



Chapter 2

Definitions of Poverty

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.

—A poor man, Kenya 1997

Poverty is humiliation, the sense of being dependent, and of being forced to accept rudeness, insults, and indifference when we seek help.

—Latvia 1998

This chapter explores poor people's definitions of poverty as documented in the PPAs. We use an inductive approach to uncover dimensions of poverty that are important to poor people, and to capture their characterizations of poverty. This approach requires us to set aside our prejudices and assumptions about what is important for the poor, about the importance of particular sectors in reducing poverty, about regional or gender differences, and about the best conceptual framework for understanding poverty. As a result, the organization of this chapter and the concepts we use are determined by what emerges from our analysis of definitions of poverty.

There are six main findings:

- ▶ Many factors converge to make poverty an **interlocking multidimensional** phenomenon.
- ▶ Poverty is routinely defined as the lack of what is necessary for **material well-being**—especially food, but also housing, land, and other assets. In other words, poverty is the lack of multiple resources that leads to hunger and physical deprivation.
- ▶ Poor people's definitions reveal important **psychological aspects** of poverty. Poor people are acutely aware of their lack of voice, power, and independence that subjects them to exploitation. Their poverty leaves them vulnerable to rudeness, humiliation, and inhumane treatment by both private and public agents of the state from whom they seek help. Poor people also speak about the pain brought about by their unavoidable violation of social norms and their inability to maintain cultural identity through participation in traditions, festivals, and rituals. Their inability to fully participate in community life leads to a breakdown of social relations.
- ▶ The absence of **basic infrastructure**—particularly roads (in rural areas), transport, and water—emerges as a critical concern. In the countries of Eastern Europe and the former Soviet Union lack of affordable electrical power is a major concern in the severe winters.
- ▶ **Illness** is often dreaded, because of the experience that it plunges families into destitution, because of the lack of health care, the costs of available health care, and the loss of livelihood due to illness. While literacy is viewed as important, **schooling** receives mixed reviews, occasionally highly valued, but often notably irrelevant in the lives of the poor.
- ▶ Poor people focus on **assets** rather than on income, and link their lack of physical, human, social, and environmental assets to their vulnerability and exposure to risk.

The chapter first discusses the multidimensional nature of poverty, material well-being, and psychological well-being. It then focuses on the role of infrastructure and the assets of the poor. The discussion of assets includes physical, human, social, and environmental assets. The chapter concludes with a case study on the large and newly impoverished population in Eastern Europe and the former Soviet Union (case study 2.1).

Poverty Is Multidimensional

The evidence suggests that poverty is a multidimensional social phenomenon.¹ Definitions of poverty and its causes vary by gender, age, culture, and other social and economic contexts. For example, in both rural and urban Ghana men associate poverty with a lack of material assets, whereas for women poverty is defined as food insecurity. Generational differences emerge as well. Younger men in Ghana consider the ability to generate an income as the most important asset, whereas older men cite as most important the status connected to a traditional agricultural lifestyle (Ghana 1995a).

A person's status and location affect perceived causes of poverty. In Madagascar, for example, farmers link poverty to drought, the urban poor link poverty to rising prices and fewer employment opportunities, and the rich link poverty to "deterioration in domestic and international terms of trade, neglect of Malagasy traditions and norms, lack of motivation among certain classes and groups of people, price liberalization and devaluation, lack of education, and absence of governance" (Madagascar 1996).

Poverty never results from the lack of one thing, but from many interlocking factors that cluster in poor people's experiences and definitions of poverty. In the Philippines, in the Mindanao region, women say, "We boil bananas for our children if food is not available. In some cases, when the department of agriculture distributes corn seeds, we cook these seeds instead of planting them" (Philippines 1999). Families borrow money to acquire these seeds, and the cycle of poverty continues, because they are unable to pay off these loans.

In Armenia seasonal changes, lack of savings, and immediate cash needs interact to keep farmers poor:

To cope, farmers barter or sell crops early in the summer or fall when the prices are low. For example, two kilograms of honey were bartered for a sweater for a young child; and 10 kilograms of cheese were bartered for a pair of shoes. One father explains, "Actually we have no income from August to September. As a result we need to barter goods and use them as money. Last year I harvested my potatoes in mid-August and took them to Khapan to sell. I bought some necessary things for

the children to go to school in September. So we suffered financially as the potatoes would have brought a better profit had we sold them later ... We usually barter potatoes and wheat for coats. But we don't have anything for bartering right now."
—Armenia 1996

In Guatemala a Cackchiquel Indian who works as a hired agricultural laborer says, "During the last eight years we have faced a greater state of poverty than before in that we can't buy much to eat and we suffer when it rains because there's no work and everything is very expensive. ... Here in the community we don't have much hope to live better with what we earn. There are many needs, but the principal one is food, which is not sufficient, and we don't have a place to live or the means to pay rent" (Guatemala 1994b).

These interlocking dimensions of poverty come out clearly in the criteria the poor use to differentiate between categories of rich, average, and poor, as well in discussions of vulnerability. (See box 2.1 for indicators of wealth and poverty in Vietnam.)

Poor people give rich and nuanced descriptions of poverty. Some of their categories will sound familiar to poverty analysts, in fact. In Swaziland groups distinguish between the "temporarily poor" and the "new poor." The temporarily poor are defined as "those who could feed themselves before the drought but are now hungry—previously prosperous cotton farmers who are now struggling like us," and the new poor as "previously rich people who have lost their cattle through cattle rustling, widows whose husbands had left them cattle but who now have nothing to sell to educate their children" (Swaziland 1997).

There are important differences, as well. The degree of dependency emerges as an important classification criterion. In Ghana, for example, poor people not only distinguish between the rich and the poor, but also between different categories of poor, based on assets and degree of dependency. The rich are described as those who "feed their children properly; they live in good houses, which they will pass on to their dependents; and they are able to assist others." At the other extreme are the chronically hungry, variously described as the extremely poor, the perennially needy, and the pathetic (Ghana 1995a).

The very poor are divided into two broad groups. The first is "God's poor," a group that includes factors for which there is no obvious remedy—disability, age, widowhood, and childlessness. The second group is the "resourceless poor," including immigrant widowers and other landless poor. In between the two extremes of rich and very poor are the "deprived but hard-working, the not-so-poor, or not hand-to-mouth category."

Box 2.1 Summary of Household Wealth Indicators as Described by the Poor in Vietnam

Relatively Well-Off Households

- ▶ Possess solid and stable houses that are usually renovated every 15 years
- ▶ Have transportation, either a motorbike or a bicycle, or both
- ▶ Own a television or a radio, or both
- ▶ Can send their children to school
- ▶ Never lack money, even after the harvest has been eaten or sold
- ▶ Are able to save money
- ▶ Have a garden with useful plants and trees

Average Households

- ▶ Have a stable house that usually does not need renovating for 10 years
- ▶ Own a television or a radio, or both
- ▶ Have enough food all year
- ▶ Can send their children to school
- ▶ Have a well, or easy access to water

Poor Households

- ▶ Live in unstable houses, often made with mud
- ▶ Have no television or radio
- ▶ Are not able to save money
- ▶ May have children who cannot go to school, or who have to leave school prematurely
- ▶ Usually have enough food until the next harvest, although sometimes lack food for one to two months per year
- ▶ Are unable to utilize surrounding natural resources to their benefit

Very Poor Households

- ▶ Live in very unstable houses that often need to be rebuilt every two to three years
- ▶ Have no wells or easy access to fresh water

Source: Vietnam 1999a.

In Uganda women's groups distinguish between three categories of poor people: the poor, the poorest, and the fully dependent. The poor are described primarily as laborers who work on other people's land or on boats in exchange for food or cash, but who live in a hut on their own tiny patch of land. The poorest have no housing, but work for food and live on the land of the rich. The fully dependent include single mothers, disabled persons, and the elderly who have nothing and cannot work, and so depend entirely on state services or assistance from others (Uganda 1998).

