Issues in measuring poverty

- Sumber vs utiliti?
- Apa yang boleh dicapai vs apa yang sebenarnya dicapai?
- Aspek apa yang patut di ambilkira? Material, sosial, budaya, politik?

- Bagaimana tentukan garis kemiskinan
- Mutlak vs relatif?
- Boleh diguna pakai pada masyarakat lain
- Objektif vs subjektif
- Value judgement mempengaruhi definisi & pengukuran
- Siapa yang patut menentukan
- Perbezaan sistem ekonomi eg. Sosialis & kapitalis?

- Boleh guna satu indeks?
- Bagaimana memilih domaini?
- Bagaimana menggabungkan domaini?

Individu vs keluarga vs sempadan geografi

Jangka pendek vs jangka panjang

Patut ambilkira sebab kemiskinan

Ruang & konteks
Masalah mengukur pendapatan

- Perbelanjaan kurang silap berbanding pendapatan
- Tak suka soalan pendapatan
- Perbelanjaan lebih mudah diingat drpd pendapatan
- Perbelanjaan lebih stabil berbanding pendapatan
- Perbelanjaan > pendapatan kalangan berpendapatan rendah
- Under-reported -- Anggaran simpanan yang jauh lebih rendah

PENDAPATAN
The who, what, where, when, why and how to measure poverty

What: What resource measure is going to be used?

Who: Whose standard of living is being measured?

When: What time period is used?

Where: Do the measures differ by geographic location?

Why: What is the purpose of these measures?

How: Which measure and thresholds are used?
What difference a measure makes

- using consumption-based measures, in comparison with income-based measures
  - The levels of poverty and inequality tend to decrease
  - The WB of the elderly tends to increase relative to other groups (mainly due to the inclusion of a value for owner-occupied housing in the measure of consumption).

- Consumption and income definitions have somewhat different implications for who is counted as poor.
  - A consumption resource definition will
    - include the people who are income-rich but consumption-poor (people who choose to spend at levels below the poverty threshold when they actually have incomes that would support consumption above that level).
    - exclude people who are income-poor (e.g., because they lost a job), but who sustain their consumption at a level above the poverty threshold (by spending from savings, borrowing from relatives, or charging to their credit cards).
  - An income resource definition will exclude people who have adequate income during the measurement period, whether they spend it or not.
VIRTUAL INDICATORS OF POVERTY (MOF & UPM)
“Micro level study on hardcore poverty in selected districts: policy formulation and program intervention”

– Use by AIM
– Virtual assessment of the house
– House categories:
  • Moden (M)
  • Sederhana (S2)
  • Sederhana Buruk (S1)
  • Buruk (B)
VIP – Buruk

• Keadaan rumah buruk mempunyai sifat-sifat berikut:
  – Rupanya buruk, lama, usang dan daif serta perlukan perbaikan segera
  – Bahan rumah dari hutan seperti daun nipah, buluh, tiang bulat.
  – Bumbung rumah dalam keadaan bocor, berlubang dan tiris
  – Saiz rumah dari besar sederhana ke kecil
  – Dinding yang berlubang dan daif
  – Struktur rumah yang tidak kukuh dan mungkin senget
  – Staf pun tidak mahu mendiaminya
VIP – Sederhana Buruk (S1)

• Keadaan rumah buruk mempunyai sifat-sifat berikut:-
  – Rumah kelihatan biasa sahaja.
  – Saiznya antara besar, sederhana ke kecil.
  – Perkarangan rumah tidak bertentangan atau ber pagar.
  – Dinding kekal dengan cat yang lama dan lusuh.
  – Tiada jendela moden.
  – Tiada varandah tile.
  – Bumbung lama yang berkarat.
  – Tidak memerlukan perbaikan yang segera.
  – Dinding bata blok yang tidak ber plaster.
  – Rumah agak membosankan.
VIP – Sederhana

- Keadaan rumah buruk mempunyai sifat-sifat berikut:-
  - Rumah kelihatan biasa sahaja.
  - Saiznya antara besar, sederhana ke kecil.
  - Perkarangan rumah tidak bertentangan atau berpagar
  - Dinding kekal dengan cat yang lama.
  - Tiada jendela moden.
  - Bumbung lama.
  - Tidak memerlukan perbaikan yang segera.
  - Dinding bata blok kelihatan lama dan ber *plaster*.
  - Rumah agak membosankan.
VIP – Moden

- Keadaan rumah buruk mempunyai sifat-sifat berikut:-
  - Rumah cantik dan berseri
  - Saiznya sederhana ke besar
  - Perkarangan berpagar.
  - Dinding kukuh dan bercat cantik.
  - Berjendela moden.
  - Varendahnya bertile.
  - Bumbung genting dan berkeadaan baik.
  - Pintu dan tingkap ber gril.
  - Ada longkang sempurna.
  - Ada tempat letak kereta berbumbung.
Causes of poverty (Bangladesh)

- Lack of capital
- Exploitation by the money lenders
- Opportunity is not open to the poor
- Natural disaster, flood, cyclone/tornado, drought, etc.
- Sickness
- Accident
- Political unrest
- Business slowdown or failure
- Family problems
- Dowry
- Theft
- Policy of government
10 indicators to assess poverty level

• A member is considered to have moved out of poverty if her family fulfils the following criteria
  – The family lives in a house worth at least TK25,000 or a house with a tin roof, and each member of the family is able to sleep on a bed instead of on the floor.
  – Family members drink pure water of arsenic free tube-wells, boiled water or water purified by using alum, bleaching powder, purifying tablets or pitcher filters
  – All children in the family over six years of age are all going to school or finished primary school.
  – Minimum weekly loan installment of the borrower is Tk 200 or more.
  – Family uses sanitary latrine.
  – Family members have adequate clothing for everyday use, warm clothing for winter and mosquito nets to protect themselves from mosquitoes.
10 indicators to assess poverty level

– Family has sources of additional income, such as vegetable garden, fruit-bearing trees, etc., so that they are able to fall back on these sources of income when they need additional money.

– The borrower maintain an average annual balance of Tk 5000 in her savings accounts.

– Family having no difficulty in having three square meals a day throughout the year, i.e., no member of the family goes hungry any time of the year.

– Family can take care of the health. If any member of the family falls ill, family can afford to take all necessary steps to seek adequate healthcare.