



***Notes on Perceptions of Poverty:
Usefulness and Methods***

ANYCK DAUPHIN

January 2001

This document has been produced with financial support from the IDRC MIMAP research program.

160 St. Joseph Street East, Québec, Qc, CANADA G1K 3A7
Tel.: (418) 523-6552 Fax : (418) 523-7525
e-mail.: anyckd@ceci.ca, lmasselin@ceci.ca
<http://www.ceci.ca>

Table of contents

Background	2
What is a « participatory poverty assessment » (PPA)?.....	2
Perceptions that can be explored and methods	3
Possible uses of perceptions of poverty	5
Complementarity between qualitative surveys and PPAs	7
Problems encountered during the implementation of the PPAs	7
Criticisms of PPAs	8
An Example of PPA: The World Bank	8
A few cases of participatory poverty assessments	9
Ghana	9
Niger.....	10
Nigeria	11
References.....	12

Background

- The first participative development initiatives originated in the 1950s with the arrival of the development community, and sought to involve local populations in the development of their communities.
- The objectives of the development community were to:
 - Provide community infrastructure in rural and urban areas;
 - Develop local skills;
 - Encourage local populations to increase their involvement in community infrastructure projects;
 - Startup community organizations;
 - Increase cohesion and solidarity within their communities.
- Community development (rural animation in West Africa) has effectively promoted the participation of communities, but only in projects whose objective has already been established. In fact, local populations were involved in the implementation of the project, and not in the identification and formulation of the projects.
- In the early 1980s, we realized that the poor were marginalized in the community and excluded from development initiatives. It is then that we started to promote the participation of the poor.
- Today, most international development agencies promote a participative approach involving the poor.

What is a « participatory poverty assessment » (PPA)?

«Participation is a process through which stakeholders influence and share control over development initiatives and the decisions and resources which affect them.»

World Bank (1994)

«Participatory development stands for partnership which is built upon the basis of dialogue among various actors, during which the agenda is jointly set, and local views and indigenous knowledge are deliberately sought and respected. This implies negotiation rather than dominance of an externally set project agenda. Thus people become actors instead of being beneficiaries.» OECD (1994)

- A participatory poverty assessment is an « iterative » and « participative » method of research which seeks to understand poverty from the perspective of the poor by stressing their realities, needs and priorities with the aim of influencing economic policy.
- With the aim of covering the maximum number of interests and the perspectives of each and every one, a participative evaluation of poverty can choose to include the perceptions of other stakeholders as well. Think, for example, of decision-makers at all levels of government, of members of civil society, of decision-makers in local and international NGOs and international agencies such as the World Bank, the United Nations Development Program, etc.

- The research method is said to be «iterative», because it adjusts over time with the « in the field » realities.
- The method of research is said to be «participative», because it follows two principles :
 - The first is to give to the poor, women and men – and potentially other agents – a degree of control over the research process. The techniques used are thus fairly flexible : open questions, unstructured interviews, etc. They also treat men and women as two distinct social groups having their own experiences and interests.

The reason for this first principle is to :

- Allow for the emergence of problems and dimensions of poverty which are important for poor men and women – and potentially for other agents – but which are not necessarily known to researchers and thereby increase their understanding of poverty in terms of its nature, causes and remedies.
- The second principle is to incorporate the perceptions of poor men and women – and potentially other agents – in the formulation of poverty reduction policies.

The reasons for this second principle are to:

- Recognize that the poor – and potentially other agents – are in fact experts on poverty, and therefore, that taking into account their views could contribute to the formulation of more efficient anti-poverty policies.
- Reinforce the capacity of local institutions involved in the delivery of policies.
- Contribute to the emancipation of the poor.

Perceptions that can be explored and methods

- The perceptions that populations have of poverty, wealth, happiness and standard of living concepts. (Ex : Aho, Larivière and Martin, 1997, *Consultations with the Poor*, 1999.)

Method used by Aho, Larivière and Martin :

- Focus groups hold separately for rural/urban areas, upper/lower class, men/women, seniors/adults/youngs and ranking by individuals of items mentioned during the focus groups.
- Examples of questions asked :
 - How do you define well-being?
 - What are the elements that make up a good level of well-being?
 - ...

