

**MEASURING DEPRIVATION IN
ORDER TO PROMOTE HUMAN
DEVELOPMENT IN SOUTH AFRICA**

**Subjective Poverty
Measures**

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- SPII is a non-profit research and advocacy think-tank, established in 2006, which focuses on generating new information and analysis on the drivers and solutions to poverty and inequality in South Africa and the sub-region.
- Focus on measuring the progressive realisation of socio-economic rights in partnership with the SAHRC, Basic Price Monitoring, work towards the development of a Decent Living Level, and co-ordinating the SADC Basic Income Grant Campaign and the Evaton – based LED Graduation Pilot Project.



- Poverty reduces peoples' innate agency and ability to optimise opportunities, live as active citizens and their ability ultimately to hold people in power to account, which have clear bearings on development in South Africa and the sub-region
- Poverty, inequality and unemployment in South Africa appear to be intransigent legacies of Apartheid, old roots which were never uprooted produce new branches and variables.
- Poverty seen increasingly as multi- dimensional, it goes beyond the money- metric view of poverty.



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- **Three typologies of poverty**
- **Material need – survivalist.** "Don't ask me what poverty is because you have met it outside my house. Look at the house and count the number of holes. Look at my utensils and the clothes that I am wearing. Look at everything and write what you see. What you see is poverty" (Kenya)
- **Economic circumstances – lack of resources.** " You have to have a job. Where are the job opportunities? (Scotland)
- **Social relationships – exclusion, dependency, lack of entitlement.** "Poverty is humiliation, the sense of being dependent on them, and of being forced to accept rudeness, insults and indifference when we seek help"



- **What is Poverty?**
- **Objective and Subjective Approaches.** **Objective** – claimed to be more ‘scientific’ has historic links back to Batson’s Poverty Datum Line of 1938/9.
- Often survivalist, It used to calculate the **least** amount on which a person could survive, thereafter used to determine both poverty / well-being lines and linked to wage negotiations which allowed for generations of wage dampening to absolute survivalist levels, where people survived but were not able to thrive..
- **Subjective** measures speak more to the visceral needs and aspirations of ordinary people. Ignoring this is done at our peril – the Marikana manifest.
- Poverty seen increasingly as multi- dimensional, it goes beyond the money-metric view of poverty. Be careful not to conflate the definition of poverty with the operational measurement of that definition. Need to move towards greater understanding of basic needs and the subjective understanding of well- being.



Income and Expenditure Surveys 2005/6 and 2010/11

Average Annual Household Income:

- 2005/6 R126, 243
- 2010/11 R146, 128
- Average Annual Household Income for HH headed by a **Black African**
- 2005/6: R63 827
- 2010/11 R85, 118



- Average Annual Household Income for HH headed by a **White**, 2005/6 R475 378; 2010/11 R473 081
- Average Annual Household Income for HH headed by a **Male** in 2010/11 R197, 036
- Average Annual Household Income for HH headed by a **Woman** in 2010/11 R86, 582



- **Dimensions of Poverty/ How is Poverty Experienced?**

(What is Poverty? A qualitative reflection of people's experience of Poverty. NALEDI) Pimville, 2006.



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- **Social Exclusion:**
- “I clean the house as my mother used to tell me that is the house is clean then no one will notice poverty. If there is nothing to eat then just go on cleaning”.
- “Basically, poverty can affect your image”. “It is not a question of seeing poverty but rather a question of smelling poverty” – poor people smell bad. “It is hard when you don’t even have a roll-on or body lotion because you don’t work”.
- **Relative poverty:**
- “I also think that the improvement of technology is actually costing us a lot because many things which were luxury are no longer luxury, they have become basic things; cell phones, cars are no longer luxury nowadays, they are basic things”.
- **Autonomy** –poverty translates into a lack of control over your life.
- You have no control over your life, a resignation that you can do nothing but depend on God’s will, and descending in to a dependency on patronage
- “When you are poor, you become a victim of politics because your life depends on politics; your life depends on people who are above you. They tell you how much you will get on the grant and how you will spend it”.