Material Well-Being

Your hunger is never satiated, your thirst is never quenched; you can never sleep until you are no longer tired. —Senegal 1995

It's the cost of living, low salaries, and lack of jobs. And it's also not having medicine, food, and clothes. —Brazil 1995

When I leave for school in the mornings I don't have any breakfast. At noon there is no lunch, in the evening I get a little supper, and that is not enough. So when I see another child eating, I watch him, and if he doesn't give me something I think I'm going to die of hunger. —A 10-year-old child, Gabon 1997

Food Security

Often she has to decide who will eat, she or her son. —Ukraine 1996

The material aspects of poverty are well known. Hunger and food insecurity remain the core concerns. For poor families, meeting their most basic needs for food, water, and shelter can be a daily struggle; this becomes acute when there is unemployment and underemployment, or lack of productive land or other income-earning assets. In Vietnam (1999a) the issue of not having enough to eat arises frequently and is captured in the following saying by a poor man:

*In the mornings, eat sweet potatoes, work.
At lunch, go without.
In the evenings, eat sweet potatoes, sleep.* —Vietnam 1999a

In Guatemala poverty is defined by poor people as “having inadequate food and housing” and “having to rely on charity” (Guatemala 1997a). In Cameroon the poor distinguish themselves from the nonpoor in five main ways: “The presence of hunger in their households; fewer meals a day and nutritionally inadequate diets; a higher percentage of their meager and irregular income spent on food; nonexistent or low sources of cash income; and feelings of powerlessness and an inability to make themselves heard” (Cameroon 1995). In Moldova poor people say, “The worst aspects of poverty are hunger, poor health, lack of adequate clothing, and poor housing conditions” (Moldova 1997).

The PPAs are full of accounts of households coping with difficult times by reducing the quality, quantity, and frequency of meals. In Nigeria poverty is equated with preharvest food insecurity and diets that are monotonous and primarily starch-based. The poorest eat only food that is already old and stale (Nigeria 1995). In Swaziland and Zambia the poor depend on famine foods, foods not normally eaten, such as roots and leaves foraged from the bush (Swaziland 1997; Zambia 1994). In Madagascar the poorest are those who are forced to forego meals on a regular basis (Madagascar 1996), while in Guatemala the poorest are those who are forced to eat whatever they are able to find (Guatemala 1993). In slum areas in Phnom Penh, Cambodia, poor people report that they have cut consumption down from three to two, and sometimes to one meal a day (Cambodia 1998). In Ukraine people say that the worst aspects of poverty are hunger and the health effects of malnutrition. In rural Ukraine some respondents claim not to be truly poor because they are not yet starving (Ukraine 1996). In Togo the poor equate poverty with the inability to work because of the effects of malnourishment (Togo 1996).

Employment

The rich have one permanent job; the poor are rich in many jobs. —Poor man, Pakistan 1996

As the state sector contracts, employment opportunities are evaporating. —Ukraine 1996

Being poor is being always tired. —Kenya 1996

Especially for those without access to land or the ability to grow their own food on other people’s land, access to dependable wage labor emerges as a major factor defining poverty. Whether in the countryside or in the city, poor people can rarely find permanent, salaried employment. Instead, poor

people without land engage in informal, casual, and daily wage labor with no security and low earnings.

In South Africa the poor are characterized as “those who do not have secure jobs,” and poor communities are characterized by widespread absence of formal employment. Instead, the poor have “numerous small, often dangerous jobs, rather than one job” (South Africa 1998). In Ethiopia work opportunities are considered unreliable, and vulnerability caused by unemployment is thought to be increasing (Ethiopia 1998). In Ghana the urban poor report a decline in opportunities and crowding in the informal sector due to increases in the number of people trying to survive in this sector (Ghana 1995b). Extended economic deterioration in Senegal has greatly reduced earnings in the informal sector (Senegal 1995). A poor man from Latvia reports that his family abandoned him after he lost his job as a plasterer. He now finds work that earns him a free meal, or sometimes a bit of money (Latvia 1997).

In many cases women are the primary sources of family income, and several countries report that women are engaging in all types of activities. These occupations include paid domestic work, as well as work traditionally considered men’s work, such as informal industrial jobs, trading and service enterprises, and any work that requires migrating overseas (Moldova 1997; Georgia 1997; Pakistan 1993).

Psychological Well-Being

The poor person has to exist so he can serve the great one, the rich. God made things like that. —Brazil 1995

Poverty is lack of freedom, enslaved by crushing daily burden, by depression and fear of what the future will bring. —Georgia 1997

While poverty is material in nature, it has psychological effects—such as distress at being unable to feed one’s children, insecurity from not knowing where the next meal will come from, and shame at having to go without food—that have strong symbolic value. A father in Guinea-Bissau remarks, “When I don’t have [any food to bring my family], I borrow, mainly from neighbors and friends. I feel ashamed standing before my children when I have nothing to help feed the family. I’m not well when I’m unemployed. It’s terrible” (Guinea-Bissau 1994). Frequently parents relate that they deal with food insecurity by going hungry so that they will not have to see their children starve. In Brazil parents report that poverty is “to come home and see your children hungry and not have anything to give them”

(Brazil 1995). In Tanzania a mother asks, “How can you face your children day after day hungry?” (Tanzania 1999).

The distress accompanying the decision to abandon babies to increase the likelihood that the baby or the family will survive is acute. In Tbilisi, Georgia, there have been increasing reports of babies abandoned at maternity wards, as well as of mothers selling children to support the remaining children. One respondent heard that a woman sold her child for \$500 to support her family, and another witnessed a young woman near Tbilisi’s central train station trying to sell her child, telling passers-by, “The child will die of hunger—take him even if you don’t pay” (Georgia 1997).

A woman in Uganda remarks, “When one is poor, she has no say in public and feels inferior. She has no food, so there is famine in her house; no clothing, and no progress in her family” (Uganda 1998). The poor often mention turning to God for comfort, solace, and support. A poor man in Pakistan says, “As God gives food to a tiny insect living in the stones, He makes sure we have enough food to live” (Pakistan 1996). In Nepal poor people speak of fear—“fear from the landlord misbehaving, trouble by police. Poor people always fear exploitation by the rich.” Women speak of fear to move about alone. “Even the categories of well-being distinguished by poor people highlight the psychological dimension: the miserable poor, facing difficult times; the pulling-along-poor, doing well; and happy people (Nepal 1999).

Being poor can expose one to ridicule. In Latvia poor people “felt humiliated by what they perceived as a pressure to beg for help and to put up with rude, contemptuous, and moralistic behavior on the part of social assistance office staff” (Latvia 1998).

Poor men and women speak of the shame, stigma, and humiliation of poverty. In Latvia parents speak of the shame that children experience in school when they are stigmatized because they receive free lunches, dress in shabby hand-me-downs, or have to use photocopied class materials. “Children who receive free lunches are served at a separate table, receive poorer quality food, and feel humiliated when other children claim they are eating from other people’s money even though some parents do community work for the municipality to pay for the lunches” (Latvia 1998). In Ukraine teachers say that it is very easy to distinguish between the children of the rich, who are stylishly dressed, and the children of the poor, many of whom faint during class from hunger (Ukraine 1996). In Armenia and Georgia parents speak about children’s psychological trauma of wearing old clothes and being so ashamed that they refuse to go to school (Armenia 1996; Georgia 1997).

Power and Voice

The rich are those who are able to save and sell part of their harvest when prices rise. —A poor man, Niger 1996

You know ‘good’ but you cannot do ‘good.’ That is, such a person knows what should be done but has not got the means. —Ghana 1995a

Some have land, but they can’t buy fertilizer; if some work as weavers, they aren’t well paid; if some work for daily wages, they aren’t paid a just wage. —Cackchiquel Indian, Guatemala 1994b

Poverty means working for more than 18 hours a day, but still not earning enough to feed myself, my husband, and two children. —A poor woman, Cambodia 1998

In explaining poverty poor men and women often express a sense of hopelessness, powerlessness, humiliation, and marginalization. In Ghana it is expressed as, “You know good, but you cannot do good.” One example given is, “If you have an in-law somewhere and the person dies, you know what to do but you cannot do anything and things will go wrong” (Ghana 1995a).