Method suggested in *Consultations with the Poor* :

- Focus groups, Trend analysis, Causal-impact analysis, Well-being ranking, Scoring.

- The perceptions that populations have relative to the needs that are basic and to the causes and consequences of the non-satisfaction of these basic needs. (Ex :Dauphin, 1999)

Method used by Dauphin :

- Focus groups hold separately for men/women, seniors/adults/young adults and ranking by individuals of items mentioned during the focus groups.
- Examples of questions asked :
 - We often hear that a poor person is someone who is unable to satisfy his/her basic needs. What, exactly, are these needs?
 - When we say that a person is poor, what exactly are they lacking?
 - ...
- The perceptions that populations have of the minimum income necessary to satisfy their basic needs.

Question from the US Income Survey Development Program :

"Living where you do now and meeting the expenses you consider necessary, what would be the very smallest income you (and your family) would need to make ends meet?"
(Minimum Income Question, MIQ)

Question from the Wisconsin Basic Needs Study :

"How much income per month and after taxes would leave you feeling *terrible* about your household's income?

.....

How much income per month and after taxes would leave you feeling *delighted* about your household's income?" (Income Evaluation Question, IEQ)

- The perceptions that populations have of their situation in terms of poverty.

Question from the Russian Longitudinal Monitoring Survey :

"Please imagine a 9-step ladder, where on the bottom, the first step, stand the poorest people, and on the highest step, the ninth, stand the rich. On which step are you today?"

Question from the Jamaica Living Condition Survey of 1993 and the Nepal Living Standards Survey of 1995/1996 :

"Concerning your family's food consumption over the past one month, which of the following is true? Less than adequate for your family's needs, adequate for your family's needs, more than adequate for your family's needs or not applicable.

Concerning your family's housing, ...

Concerning your family's clothing,

Concerning the health care your family gets,....

Concerning your children's schooling,...."

- The main preoccupations of local populations, the problems they perceive as being the most serious and their perceptions with respect to priorities given to public development actions (Ex : *Consultations with the Poor*, 1999, Dauphin, 2000).

Method used by Dauphin:

- Focus groups hold separately for poor men and women
- Example of questions used:
 - At the level of your community, can you identify 10 areas where a development action should be undertaken to reduce poverty?
 - Of these 10 areas, can you identify the 5 most needing an intervention?

Method suggested in *Consultations with the Poor* :

- Focus groups, Listing, Ranking, Scoring, Trend analysis.
- The perceptions with respect to the access local populations have to public services and the quality and relevance of these services.
- The goods perceived as being most able to ensure a good standard of living.
- The perceptions related to the relevance and sensitivity of institutions to respond to the needs and priorities of local populations. (Ex : *Consultations with the Poor*, 1999)

Method suggested in *Consultations with the Poor* :

- Focus groups, Listing, Ranking, Scoring.
- The perceptions related to gender within households and communities. (Ex : *Consultations with the Poor*, 1999)

Method suggested in *Consultations with the Poor* :

- Focus groups, Scoring, Trend analysis.

Possible uses of perceptions of poverty

« A policy recommendation is contingent on feasibility, but the recognition of poverty has to go beyond that. One can argue that the first step is to *diagnose* deprivation, and related to that, to determine what we *should* do if we had the means. And the next step is to make actual policy choices in line with our means. In that sense, the descriptive analysis of poverty has to be prior to policy choice.

But how should that descriptive analysis of poverty proceed? Just because it is primarily a descriptive exercise, we should not make the mistake of thinking that the analysis must be somehow independent of the society in which poverty is being assessed. [...] We could, of course, debate about the exact ways in which normative judgements should take note of such social variations, but the primary exercise of diagnosing deprivation cannot but be sensitive to the way various types of hardships are viewed in the society in question. » Sen, 1992, p. 108.

- Perceptions concerning poverty can contribute to the conceptual debate by specifying the nature of what is missing, and consequently favour the use of certain poverty indicators over others.

