

QUANTITATIVE AND QUALITATIVE METHODS FOR POVERTY ANALYSIS

Poverty and Well-being

- The evolution of the meaning and measurement of poverty and wellbeing has been closely entwined with the evolution of development economics and its relationship with (or within) development studies.

- The new result-based development discourse exemplified in the United Nations Millennium Development Goals (MDGs) and poverty reduction strategy papers (PRSP) process and participatory poverty assessment (PPA), have all meant that the prospects for a truer **assessment of the well-being of the world's population have never been so good.**

- The new found popularity of well-being measurement and results-led policy versus the severe limitations of the existing databank; the continuing dominance of economic or money-metric (especially the dollar-a-day) proxies given the widespread acceptance of poverty as multi-dimensional; the value of local and subjective definitions of well-being versus the inter-comparability of universal definitions.
- The fact that **who is identified as ‘poor’ and how many ‘poor’ people** there are so critically dependent on the *choice of indicator*.

- Over the last 50 years, the debate on this subject has moved from wellbeing as economically determined to broader conceptualizations of poverty, from considering the 'means' of well-being to analysing the 'ends', from identifying 'needs' to identifying 'rights'.

- In each decade the evolution of the meaning and measurement of poverty and wellbeing has also closely reflected the position of (development) economics within development studies .
- In the 1950s, economic growth dominated. Well-being was assumed to be improving if there was growth, because that growth would eventually reduce any poverty by a mechanistic trickledown effect.

Table 1
Evolution of the dominant meaning and measurement of well-being 1950s-2000s

Period	Meaning of well-being	Measurement of well-being
1950s	Economic well-being	GDP growth
1960s	Economic well-being	GDP per capita growth
1970s	Basic needs	GDP per capita growth + basic goods
1980s	Economic well-being	GDP per capita but rise of non-monetary factors
1990s	Human development/capabilities	Human Development and sustainability
2000s	Universal rights, livelihoods, freedom	The MDGs and 'new' areas: risk and empowerment

Note: MDGs = Millennium Development Goals

- Increased attention paid to the blight poverty leaves on society places an onus on researchers to generate relevant, accurate and timely analysis of the nature and causes of persistent poverty.
- Policy makers and donors need to know who are the poor, how large are their numbers, how deep is their poverty, and where they can be found.

- One of the ‘oppositions’ between economics and other social sciences is that between quantitative and qualitative approaches.
- Noneconomic social sciences can and do utilise quantitative techniques (and economists qualitative ones).

- There is a perception amongst economists that quantitative techniques provide more 'rigour' than qualitative techniques.

- The quantitative approach to poverty measurement and analysis is defined here as one that typically uses random sample surveys and structured interviews to collect the data and analyzes it using statistical techniques.

- The qualitative approach is defined as one that typically uses purposive sampling and semi-structured or interactive interviews to collect the data -- mainly, data relating to people's judgements, attitudes, preferences, priorities, and/or perceptions about a subject -- and analyzes it usually through sociological or anthropological research techniques.
- In the United States, contemporary anthropology is typically divided into four sub-fields: cultural anthropology (also called "social anthropology"), archaeology, linguistic anthropology, and physical (or biological) anthropology

Common Cultural Anthropological Research Methods:

- **Participant observation:** living within a given culture for an extended period of time, to take part in its daily life in all its richness and diversity
- **Cross-cultural Comparison:** uses field data from many [societies](#) to examine the scope of [human behavior](#) and test hypotheses about human behavior and culture.
- **Survey research:** any measurement procedures that involve asking questions of respondents
- **Interviews:**
- **Historical analysis:** Observing and analyzing changes over time is essential to understanding why a contemporary text is the way it is

The main differences between the two approaches

- The quantitative approach typically defines poverty in terms of income or consumption although other measures (e.g., access to basic social services, nutritional status, literacy rates) are also often included.
- Income and consumption are used because they are either seen as "ends" in themselves or because they are considered to be sufficiently well-correlated with other welfare indicators(e.g., literacy, nutritional status) to suffice by themselves.

