferior—suggests implicitly that they lack dignity and that they deserve to be poor.

Given that this form of dignity is used as a way to rank different social roles and positions, there are different levels of commitment to protecting it (Ober 2012). A person who holds a position that is treated with great dignity has a much greater interest in protecting the status quo. In contrast, someone who holds a position that is accorded a lower status may be less invested in preserving the ordering of status in society. In this way, those with higher status are most incentivised to protect the broader structure of dignity as status within that community, and to preserve the dignity of their peers when it is attacked (Ober 2012).

Economic dignity
continued

Harm to dignity as status comes from having one's position in society denigrated. Someone may attack the status of a particular position directly (especially one that has formerly been respected)—for example claiming that politicians (nowadays) are of low character in their conduct. Harm to dignity can also occur indirectly by occupying a position that is stigmatised and seen as undignified because of physical associations. The person who occupies a position that is stigmatised can find that stigma carried across into other areas of life. Given the connection between one's bearing and self-positioning that is attributed to dignity, this can harm a person's sense of self—they are made to feel low.

Approaches that ignore people's economic dignity can lead to treating them in a paternalistic manner—since they are treated as the cause of their own circumstance. In turn, approaches that come from a position of blame can undermine people's agency, disregarding their ability to make meaningful choices in their life.

To respect economic dignity as it relates to status requires active efforts to fight stigma that is placed on low-income households and those in poverty. Part of that effort entails being respectful of their agency and not blaming them for their circumstances. Even where a person has made choices that have contributed negatively to their position, this should not remove their freedom to make decisions.

Economic dignity as function

The idea of dignity as function is similar to dignity as status, but rather than being linked with the position occupied, it locates dignity in properly fulfilling the role or doing a job (Anderson 2014; Sison, Ferrero & Guitián 2016; Wisman 1998). Serving a function can be seen to be valuable in differing ways; this can be in relation to work or labour, as well as in relation to social role in hierarchical societies (Rosen 2012b).

Dignity as function is closely connected to the notion of economic dignity through the idea of work. In the context of the structural changes in our economy, we can see how in many ways the dignity of work is being eroded. There is a reconfiguration of the working relationship, with increased casualisation, underemployment, volatility in hours, growth in self-employment and the advent of the gig economy. These changes suggest a devaluation of the employee and of people's work.

There is a strong link between the Christian faith and the dignity of work or function expressed through the view of 'work as natural, willed by God and essential not merely for physical survival, but also human fulfillment' (Wisman 1998). This is tied to the idea that 'through work man imitates God in the task of creation' (Sison, Ferrero & Guitián 2016). Not only is work an act of imitation, but it is also an act of

“To respect economic dignity as it relates to status requires active efforts to fight stigma that is placed on low-income households and those in poverty.

self-realisation, as ‘in helping create their world through their labor, humans create themselves’ (Wisman 1998). As in the case of intrinsic human dignity, the theological arguments are mirrored in other non-religious arguments, with a strong connection between dignity, meaningful work and self-actualisation (Bowie 2019; Breen 2019; Healy & Wilkowska 2017). Working exists as part of a meaningful human life, and work must be meaningful in nature.

In the same way that dignity as status differentiates between high and low status, so too can different jobs be associated with differing levels of dignity. Some jobs can be regarded as undignified because they are perceived to be disgusting or undesirable, especially those that have a physically dirty element. The result is that the ‘worker may suffer stigmatization … through the devalued nature of the work’ (Simpson, Slutskaya & Hughes 2019). The kind of stigma can then be transferred from the work that people undertake to their social position, so that they can become socially tainted (Simpson, Slutskaya & Hughes 2019).

On the other hand, In addition to performing a valuable function, doing it skilfully can also be seen as praiseworthy, and in this way, dignified. For example, we can think about the cleaner who takes pride in his work as possessing a kind of associated dignity, although this might seldom be recognised publicly as praiseworthy.