In Cameroon poverty is characterized as “a feeling of powerlessness and an inability to make themselves heard” (Cameroon 1995). A poor elderly man in Uganda says, “The forces of poverty and impoverishment are so powerful today. Governments or the big churches can only manage them. So we now feel somewhat helpless. It is this feeling of helplessness that is so painful, more painful than poverty itself” (Uganda 1998).

In Madagascar the powerlessness of the small farmers is one clear source of frustration and resentment. “A number of participants fell prey to collectors and administrative agents who take advantage of farmers by offering them low producer prices, which have to be accepted for lack of any alternative. For example, the money a producer of vanilla receives for his produce is roughly 4 percent of the export price and the producer has no negotiation power to raise the value of his crop. Similarly, with litchi and rice crops the collectors set the terms of the market, buying at the lowest price and selling at the highest. Overall the feeling [is] of betrayal and ultimately rejection” (Madagascar 1994).

In Eastern Europe and the former Soviet Union the poor report widespread corruption, powerlessness, and helplessness even when employed by

private enterprise or by reorganized and privatized collective farms. In Georgia poor farmers equate privatization with theft. They report that the best land is distributed to those who work for the police, courts, school directors, and businessmen, while the poor receive nonirrigated, saline, and less fertile soil. This land is often 10 to 12 kilometers from their homes, making it difficult for them to work the fields and guard the harvest (Georgia 1997).

In Moldova poor people equate independence, democracy, and the transition to the market with lack of social justice. Workers on collective farms report being cheated out of their share of grains and denied access to tractors and other equipment by those in control (Moldova 1997). In Armenia the poor say, "During privatization, those people who had a patron received five or six cows and the rest received nothing. The whole collective farm was plundered, and the chairman, together with the district leaders themselves, took the remaining 100 head of cattle to Turkey and sold them for \$2 a kilo" (Armenia 1995).

The poor often report that they have little influence over their political representatives. In many parts of India the poor are cynical about politicians who promise action and bribe by distributing alcohol, fueling already high rates of alcoholism among some scheduled caste (those Hindus who fall outside the caste system) and tribal groups (India 1997a). In Pakistan local politicians are reported to have used funds for their own purposes (Pakistan 1996). In many countries local politicians are seen as being closely connected with local criminal organization groups and the rich.

Across national borders much of the helplessness and sense of powerlessness of poor people comes from their experience with corrupt, uncaring, and inefficient officers of the state. The Mexico PPA documents several cases of poor people's frustration at being denied social services, jobs, and credit because they lack the necessary documentation (Mexico 1995; see also chapters 3 and 6).

Lack of voice and power is experienced not only in interactions with the state, but also in poor people's interactions with the market, landlords, bankers, moneylenders, and employers. Rich people in Tanzania, for instance, are described as "those who set the prices," while the poor are described as "those who are forced to accept the prices set by others" (Tanzania 1999). An Ecuador report (1996a) notes that poor farmers shoulder debt and therefore cannot afford to store their crops until they can get a good price for them on the market. Instead, farmers are forced to sell their crops immediately, when the prices are low, and in

some instances they buy their own food back later at a higher price. In Togo (1996) the poor focus on the “power to buy raw materials without being exploited by wholesale traders.” In Zambia (1997) poor farmers speak of being dependent on traders and those with transport for selling produce, being forced to buy inputs at high prices, and feeling powerless to do anything about late payments and fraud. In India, Uganda, Guatemala, Moldova, Thailand, Vietnam, and Ghana the poor speak of their inability to protect themselves from exploitation. The India report notes that “The poor have lost their bargaining power. The basis of dominance is control over productive resources and the basis of subordination is survival” (India 1998b).

Trading on the street can be an experience in powerlessness where the police are silent observers or associated with the gangs and criminal organizations that control the markets. In Ukraine (1996) a vendor explains, “You’re standing somewhere and they come up to you and say, ‘Bust outta here. No place for you.’ I split, find myself another corner and try to sell more quickly. Sometimes they threaten you because of your prices. They say, ‘We’ll break your face if you lower your prices.’ Sometimes I was able to sell quickly and get out. But other times I saw these guys and understood that it’s better not to deal with them and then I split right away. In short, it became unpleasant and dangerous” (Ukraine 1996).

In these and in several other countries the poor report that wage laborers are the most exploited because they are forced into poor working conditions and long hours, and they must accept substandard salaries. Because they lack choices and resources, the poor are often forced to ask help from the same people who exploit them: landlords, pawnbrokers, and moneylenders.

Poor women express fear of increased crime, both in public and at home. In Ukraine women and old people say they no longer leave their homes after dark, and “worry when their children return late from school or work” (Ukraine 1996). In Moldova women are afraid to work the night shift because of fear of assaults (Moldova 1997). In South Africa case studies document “rapes of teenage girls, unfilled claims of child support by mothers due to fears of being beaten by the fathers, and even the crippling of a woman following a drunken argument among the couple” (South Africa 1998).

The South Africa PPA also describes gang-related and political violence. Women report feeling vulnerable to physical attacks and sexual assaults when they are out collecting firewood. As a result women give high priority to electrification. In India and in Pakistan women speak of the dangers of sexual assault and harassment by forest officials and others when

collecting firewood (India 1993). In Pakistan absence of latrines forces women to use the bush before dawn and after dusk, exposing them to snake bites, sexual harassment, and attacks (Pakistan 1993). In Bangladesh (1996) provision of toilets and bathing places is a high priority among adolescent girls and women because of fear of harassment and inconvenience.

Entering into cycles of indebtedness often contributes to feelings of helplessness and powerlessness among the poor. In Pakistan and India indebtedness and debt are concerns common to both urban and rural communities, and a sense of helplessness and diminished autonomy often accompanies reflections on debt. A PPA from India describes a vicious cycle of indebtedness in which a debtor may work in a moneylender's house as a servant, on his farm as a laborer, or in other activities for a year to pay off his debt. Moreover, the debt may accumulate substantially, due to high interest rates, absence due to illness, and expenses incurred for food or accommodations (India 1997a). Problems with increasing indebtedness are also voiced in Swaziland, especially in connection with the inability to cope with rising prices of food, transportation, education, and health care (Swaziland 1997).

The voices of the poor in developing countries differ from those who have experienced sudden poverty, as have many in the transitional countries of Eastern Europe and the former Soviet Union. All reflect insecurity and material deprivation, yet the experience of long-term poverty is often accompanied by its almost fatalistic acceptance, even if people have not given up the struggle. In contrast, respondents from Eastern Europe and the former Soviet Union are filled with disbelief and demoralization, and are much more likely to make comparative statements contrasting the better past with the intolerable present (see box 2.2).

Cultural and Social Norms

Without these simple humane signs of solidarity, our lives would be unbearable. —A poor woman, Ukraine 1996

We are proud of our language, our customs. —Indigenous group, Panama 1998

Cultural identity is built through “the sharing of common history or common culture, common pride in the past, and, in some, the sharing of a common passion” (Panama 1998). These societal bonds can help to stabilize communities and ease the psychological stresses of poverty. For instance, the Mexico PPA notes the paradox that while indigenous communities of Oaxaca have the least materially, they are happy and less fearful than nonindigenous poor people because they have a range of

Box 2.2 Voices of the Poor: Generational vs. Sudden Poverty

Generational Poverty

If you are hungry, you will always be hungry; if you are poor, you will always be poor. —Vietnam 1999a

Poverty [is] inherited. If you were born to a poor father, he cannot educate you and cannot give you any land, or very little land of poor quality; every generation gets poorer. —Uganda 1998

We may be poor in material things, but we are rich in the eyes of God. —Kenya 1996

I think poverty is something that begins at birth. Some people are unlucky from the day they're born. They'll never go anywhere in the world. —Brazil 1995

What determines poverty or well-being? The indigenous people's destiny is to be poor. —Ecuador 1996a

Continued

“traditional communitarian institutions which provide them support in times of need” (Mexico 1995).

