
ASSESSING POVERTY:



A GLIMPSE INTO LIFE IN KALYANPURI

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THE METHOD FOR MEASURING POVERTY

Measuring poverty in a community is a complex task. It requires looking at a situation on many different levels. There are various factors to consider, including generational wealth and social status of a family (and a community as a whole), the physical or legal condition of one's house, education, and current income and employment status to name just a few. When considering how to measure the poverty level in India, I looked for a list of indicators which would best cover the aforementioned issues.

Kalyanpuri, a low income colony in East Delhi on the outskirts of Delhi's city center, is a place that has become very near and dear to me, as this is where I lived with my host family for my first few months in India. To learn more about the economic state of families in my old neighborhood, I decided to interview a small sample of three different families living in Kalyanpuri using two questionnaires to measure poverty:

- The Simple Poverty Score Card for India (Fig. 1)
- The Progress out of Poverty Index (PPI) for India (Fig. 2).



Both questionnaires use an indirect approach to poverty assessment by scoring poverty based on ten verifiable indicators (Schreiner, 2008).

Further Questions

Although both are comprised very similar questions, I felt that the two combined covered common household situations in India. I also felt that it would be good to examine a family's material wealth using more than one survey to see if there would be any similarities or inconsistencies between the two. Along with the two questionnaires on poverty, I also asked a few of my own questions related to their lifestyle and family situation (including the topics of financial decision making, health and sanitation, and utilities) in order to get a more well-rounded understanding of their standard of living. Although I felt debt would be too personal a question to ask these women, I did ask the following questions:

- Who makes the financial decisions in the household?
- What kind of toilet does the family have?
- How many times have you or others in the household been sick in the past year?
- How often can you expect the electricity and/or water to cut off in an average week?

FIGURE 1: A SIMPLE POVERTY SCORE CARD FOR INDIA

Indicator	Value	Points
1.) How many people aged 0 to 17 are in the household?	A. Five or more	0
	B. Four	4
	C. Three	8
	D. Two	13
	E. One	20
	F. None	27
2.) What is the household's principal occupation?	A. Laborers (agricultural, plantation, other farm), hunters, tobacco preparers and tobacco product makers, and other laborers	0
	B. Others	8
	C. Professionals, technicians, clerks, administrators, managers, executives, directors, supervisors, and teachers	14
3.) Is the residence all pucca (burnt bricks, stone, cement, concrete, jackboard/cement-plastered reeds, timber, tiles, galvanised tin or asbestos cement sheets)?	A. No	0
	B. Yes	4
4.) What is the household's primary source of energy for cooking?	A. Firewood and chips, charcoal, or none	0
	B. Others	5
	C. LPG (Liquefied Petroleum Gas)	17
5.) Does the household own a television?	A. No	0
	B. Yes	6
6.) Does the household own a bicycle, scooter, or motor cycle?	A. No	0
	B. Yes	5
7.) Does the household own an almirah/dressing table?	A. No	0
	B. Yes	3
8.) Does the household own a sewing machine?	A. No	0
	B. Yes	6

9.) How many pressure cookers or pressure pans does the household own?	A. None	0
	B. One	6
	C. Two or more	9
10.) How many electric fans does the household own?	A. None	0
	B. One	5
	C. Two or more	9

(Microfinance Risk Management, L.L.C., <http://www.microfinance.com>)

FIGURE 2: INDIA PROGRESS OUT OF POVERTY INDEX (PI): SCORECARD

Indicator	Value	Points
1.) How many household members are 17-years-old or younger?	A. Four or more	0
	B. Three	7
	C. Two	11
	D. One	17
	E. Zero	26
2.) What is the general education level of the male head/spouse?	A. No male head/spouse	0
	B. Not literate, no formal school, or primary or below	0
	C. Middle	3
	D. Secondary or higher secondary	5
	E. Diploma/certificate course, graduate, or postgraduate and above	7
3.) What is the household type?	A. Labour (agricultural, casual, or other)	0
	B. Self-employed (agriculture or non-agriculture), regular wage/salary-earning, or others	5
4.) What is the primary source of energy for cooking?	A. Firewood and chips, dung cake, kerosene, charcoal, coke or coal, gobar gas, or others	0
	B. LPG or electricity	3
	C. No cooking arrangement	9