To the extent that people cannot find meaningful work at a level that they want, they can be deprived of economic dignity. In exploring the key pillars of economic dignity, Sperling (2019) notes that there is a deep and enduring loss associated with being unable to pursue one’s full potential or purpose through work. Consequently, promoting economic dignity requires support for people to find and undertake work that they find meaningful. This means not just ensuring that there are available jobs, but also access to appropriate training and education so everyone can develop their skills to gain a meaningful role.

How people are treated while working is also a component of the notion of dignity as function. It is not enough to have a function, if a person is treated in a humiliating or demeaning way while fulfilling that function (Anderson 2017; Bowie 2019; Sperling 2019). This also means recognising the value of unpaid work. The care that parents provide, while not currently assigned a monetary value, needs to be valued and respected, because it is essential to the functioning of the economy and our society.

Economic dignity as manner or bearing

The other idea of dignity, dignity as manner or bearing, is reflective of ideas about what it is to act well (often in the face of contradictory inclination) (Rosen 2012b; Waldron 2012b). For this type of dignity, there is a moral dimension whereby someone acts with dignity when they behave in a manner that accords with our inclinations about what is the morally right thing to do (Rosen 2012b; Schiller 2005).

To build this idea of when someone is acting in a dignified manner, there is a complex interrelationship between ‘free will, inclination, duty, moral strength, and natural impulse’ (Curran & Fricker 2005). For example, we might think of someone who is insulted and becomes angry, yet resists retaliating towards the other person. The person’s natural impulse may be to retaliate, but they recognise their duty not to do so, and through moral strength they overcome this impulse. When their inclination is to freely will this duty, then they act gracefully and with dignity.

The relationship of economic dignity to dignity as manner and bearing is a complicated one. A key element is the idea of economic participation—before people can act with economic dignity, they must be able to participate in the economy without being dominated and humiliated. This is both in the economic choices which can be made, and also in the kind of economic opportunities available to them (including employment).

Economic dignity and tough choices

Harms associated with dignity as bearing can occur in contexts where there is no morally good action. Generally, we might think of this occurring when there are moral principles that conflict with each other, so that fulfilling one duty necessitates violating another. Having to make such a choice can be a humiliating experience, as it can force someone to compromise their values. In trading off things that they value, they become less connected to those values.

Making a choice that involves denying basic human needs—such as food or shelter— can undermine a person’s sense that they are entitled to necessities. Increasingly research is highlighting the harm to a person’s sense of self that can arise from making such choices (Murphy et al. 2011). For example, a recent BSL study highlights the trade-offs that parents must make in low-income households, forgoing necessities in order to provide for their children. A study

Economic dignity continued

participant, Lisa, explained how she cooked for her two daughters and husband:

> ***That's my savings strategy. I cook for three people. That's how I do it. It's embarrassing. I won't admit it to my husband openly. What I do, like I keep busy when they're eating dinner. I wash the dishes or that's the time I hang laundry. (Bowman & Banks 2018)***

Lisa placed her family first, at the expense of her own health and wellbeing. She 'suffers clinical depression [and] … copes "day by day" and tries not to think about the past or the future' (Bowman & Banks 2018).

The importance of children's social development also figures in many parents' decisions about spending. For some parents, developing a savings buffer is traded off against distant future benefits. This was the experience of Katerina, another participant in the same BSL study:

> ***Every fortnight is a struggle between trying to save a few dollars [and] trying to make sure my kids don't miss out on doing things. For example, signing up my son for Little Athletics. It's important for him to be social as well as do a physical activity and learn about competition but it was also a big expense to get started. (Bowman & Banks 2018)***

Prioritising her children caused Katerina some stress as it stretched the household budget, but she 'would rather eat toast for dinner for a week or two and see [her] children happy' (Bowman & Banks 2018). In a different study, Daly (2017) similarly highlights the difficult trade-offs parents must make, with the case of Joanne, who has recently been made redundant from work, and whose husband has a disability that prevents him from working:

> ***If my son comes home from school and says 'All the guys are going down to [roller blading] and I'm not going' … I have to walk away. That just kills me because it's like $6 or something. But that's nearly a third of the gas for the week and I can't give him it. And that's where all his wee friends are and he has no social life and that just brings me to tears. I can't cope … I feel bad that I'm not providing for my kids and to me providing is you know food, a roof over their head, a warm home and a strong family. But providing for them is also to let them have their life and be individuals and I feel that I'm taking that away from them … and that's just mean.***

Joanne's experience of struggle mirrors that of Katerina, as both must think deeply about their children's social experiences in making their economic decisions. For Joanne this drives a feeling that she is taking away her son's life and causes a sense of meanness and an inability to cope.

