

Measuring standard of living

Lessons from a recent French survey

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Defining poverty

1 – Definitions based on the means :

- Monetary approach
- Functionings, capabilities

2 – Definitions based on the final states

- Utility, subjective poverty
- Deprivations

Measuring Poverty in Living Conditions

- Deprivation = an item that the person wants but cannot afford.
- If enough deprivations → the person is poor

The major problem

Which items should we consider ?

Three ways to select items :

- Experts' opinion
- Control by the frequency
- Control by the consensus

A “consensus survey” :
the 1999 Poverty and Social Exclusion Survey (PSE)

- 1855 persons asked about the “necessities” in a list of items.

Box A : items which you think are necessary, which all adults (resp. child) should be able to afford and which they should not have to do without.

Box B : items which may be desirable but are not necessary.

- The adult list (54 items), the children list (30 items)

A “consensus survey” :
the 1999 Poverty and Social Exclusion Survey (PSE)

- ‘Consensus on the item’ = chosen by more than 50%.
- Results :
 - consensus on basic needs, but also on “social customs, obligation, activities”.
 - higher consensus on children items

Table 1: Perception of adult necessities and how many people lack them (All figures show % of adult population)

	Omnibus survey: Items considered	
	Necessary	Not necessary
Beds and bedding for everyone	95	4
Heating to warm living areas of the home	94	5
Damp-free home	93	6
Visiting friends or family in hospital	92	7
Two meals a day	91	9
Medicines prescribed by doctor	90	9
Refrigerator	89	11
Fresh fruit and vegetables daily	86	13
Warm, waterproof coat	85	14
Replace or repair broken electrical goods	85	14
Visits to friends or family	84	15
Celebrations on special occasions such as Christmas	83	16
Money to keep home in a decent state of decoration	82	17
Visits to school, e.g. sports day	81	17
Attending weddings, funerals	80	19
Meat, fish or vegetarian equivalent every other day	79	19

Table 1: Perception of adult necessities and how many people lack them (All figures show % of adult population)

	Omnibus survey: Items considered	
	Necessary	Not necessary
Regular savings (of £10 per month) for rainy days or retirement	66	32
Two pairs of all-weather shoes	64	34
Friends or family round for a meal	64	34
A small amount of money to spend on self weekly not on family	59	39
Television	56	43
Roast joint/vegetarian equivalent once a week	56	41
Presents for friends/ family once a year	56	42
A holiday away from home once a year not with relatives	55	43
Replace worn-out furniture	54	43
Dictionary	53	44
An outfit for social occasions	51	46
New, not second-hand, clothes	48	49
Attending place of worship	42	55
Car	38	59

Source : D. Gordon et al., (2000), *Poverty and Social Exclusion in Britain*, Joseph Rowntree Foundation

The Goskomstat survey (2003)

- 3500 persons. As in the PSE, a list of items
- but a different question : “which are the deprivations that are a signal of poverty/extreme poverty ?”

Table 2 : What are the items which signal poverty

<i>Not enough money to</i>	Poverty	Extreme poverty
Have a meal with meat , fish or chicken more than once a week	88	37
Have fresh fruits in summer	90	52
Buy new clothes for winter every five years	88	39
Buy clothes at the right size as children grow up	94	54
Have a TV	91	47
Have a videotape recorder	37	11
Have a refrigerator	94	49
Pay on time the rent, the gas/ electricity bill	94	44
Have running water at home	82	30

Source : L.M. Prokofyeva (2004), "Description of Non-Monetary Poverty Variables to Be Included in the HBS Questionnaire", working paper.

Two protocols

- PSE : the normative point of view
- Goskomstat : the constative point of view

- Does it really make a difference ? Which protocol should be chosen ?

The SDV survey (2006)

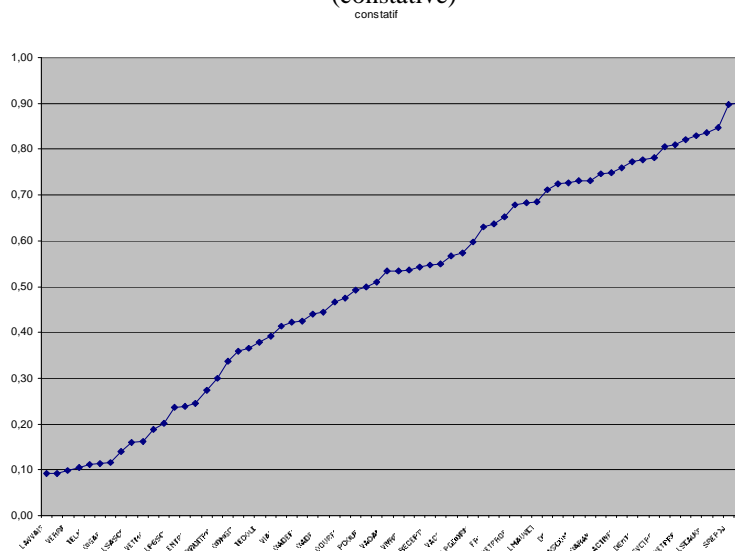
- About 6 000 respondents. Asked about a list of 66 items (food, housing, durables, leisure, education, clothing, neighbourhood, health)

