

POVERTY ALLEVIATION : DIMENSIONS AND APPROACHES

*Meenakshi Gupta and Manoj Kumar**

Attempts to alleviate poverty have a long history. Often the reasons for partial success of these attempts include inappropriate anti-poverty measures, weak administrative structure, antithetical socio-political set up, etc. But the meaning of poverty is vital for measurement and alleviation of poverty. Hence, this brief paper compares four main approaches to poverty and their adequacy to act as starting point for a poverty alleviation programme/policy.

I. INTRODUCTION

Poverty is one of the most crucial problems being faced by the mankind. A quarter of world's population lives in a state of poverty even today and has little access to resources that may improve the living standards. The incidence of poverty varies across countries and over a period of time. During the last 50 years many countries such as South Korea, Taiwan, etc., have been able to get out of the poverty trap. But many countries in South Asia and Sub-Saharan Africa have not been so fortunate.

The efforts to deal with this malaise continue. In fact, attempts to alleviate poverty have a long history. But to deal with this gigantic problem it is essential to understand what is meant by poverty and how to identify the poor. Different people have different meanings attached to poverty. Words like destitution, ill-being, powerlessness and vulnerability, etc., are used interchangeably along with poverty and distinctions have become blurred (Baulch, 1996). The meaning of poverty is

the key to measurement of poverty as well as poverty reduction policies.

The concept of poverty and its measurement has undergone a considerable change in the last few decades. In 1954, an expert group within the United Nations suggested that measurement of well-being should be based on several different components rather than one (Erikson, 1993). This was a clear indication of awareness of importance of supplementing monetary criteria with more qualitative measures of poverty. Chambers (1983 and 1988) and others gave up the search for a unique simple or composite index of poverty and turned to alternative approaches which recognise the complex, multidimensional and integrated nature of poverty.

Recently, Shaffer (1996) has divided the various approaches into two categories. First, the income/consumption approach — the oldest one — defines poverty in terms of basic needs, i.e. deprivation resulting from inadequate command over commodities proxied by income or consumption

* Senior Deputy Accountant General, Meghalaya, India; and Senior Lecturer, Department of Commerce, Shri Ram College of Commerce, University of Delhi, Delhi, respectively.

levels. The second approach rests on a broader definition of deprivation resulting from a much broader range of factors including income and non-income sources, entitlements, social relations of production, reproduction and exchange, sources of security and autonomy, etc.

This paper starts with detailed analysis of income/consumption approach along with its criticisms (Section II). From the second category of wider-deprivation based approaches, three theories will be discussed, namely Sen's (1981 and 1985) entitlements and capabilities approach, Chambers' (1983) Deprivation Trap and Doyal and Gough's (1991) Human Needs theory. Sen has provided an absolutely new focus on the problems of poverty by linking it to endowments, entitlements and capabilities (Section III). Deprivation Trap approach suggested by Chambers (1983) captures the integrated nature of different dimensions of poverty (Section IV). The Human Needs theory (Doyal and Gough, 1991) recognises universality of needs and uses need-satisfaction as an indicator of well-being or lack of it (Section V). Finally, Section VI sums up and concludes that the social indicator approach or human needs model appears to be the most suitable for policy makers.

II. INCOME-CONSUMPTION APPROACH

Standard definitions of poverty in terms of income and consumption date back to Booth's (1892) and Rowntree's (1901) works. Rowntree (1901) defined families as being in primary poverty if their total earnings were insufficient to obtain the minimum necessities. In income/consumption approach, well-being is defined in terms of physical needs and proxied by income or consumption only. The approach has been used very widely both at national

and international levels by policy makers and academicians alike as (i) it is a convenient beginning point for understanding poverty, particularly incidence of poverty (head count); (ii) information/data on income/consumption is available because of extensive household surveys conducted by nearly all countries; (iii) defining income or consumption is relatively easier as compared to defining wider notions of deprivation like powerlessness or vulnerability. Most of the income/consumption based concepts of poverty start with a nutrition based biological approach in terms of minimum calorie intake. Though it covers only one aspect of poverty, yet that is the most important facet of deprivation.