- Self-evaluations of poverty along with objective data on poverty (revenue, health, education, etc.) can help to understand determinants of well-being, and therefore provide guidance in the choice of indicators and policies. (Ex : Ravallion and Lokshin,1999)
 - « It is a paradox that when economists analyze the welfare impacts of policies, they typically assume that people are the best judges of their own welfare, yet they resist directly asking people themselves whether they are better off. It is assumed instead that the economist knows the answer on the basis of objective data on income and prices. While early ideas of «utility» were explicitly subjective, the modern approach in economics has generally ignored the expressed views of people themselves about their own welfare.» Ravallion and Lokshin, 1999, p.2

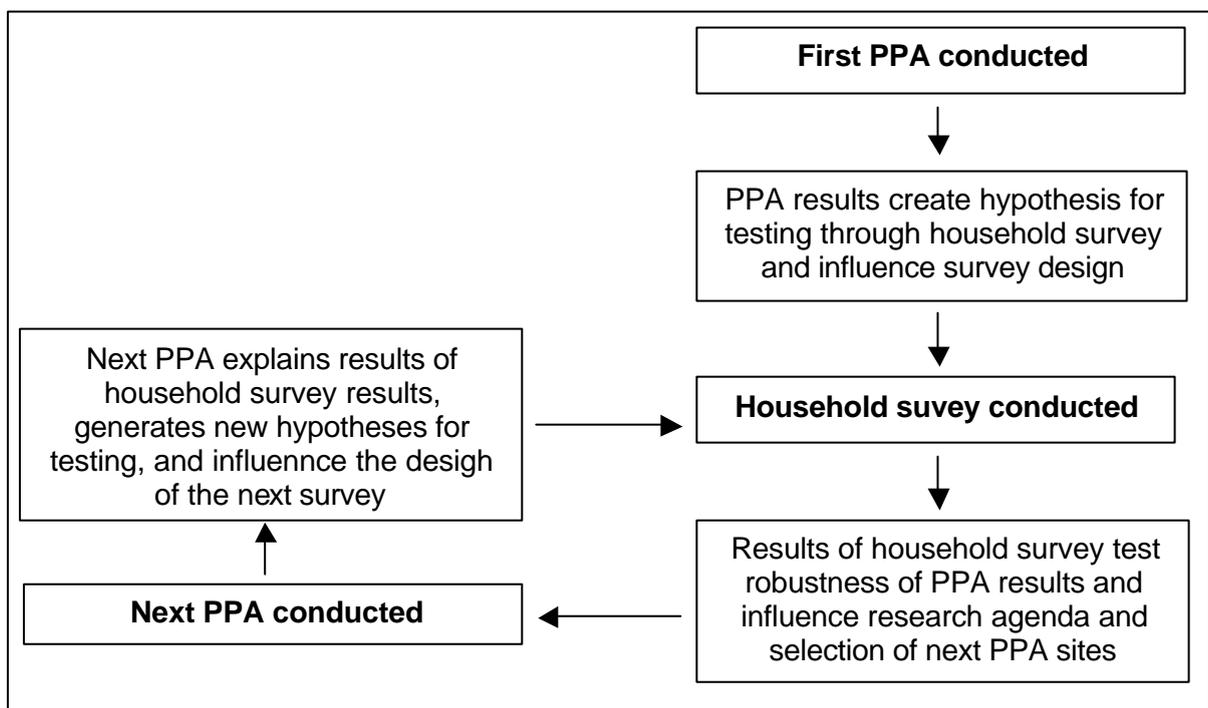
- Perceptions about the specificities of basic needs and the minimum income as well as poverty self-assessment can be used to define and calculate a poverty line. (Ex: Pradhan and Ravallion,1998, Stanovnik, 1992, Danziger *et al.*, 1984, Colastanto *et al.*, 1984)
 - «The most common practice in drawing a poverty line starts with “objective” pre-determined nutritional requirements for good health and active life. The poverty line is then defined as the value of a monetary measure of individual economic welfare, such as expenditure on all goods and services, at which these nutritional requirements are met given prices and references tastes. [...]
 - However, there is an inherent subjectivity and social specificity to any notion of “basic needs”, including nutritional requirements.» Pradhan and Ravallion,1998, p.2

- « A better understanding of the determinants of self-rated economic welfare may also help understanding the political economy of economic policy making, such as why some sub-groups in society appear to be more opposed to policy change than a conventional calculation of income gains and loses would suggest. » Ravallion and Lokshin, 1999, p.3

- The perceptions of causes of poverty and on the priorities to give to development actions can guide the formulation of poverty reduction policies.
 - « Successful pro-poor HAP strategies can only be devised if the nature of poverty is clear to the policy makers involved in designing these strategies. Both qualitative sources of information – in which the poor are directly involved in identifying the causes and effects of ill health and poverty – as well as quantitative data – are important to verify if strategies are effective in reducing poverty. » European Union.