- Two protocols : “Do you consider that to be deprived of [*item*] is..”
 - “... a sign of poverty” (constative)
 - “...not acceptable and that something should be done to help” (normative)

Basic results

- No clear cut-off
- The two protocols coincide largely
- A clear consensus in favour of the basic needs only (a roof, a meal, clothes, healthcare)
- A consensus against “new” products (DVD or computer) and “immoral” goods (alcohol, tobacco).
- No consensus on social life, on educational items
- Children and adults are treated alike.

Citation rates of the 66 items in ascending order
(constative)



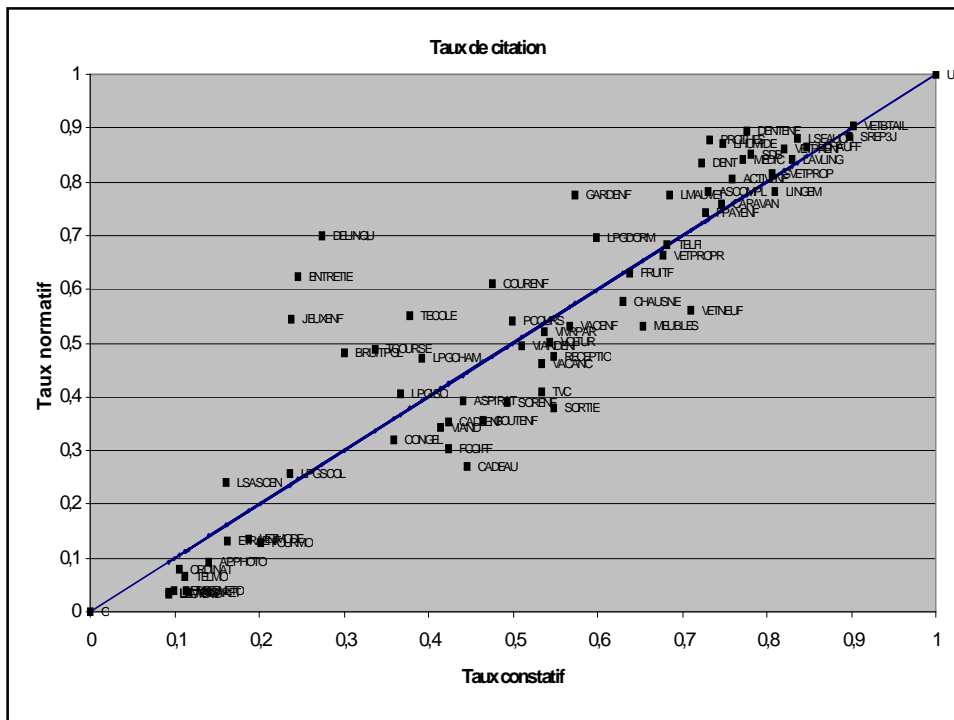


Table 1 : Item citation rates, in the two procedures

ITEM	Normative	Constatif	ITEM	Normative	Constatif	ITEM	Normative	Constatif
DVD	0,03	0,09	ROOMALONE	0,40	0,37	BEDROOM	0,70	0,60
CIGARET	0,04	0,12	TV	0,41	0,53	CRIME	0,70	0,27
DISHWASH	0,04	0,09	HOLIDAY	0,46	0,53	FRUITKID	0,74	0,73
DRINK	0,04	0,10	SHAREROOM	0,47	0,39	CARAVAN	0,76	0,75
MAGNETO	0,04	0,11	RECEIVE	0,48	0,55	HOMBADSTATE	0,78	0,69
MOBILE	0,07	0,11	NOISEPOLL	0,48	0,30	CHILDCARE	0,78	0,57
COMPUTER	0,08	0,11	SHOPSFAR	0,49	0,34	MEDINSURCE	0,78	0,73
CAMERA	0,09	0,14	MEATKID	0,49	0,51	LINEN	0,78	0,81
MICROWAVE	0,13	0,20	CAR	0,50	0,54	SCHOOLOUT	0,80	0,76
KIDSBICAD	0,13	0,16	LIVEPARENTS	0,52	0,54	UNDERWEAR	0,82	0,81
FASHION	0,14	0,19	HOLIDAYKID	0,53	0,57	DENTIST	0,84	0,72
NOLIFT	0,24	0,16	FURNITURE	0,53	0,65	DRUGS	0,84	0,77
RECOMPUTIVE	0,26	0,24	DRIVETESSON	0,54	0,50	WASHNGM	0,84	0,83
PRESENT	0,27	0,45	PLAYGROUNU	0,54	0,24	BATHROOM	0,85	0,78
HAIRDRESS	0,30	0,42	SCHOOLFAR	0,55	0,38	KIDCLOTH	0,86	0,82
DEEFPREEZE	0,32	0,36	NEWCLOTHES	0,56	0,71	HEATING	0,86	0,85
MEAT	0,34	0,41	NEWSHOES	0,58	0,63	DAMPHOME	0,87	0,75
PRESENTKID	0,35	0,42	LIPSONKID	0,61	0,47	PROTHES	0,88	0,73
PARTYKID	0,36	0,47	NEIGHBORH	0,62	0,25	HOTWATER	0,88	0,84
EVEOUT	0,38	0,55	FRUIT	0,63	0,64	NOMEAL3D	0,89	0,90
OUTINGKID	0,39	0,49	CLEANCLOTH	0,66	0,68	KIDENTIST	0,89	0,78
VACUUM	0,39	0,44	TELEPHONE	0,68	0,68	RIGHTSIZE	0,90	0,90

How fare the existing deprivation lists ?

Table 5 : INSEE PLC indicators and the consensus.

		Normative	Constatative