Cultural identity is maintained through rituals, celebrations, and festivals, and the poor frequently mention participation in these events. The significance of this cannot be overstated: for many poor people social solidarity is one of the most important assets available to them. To maintain this solidarity and the emotional and physical security it provides, people are willing to make considerable sacrifices and will readily divest themselves of a wide range of material assets in order to ensure that these social bonds are preserved. In Togo the PPA reports that displacement, whether by force or employment, results in “abandonment of symbolic markers, sacred trees, forests, and saps at the root of people’s cultural identity and may result in deep alienation” (Togo 1996). Thus, after the most basic needs (such as food and housing) are met, the largest household expenditures tend to be on traditional ceremonies. “Although using

Box 2.2, Cont.

Sudden Poverty

Up to a few years ago I didn't even ask myself the question: What shall I cook? Today there are times I do not have anything to put on the stove and this is very difficult for a mother [crying] ... Before, we were not afraid of getting ill, everything was well regulated and there was health protection. Today we pray to God that nobody gets sick. What could we do?
—A woman, Macedonia 1998

Life has passed for us. I feel badly because of the children. My daughter in order to feed her children takes from time to time old bread from the 'Zito Luks' bakery aimed for cattle. I have never been in such a situation. We have never suffered for food, even though we were poorer when we were young.
—72-year-old woman, Macedonia 1998

People have fallen into despair because they don't see the end of this crisis situation. —Ukraine 1996

There was a time when I had two pigs and about 20 chickens, but now I have nothing. My money is hardly enough to buy bread every day. A few years ago my refrigerator was full of sausage. Now the refrigerator is empty. Perhaps God has punished us for our wastefulness in the past. —A woman, Moldova 1997

scarce resources for social events rather than for, say, health or education may appear an irresponsible behavior, from the point of view of the poor it can be a highly rational choice, provided the expenditures do not become a source of long-term indebtedness. In fact, generous spending (to the point of conspicuous consumption) is a way to gain prestige and to reinforce ties to the community, which in turn will make it easier to obtain assistance in case of need. Hence, ceremonial expenditures may be understood as investments to build social assets and decrease vulnerability” (Togo 1996).

In other words, maintaining social solidarity has extremely high value to the poor, and the inability to reciprocate with gifts or participate in community events can have very harmful consequences ranging from

humiliation, loss of honor and psychological distress, to social marginalization and exclusion from important social networks. In fact, violation of social norms is often what poor respondents define as poverty. In the rural areas of Madagascar, for instance, being poor is equated with the inability to “adhere to local customs and norms,” whereas a rich person is one who can “afford to remain within the local norms” (Madagascar 1996).

Clothing functions as a powerful social marker, particularly for youth and children. In a number of different reports children report feeling marked by shabby or inadequate clothing and stigmatized by their teachers and children from wealthier families (Bangladesh 1996; India 1997a; Moldova 1997). For young adults in Moldova the “lack of decent clothing, humiliation in front of richer friends, and the inability to participate in a normal social life” are among the principal markers of poverty (Moldova 1997). In Armenia people cite a lack of self-worth and loss of status as a consequence of being unable to maintain basic hygiene (Armenia 1995). In Georgia children who wear old, patched clothing to school are often cruelly taunted, which becomes another reason for their parents to keep them home from school or to enroll them a year late in the hope that their situation may improve. Some Tbilisi youth admit to avoiding university classes because they are humiliated at the daily prospect of appearing dirty and poorly groomed in front of others (Georgia 1997).

State-Provided Infrastructure

Where a road passes, development follows right on its heels.
—Cameroon 1995

We think the earth is generous; but what is the incentive to produce more than the family needs if there are no access roads to get the produce to a market? —Guatemala 1997a

Take the death of this small boy this morning, for example. The boy died of measles. We all know he could have been cured at the hospital. But the parents had no money and so the boy died a slow and painful death, not of measles, but of poverty. —A man, Ghana 1995a

Water is life, and because we have no water, life is miserable.
—Kenya 1997

Poverty is about access and consumption of state-provided commodities, or what some researchers refer to as “social wages” (Baulch 1996b;

Moore and Putzel 1999). Throughout the PPAs poor people discuss the importance of key services such as roads, transportation, water, electricity, health care, and marketplaces.

In several cases the poor in urban areas, though actually poorer than those in comparable rural areas, are viewed as *less* poor because they have access to infrastructure and basic services (Guatemala 1997b; India 1997a). Similarly, a report from India states, “Even the poorer families living in the prosperous villages are comparatively better [off] than the poor living in medium and poorest villages, in terms of social and educational awareness, because these facilities are more accessible to them” (India 1997a).

Community poverty is related to infrastructure and service provision. In a poor rural community surveyed in Nigeria respondents claim that *every* inhabitant is poor precisely because the community lacks basics such as water, electricity, roads, schoolteachers, and more (Nigeria 1995). In Uganda a distinction is made between individual and community poverty, in which community-level poverty is defined as “a lack of key infrastructure for the entire community, for example, schools, roads” and lack of security or harmony (Uganda 1998). Similarly, nearly half of the suggestions from poor Ecuadorian families about how to alleviate poverty concerned the provision of basic infrastructure (Ecuador 1996a).

The absence or poor condition of infrastructure, especially of feeder roads and bridges, is widespread. In many reports the poorest communities are identified as those most isolated and located farthest from roads and from other key infrastructure (India 1997a; Republic of Yemen 1998; Bangladesh 1996; Mexico 1995; Guatemala 1997b; Uganda 1998; Ecuador 1996a; Ecuador 1996b; Cameroon 1995). In India many of the poorest villages are located 15–20 kilometers from the nearest infrastructure; during the rainy season villagers find themselves completely isolated from the more developed areas. “The result is that the members of the unconnected villages remain effectively marginalized from virtually all educational institutions above primary level, from adequate health-care facilities, and from important governmental and nongovernmental institutions” (India 1997a). Respondents in Bangladesh (1996) and Ghana (1995b) also identify the lack of adequate roads, particularly during rainy seasons, as a key problem.

In addition to isolating communities from other infrastructure, the lack of roads can also deny communities political access. Ugandan government officials who are posted in isolated areas perceive it as a kind of punishment (Uganda 1998). Similarly, the Kenya PPA indicates that district leaders tend to avoid villages that are only accessible by bad or dangerous roads. If they go to remote villages at all, it is only for short visits, so there

is no time to witness problems directly and talk things over with stakeholders (Kenya 1996).

Roads serve not only as physical connectors but also as communication connectors that expand poor people's options and their power to negotiate. Poor roads greatly limit intervillage and rural-urban trade (India 1997a, Ecuador 1996a). In Cameroon, for instance, 86 percent of those interviewed in the Southwest Province believe that poor transportation infrastructure is a major factor in their inability to increase agricultural productivity and marketing activities (Cameroon 1995). In Uganda the poor report lower bargaining power because of their lack of mobility: "It is because of poor roads that the produce of the farmers is bought at low prices" (Uganda 1998).

Poor transportation infrastructure also compounds problems with obtaining services such as health care and education. Two-thirds of respondents in Mexico City complain of the poor quality and lack of access to health-care clinics, and this problem increases in rural areas. In one rural region, Zacatecas, the average cost for transportation to the nearest doctor is US\$41, or the equivalent of a month's wages from the only wage labor in the area: hemp weaving. "In Zacatecas it is not rare to hear of families that have lost all of their animals and gone into debts of from 2,000 to 5,000 pesos (US\$365 to \$900) due to sickness of a family member" (Mexico 1995). Similar problems exist in the Republic of Yemen where "poor families from remote areas go to health-care facilities only when in extreme need" (Republic of Yemen 1998).