Through these examples we can see how these tough choices can be corrosive to each parent's economic dignity. Their struggle causes emotional distress and concern about their adequacy as parents.

The demands of economic dignity

As this section of the paper has shown, each conception of dignity illuminates different aspects of the concept of economic dignity, and how it can be undermined. Table 4 summarises the core requirement for preserving economic dignity based upon the discussion above.

Table 4 The demands of economic dignity

Type	Requirement
Dignity as intrinsic	People should be treated as being capable of making decisions and acting freely.
Dignity as status	People should not be stigmatised based upon their economic situation.
Dignity as function	People should be able to do work that is meaningful to them in safe and fair working conditions.
Dignity as manner or bearing	Economic contexts should not place extreme stress on people.

These demands highlight the importance of structural and systemic factors that can enable or impede economic dignity. In this way, the concept of economic dignity can be used to drive structural change, by drawing attention to the impact of structural conditions. The next section of the paper explains how economic dignity can be employed to develop a more useful definition of financial capability.

5 ECONOMIC DIGNITY AS A KEY TO ADVANCING FINANCIAL CAPABILITY

Economic dignity can serve as a bridge between the concept of financial capabilities and financial wellbeing. The concept is also useful for understanding the value of competing conceptions of financial capability.

Many concepts are thought of in relation to both their empirical and normative value. The empirical value is how effectively the concept describes what we observe occurring in the world; the normative value is found in the kinds of moral or ethical demands that we can establish from that concept. For example, we can think about the empirical and normative value of conceptions of poverty: should we understand poverty in relation to how we see it in the world, or instead through what is morally or ethically wrong with it? The challenge is that empirical and normative conceptions sometimes pull in different directions. Empirical conceptions focus on what is, whereas normative conceptions enable us to explore what possibilities exist, and that we have reason to value.

Many of the internally focused conceptions of financial capability are empirical. The concept developed from the existing notions of financial literacy and financial wellbeing. Since financial literacy could not provide a sufficient explanation of consumer behaviour—of what underpinned the financial choices that people were making—the new concept of financial capability was created.

Applying non-structural and structural conceptions of financial capability

Non-structural conceptions of financial capability still focus on knowledge, skills and behaviours—on internal factors. When people possess these things, then they are financially capable of taking an action and more likely to experience financial wellbeing. By contrast, the structural account of financial capability recognises the role that context plays in whether someone is financially capable of taking an action. Let us revisit the examples of parents from the previous section, using economic dignity as a framework to think through what each account of financial capability is telling us.

According to a non-structural account, we should ask whether the knowledge, skills or behaviours of each parent act as a constraint on their choices. In each case, the answer is that these factors do not constrain their options. Each mother has a clear understanding of budgeting and knows the effects that their decision will have on themselves and their household; in the literature this would constitute having the appropriate knowledge and skills. Each behaves in a way that shows restraint. Joanne acts in accordance with good decision making when deciding not to give her son money for roller-blading—and ordering the needs for the household (heating and food before leisure). Yet we can see that the decision is harmful to her emotional wellbeing. The non-structural account doesn't reveal how Joanne's context drives the harm she experiences, what kind of harm is experienced, or how that harm is connected to the choices that are made.

By contrast, a structural account enables a more nuanced understanding of what is going on: Joanne's lack of resources constrains the choices available to her. Her husband being unable to work is another contributing factor—and poses questions about the accessibility and adequacy of disability support (although this is not explored in the example)—as well as employment opportunities for people with disability.