III	CONSUMPTION	Frequency	Frequency
	<i>Cannot afford...</i>		
C-1	To keep the home at a good temperature - HEATING	86	85
C-2	To go on holiday one week each year - HOLIDAY	46	53
C-3	To replace furniture - FURNITURE	53	65
C-4	To buy new clothes - NEWCLOTHES	56	71
C-5	To eat meat every other day - MEAT	34	41
C-6	To receive friends of parents - RECEIVE	48	55
C-7	To give presents - PRESENT	27	45
C-8	To own 2 pairs of shoes - NEWSHOES	58	63
C-9	A full meal every during the last two weeks - NOMEAL3D	89	90
IV	HOUSING		
H-1	Overcrowding - ROOMALONE	37	40
H-2	No bathroom inside the home - BATHROOM	85	78

PSE and SDV : A Comparison

Table 2 : SDV and PSE - Common items (%)

Standards de vie 2006			Poverty and Social Exclusion 1999	
Item	Normative	Constatative	Item	
DISHWASH	4	9	<i>Dishwasher</i>	7
MOBILE	7	11	<i>Mobile phone</i>	7
COMPUTER	8	11	<i>Computer</i>	11
VIDEOREC	4	11	<i>Video recorder</i>	19
DRINK	4	10	<i>Going to the pub once a fortnight</i>	20
MICROWAV	13	20	<i>Microwave</i>	23
EVEOUT	38	55	<i>An evening out once a fortnight</i>	37
CAR	50	54	<i>Car</i>	38
NEWCLOTH	56	71	<i>New clothes</i>	48
FASHION	14	19	<i>An outfit for social occasions</i>	51
FURNITURE	53	65	<i>Furniture</i>	54
HOLIDAY	46	53	<i>A holiday away from home once a year not with relatives</i>	55
PRESENT	27	45	<i>Presents for friends/family once a year</i>	56
TV	41	53	<i>TV</i>	56

PSE and SDV (continued)

Table 2: SDV and PSE - Common items (%)

MEAT	34	41	Roast joint/vegetarian equivalent once a week	56
NEWSHOES	58	63	Newshoes	64
RECEIVE	48	55	Friends or family round for a meal	64
DEEFPREEZE	32	36	Deep freezer	68
NEWCLOTH	56	71	Appropriate clothes for job interviews	69
TELEPHONE	68	68	Telephone	71
WASHINGM	84	83	Washing machine	76
HOMBADSTATE	78	69	Money to keep home in a decent state of decoration	82
FRUIT	63	64	Fresh fruit and vegetables daily	86
DRUGS	84	77	medical drugs	90
NOMEAL3D	89	90	Two meals a day	91
DAMPHOME	87	75	Damp home	93
HEATING	86	85	Heating to warm living areas of the home	94
LINEN	78	81	Beds and bedding for everyone	95

What does the consensus mean in SDV ?

A basket of majority items is not a majority basket.