- Consumption is generally preferred over income under the quantitative approach. This is because:
- (i) consumption is more accurately recorded for households that may have diverse sources of income and for which the net income from several activities may not be known.
- (ii) income may fluctuate widely from period to period whereas consumption will be smoothed.

- The best unit of analysis is the "individual" -- rather than the "household" which is typically used in quantitative surveys. Households differ in size and composition, and so a simple comparison of aggregate household consumption could be quite misleading about the well-being of individual members of a given household.

- There are non-income consumption items that have to be taken into account, the major items being consumption of own produce and the use of social services.

- There are two important issues with respect to drawing the poverty line under the quantitative approach: the choice between an absolute and relative poverty criterion; and choosing the location of the line.
- The absolute poverty line is commonly drawn based on the cost of meeting some calorie requirement and perhaps adding an allowance for other essentials.

- Relative poverty refers to the position of an individual or household compared with the average income in the country, such as a poverty line set at one-half of the mean income, or at the 40th percentile of the distribution. Relative poverty lines will vary with the level of average income.
- Notions of absolute poverty whereby the poverty line does not vary with overall living standards -- appear to be relevant to low income countries while relative poverty is of more relevance to high income countries.

- The definition of poverty typically adopted under the qualitative approach involves a broader conception of poverty and deprivation than does the definition typically adopted under the quantitative approach.
- The qualitative approach defines poverty so as to capture the processes and interactions between social, cultural, political, and economic factors.
- It includes a wider range of factors such as vulnerability, isolation, powerlessness, survival, personal dignity, security, self-respect, basic needs, and ownership of assets than does the definition of poverty under the quantitative approach