On the non-structural account, Joanne freely exercises choice and because she behaves in way that would be deemed as financially responsible, she would be treated as financially capable. On the structural account, the circumstances constrain the choices which are available to her. It is not simply a matter of understanding what choice was made, but rather, what choices were possible? And in what context were those choices possible? She is forced to choose between two things which she clearly values—her 'questioning of whether she was an adequate provider shows how torn she was' (Daly 2017). This kind of trade-off is deeply harmful to Joanne's economic dignity—and wellbeing.

In much the same way that we can ask what does a life worthy of human dignity require, we can also ask what does a life with economic dignity require? And conversely, what deprives people of economic dignity? In turn, what conception of financial capability most strongly coheres with a demand for economic dignity?

Only when we acknowledge the complex structural contexts in which people make decisions, can we fully understand their choices. Moreover, only when we address the extensive structural constraints that limit people's choices will it be possible to achieve economic dignity for all. In the terms of Nussbaum, this is the kind of life that people have reason to value.

6 CONCLUDING REMARKS

These are times of increasing financial precarity, with many people exposed to more and more risk. Associated with that risk are increased risks to financial wellbeing. Understanding people's financial capabilities requires a deeper understanding of their context. Now is the time for social and economic policies that recognise and protect economic dignity.

The concept of economic dignity is useful in a variety of ways. These include both empirical and normative dimensions. From an empirical perspective, economic dignity can be used to alert us to instances where policies or economic structures are harmful to people—and to the kinds of harms that might occur. From a normative perspective, economic dignity can be used as a guide for policy design, organisational practice and economic reform.

If we want to improve people's overall financial wellbeing, then we need to do so in a way that pays attention to their broader structural context. To improve the financial capabilities of disadvantaged and vulnerable members of the community requires a focus on the ways they are enabled and constrained by the structures around them, as well as the options that are available. If available resources or opportunities are inadequate, people are unlikely to be able to make financial decisions that make them secure. In turn, policies that promote knowledge and skill development need to recognise that this is only one part of the story—albeit a valuable part.

This paper is part of a broader agenda to enable economic security and economic dignity for all in Australia, so that everyone can live a life that they have reason to value.

In contributing to this agenda, this paper has articulated the concept of economic dignity in the context of financial capabilities. Economic dignity is presented as a way to extend our understanding of the concept of financial capabilities, by highlighting the ways that economic structures can be harmful to economic dignity. Economic dignity can be applied to other economic and financial concepts and contexts to work towards a fairer economy for all.

REFERENCES

Alsemgeest, L 2015, ‘Arguments for and against financial literacy education: where to go from here?’, *International Journal of Consumer Studies*, vol. 39, no. 2, pp. 155–61.

Altman, M 2012, ‘Implications of behavioural economics for financial literacy and public policy’, *The Journal of Socio-Economics*, vol. 41, no. 5, pp. 677–90.

Anderson, E 2014, ‘Human dignity as a concept for the economy’, in M Düwell, J Braarvig, R Brownsword & D Mieth (eds), *The Cambridge handbook of human dignity*, Cambridge University Press.

—— 2017, *Private government: how employers rule our lives (and why we don't talk about It)*, The University Center for Human Values Series, Princeton University Press, Princeton, USA.

Appleyard, L & Rowlingson, K 2013, ‘Children and financial education: challenges for developing financial capability in the classroom’, *Social Policy and Society*, vol. 12, no. 4, pp. 507–20.

ASIC 2011, *National Financial Literacy Strategy*, Australian Securities and Investments Commission.

—— 2014, *National Financial Literacy Strategy 2014–17: action plan*, Australian Securities and Investments Commission.

—— 2018, *National Financial Capability Strategy 2018*, Australian Securities and Investments Commission, viewed 23 April 2020, <https://financialcapability.gov.au/strategy/#about>.

Atkinson, A, McKay, S, Collard, S & Kempson, E 2007, ‘Levels of financial capability in the UK’, *Public Money & Management*, vol. 27, no. 1, pp. 29–36.

Banerjee, MM, Friedline, T & Phipps, BJ 2017, ‘Financial capability of parents of kindergarteners’, *Children and Youth Services Review*, vol. 81, pp. 178–87.

Becchetti, L, Caiazza, S & Coviello, D 2013, ‘Financial education and investment attitudes in high schools: evidence from a randomized experiment’, *Applied Financial Economics*, vol. 23, no. 10, pp. 817–36.