The income/consumption approach has been criticised for paying insufficient attention to common property resources (Jodha, 1986), state provided commodities (Kabeer, 1989), and vulnerability (Maxwell and Smith 1993). Sen (1981) criticised nutrition based approach as nutritional requirements are difficult to define precisely, given the diverse physical features, climatic conditions and work habits. Further, translation of minimum nutrition requirements into minimum food requirements depends on the choice of the commodities. For, non-food items requirements are not easy to specify. Kabeer (1989) criticised this approach for not representing the systematic bias in access to consumption resources particularly against the women, children and old. This approach does not recognise the heterogeneity of the poor or the causal process which leads people to fall below the poverty line (Baulch, 1996).

This is not to suggest that biological approach should be abandoned altogether. As Sen (1981) pointed out, the concept of nutritional requirements is rather loose one but there is no reason that the concept of poverty should be clear cut. He further

advocated that ambiguities associated with the concept should be captured in the formulation and not eliminated (Sen, 1993).

III. ENTITLEMENTS AND CAPABILITIES APPROACH

Poverty is a matter of deprivation (Sen, 1981). To understand poverty, one needs to look at both the ownership patterns and exchange entitlements and the forces behind them. A person may be poor due to lack of endowments, i.e. initial ownership or poor entitlements. "The set of alternative bundles of commodities over which a person can establish such command will be referred to as entitlements" (Dreze and Sen, 1989, p. 9). Here, commodities must be distinguished from characteristics. For example, wheat, rice, etc. are commodities, while calories, protein, etc., are characteristics which help to satisfy basic needs. There is no one-to-one relationship between a commodity and its characteristics. Certain characteristics can be obtained from several commodities. Though characteristics are a more relevant basis for specification of needs, for fulfilling the needs one should have command over commodities, i.e. entitlements.

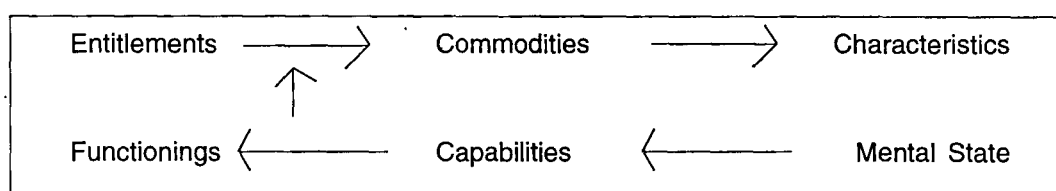
The entitlement approach is concerned only with legal system in operation in the society. It recognises social relations both of production and exchange, and these relations are used to explain the causes and process of poverty (e.g. a landless labourer is poor due to poor asset base or/

and adverse terms of trade between labour and food or/and lack of opportunities to exchange his labour).

Dreze and Sen (1989) argue that focus on entitlements has to be seen as only instrumentally important and concentration has to be ultimately on basic human capabilities. Identification of minimally acceptable levels of certain basic capabilities can provide a possible approach to diagnosing and measuring poverty. Capability is defined as a set of functioning bundles representing the various alternative beings and doings that a person can achieve and from which he or she can choose one collection. "Functionings are what the person succeeds in doing with the commodities....at his or her command" (Sen, 1985, p.10). Some functionings like being adequately nourished are very elementary while some like achieving self-respect are complex. Sen has not worked out a systematic list of functionings and corresponding capabilities.

Capabilities are influenced not only by personal income but also social facilities and arrangements. Larger entitlements generally contribute to wider capabilities but the relationship is not the same for different persons. Sen (1993) maintains that human capabilities constitute an important part of individual freedom. The freedom to lead different types of life is reflected in a person's capability set. Kosargard (1993) argues that "to make people capable of effectively realising their

Figure 1 : Sen's Approach



Source : Adapted from Doyal and Gough (1991).

goals and pursuing their well being is to make them positively 'free'.

Entitlements, which are governed by social relations of production and exchange, determine capabilities and ultimately the well-being or lack of it. In a capitalistic state, the endowments and exchange entitlements may be governed by the market forces. In an extreme case of cyclone, an agricultural labourer may not be able to exchange his labour for wages, whereas a marginal farmer may still be able to earn some living. This heterogeneity among the poor according to severity of deprivation must be analysed to understand the causal pattern of poverty and to work out policy implications.