QUANTITATIVE METHOD

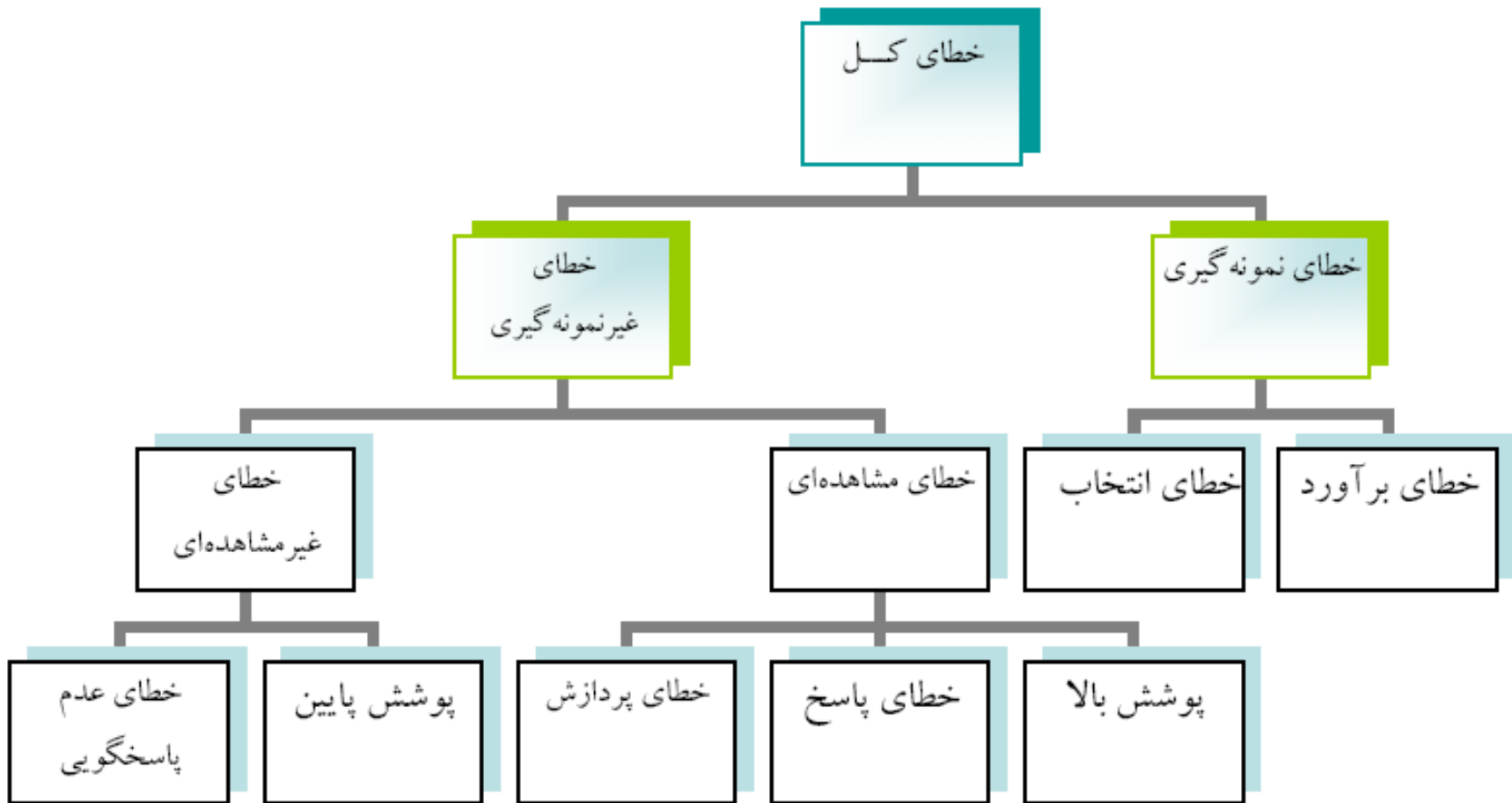
1. The information base comes from statistically representative income/ expenditure type household surveys (which may also have a wide range of modules covering other aspects of well-being and activity).
2. The questionnaire in these surveys is of a 'fixed response' type, with little scope for unstructured discussion on the issues.
3. Statistical/econometric analysis is carried out to investigate and test causality.
4. 'Neoclassical homo-economics' theorizing underlies the development of hypotheses, interpretation of results, and understanding of causality.

QUALITATIVE METHOD

1. Unstructured interviews, the outcomes from which are then analysed with textual analysis methods.
2. Related to the above, use of interviews to develop 'life histories' of individuals.
3. Participatory Poverty Analysis, where a community as a whole is helped to discuss, to define, and to identify poverty.
4. Ethnography, involving immersion of the analyst into the community in question over a significant length of time to get a deeper understanding of the context.
5. Related to all of the above, anthropological and sociological theorizing to understand results and discuss causality.

Characteristics	Quantitative Approach	Qualitative Approach
Definition of Poverty	People considered poor if their standard of living falls below the poverty line, i.e., the amount of income (or consumption) associated with the minimum acceptable level of nutrition and other necessities of everyday life	Poor people define what poverty means, broader definition of deprivation resulting from a range of factors (not simply lack of income/consumption) adopted
Philosophical underpinning	Positivist paradigm: existence of one reality (Chung 1996)	Rejection of the positivist paradigm: there are multiple forms of reality and, therefore, it is senseless to try to identify only one (Chung 1996)
Determination of poverty	Determination by external surveyors	Determination through an interactive internal-external process involving facilitator and participants
Nature of variables for which data is collected	Quantifiable, e.g., household expenditures on food, unemployment rate	Perception variables reflecting attitudes, preferences, and priorities (see Moser, 1996); the number of similar responses with respect to each variable can be numerically added-up, but the variables themselves cannot be quantified
Interview format	Structured, formal, pre-designed questionnaire	Open-ended, semi-structured, interactive