- **Coping mechanisms:**
- “I think the only other way that people use to cope with life is when you find girls living together with their boyfriends because they are trying to survive, they know that they will eat every day. If it’s a young boy, he goes out at night stealing and his mother will say ‘my boy is trying to make a living’. If they don’t have a TV or DVD at his place then he will go out to steal that and come back with it so that his family will look like other families. He steals and robs peoples’ money and gives his mother money to buy grocery.. then the women go out of they don’t stay with men, then they look at their bodies and check if their bodies can do something to buy themselves clothes and eat as well. They even support their families with the money they get from selling their bodies. They say they can’t find work”.
- Constitutional right to social security and social assistance for those unable to support themselves and their families in terms of Section 27(1)(c) of the Constitution. No social assistance available for anybody between the ages of 18 and 59?



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- **Gender:**
- Women headed households experience far greater levels of poverty than male headed households
- “If you are a mother, you will know what poverty is. If there is not enough food, you end up not eating just for the sake of your child, the father just wants food but as a mother you know that your children have to eat”.
- “Other fathers are not able to cope with poverty. They end up not sleeping at home. They don’t want to be unsupportive. You find that the mother is left alone at home looking after the children with no money because the father doesn’t find work”.
- **Causes of poverty:**
- Unemployment – education. “ Previous generations could find jobs just with a standard two. Experience – what good is education, even tertiary education, if you do not have experience. Leads to the need for connections and often, corruption.”



- **Subjective Poverty Measures** – asks people themselves to rate their poverty levels or levels of well-being, rather than developing an ‘expert’-led, ‘scientific’ or ‘objective’ measure
- In general, subjective measures of poverty tend to include more non-money-metric indicators of well-being than objective indicators
- Subjective measures of well-being also tend to include a **relative** component – people rank their well-being in relation to levels of well-being enjoyed by others around them.
- 2008/09 StatsSA Living Conditions Survey also found that the following factors influenced how people rated their well-being:
 - Access to services, land, income, employment, basic needs (housing, food, clothing), poor health.



- **Subjective Poverty Methodologies**
- **Perceived wealth** – asking respondents to identify whether or not they are poor
- Asking respondents to identify the **minimum income levels** that people would need to make ends meet (the ‘Leyden’ approach) – provides greater distance between respondent and interviewer which is felt provides greater protection and hence more honesty
- **The economic ladder** – respondents are asked to rank income and other thresholds (usually 1 to 6, or 1 to 9) and then to identify where their own household falls amongst the ranking



- **Self Perceived Wealth Question used in the LCS:**
- Would you say that your household is at present:
 - Wealthy; very comfortable; reasonably comfortable; just getting along; poor; very poor.
- **Minimum Income Question:**
- Which net household income per month in Rand would be the absolute minimum for your household? That is to say, that you would not be able to make ends meet if you earned less”
- **Income Evaluation Question:**
- Is the total monthly income of your household higher, lower or more or less the same figure?
- **Economic Ladder Question:**
- Please imagine a 9-step ladder where on the bottom, the 1st step, stand the poorest people, and on the highest step, the 9th, stand the rich. On which step would you consider you and your household to be?

- **How did subjective/ objective poverty measures correlate for individuals in the LCS?**
- **Objective Poverty**
- Food Poverty line (R305) 26,3%
- Lower Bound line (R416) 38,9%
- Upper Bound line (R577) 52,3%

- **Subjective Poverty**
- Self perceived wealth Question 39,5%
- Minimum Income Question 56,2%
- Income Evaluation Question 58,6%



- **Beyond Poverty towards constructing a Decent Standard of Living**
- Extending the underlying principle of asking ordinary people – rich and poor – what would constitute a decent standard of living or decent living level, as set out the NDP
- Using well- developed methodologies based on waves of focus groups
- Drawing on learnings of CASASP’s Socially Perceived Necessities, and Loughborough university’s Minimum Household Budgets, construct democratically derived standards of living below which no body should fall
- Moves away from the survivalist concept of poverty linked to the objective poverty lines used in South Africa capable of manipulation
- Bears influence on the issue of the setting of a national minimum wage and social protection systems – raises notion of national inclusion, egalitarianism, bears reference to notions of social protection floors and in line with the Constitution of South Africa.
- This national consensus facilitated the relatively seamless adoption of a NMW in Germany on 1 January 2015