Lack of transportation also affects children. Rural children in Cameroon often do not attend school because schools are located beyond walking distance, and teachers avoid working in the more isolated areas (Cameroon 1995). In Thailand some parents remove their children from school because the combined costs of education and transportation are unaffordable (Thailand 1998). In one of the South African villages the costs associated with transporting children to school are identified as a cause of poverty (South Africa 1998).

In addition to transportation, two other issues distinguish the poor from the nonpoor: water security, and, to a lesser extent, sanitation. Access to water is important for bathing and drinking, as well as for agricultural production. In Bangladesh, lack of safe drinking water is identified as one of the most important problems for the poor (Bangladesh 1996). Similarly, in rural areas of the Kyrgyz Republic only 45 percent of households have running water, and among the most poor over 50 percent rely on lakes, ponds, and rainwater for household water consumption (Kyrgyz Republic 1998). In Vietnam, children define people in poverty as those without drinking water. In India, the poor in one area report, "Here the biggest

problem is drinking water. The drinking water is drawn from an open well. Leaves and other wastes fall in it and decay. Water-borne diseases like polio and malaria are very common. No health-care worker visits this village. There are a few hand pumps in this village, but you can see not even a drip of water” (India 1997c).

In India poverty is directly related to overall agricultural productivity, that in turn is dependent on water for irrigation (India 1997b). While the absence of irrigation facilities affects all farmers within an area, farmers with particularly small holdings are most affected. In the surveyed villages lack of these facilities is identified as the root cause of poverty (India 1997b). Richer communities are identified as those that have access to water, making dry-season gardens possible. Households selling produce during dry seasons are able to use these earnings to make improvements on houses, such as the installation of zinc roofing (Ghana 1995a). Also in Ghana, an important community-level asset is a village source of water that can be used as an irrigation source during the dry season. These communities are identified as rich in comparison to those lacking dependable water resources (Ghana 1995a).

In more prosperous areas inadequate supply and the high costs of electricity and telephones are the most frequently cited infrastructure problems. In Georgia (1997) people report that power shortages are most frequent in poor neighborhoods. In 1996 the poor outlying districts of Tbilisi experienced electricity outages that lasted from one day to one month, while surrounding areas received electricity with fewer disruptions. Telephone service, even for emergencies, has become rare in many areas. People complain that even when the phones are not working they are still expected to pay for the service. When they refuse, officials respond, “Electricity sometimes comes at night and then the phone works” (Georgia 1997).

The Assets of the Poor

We have neither land nor work. ... Some of us have land in the reserve, but we can't transport our products from there because it is too far. It is difficult to carry them, and since I don't have land here, and only in the reserve, I am poor.
—Ecuador 1996a

In my family if anyone becomes seriously ill, we know that we will lose him because we do not even have enough money for food so we cannot buy medicine. —Vietnam 1999a

I used to never worry about my illiteracy and the fact that I was not able to send my children to school, as long as we had

something to eat. But now ... I realize that my children are in trouble for life because they cannot get any decent job if they don't know how to read and write. —Swaziland 1997

You have to cultivate networks and contacts with people with power and influence to secure a livelihood and future.
—Pakistan 1993

The poor rarely speak about income, but they do speak extensively about assets that are important to them. The poor manage a diverse portfolio of assets—physical, human, social, and environmental. These assets include a broad range of tangible and potential resources, both material and social, that individuals, households, and communities draw from in times of need or crisis (Togo 1996; Benin 1994; Moser 1998a). Power differences among individuals and groups shape how such assets are controlled and used. The extent to which different resources can be mobilized depends directly on how power is shared within households, communities, and other social institutions. Gender differences in being able to access assets are widespread, affect vulnerability, and have important policy implications. These are discussed in detail in chapters 4 and 5.

The four primary classifications of assets are:

- ▶ physical capital, including land and material belongings;
- ▶ human capital, including health care, education, training, and labor power;
- ▶ social capital, which refers to the extent and nature of social networks such as kinship networks, neighbors, and associations; and
- ▶ environmental assets, such as grass, trees, water, and non-timber products.

Additionally, assets function at the individual level, the household level, and the community level. Of the four types of assets available to the poor, social capital is probably the least understood. As the recent literature on social capital makes clear, careful examination of the social capital of households, groups, and communities can provide much needed information to policymakers (Grootaert 1998; Woolcock and Narayan 2000).

Assets also may be productive, such as livestock, or purely for investment (jewelry, for instance). Some assets may be both at different times, such as housing that can be rented (productive) or sold (investment). All of these factors are taken into account when assets are drawn on or investments made. How a particular asset becomes incorporated into an individual's or a household's overall strategy for mitigating poverty depends

on the nature of the asset, the social context in which it is embedded, and the urgency of need.

Physical Capital

Poverty is because of the land; the person who doesn't have any must obligatorily leave to do day labor. —Ecuador 1996a

If one does not own land, a house, household property, or domestic animals, then the person is considered to be poor. —Uganda 1998

Livestock are part of the yearly household reserves; if they get a disease and die we have nothing to support us in between harvests. —Vietnam 1999a

What one shouldn't lack is the sheep, what one cannot live without is food grain. —China 1997

The ownership of or access to land is commonly identified as a key asset (Uganda 1998; South Africa 1998; Kyrgyz Republic 1998; Benin 1994; Ecuador 1996a). Access to land and land rights, especially in rural areas, is at the core of much of the discussion on poverty. In Ecuador poor people feel that poverty is caused by four interrelated factors: limited access to land on which to raise food; the poor quality of the land, which is sloped and highly eroded; the lack of irrigation facilities; and the limited ability to raise and sell large domestic animals (Ecuador 1996a). A poor man in Guinea-Bissau says, "It's not easy to find land such as these we cultivate ... People say that housing will be built on the land we cultivate. This is a source of great concern, for if all of these projects were carried out, we would be in serious financial straits" (Guinea-Bissau 1994). In the Philippines some indigenous people feel that they are gradually losing control of their ancestral lands. In some areas nonindigenous people get title to indigenous people's lands in connivance with unscrupulous government representatives (Philippines 1999). In Zambia as in many rural areas, poor people express concern about the declining fertility of land (Zambia 1997).

In nearly all of the studies, the ability to provide for oneself and one's family is mentioned by the poor as one of the primary strategies for dealing with material deprivation and reducing overall household insecurity. In Nigeria many rural people grow vegetables around the home to supplement the food they have purchased. Many urban dwellers consider themselves disadvantaged in comparison with their rural counterparts because they have less capacity for self-provisioning (Nigeria 1995). This is true of urban

dwellers in Ukraine, where the two most important criteria separating the poor from the destitute are housing and access to a garden plot (Ukraine 1996). In Ethiopia, as well, the poorest families are those who are unable to produce enough food for their own consumption (Ethiopia 1998).

Housing, typically considered an asset, can also be a liability, because it can limit options and drain resources. In Latvia housing had to be re-registered during the postsocialist transition at considerable expense to the owners (Latvia 1998). Maintenance costs can also drain resources. A respondent from Guinea-Bissau explains, “We built [our house] a long time ago, before most of our children were born. But it’s made of thatch, so we have to replace the roof each year, and that costs a lot of money. It needs to be replaced each year before the rainy season. Right now the thatch for a house costs approximately 1,200,000 pesos. We want to get zinc for the house. The problem of having to replace the roof periodically would be solved for good” (Guinea-Bissau 1994).

Often, though, what distinguishes the poor from the nonpoor is substandard housing. In Georgia (1997) damaged, seriously deteriorated, even dangerous housing is a serious concern for the poor. The most frequent problems include leaking roofs, cracked and moldy walls, broken windows, rotting floors, blocked toilets, and rusted pipes. One couple who owns their apartment says, “It could hardly be called normal when at night pieces of plaster fall on one’s head, during rain the ceiling leaks, the leaks sink through holes in the rotten floor, and the faucet leaks through 24 hours a day” (Georgia 1997). In Bangladesh (1996) the Char people speak about lack of shelter as a major problem because thatched huts are easily destroyed by strong winds during the periodic storms. Of course, housing can also have significant income-generating potential. Some poor families subsist mainly on the income derived from renting out a room in their house (Swaziland 1997).