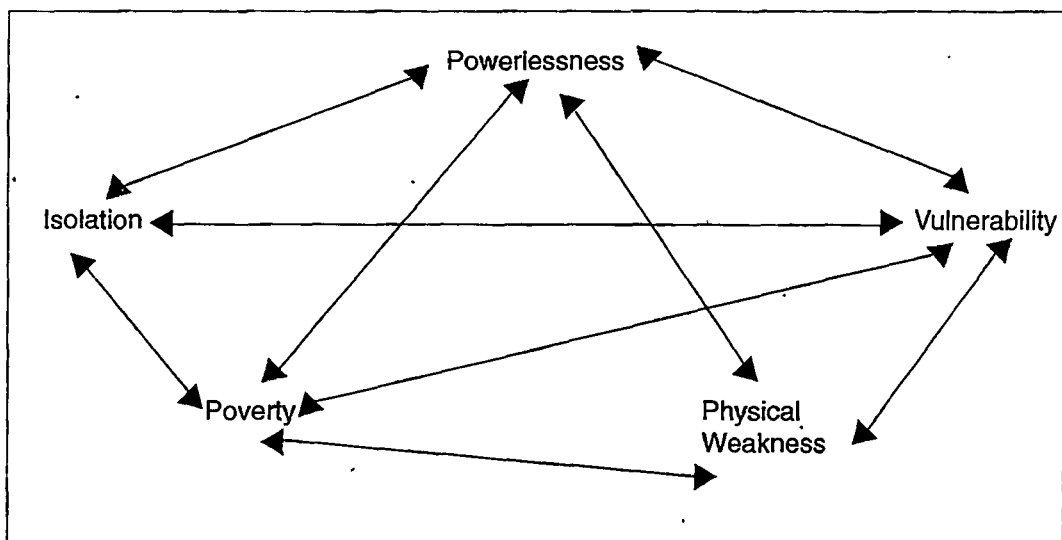
Sen's approach (see Figure 1) is certainly superior to income/consumption approach as it recognises (i) different forms of deprivation as opposed to simple nutrition based deprivation; (ii) heterogeneity of deprivation among the poor; and (iii) causal

factors leading to deprivation among the poor arising out of socio-political and economic exchange entitlements. This approach also captures vulnerability. The concept of functionings corresponds to the concept of basic needs developed by Doyal and Gough (1991) and concept of freedom to that of autonomy. Sen's approach is often criticised for being governed largely by economics thereby ignoring the socio-logical features of poverty.

IV. DEPRIVATION TRAP APPROACH

Chambers (1983) defines poverty as an integrated trap consisting of five interlocking disadvantages, i.e. poverty, physical weakness, isolation, vulnerability and powerlessness (see Figure 2). Each of the disadvantages is linked to the other. Degree and strength of these linkages may vary. Poverty appears to be a very strong determinant of all the others. It contributes to physical weakness through poor nutrition or inability to pay for health services;

Figure 2 : Chambers' Approach



contributes to vulnerability through lack of assets and to powerlessness as wealth and status are linked and the poor have no voice.

Physical weakness contributes to poverty through low productivity of weak labour. It sustains isolation and accentuates vulnerability by limiting the ability to overcome a crisis through harder work. As sick and hungry people cannot bargain, they tend to be powerless.

Isolation arises out of lack of education, remoteness, etc. It sustains poverty as services do not reach the illiterate or the people settled in remote areas. Vulnerability contributes to powerlessness through dependence on patrons.

Powerlessness contributes to poverty in many ways including exploitation by the powerful. The powerless tend to be the most isolated and vulnerable lot. Lack of power limits their access to employment opportunities and other basic amenities contributing to poverty and physical weakness.

This approach recognises the complex and multidimensional nature of poverty. But these dimensions are not interchangeable and cannot be substituted for each other, nor do they suggest reduction to one single index of poverty. This approach also suggests that different dimensions of poverty may vary at different rates and in different directions among different groups.