Birkenmaier, J, Kennedy, T, Kunz, J, Sander, R & Horwitz, S 2013, ‘The role of social work in financial capability’, in J Birkenmaier, J Curley & M Sherraden (eds), *Financial capability and asset development: research, education, policy, and practice*, Oxford University Press.

Bowie, NE 2019, ‘Dignity and meaningful work’, in R Yeoman, C Bailey, A Madden & M Thompson (eds), *The Oxford handbook of meaningful work*, Oxford University Press.

Bowman, D & Banks, M 2018, *Hard times: Australian households and financial insecurity*, Brotherhood of St Laurence, Fitzroy, Vic.

Bowman, D, Banks, M, Fela, G, Russell, R & de Silva, A 2017, *Understanding financial wellbeing in times of insecurity*, Brotherhood of St Laurence, Fitzroy, Vic.

Breen, K 2019, ‘Meaningful work and freedom: self-realization, autonomy and non-domination in work’, in R Yeoman, C Bailey, A Madden & M Thompson (eds), *The Oxford handbook of meaningful work*, Oxford University Press.

Brown, JT 2017, ‘Freedom as capability: how the capability approach can improve our understanding of freedom in established democracies’, PhD thesis, School of Social and Political Sciences, The University of Melbourne.

Burchardt, T, Evans, M & Holder, H 2015, ‘Public policy and inequalities of choice and autonomy’, *Social Policy & Administration*, vol. 49, no. 1, pp. 44-67.

Carpena, F, Cole, S, Shapiro, J & Zia, B 2011, ‘Unpacking the causal chain of financial literacy’, *Policy Research Working Paper*, The World Bank, [Washington, D.C.].

Curchin, K 2017, ‘Using behavioural insights to argue for a stronger social safety net: beyond libertarian paternalism’, *Journal of Social Policy*, vol. 46, no. 2, pp. 231-49.

—— 2019, ‘The illiberalism of behavioural conditionality: a critique of Australia's ‘No Jab, No Pay’ policy’, *Journal of Social Policy*, vol. 48, no. 4, pp. 789–805.

Curran, JV & Fricker, C 2005, ‘Introduction’, in JV Curran & C Fricker (eds), *Schiller's “On grace and dignity” in Its cultural context*, Boydell & Brewer, Camden House.

Daly, M 2017, ‘Money-related meanings and practices in low-income and poor families’, *Sociology*, vol. 51, no. 2, pp. 450–65.

Darwall, S 2017, ‘Equal dignity and rights’, in R Debes (ed), *Dignity: a history*, Oxford University Press.

Deeming, C 2015, ‘Foundations of the workfare state: reflections on the political transformation of the welfare state in Britain’, *Social Policy & Administration*, vol. 49, no. 7, pp. 862–86.

Dimock, WC 2012, ‘High and low’, in M Dan-Cohen (ed), *Dignity, rank, and rights*, Oxford University Press.

Doran, JK & Bagdasaryan, S 2018, ‘Infusing financial capability and asset building content into a community organizing class’, *Journal of Social Work Education*, vol. 54, no. 1, pp. 122–34.

Düwell, M 2014, 'Human dignity: concepts, discussions, philosophical perspectives', in M Düwell, J Braarvig, R Brownsword & D Mieth (eds), *The Cambridge handbook of human dignity*, Cambridge University Press.

Formosa, P & Mackenzie, C 2014, 'Nussbaum, Kant, and the capabilities approach to dignity', *Ethical Theory and Moral Practice*, vol. 17, no. 5, pp. 875–92.

Gewirth, A 1998, *Self-fulfillment*, Princeton University Press, USA.

Graumann, S 2014, 'Human dignity and people with disabilities', in M Düwell, J Braarvig, R Brownsword & D Mieth (eds), *The Cambridge handbook of human dignity*, Cambridge University Press.

Griffin, J 2008, *On human rights*, Oxford University Press.

Hamilton, K 2012, 'Low-income families and coping through brands: inclusion or stigma?', *Sociology*, vol. 46, no. 1, pp. 74–90.