Characteristics	Quantitative Approach	Qualitative Approach
Interview format	Structured, formal, pre-designed questionnaire	Open-ended, semi-structured, interactive
Sampling	Probability sampling	Purposive sampling
Sampling error	Less sampling error but prone to more non-sampling error	More sampling error but tends to reduce non-sampling error
Sample size	2000-8000 households (Living Standards Measurement Survey, LSMS: 2000-5000 households)	1-1000 individuals or communities
Geographic Coverage	Wide: typically, national	Small: typically, a few regions, or selected communities



Sampling

- The quantitative approach relies on probability sampling.

Types of Probability Sampling	Definitions
Random Sampling	A sampling technique in which each and every unit of the population has an equal chance of being selected in the sample.
Stratified Random Sampling	A sampling technique that divides the population into different groups or classes called strata and draws a sample from each stratum at random.
Systematic Random Sampling	A sampling technique that selects one unit at random and then selects additional units at evenly-spaced intervals until the desired sample size has been reached.

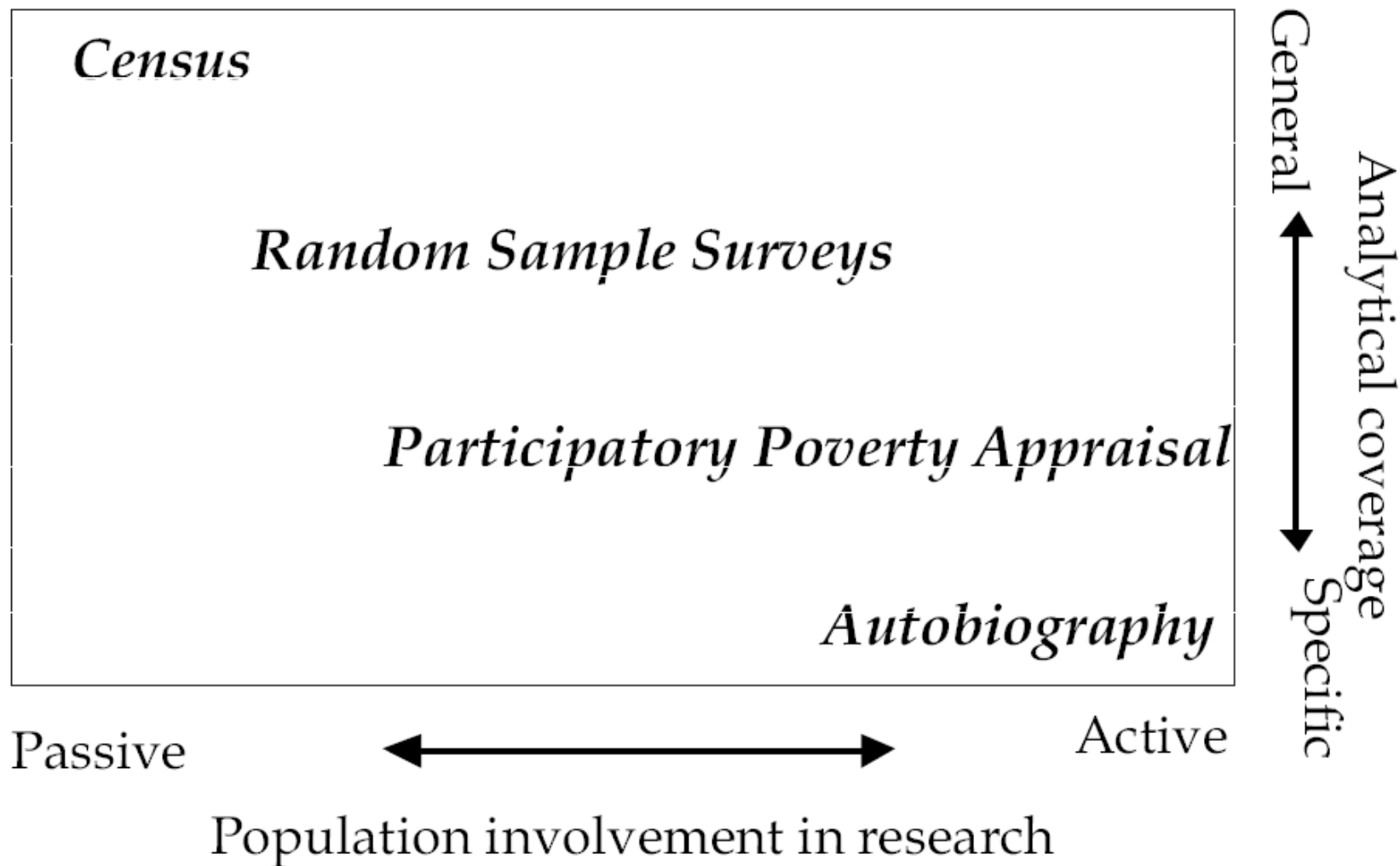
- Qualitative research generally uses very different forms of sampling than used under the quantitative approach.
- The philosophy underpinning the definition of poverty in the qualitative approach typically leads it to focus in-depth on relatively small samples, even single cases, selected *purposefully on the assumption that a great deal can be learnt about issues of concern from the detailed study of a few information-rich cases.*
- In purposive (or non-probability) sampling, the expertise of key informants and specialists is used to select poor people or field sites for in-depth study.