5.) Does the household possess any casseroles, thermos, or thermoware?	A. No	0
	B. Yes	5
6.) Does the household possess a television and a VCR/VCD/DVD player?	A. No, neither one	0
	B. Yes, only one	4
	C. Yes, both	9
7.) Does the household possess a mobile handset and a telephone instrument (landline)?	A. No, neither one	0
	B. Yes, only a mobile	9
	A. Yes, a landline, regardless of mobile	15
8.) Does the household possess a sewing machine?	A. No	0
	B. Yes	1
9.) Does the household possess an almirah/dressing table?	A. No	0
	B. Yes	5
10.) Does the household possess a bicycle, motorcycle/scooter, or motor car/jeep?	A. No, none	0
	B. Yes, bicycle only, no motorcycle/scooter, or car	1
	C. Motorcycle/scooter, but no car (regardless of bicycle)	13
	D. Motor car/jeep (regardless of others)	18

(This PPI was created in May 2012 based on data from 2009. For more information about the PPI, please visit www.progressoutofpoverty.org.)

The Definition of Household

In order to ensure accuracy in calculating each family's poverty score, I made sure to state what I meant by "household" for each respondent using the USAID's Client Assessment Survey definition to avoid confusion when answering questions about their family:

"A household is a single person, or a group of people who live under the same roof, combine their incomes and assets, and eat from the same pot. Everyone contributes to and benefits from the household. A household member is someone who has lived in the household for at least 3 months over the past 12 months" (USAID, 2006).

ABOUT THE RESPONDENTS

Each respondent and their families that I chose to interview live in my old neighborhood in the eighteenth block of Kalyanpuri. It is a primarily backward caste Hindu area that is made up of both permanent and makeshift homes. The eighteenth block of Kalyanpuri, where my former host family lives, consists of more permanent concrete and brick apartments. Although this specific neighborhood is visibly better off than the destitution of the “tent cities” on the opposite side of the slum, its residents face their own unique set of challenges.

Babita’s Family:

Babita is a mother of four children (ages 7, 12, 14, and 15). She runs a small shop in Kalyanpuri with her husband very close to their home, but her husband is the one who is in charge of making the major financial decisions for the family. The entire family lives in one room, with a small adjacent kitchen and a non-Western squat toilet in a small room outside which empties into the open sewage canal running past their front step and line each side of the street in their community. When asked about health, Babita said that every member of her household has been sick multiple times over the last year. She also said the water and power is guaranteed to cut out at least 3 times a week, though this happens much more frequently in the hottest parts of the summer.

Lalita’s Family:

Lalita (age 18) is a student in a local secondary school and is the second of four children in her family. Both of her parents have jobs in the private sector, but her father is the one who takes the responsibility for making financial decisions for the family. Lalita and her three siblings live with their parents in a one-room upstairs apartment, with a small kitchen and bathing area set up on an open balcony. They also have a non-Western squat toilet on the ground floor of their apartment house that they share with others in the building. Lalita also expressed that illness is a common problem in their household throughout the year and that their utilities cut out multiple times a week.

Radha’s Family:

Radha (age 17) is the third child of seven but the oldest child still living in her mother’s household. She is also a student at a local secondary school and plans to attend college after she passes her exams. When her family came to Delhi a few years ago, her father stayed back in their village in Maharashtra state. (The reason for this living situation was not entirely clear.) Therefore, the mother has been counted as the head of the household in this case and is the one who makes their daily financial decisions. Radha’s mother works in housing construction and is the only one in the household who has a regular job, as all of her children are currently in school. Radha, her mother, and her four younger siblings (ages 15, 14, 12, and 11) share a one-room apartment with a small kitchen attached at the front. The whole family uses the non-Western squat toilet in the apartment upstairs, where the oldest daughter lives. She, too, voiced illness to be a constant problem in their household, especially with their mother, who has been consistently sick for the past few months but cannot afford to take time off from work to rest. Radha’s family also said they expect the water and electricity to cut out multiple times in a week, or even in one day.

Figure 3 shows each woman’s responses to each of the assessment questions about their material wealth.