Hannagan, A & Morduch, J 2015, *Income gains and month-to-month income volatility: household evidence from the US Financial Diaries*, working paper, US Financial Diaries, viewed 23 April 2020, <https://www.usfinancialdiaries.org/paper-1>

Hart, CS 2012, *Aspirations, education and social justice: applying Sen and Bourdieu*, Bloomsbury, London.

Healy, M & Wilkowska, I 2017, 'Marx, alienation and the denial of dignity of work', in M Kostera & M Pirson (eds), *Dignity and the organization*, Palgrave Macmillan, London.

Herscovitch, A & Stanton, D 2008, 'History of social security in Australia', *Family Matters*, vol. 80, pp. 51–60.

Herzog, D 2012, 'Aristocratic dignity', in M Dan-Cohen (ed), *Dignity, rank, and rights*, Oxford University Press.

Hilgert, MA, Hogarth, JM & Beverly, SG 2003, 'Household financial management: the connection between knowledge and behavior', *Federal Reserve Bulletin*, vol. 89, no. 7, pp. 309–22.

Huston, SJ 2010, 'Measuring financial literacy', *The Journal of Consumer Affairs*, vol. 44, no. 2, pp. 296–316.

Johnson, MA & Lamdin, DJ 2015, 'Gauging the financial capability of Americans', *Business Economics*, vol. 50, no. 3, pp. 135–46.

Kant, I (ed), *Groundwork for the metaphysics of morals*, Yale University Press, New Haven, USA.

Kasekende, L 2014, 'What role does financial inclusion play in the policy agenda for inclusive growth in Sub-Saharan Africa?', *Development*, vol. 57, no. 3–4, pp. 481–7.

Kempson, E, Collard, S & Moore, N 2006, 'Measuring financial capability: an exploratory study for the Financial Services Authority', *Consumer Financial Capability: Empowering European Consumers*, vol. 39.

Kempson, E, Finney, A & Poppe, C 2017, *Financial well-being: a conceptual model and preliminary analysis*, Oslo and Akershus University College of Applied Sciences, Oslo.

Kempson, E, Perotti, V & Scott, K 2013, *Measuring financial capability: a new instrument and results from low- and middle-income countries*, The World Bank, Washington, D.C.

Kent, B 2017, 'In the image of God: human dignity after the Fall', in R Debes (ed), *Dignity: a history*, Oxford University Press.

Klein, E 2016, 'Neoliberal subjectivities and the behavioural focus on income management', *Australian Journal of Social Issues*, vol. 51, no. 4, pp. 503–23.

Korsgaard, CM 1996, *Creating the kingdom of ends*, Cambridge University Press.

Lohmann, G 2014, 'Human dignity and socialism', in M Düwell, J Braarvig, R Brownsword & D Mieth (eds), *The Cambridge handbook of human dignity*, Cambridge University Press.

Lusardi, A & Mitchell, OS 2011, 'Financial literacy and retirement planning in the United States', *Journal of Pension Economics and Finance*, vol. 10, no. 4, pp. 509–25.

—— 2014, 'The economic importance of financial literacy: theory and evidence', *Journal of Economic Literature*, vol. 52, no. 1, pp. 5–44.

Lutz, MA 1995, 'Centering social economics on human dignity', *Review of Social Economy*, vol. 53, no. 2, pp. 171–94.

Mandell, L & Klein, LS 2009, 'The impact of financial literacy education on subsequent financial behavior', *Journal of Financial Counseling and Planning*, vol. 20, no. 1.

Morduch, J & Siwicki, J 2017, 'In and out of poverty: episodic poverty and income volatility in the U.S. Financial Diaries', working paper, US Financial Diaries, viewed 23 April 2020, <https://www.usfinancialdiaries.org/paper2>.

Muffels, R & Headey, B 2013, 'Capabilities and choices: do they make Sen'se for understanding objective and subjective well-being? An empirical test of Sen's capability framework on German and British panel data', *Social Indicators Research*, vol. 110, no. 3, pp. 1159–85.