Types of Non-Probability Sampling	Definitions
Accidental Sampling	Sampling is accidental when a person is sampled by accident because she or he happens to be available, or because she or he arrives at your doorstep and wants to talk. In a study in Indonesia, two teenagers came to the house of a study team and asked permission to speak. They proceeded to tell the team a bizarre story about why the hydraulic ram at a particular spring did not work. On checking this story with others in the community, the researchers found that, after initial denials, people acknowledged its accuracy and further elaborated upon the situation.
Snowballing	A sampling technique that involves asking a key informant to name other people who should be contacted by the investigator in order to understand some aspects of a situation under study.
Common sense sampling	A sampling technique that includes a range of people or a variety of different situations in the study sample with the basic aim of avoiding error through a bias in the sample by ensuring sufficient diversity.
Quota or proportionate sampling	A quota or proportionate sample is chosen to reflect the distribution of different socio-economic groups based on the relative distribution of these groups in the population.

Data Collection Methods

- The varying definitions of poverty under the quantitative and the qualitative approach have implications for how poverty data is collected and analyzed under the two approaches. Under the quantitative approach, the enumerator is always invariably an outsider whose main role is to "extract" information. Quantitative surveys are administered using pre-designed questionnaires with well defined (rather than open-ended) questions. The answers of each respondent are recorded by the external enumerator. Once the survey has been administered on all households in the sample, the resulting data are encoded into data files and then processed to produce the final statistical product as, for example, in the case of agricultural production figures for the national accounts.