The aspects included in this definition of poverty are difficult to quantify and are likely to be overlooked in poverty monitoring (Kabeer, 1989). Chambers (1988) argued that this oversight may have serious implications for the way in which poverty is interpreted and understood. Focus on poverty alleviation programmes solely on observable and measurable aspects of

poverty may leave the more significant aspects, which are deep-rooted in social fabric and are at the root of poverty, untouched. At the same time, it is difficult to address these dimensions as they threaten the established social order.

This approach advocates participatory poverty assessment so that people's concepts of ill-being are also incorporated as against what Chambers (1983) calls 'outsider's views' alone. It recognises usefulness of both qualitative and quantitative assessment with multiple criteria but attaches more importance to qualitative assessment. However, identification of parameters to measure dimensions like vulnerability, powerlessness, etc. is a difficult task. Some attempts, of course, have been made to measure these dimensions for particular groups — e.g. *Human Development Report* (UNDP, 1995) refers to the gender empowerment measures (GEM).

Existence of the problems of measurement is not necessarily a ground for rejecting this theory. The underlying philosophy of this approach, i.e. integrated nature of deprivation, is crucial for any analysis of poverty. The World Bank has also recognised vulnerability and powerlessness as important dimensions of poverty and in its poverty reduction strategy 'Safety Nets' and empowerment have been included as crucial components (Lipton and Maxwell, 1992).

V. HUMAN NEEDS MODEL

Doyal and Gough (1991) have developed a theory of human needs as a measure of human welfare. They have argued that basic human needs can be shown to exist and that individuals have a right to the optimal satisfaction of these needs, and so human liberation should be measured by assessing the degree to which such satisfaction has occurred. Any acceptable con-

cept of need must be so designed that it cannot be used in authoritarian and paternalistic way. They identify the basic human needs as physical health and autonomy as these are preconditions for any individual action in any culture. The basic needs must be satisfied in order to avoid the serious harm of fundamentally impaired participation in their form of life.

Physical health is more than mere survival. It can be defined and measured negatively as minimisation of death, disability and disease. Kant (1964) showed that for individuals to act and to be responsible they must have both the physical and mental capacity to do so. It is the latter which refers to 'autonomy'. Doyal and Gough (1991) maintain that to be autonomous is to have the ability to make informed choices about what should be done and how.

Levels of individual autonomy are governed by three factors, namely (i) level of understanding one has about oneself and one's social situation; (ii) psychological capacity to formulate options; and (iii) opportunities to engage in social participation. Both the basic human needs, i.e. physical health and autonomy, are assessed negatively by their absence. The need satisfaction levels can be compared both at intra-national levels and across and within cultures by using a set of indicators.

The basic needs are universal but goods and services to satisfy them are culturally variable. To bridge these gaps they developed universal satisfier characteristics which are also referred to as intermediate needs. A total of 11 intermediate needs have been identified and all of them relate to one or more of the preconditions of physical health and autonomy. Satisfaction in each of these categories can be monitored by using social indicators.

This approach also identifies a set of social preconditions for the satisfaction of basic needs, namely production; reproduction; cultural transmissions; and political authority. These refer to the structural activities which any minimally successful mode of social life must be able to carry out. Interdependence between individual need satisfaction and societal precondition makes it clear that it is neither a case of abstract individualism associated with utilitarian writers nor what Doyal and Gough (1991) call 'sociological fundamentalism' which presumes that individual actions are mirror images of social environments around them. These are again approximated by a set of social indicators. One relevant question at this stage is as to who is to decide on the appropriate social indicator and how. Are the indicators expected to be qualitative or quantitative? Doyal and Gough (1991) have argued that this theory is basically iterative and approximate indicators are open to question and improvement. This theory endorses the use of both quantitative and qualitative research methods, but initially quantitative information takes the lead. The indicators are expected to be amenable to disaggregation between groups. This can then be used to create profiles of nations, cultural groups, etc., regarding need satisfaction. This, in turn, will act as indicator of level/extent of deprivation which could act as a guide to policy makers.

VI. CONCLUSION

All the approaches to poverty as discussed above have their own merits or demerits and relevance in particular circumstances. Nevertheless, the Human Needs model scores over other approaches and their adequacy to act as a starting point for poverty alleviation programmes for the following reasons:

First, The income/consumption approach based on single indicator fails in capturing the multiple dimensions of poverty.