Personal or household property is an asset insofar as it can be sold in emergencies, and salable property may constitute one of the few safety nets that exists for poor families (Uganda 1998; India 1998a; Georgia 1997; Zambia 1997; Cameroon 1995; Latvia 1998; Ethiopia 1998). In Ukraine virtually none of the poor report having any remaining savings, and most have been forced to sell valuable assets such as cars, jewelry, and electronic equipment (Ukraine 1996). However, property is nonrenewable, and selling personal belongings and property is most often a last-resort coping strategy for dealing with a crisis. In fact, in Swaziland selling assets to pay for immediate household needs is becoming less common as a coping strategy simply because many families have already sold off these assets (Swaziland 1997). In India, “a large number of households today are found

to have exhausted all of their valuable assets like gold ornaments and bronze utensils in the course of debt servicing” (India 1998a).

When personal belongings must be sold, several reports note that women’s personal belongings are the first to go (Pakistan 1993; Georgia 1997; India 1998a). As the Pakistan report points out, this divestment strategy is “gendered in its impact and an indicator of women’s particular vulnerability and lack of decisionmaking power within household” (Pakistan 1993). At the same time, divestment of assets such as jewelry may also represent a rational decisionmaking process in which the assets sold first are those without income-generating potential (Pakistan 1993). A similar pattern emerges in Georgia where it is reported that households tend to divest themselves of assets in stages, beginning with personal property such as jewelry, then furniture, and then their homes. The report continues, “For respondents with nothing left to sell, their own blood provides the final source of income” (Georgia 1997). The same practice is also observed in Latvia (1998).

In some cases, poor people may choose to retain a few scarce assets even during times of hunger, illness, or other hardship. Poverty can be closely associated with the loss of dignity and prestige, which is registered in large part by ownership of possessions that are also symbols of status. In Mali, it is not uncommon for a family to own potentially valuable and salable assets such as jewelry or a bicycle, and yet to decide to go hungry during the preharvest season. As the report explains:

These choices cannot be dismissed as irrational or selfish, for they reflect the need to diversify investments and to keep one’s position in the community in case of a real crisis. Given this cultural context, it becomes very difficult to determine what constitutes poverty. Is a family who has inadequate caloric intake for three months a year poor when it could sell a bracelet and have enough to eat? What about a father who saves money to buy a cow for his son’s wedding and does not buy medicines for his sick child? While there are sound explanations for this behavior, traditional poverty measurements, such as household consumption surveys, do not capture them. —Mali 1993

Human Capital

If you don’t have money today, your disease will take you to your grave. —An old woman, Ghana 1995a

The sick do not have the right to live. —A new saying, residents of Javakheti, Georgia 1997

I am illiterate. I am like a blind person. —Illiterate mother,
Pakistan 1996

*If I had gone to school, I would have got a job and I
would have obtained a husband who has a salaried job.*
—Uganda 1998

*I'm old and I can't work, and therefore I am poor. Even
my land is old and tired, so whatever little I manage to
work does not give me enough harvest for me and my children.*
—Togo 1996

Human capital comprises health, education, and labor. For those lacking material and productive assets, labor power or a healthy body is the core component of most survival strategies, and therefore is perhaps the most important human capital asset (Latvia 1998; Senegal 1995). As explained in the Benin report, loss of a productive adult “whether due to disease, death, divorce, or neglect drastically reduces a household’s capacity to overcome external shocks, and is one of the main causes of destitution” (Benin 1994).

The PPAs reveal that, more than anything else, the poor dread serious illness within the family. Illness removes individuals from the labor pool and can push a household into poverty. Where formal institutions provide inadequate safety nets, the illness of one person within the family can affect the economic stability of the entire household. In Togo village children asked to draw a poor person frequently draw someone ill or disabled (Togo 1996). In Ghana good health is seen as a particularly important asset because poor households rely on physical labor for income and lack other assets. “Fieldwork shows that disease, sometimes followed by premature death, is often the cause of extreme poverty, which explains why communities routinely mention poor health (including disability) as one of the characteristics of the poorest people” (Ghana 1995b).

Illness creates a devastating and lasting drain on household resources. In Pakistan a father in Lahore explains that it took him eight years to repay debts acquired after he, his wife, and two of their children had been hospitalized. A mother reports that she has recently withdrawn her daughter from school in order to meet her son’s medical expenses. One man says his own parents have sold land in order to pay for the treatment of their grandson. In sum, although many of the Lahore informants have met family health crises effectively, household assets and human resource investments are likely to suffer as a result (Pakistan 1993).

Literacy, or the “thirst for letters,” is valued everywhere. In Togo people say that illiteracy limits the ability of individuals to secure employment, follow written instructions, and take advantage of government services or

obtain access to credit (Togo 1996). In India, although illiteracy is not reported as the number one reason for poverty, poor people recognize that literacy would help them to manage their lives better. "They understand that illiteracy has made them more dependent, less enterprising, and more vulnerable to the machinations of the educated" (India 1997c).

While literacy is clearly valued, education receives mixed reviews. It is often difficult for families to invest in education. In Swaziland parents make considerable sacrifices, including rationing food to reduce household expenses, so that their children can go to school (Swaziland 1997). In Guinea-Bissau a man says about his children's schooling, "I think that, God willing, they'll do well so they'll be able to get good jobs. I do all in my power to make sure they don't miss class. I hope God will point the way to success for them. If that desire is not realized, patience. Without an education, life is difficult because you can't get a good job" (Guinea-Bissau 1994). In Vietnam (1999a), investment in education is seen as the most important way out of poverty, and a lack of money for education and having a stable job are identified as the overriding problems. In Kenya (1996) in all districts, poor parents place a very high premium on keeping their children in school. To do so, "They would sell their possessions, beg, steal, brew and sell beer, pray, go to church, hawk produce, join self-help groups, cajole teachers into letting the children stay in schools, pay in installments, put their children to work, and sometimes become destitute trying to keep their children in school" (Kenya 1996).

Yet elsewhere the usefulness of education is doubted, particularly when not associated with jobs and wealth. In Eastern Europe and the former Soviet Union there is growing skepticism about the value of education when economic opportunities are shrinking and opportunities seem to come only through connections. In Macedonia schoolchildren say, "School is no good if you don't have connections." Parents agree, but encourage children anyway. They are aware that education no longer leads to jobs or wealth. "Neither the state nor anybody else can offer jobs" (Macedonia 1998).

In Mali (1993), although more than 80 percent of people interviewed believe that schooling is important, schooling has become a disappointment for many. Many parents report that schools have fallen short of helping students to find salaried work, giving them a basic education, and teaching them moral and social behavior. In Burkina Faso, for example, the quality of the available schooling is perceived to be so marginal that "the investment in fees and loss of field labor are perceived as something of a shot in the dark in terms of realistically securing a raise in an individual's or a family's living standards" (Burkina Faso 1994).

The education of girls is mired in a plethora of cultural issues. The common opinion is that education for girls is quite pointless because girls will not learn to care for their homes, and thus their attractiveness as potential wives will be diminished, “effectively ruin[ing] [their] possibilities of a future in the village” (Burkina Faso 1994). Additionally, it is felt that educated girls will desire husbands who are also educated and less likely to find work. “Therefore, young, educated girls will end up in a losing position; they will either not want to marry anybody or nobody will want to marry them, rounding off their social isolation. Eventually they are viewed as the most likely candidates for entering a life of prostitution” (Burkina Faso 1994). In Pakistan the education of girls is seen as raising costs of marriage and hence not valued (Pakistan 1996).