Figure 3.1: Differences according to data collection method



WHAT ARE WELLBEING AND ILLBEING

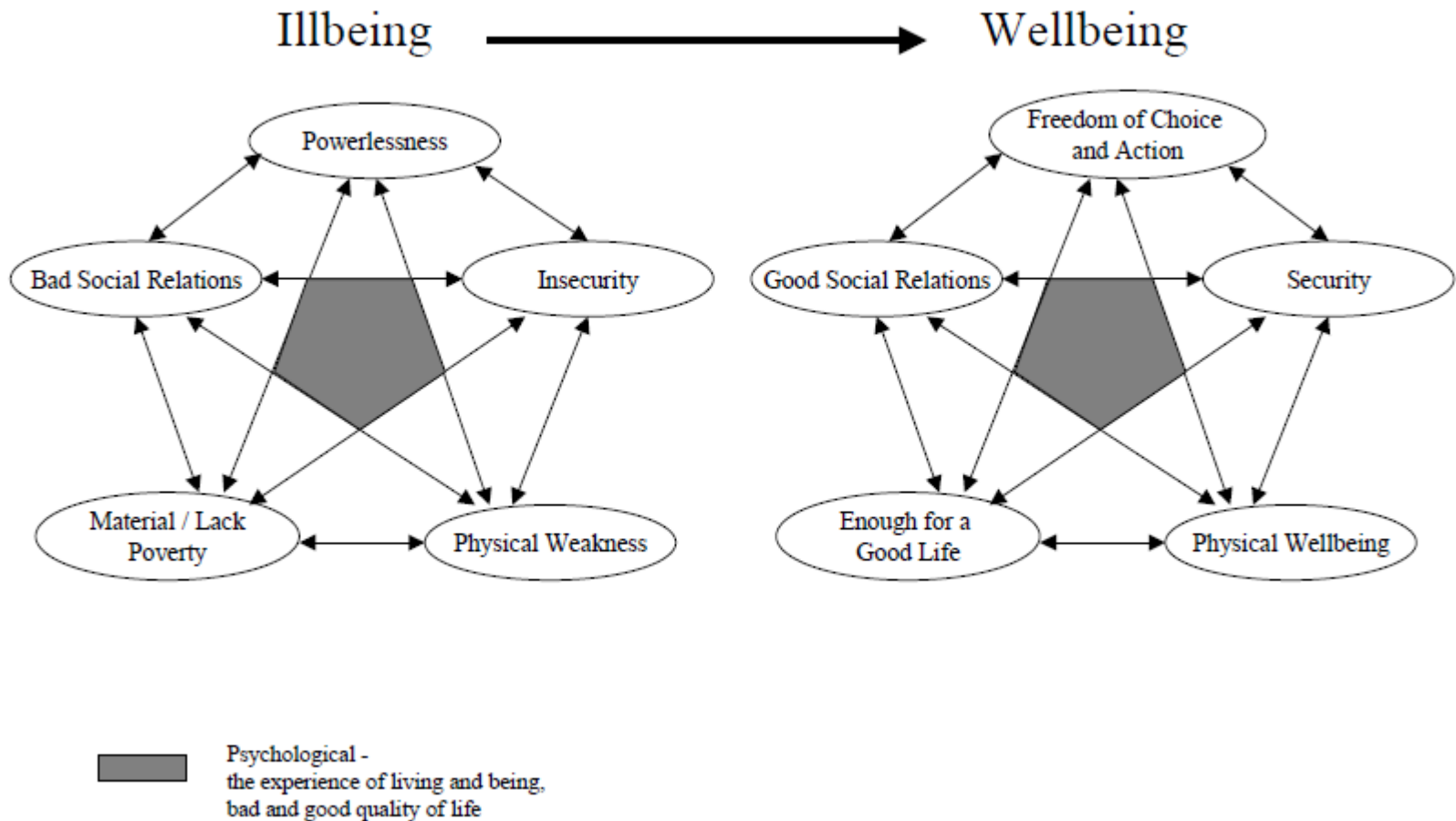
- ***Voices of the Poor*** consists of three books which bring together the experiences of over 60,000 poor women and men. The first book ***Can Anyone Hear Us?*** gathers the voices of over 40,000 poor women and men in 50 countries from the World Bank's participatory poverty assessments; the second book, ***Crying Out for Change*** draws material from a new 23 country comparative study. The final book, ***From Many Lands*** offers regional patterns and country case studies.

- *Being well means not to worry about your children, to know that they have settled down; to have a house and livestock and not to wake up at night when the dog starts barking; to know that you can sell your output; to sit and chat with friends and neighbors. A middle aged man in Bulgaria.*
- *A better life for me is to be healthy, peaceful and to live in love without hunger. Love is more than anything. Money has no value in the absence of love. A poor older woman, Ethiopia.*

- The global *Consultations with the Poor* is unique in two respects. It is the first large scale comparative research effort using participatory methods to focus on the voices of the poor. It is also the first time that the World Development Report is drawing on participatory research in a systematic fashion.