Complementarity between qualitative surveys and PPAs

- Qualitative surveys serve especially for counting, comparing and predicting, whereas PPAs are mainly useful for showing hidden dimensions of poverty and for analyzing the dynamics with which people fall into and out of poverty.
- A PPA can be undertaken before a quantitative survey so as to orient the research questions and to generate working hypotheses.
- A PPA can be done after a quantitative survey in order to find explanations for the results obtained by the qualitative surveys.



C. M. Roob (1999) p. 10.

Problems encountered during the implementation of the PPAs

- The quality of the results depends on the competence of the interviewers.
- Participation is costly in terms of time.
- The interest of decision-makers in participating is often low because, among other reasons, they are afraid of losing the power they hold.

Criticisms of PPAs

- The information collected is descriptive and reveals multiple perceptions which may lead to difficult decision-making.
- The information is unreliable because the opinions collected are not representative.
- The participation of local populations and other agents is very costly in time and money and does not guarantee the success of policies taking into account the views given.
- Participation is irrelevant and a luxury in situations where poverty is very severe. It is difficult to justify expenses for such a process when people are unable to satisfy their hunger.
- Participation is driven by an ideological fervour which is more interested in promoting an ideological development perspective than in ensuring benefits for the poor.

An Example of PPA: The World Bank

- The document *Assistance Strategies to Reduce Poverty* (1991) which follows up on the 1990 report by the WB on poverty, recommended that evaluations of poverty be carried out in all countries with the goal of analyzing the nature and causes of poverty and of developing a poverty reduction strategy.
- To accomplish these evaluations of poverty, we would do national surveys on spending, on revenue or on standard of living.
- Although the first evaluations were not really participative, things started to change in the middle of the 1990s.
- The evaluations of poverty incorporated participative methods in parallel with quantitative surveys in:
 - 1 in 5 cases in 1994.
 - 1 in 3 cases in 1995.
 - 1 in 2 cases between 1996 and 1998.
- To produce its 2000/2001 report the World Bank consulted men and women in 60 countries, by :
 - Basing itself on a review of participative studies recently undertaken in 50 countries and totalling 40 000 people.
 - Performing participative evaluations in 23 countries covering 20 000 people.

A few cases of participatory poverty assessments¹

Ghana

Duration and cost	Context	Institutions Involved	Methodology	Level of participation
May-June 1993, April-May 1994, Nov. 1994 \$100 000 US	Stable political environment. Weak government support at the outset but very strong afterwards.	World Bank, Universities, NGOs, Department of Local Government and of Rural Development and international aid agencies such as UNICEF.	Focus group discussions and « rural participative diagnoses » (drawings of maps, change diagrams, matrices, etc.) in 15 rural and urban communities.	Communities and political authorities.
Results of the participative evaluation of poverty	Impact on the World Bank	Impact on the government	Impact on other institutions	
<p>Poverty is multi-dimensional.</p> <p>New explanations were found for certain problems, such as households with female heads in the north of the country.</p> <p>The importance of rural infrastructure, of the quality and accessibility of education and health services was brought up.</p>	<p>The Bank has modified its strategy by stressing rural infrastructure and the quality and accessibility of education, which was put into concrete form by the creation of a village infrastructure project.</p>	<p>UNICEF has produced a summary document which it presented to several key political representatives of the government.</p> <p>Since then a dialogue on poverty has been taking place between the Bank and the government.</p>	<p>Other institutions have already been involved in the dialogue on poverty.</p>	

¹ Taken from C. Robb (1998).