Second, Sen (1981) and Doyal and Gough (1991) use human needs as their starting point for measuring deprivation or lack of well-being. Sen (1981 and 1985) defines deprivation in terms of 'capabilities' whereas Doyal and Gough (1991) present a very elaborate framework of basic needs which are universal.

Third, The Human Needs theory has identified a set of indicators corresponding to basic needs, intermediate needs and societal preconditions. These are not expected to be static as the theory recognises iterative process and qualitative and quantitative research. In Sen (1981, 1985 and 1989), the framework relationship between commodities, characteristics, functionings and capabilities has been established but no clear structure of quantitative or qualitative indicators have been suggested though in his own analysis of certain countries, Sen (1981 and 1989) uses indicators like infant mortality rate, per capita food grain availability, etc. For Chambers (1983), developing parameters capable of measuring and identifying different aspects of poverty is a difficult task.

Fourth, the Human Needs theory has the concept of "autonomy" built into it. Dreze and Sen (1989) also refer to freedom as included in capabilities but the analysis is more on an abstract level. Types and nature of freedom and its relationship to deprivation is not explicit. Doyal and Gough (1991) treat 'autonomy' as a basic need to be satisfied universally in all cultures. The concept of 'autonomy', i.e. capability to take one's own decision, is very crucial to the analysis of poverty since the poor are generally powerless and the powerful take the decision on their behalf.

Finally, the Human Needs theory works on a blend between individual behaviour and society. Sen's approach appears to be closer to individual utility maximising behavior and Chambers' to the society at large. An effective policy has to give due consideration to individual as well as society.

References

- Baulch, B. (1996), "The New Poverty Agenda : A Dispute Consensus", *IDS Bulletin*, 27, pp. 36-42.
- Booth (1892), *Life and Labour of The People of London*, Macmillan, London.
- Chambers, R. (1983), *Rural Development : Putting The Last First*, Longman, London.
- _____(1988), *Poverty in India : Concepts, Research and Reality*, Discussion Paper No. 241, IDS, Sussex.
- Doyal, L. and Gough, I. (1991), *A Theory of Human Needs*, Macmillan, London.
- Dreze, J. and Sen, A. (1989), *Hunger and Public Action*, Clarendon Press, Oxford.
- Erikson, R. (1993), "Description of Inequality : The Swedish Approach to Welfare Research", in Nussbaum, M.C. and Sen, A. (eds.), *The Quality of Life*, Clarendon Press, Oxford.
- Jodha, N. (1986), "Common Property Resources and Rural Poor in Dry Region of India", *Economic and Political Weekly*, 21.
- Kabeer, N. (1989), *Monitoring Poverty as if Gender Mattered : A Methodology for Rural Bangladesh*, Discussion Paper 255, IDS, Sussex.
- Kant, I. (1964), *Critique of Pure Reason*, Macmillan.
- Kosargard, C.M. (1993), "Commentary on G.A. Cohen : Equality of What; A. Sen, Capability and Well Being", in Nussbaum, M.C. and Sen, A. (eds.), *The Quality of Life*, Clarendon Press, Oxford.

Lipton, M. and Maxwell, S. (1992), *The New Poverty Agenda : An Overview*, Discussion Paper 306, IDS, Sussex.

Maxwell, S. and Smith, M. (1993), "Household Food Security : A Conceptual Review", in Nussbaum, M.C. and Sen, A. (eds.), *The Quality of Life*, Clarendon Press, Oxford.

Rowntree, S. (1901), *Poverty : A Study of Town Life*, Macmillan, London.

Sen, A (1981), *Poverty and Famines : An Essay on Entitlement and Deprivation*, Clarendon Press, Oxford.

_____(1985), *Commodities and Capabilities*, Elsevier, Amsterdam.

_____(1993), "Capability and Well Being", in Nussbaum, M.C. and Sen, A. (eds.), *The Quality of Life*, Clarendon Press, Oxford.

Shaffer, P. (1996), "Beneath the Poverty Debate", *IDS Bulletin*, 27, pp. 23-35.

UNDP (1995), *Human Development Report*.