Wellbeing was variously expressed as happiness, harmony, peace, freedom from anxiety, and peace of mind. In Russia, people said, “Wellbeing is a life free from daily worries about lack of money”; in Bangladesh, “to have a life free from anxiety”; in Brazil, quality of life is “not having to go through so many rough spots” and “when there is cohesion, no quarrels, no hard feelings, happiness, in peace with life”; in Nigeria, “wellbeing is found in those that have peace of mind, living peacefully”;

- In Bolivia, “quality of life is high when you have a family, to feel supported and understood. You can have money but without a family it’s worth nothing”; in Thailand, livelihood was simply defined as “happiness”; “It is to be filled with joy and happy. It is found in peace and harmony in the mind and in the community.”



Development as good change - from illbeing to wellbeing

Material Wellbeing

- *A livelihood that will let you live. Ecuador.*
- *We eat when we have, we sleep when we don't. Ethiopia.*

**lack of food, shelter, clothing, poor housing and
uncertain livelihood sources**

Physical Wellbeing

- *My children were hungry and I told them the rice is cooking, until they fell asleep from hunger. An older man, Egypt.*
- *Transporters are not willing to ferry very sick people[for fear of them] of dying in the vehicle. Musanya village, Zambia.*

Physical wellbeing was described mainly in terms of health, strength and appearance. Health and physical wellbeing are of value in themselves. But for poor people a strong body was seen as a crucial precondition for being able to work.

Security

- *Security is knowing what tomorrow will bring and how we will get food tomorrow. Bulgaria.*
- *There is no control over anything, at any hour a gun could go off, especially at night. A poor woman in Brazil.*
- *Everyday I am afraid of the next. Russia.*
- *Among all the wellbeing criteria, peace is the most important. Kyrgyz Republic*

Freedom of Choice And Action

- *The rich is the one who says: “I am going to do it” and does it. The poor, in contrast, do not fulfill their wishes or develop their capacities.” A poor woman in Brazil.*
- *Poverty is “like living in jail, living under bondage, waiting to be free.” A young woman in Jamaica.*
- *To be poor is to mean to live from day to day, you have no money, no hope. Bulgaria.*

Powerlessness was articulated by them as the inability to control what happens to one because of poverty.

Social Wellbeing

- *To be well means to see your grandchildren happy, well dressed and to know that your children have settled down; to be able to give them food and money whenever they come to see you, and not ask them for help and money. Old woman, Bulgaria.*
- *There are houses that never open. People who are deprived or excluded do not have the material means to live with the rest of the population. Egypt.*
- *It is neither leprosy nor poverty which kills the leper, but loneliness. Ghana.*
- *It is more worthwhile to bring up our children in a proper manner than to bring all those riches from abroad. What is the point in going abroad and sending money to build a house if the entire family life is destroyed in the process ? Kehelpannala, Sri Lanka.*

- Social wellbeing was defined as good relations within the family and the community
- The *stigma of poverty was a recurring theme. Many participants spoke of how their poverty prevented them from participating fully in society.*

Three main conclusions:

1- Experiences of wellbeing and illbeing are multidimensional and interwoven, with the psychological dimension of paramount importance.

The experiences are affected by combinations of five sets of conditions: material, physical, and social wellbeing, all three related to security, and concerning personal freedom of choice and action. Illness, especially catastrophic illness, stands out as a trigger for the downward slide into poverty.

2- poor people do not feel they have benefited from the massive political and economic changes and restructuring around the world; to the contrary, they often feel they have been penalized.

3- Many of the changes needed to transform the quality of life of poor people for the better appear within reasonable range.