Niger

Duration	Context	Institutions Involved	Methodology	Level of participation
April 1994	<p>Political instability.</p> <p>The people responsible for quantitative and participative evaluations worked in close collaboration.</p>	The World Bank, a sociologist attached to the government, NGOs and the FAO.	Informal interviews with open questions and focus group discussions.	Communities, government representatives and NGOs.
Results of the participative poverty evaluation		Impact on the World Bank	Impact on the government	Impact on other institutions
<p>Poverty is multi-dimensional.</p> <p>Several key elements coming out of the quantitative evaluation were confirmed, such as food safety and the low level of school registrations.</p> <p>New explanations related to certain problems were identified, such as the low rate of school registrations and the weak use of health services.</p>		<p>The infrastructure project, already planned, was reformulated so as to put more emphasis on poverty reduction objectives and to introduce pilot rural operations.</p> <p>The Country Assistance Strategy decided to use participative techniques in the future.</p>	The government created an interdepartmental committee on poverty.	<p>The UNDP and the EU participated in the workshops of the Country Assistance Committee in 1997 with the aim of formulating their own poverty reduction strategy.</p> <p>The NGOs are now recognized as real players in the poverty reduction dialogue.</p>

Nigeria

Duration and cost	Context	Institutions involved	Methodology	Level of participation
From the end of 1993 to the start of 1994 (three months)	Weak support from the government at the outset, but growing stronger along the way.	World Bank, DFIF, Department of Planning, international NGOs and UNICEF.	Focus group discussions with 2 000 people from 98 rural and urban communities.	Communities, government representatives and local NGOs towards the end.
Results of the participative poverty evaluation	Impact on the World Bank	Impact on the government	Impact on other institutions	
<p>Poverty is multi-dimensional.</p> <p>Water and roads were development priorities for the poor.</p> <p>Some of the difficulties in getting out of poverty encountered by the poor were identified.</p> <p>Despite the global drop in poverty, the situation of the 20% most poor of the population has deteriorated.</p> <p>The importance of public spending to reduce poverty aimed at health services, education and water were highlighted.</p>	<p>The Bank reformulated its strategy of poverty reduction by emphasizing water and roads.</p>	<p>The participative evaluation initiated a debate on poverty and questions of gender which is still going on within the country.</p> <p>The government has since shown much more interest in the work of NGOs and has increased its involvement.</p>	<p>NGOs are accepted more and more as an integral part of the development process.</p>	

References

- Aho, G., S. Larivière and F. Martin, 1997, *Manuel d'analyse de la pauvreté : Applications au Bénin*, Programme des Nations Unies pour le Développement.
- World Bank, 1999, *Consultations with the Poor: Methodology Guide for the 20 Country Study for the World Development Report 2000/2001*, Poverty Group, Poverty Reduction and Economic Management Network.
- Colastanto, D., A. Kapteyn and J. van der Gaag, 1984, « Two subjective definitions of poverty: Results from the Wisconsin Basic Needs Study », *Journal of Human Resources*, Vol. 19, pp.127-138.
- Danziger, S., J. van der Gaag, E. Smolensky and M. Taussig, 1984, « The direct measurement of welfare levels: How much does it take to make ends meet ? », *Review of Economics and Statistics*, Vol. 66, pp.500-505.
- Dauphin, A., 2000, « Usefulness of Nepal PMS for the local population: Methodological report and results », Document de la direction Études et Formation, CECI.
- Dauphin, A., 1999, « Methodological Report of the Survey on Perceptions of Poverty in Burkina Faso », Document de la direction Études et Formation, CECI.
- European Union, *Partnership and Stakeholder Participation*, Document available on the Internet.
- Pradhan, M. and M. Ravallion, 1998, « Measuring Poverty Using Qualitative Perceptions of Welfare », Policy Research Working Paper, Document no. 2011, Development Research Group, Poverty and Human Resources, World Bank.
- Ravallion, M. and M. Lokshin, 1999, « Subjective Economic Welfare », Poverty and Human Resources, Document no. 2106, Development Research Group, Poverty and Human Resources, World Bank.
- Robb, C. M., 1998, *Can the Poor Influence Policy? Participatory Poverty Assessments in the Developing World*. Directions in Development, The World Bank, Washington, DC.
- Stanovnik, T., 1992, « Perception of poverty and income satisfaction. An empirical analysis of Slovene households », *Journal of Economic Psychology*, Vol. 13, pp.57-69.
- United Nations Development Program, 1997, *UNDP Guidebook on Participation*, Document available on the Internet.