Murphy, J, Murray, S, Chalmers, J, Martin, S & Marston, G 2011, *Half a citizen: life on welfare in Australia*, Allen & Unwin, Sydney.

Nussbaum, MC 1992, 'Human functioning and social justice: in defense of Aristotelian essentialism', *Political Theory*, vol. 20, no. 2, pp. 202–46.

—— 2003, 'Capabilities as fundamental entitlements: Sen and social justice', *Feminist Economics*, vol. 9, no. 2–3, pp. 33–59.

—— 2005, *Women and human development: the capabilities approach*, 8th edn, The Seeley Lectures, Cambridge University Press, New York.

—— 2008, 'Human dignity and political entitlements', *Human dignity and bioethics*, The President's Council on Bioethics, Washington, D.C.

—— 2013, *Creating capabilities: the human development approach*, First Harvard Univesrity Press paperback edition. edn, The Belknap Press of Harvard University Press.

Ober, J 2012, 'Democracy's dignity', *American Political Science Review*, vol. 106, no. 4, pp. 827–46.

OECD 2005, *Improving financial literacy: analysis of issues and policies*, OECD, Paris.

—— 2019, *Delivering better policies through behavioural insights: new approaches*, OECD, Paris.

Palenčár, M 2016, 'Some remarks on the concept and intellectual history of human dignity', *Human Affairs*, vol. 26, no. 4, pp. 462–77.

Rawls, J 1971, *A theory of justice*, Oxford University Press.

Reyers, M 2019, 'Financial capability and emergency savings among South Africans living above and below the poverty line', *International Journal of Consumer Studies*, vol. 43, no. 4, pp. 335–47.

Robeyns, I 2005, 'The capability approach: a theoretical survey', *Journal of Human Development*, vol. 6, no. 1, pp. 93–117.

—— 2016, 'Capabilitarianism', *Journal of Human Development and Capabilities*, vol. 17, no. 3, pp. 397–414.

Rosen, M 2012a, 'Dignity past and present', in M Dan-Cohen (ed), *Dignity, rank, and rights*, Oxford University Press.

—— 2012b, *Dignity: its history and meaning*, Harvard University Press, Cumberland, USA.

Salignac, F, Hamilton, M, Noone, J, Marjolin, A & Muir, K 2019, 'Conceptualizing financial wellbeing: an ecological life-course approach', *Journal of Happiness Studies*, viewed 27 April 2020, <https://doi.org/10.1007/s10902-019-00145-3>.

Scanlon, E & Sanders, CK 2017, 'Financial capability and asset building: a transformational practice framework', *Advances in Social Work*, vol. 18, no. 2, pp. 543.

Schiller, F 2005, 'On grace and dignity', in JV Curran & C Fricker (eds), *Schiller's "On grace and dignity" in its cultural context*, Boydell & Brewer, Camden House.

Schuhen, M & Schürkmann, S 2016, 'Construct validity with structural equation modelling', in C Aprea, E Wuttke, K Breuer, NK Koh, P Davies, B Greimel<Fuhrmann & JS Lopus (eds), *International handbook of financial literacy*, Springer Singapore, <https://doi.org/10.1007/978-981-10-0360-8_26>.

Sen, A 1980, 'Equality of what?', in S McMurrin (ed), *Tanner Lectures on Human Values*, vol. 1, Cambridge University Press, Cambridge.

—— 1993, 'Capability and well-being', in A Sen & M Nussbaum (eds), *The quality of life*, Oxford University Press.

—— 1995, *Inequality reexamined*, Oxford scholarship online: Economics and Finance module, Oxford University Press.

—— 2001, *Development as freedom*, Oxford University Press.

—— 2005, 'Human rights and capabilities', *Journal of Human Development*, vol. 6, no. 2, pp. 151–66.

—— 2009, *The idea of justice*, Harvard University Press, Cambridge, Massachusetts.

Shah, M 2017, 'Islamic conceptions of dignity: historical trajectories and paradigms', in R Debes (ed), *Dignity: a history*, Oxford University Press.

Sherraden, M 2013, 'Building blocks of financial capability', in J Birkenmaier, J Curley & M Sherraden (eds,) *Financial capability and asset development: research, education, policy, and practice*, Oxford University Press.