FIGURE 3: RESIDENTS' RESPONSES

	Babita	<i>Simple Poverty Scorecard Value</i>	<i>PPI Value</i>	Lalita	<i>Simple Poverty Scorecard Value</i>	<i>PPI Value</i>	Radha	<i>Simple Poverty Scorecard Value</i>	<i>PPI Value</i>
Household Members 17 and Under	Four	4	0	One	20	17	Five	0	0
Education Level of Male Household Head	Secondary	N/A	5	Secondary	N/A	5	No Male Household Head	N/A	0
Household Occupation/ Type	Local Shop Owner	8	5	Private Job (Salaried)	14	5	Construction Labor	0	0
Physical Structure of Residence	Brick and Cement	4	N/A	Brick and Cement	4	N/A	Brick and Cement	4	N/A
Energy for Cooking	LPG Stove	17	3	LPG Stove	17	3	LPG Stove	17	3
Casseroles, Thermos, Thermoware	None	N/A	0	None	N/A	0	None	N/A	0
Pressure Cookers	Two	9	N/A	Three	9	N/A	One	6	N/A
Television and/or VCR/DVD Player	Television	6	4	Television	6	4	Television	6	4
Telephone	Only Mobile	N/A	9	Only Mobile	N/A	9	Only Mobile	N/A	9
Almirah/ Dressing Table	One	3	5	None	0	0	One	3	5
Sewing Machine	Yes	6	1	Yes	6	1	No	0	0
Electric Fans	Two	9	N/A	One	5	N/A	Two	9	N/A
Bicycle/ Motorcycle/ Car	Bicycle	5	1	Bicycle	5	1	Bicycle	5	1
Total:		71	33		86	45		50	22

ISSUES WITH MEASURING POVERTY

Although wealth is a helpful indicator of a household's socioeconomic status, it does not tell the full story of a family's standard of living. The issue of poverty is more complex than a brief questionnaire about material goods can measure. Issues such as who decides how money is spent, how that money is spent (for example, buying drugs and alcohol instead of basic necessities), how much debt a family has, and a variety of other factors can make or break a family. Accessibility and consistency of basic goods and services such as medicine and healthcare, sanitation facilities and services, and utilities also have an impact on a family's overall well-being. In places like India, contracting a simple, easily treatable sickness has the potential to impact long-term life chances for an individual and his or her family. The need to work and provide for the family often takes precedence over one's own personal health, causing illnesses to progress to the point of no recovery.

Overlooking important social factors is not the only issue that comes with using a simple questionnaire to measure poverty. It is also important to note that assessment tools such as the Simple Poverty Scorecard for India and the PPI Scorecard, while helpful and easy to use, may actually be too basic and therefore not entirely accurate. When tallying each of the respondents' poverty scores, there seemed to be inconsistencies between the two measurement systems.

- **Babita's score** of 71 on the Simple Poverty Scorecard for India showed a 1.5% likelihood of her household living below India's national Tendulkar poverty line, whereas her total of 33 from the PPI Scorecard proposed that her family had a 23.5% likelihood of living below the poverty line.
- Likewise, **Lalita's score** of 86 from the Simple Scorecard reflected that her family had a 1.2% likelihood of living below the national poverty line, but her PPI total of 45 proposed a likelihood of 5.5%.
- **Radha's score** also showed some distortion, as her household's total of 50 on the Simple Scorecard predicted a 5.1% likelihood of being under the poverty line and their score of 22 on the PPI Scorecard generated a 42.1% likelihood.

The most recent Simple Poverty Scorecard for India used here is based on the Rounds 62 and 60 versions, whereas the related but more updated PPI Scorecard uses the Round 66 draft. This most likely makes the PPI Scorecard a more accurate tool for measuring poverty scores based on current data.

Looking back, I think it would have been beneficial to ask the families I interviewed more about their current financial state apart from what could be measured by material items. In the future, I would have liked to ask interviewees about whether or not they had built up savings, as well as what they were planning to do with their savings. I would have also liked to have asked if they had any debt or if they receive any kind of government aid due to their level of poverty, but I felt this would be too sensitive of a subject to bring up with people with whom I do not have an extremely close relationship. Nevertheless, I see both of these as being key when examining a family or community's level of poverty. Another thing I would like to learn more about in the future is trends in education, as increased educational attainment across generations may be an indicator that can be used to predict future economic uplift. Such questions make the process of assessing poverty more complex, but it will also produce a more complete and accurate way of understanding the poverty of specific household and whole communities.

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