In Armenia both parents and children report that children have given up studying and have instead become merchants and tradesmen because: (1) access to higher education is denied to those without resources; (2) higher education is not a guarantee of higher earnings; and (3) the immediate income needs of the household must be met. In rural areas boys quit school after eighth grade. A student in the Shirka district says, “I lost the will to study because I know that after school I won’t be able to go to town to study further because my father won’t be able to provide the money that is needed for studying in town. I go to school because there is nothing else for me to do.” “Study or not, you will be keeping cows,” one father says (Armenia 1996).

Social Capital

The most important asset is ... an extended and well-placed family network from which one can derive jobs, credit, and financial assistance. —Senegal 1995

The prosperity of our village has increased. Before, the two tribes in our village used to be divided. Now they belong to the same group, which brings them together. No two people have the same intelligence or resources, so when people come together they can solve many problems. —Tanzania 1997

Social capital, broadly defined, refers to the benefits of membership within a social network. The accessibility of additional resources through social connections enables poor people to meet everyday needs. In addition, because poor people can rarely afford formal insurance to protect them in the event of crises such as natural disasters, financial crises, health emergencies, unemployment, and the like, reciprocal social relationships provide wells of financial, social, or political support from

which they can draw in times of need. Although friends, neighbors, professional ties, and links that extend beyond the community are critical assets for improving welfare, the most frequently mentioned coping mechanism for poor people is the extended family.

The experiences of the poor as described in the various PPAs emphasize the importance of kinship networks for daily survival as well as for crisis management. In Costa Rica approximately 50 percent of those interviewed say that they have at some point received economic assistance from family members in times of crisis and have either reciprocated in kind or are willing to do so (Costa Rica 1997). In Ghana extended families are seen as synonymous with social safety nets (Ghana 1995b). In Niger extended family networks help members deal with hunger and food insecurity (Niger 1996). In Guatemala the family's response to crises is to approach relatives and friends with whom they enjoy a reciprocal relationship. Those individuals give very small loans to cover the cost of medicines, doctors' fees, and transport to medical facilities, or to provide small amounts of foodstuffs in instances of dire necessity (Guatemala 1997b). In Eastern Europe and the former Soviet Union membership in kinship and professional networks is identified as one of the key factors governing how well one managed the financial crisis of the early 1990s (Moldova 1997).

When poor people help one another their scant resources may limit the gains made. Hence, social capital provides a hedge but rarely, by itself, lifts poor people out of poverty. Social capital is a two-way street. While social networks provide benefits such as access to scarce resources, membership also entails having claims made on one's own resources. Poor people from Mali report that accumulating assets at the individual or household level is difficult or impossible because of the claims that family members make on those assets.

These reciprocal ties even affect fertility decisions. If a couple decides to have few children in order to limit the drain on the family's resources, because of the strong norms of reciprocity the couple may end up caring for the children of relatives. "While on the one hand the extended family is a powerful safety net, on the other it discourages behavior that in the long run would reduce poverty, such as productive investments or limited family size" (Mali 1993). A middle-aged man from Guinea-Bissau who has been trained overseas as an engineer notes similar burdens related to education:

My cousin, a nephew, and two of my wife's brothers will be coming next month when I'm going to move into the house next door, which has two bedrooms and a living room. You know when you return to the country with training for a senior post, the whole family thinks you're coming back to save them. And so they start sending everyone to your house

arguing that we were able to get an education thanks to the family's support, and that therefore we should provide support to others in turn. In addition I help my father and mother meet their needs. And I need money for ritual ceremonies.
—Guinea-Bissau 1994

As with other forms of capital, levels of social capital are constantly in flux. Without connections to resources beyond poor communities, poor people's networks serve a survival and defensive function, a struggle to meet daily needs.

Environmental Assets: Decline and Shocks

The poor live at the whim and mercy of nature. —Kenya 1997

We are all farmers in this village. When two farmers cultivate together the same plots and at the end of the harvest season, one has made a profit that allows him to get a lot of things and the other hasn't earned a thing, they will say that the second farmer is poor. But next year it could be the reverse. The fact is that we are all poor in this village. —Togo 1996

One of the most critical causes of vulnerability for rural communities is seasonal fluctuation in food and water availability. In some areas of Ghana the *sondure*, "hungry period," may last five or six months due to erratic rainfall and severely degraded soils (Ghana 1995b). Similarly, the Zambia study reports that farm labor demands are highest when problems of food scarcity and malaria are most severe, "both of which circumstances further reduce the availability and energy of labor" (Milimo 1995). During these periods adults frequently migrate, assets may be divested, or debt incurred, all of which may leave households more vulnerable to future shocks (Madagascar 1996). A report from Nigeria notes that "the severity of rural poverty ... is worst shortly before harvest time. The poor run out of stored food and have to purchase at a time when prices are highest, often on credit from moneylenders. After harvest, when prices are low, they have to sell to repay their loans. Their crop is therefore worth little to them and in many very poor families, some of it is sold in advance at very low prices" (Nigeria 1995).

The season brings other risks. Falls and fractures are frequent complaints in the Republic of Yemen where women and children (who may be kept out of school) must travel long distances and often over difficult mountainous roads to fetch water (Republic of Yemen 1998; Kenya 1996).

The rainy season brings its own problems to both rural and urban areas. Grain prices climb, access to casual employment drops, and flooded streets limit informal commerce (Ethiopia 1998; Ghana 1995a; Vietnam 1999b). The winter months are especially hard times for the poor in Macedonia due to their inability to maintain and heat housing (Macedonia 1998).

In addition to the problems of seasonal calamities, a large number of the world's poorest people face challenges because they live in environmentally fragile areas such as arid and tropical lands with limited soil fertility. With no access to other lands, increasing numbers of poor people have also moved to steep hillsides and low-lying coastal areas. Increasing numbers of these fragile sites are caught in a downward spiral of impoverishment and resource degradation that includes erosion, reduced soil fertility, depleted marine and forestry resources, and declining availability of fresh water. The Ghana PPA, for instance, indicates that the poorest rural communities are those "where the natural resource base has become extremely depleted as a result of high population densities" (Ghana 1995a). The Benin report mentions that land-short households can no longer afford to leave some land fallow, which further reduces fertility and yields (Benin 1994). Poor farmers dependent on rain say, "Income is most often a matter of sheer luck" (Senegal 1995).

Many traditional coping strategies such as gathering wood, hunting "bush meat," fishing, and harvesting herbs, fruits, or nuts rely on common resources. Pressure on such resources is intensifying, however, and several studies document that these resources are disappearing (Ghana 1995b). The India report mentions, for instance, that gum collection is no longer profitable due to a drastic decrease in the availability of gum trees (India 1998d). Women are much more dependent on gathering forest resources, and the disappearance of nontimber forest products disproportionately affects their well-being (India 1998a). Shrinking tree coverage in large portions of Benin has meant that poor people can no longer gather wild food and hunt during periods of food shortage (Benin 1994).

Resource degradation is a fact of life for many of the poor people interviewed. "Little by little the environment is dying and people don't understand that the problem comes from the fact that man is killing the environment," says a poor Ladino mother of seven in rural Guatemala. She says the principal reason is that the owners of the forest, the authorities, and the agencies responsible for reforestation are cutting down trees in large quantities (Guatemala 1997b). Resource degradation not only erodes the assets and productivity of individual households, but can also impoverish entire communities. In Tanzania small farmers say, "Ten years ago we harvested 10 sacks of cassava and eight sacks of maize per acre. Today, because of the

decline of soil fertility and rain and because we do not use fertilizer or improved seed, some of us get three or four sacks of maize while others harvest nothing” (Tanzania 1999).

The urban poor are also vulnerable to other kinds of environmental risks. With scarce affordable housing, poor families often reside on steep hillsides and marshes that are highly susceptible to mudslides and floods. In some areas of Benin poor people live in “water up to their ankles for three months a year,” and must contend with diarrheal diseases and respiratory tract infections, impassable streets, reduced opportunities for petty trades, and constant housing repairs (Benin 1994). In Senegal the urban poor live in what have been called “floating neighborhoods,” or unplanned communities with crowded, unsanitary housing in peri-urban areas (Senegal 1995). In urban areas where the poor live in closely built shack settlements, fire is a real hazard due to widespread use of paraffin for cooking and light and the use of cardboard and wood as building materials (South Africa 1998).