Sherraden, M & Ansong, D 2016, 'Financial literacy to financial capability: building financial stability and security', in C Aprea, E Wuttke, K Breuer, NK Koh, P Davies, B Greimel-Fuhrmann & JS Lopus (eds), *International handbook of financial literacy*, Springer Singapore.

Simpson, R, Slutskaya, N & Hughes, J 2019, 'Meanings and dirty work: a study of refuse collectors and street cleaners', in R Yeoman, C Bailey, A Madden & M Thompson (eds), *The Oxford handbook of meaningful work*, Oxford University Press.

Sison, AJG, Ferrero, I & Guitián, G 2016, 'Human dignity and the dignity of work: insights from Catholic Social Teaching', *Business Ethics Quarterly*, vol. 26, no. 4, pp. 503–28.

Sperling, G 2019, 'Economic dignity', *Democracy: A Journal of Ideas*, no.52, viewed 3 March 2020, <https://democracyjournal.org/magazine/52/economic-dignity/>.

Stoesz, D 2013, 'Paradigms of anti-poverty policy', in J Birkenmaier, J Curley & M Sherraden (eds), *Financial capability and asset development: research, education, policy, and practice*, Oxford University Press.

Storchi, S & Johnson, S 2016, 'Financial capability for wellbeing: an alternative perspective from the capability approach', in S Johnson & A-M Rivas (eds,) *Bath Papers in International Development and Wellbeing*, The Centre for Development Studies University of Bath, UK.

Stuart, PH 2013, 'Social workers and financial capability in the profession's first half-century', in J Birkenmaier, J Curley & M Sherraden (eds), *Financial capability and asset development: research, education, policy, and practice*, Oxford University Press.

Taylor, M 2010, 'Measuring financial capability and its determinants using survey data', *Social Indicators Research*, vol. 102, no. 2, pp. 297–314.

Taylor, M, Jenkins, SP & Sacker, A 2011, 'Financial capability and psychological health', *Journal of Economic Psychology*, vol. 32, no. 5, pp. 710–23.

Thiem, A 2014, 'Human dignity and gender inequalities', in M Düwell, J Braarvig, R Brownsword & D Mieth (eds), *The Cambridge handbook of human dignity,* Cambridge University Press.

Trlifajová, L & Hurrle, J 2018, 'Work must pay: does it? Precarious employment and employment motivation for low-income households', *Journal of European Social Policy*, vol. 29, no. 3, pp. 376–95.

Vizard, P & Speed, L 2015, 'Examining multidimensional inequality and deprivation in Britain using the capability approach', *Forum for Social Economics*, vol. 45, no. 2–3, pp. 139–69.

von Stumm, S, Fenton O'Creevy, M & Furnham, A 2013, 'Financial capability, money attitudes and socioeconomic status: risks for experiencing adverse financial events', *Personality and Individual Differences*, vol. 54, no. 3, pp. 344–9.

Waldron, J 2012a, 'Dignity and rank', in M Dan-Cohen (ed), *Dignity, rank, and rights*, Oxford University Press.

—— 2012b, 'Law, dignity, and self-control', in M Dan-Cohen (ed), *Dignity, rank, and rights*, Oxford University Press.

Wisman, JD 1998, 'Christianity, John Paul II and the future of work', *International Journal of Social Economics*, vol. 25, no. 11, pp. 1658–71.

Xiao, JJ & O'Neill, B 2016, 'Consumer financial education and financial capability', *International Journal of Consumer Studies*, vol. 40, no. 6, pp. 712–21.

—— 2018, 'Propensity to plan, financial capability, and financial satisfaction', *International Journal of Consumer Studies*, vol. 42, no. 5, pp. 501–12.

Contact us

Research & Policy Centre
Brotherhood of St Laurence

67 Brunswick Street
Fitzroy, Victoria 3065
Australia

T (03) 9483 1183
E research@bsl.org.au

bsl.org.au/research

RESEARCH & POLICY CENTRE

Brotherhood of St Laurence
Working for an Australia free of poverty