Extreme weather conditions such as droughts and floods can devastate communities anywhere in the world (see box 2.3), but it is often poor people residing in marginal areas and precarious housing who are most exposed to such shocks. In 1998 more than 60,000 villages in India were buffeted by heavy rains, landslides, floods, hailstorms, cyclones, and drought. The intense weather patterns exacted a massive financial toll that exceeded the previous combined five years of relief funds. The poor are the worst affected. A cyclone in Gujrat, for instance, destroyed more than 13,000 huts, as opposed to just over 3,000 durable homes.²

Disasters can also exacerbate other sources of vulnerability and overwhelm traditional coping mechanisms. The poor of Swaziland and Zambia, in fact, see drought as among their most severe problems (Swaziland 1997; Zambia 1997). Similarly, residents of the Bolangir District in India report that it is impossible to recover from the five-year cycles of drought due to extreme losses of crops, indebtedness, starvation, land-alienation, the sale of assets, and irreparable damage to nearby forest resources. During droughts, household consumption falls by at least one-half (India 1997a, India 1998a).³ The Benin report (1994) describes the strain of a flood disaster on kinship-based safety nets:

Three years ago it was a very bad year. The flood washed away all of our crops, and there was a lot of hunger around here, to the point that many people actually died of hunger. They must have been at least a dozen, mostly children and old people. Nobody could help them. Their relatives in the village had no food either; nobody had enough food for his own children, let alone for the children of his brother or cousin. And few had a richer relative somewhere else who could help. —Benin 1994

Box 2.3 The 1998 Floods in Bangladesh

Bangladesh suffered its worst floods in living memory in 1998, inundating two-thirds of the country for an unprecedented 11 weeks starting in July. Seasonal flooding is nothing new in Bangladesh, whose river systems (the Ganges, the Brahmaputra, and the Meghna) annually drain a vast basin. The people and the economy of Bangladesh have adapted over generations to seasonal flooding. However, in years when river levels and above-normal rainfall peak together, there have been enormous losses of life, livelihoods, property, and crops.

Over 1,000 individuals died and some 30 million people were affected by the 1998 floods. They severely damaged an estimated 15,000 kilometers of roads, 14,000 schools, and thousands of bridges and culverts. Besides public infrastructure, the floods damaged private assets (including over 500,000 homes), production, and productive inputs, and significantly altered agricultural patterns and lowered farming yields.

Source: Shah 1999.

Assets and Vulnerability

After one poor crop we need three good harvests to return to normal. —Vietnam 1999a

I sold my land and now I have nothing. I can never buy my land back because the prices go up every year.
—Tanzania 1999

[I have become like] a stray dog whimpering in front of the closed doors of relatives in the hope that someone might open the door. —A mother of two, Georgia 1997

The PPA analysis reveals that poor people's fears pertain to lack of assets and anxiety about their ability to survive in increasingly unpredictable and insecure environments. This includes economic, social, and environmental uncertainty.

Vulnerability is perhaps best understood as a lack of key sets of assets, exposing individuals, households, and communities to increased or

disproportionate risk of impoverishment. Simply put, an increased number and range of assets means less vulnerability, while fewer assets increase the risk of impoverishment (Moser 1998). More than a decade ago, Robert Chambers observed that poverty alleviation policies have tended to neglect the issue of the vulnerability of the poor. That is, instead of examining the particular factors that place individuals, households, and communities at risk of poverty or worsened poverty, policies have focused on levels of consumption or income. Examining vulnerability, however, will bring to light issues of “defenselessness, insecurity, and exposure to risk, shocks, and stress” (Chambers 1989).

It is always the conjunction of many factors that causes vulnerability. A participant from an area in Swaziland that had suffered from both drought and cattle rustling explains:

A lot of people were sending their children to school by using the cattle. Come plowing time, the oxen could be used. Come planting time they would sell the cattle to buy seed and fertilizer. Come drought, a few cattle would be sold to tide the family over till the next harvest. Now with so many kraals [corrals] empty [due to theft], the kids will drop out of school, people will have a problem with farm inputs, and we will be more vulnerable to hunger during the drought. —Swaziland 1997

Vulnerability within the Household and on the Job

One farmer’s family has worked for a family for three generations, hard physical labor every day. This man has worked since his birth for the same farmer but has nothing, no savings, not even a bicycle. These people can afford nothing but survival. —South Africa 1998

When poor communities are asked to identify their most vulnerable members, a common initial response is that everyone is poor. Such is the case for a community in Mombasa, Kenya, but on further reflection they select “single mothers, orphans, children, men with large families, unemployed youth, adolescent mothers, casual workers, and women married to irresponsible or alcoholic husbands” as most vulnerable (Kenya 1997). Children, the elderly, widows, the chronically ill, and the disabled are among the groups frequently cited as most vulnerable. Unable to provide for themselves or contribute adequately to the productive capacity of the household, they remain dependent on the aid of others, simultaneously burdening those on whom they depend. When a family is poor, the

vulnerable members of the household are often neglected and “the popular perception seems to be that there is little point in attempting to develop their capacities because they are so limited” (India 1997a). Of little surprise, more secure households in Benin are considered those that have a higher ratio of productive and healthy adults (Benin 1994).

Women are frequently identified as among the most vulnerable, often because of child-rearing responsibilities. Cultural norms and legal restrictions that limit women’s access to resources as well as their decisionmaking power also heighten their vulnerability (Togo 1996; Swaziland 1997). In rural Bangladesh women are very concerned about ownership of homestead and land because it provides them with some security and collateral for securing loans. With a little homestead land, “women feel they have many options for income-generating activities, including poultry rearing, homestead gardening, and cottage industries. Most of them do not feel they can leave their homes for wage labor. They also fear for their future as widows, and divorcees and deserted wives” (Bangladesh 1996).

Female-headed households, especially those with children who are too young to work or care for themselves, are particularly vulnerable (Republic of Yemen 1998). These households may have lower incomes, fewer work options, and reduced labor power (Pakistan 1993). In some areas of India women within the household are expected to eat only after everyone else has finished eating, and during times of shortage women may be left with virtually nothing to eat at all (India 1998a). In the Philippines women say, “When food becomes scarce, we only eat once a day to allow our children and husbands to eat three times a day” (Philippines 1999).

While assets are usually considered to accrue to the household as a unit, it is often the men within the household who hold exclusive decisionmaking power over how these assets will be used, especially in times of crisis. “It appears that where possible women try to retain some of their income for personal expenditure and for contingencies. However, this is invariably utilized for personal crises such as health costs and food during times of sickness or unemployment, and women become vulnerable when their savings habits are revealed” (Pakistan 1993).

One of the characteristics of vulnerability is dependence, particularly dependence on resources that are exploitative, meager, or unpredictable (see box 2.4). Lack of resources makes a person easy prey. Vulnerability causes fear.

Even when women *do* have some control over productive assets there may be gender differences. In Pakistan, where livestock is an important asset, women raise small animals such as chickens and goats while men

Box 2.4 The Story of Murari

Murari is a 30-year-old man who is presently living in the village of Kedarkui with his family. He began his period of contractual labor in agriculture five years ago for a dominant Thakur caste farmer. The Thakur also acts as a moneylender in many of the surrounding villages. Five years ago Murari took out a loan of approximately Rs. 1,000 that he needed for an unexpected emergency. As a term of the loan, Murari was compelled to work for the Thakur farmer as an agricultural laborer on the moneylender's land for a wage of only Rs. 5,000 a year. This Thakur farmer/moneylender provided Murari and his family with accommodations, food, and some money for miscellaneous expenses, while keeping account of everything that was provided.

At the end of the first two years, Murari owed Rs. 2,500 to the Thakur. After two years of labor he owed 250 percent more to the Thakur than he had initially borrowed due to the interest incurred on the loan, charges for food and accommodation, small loans provided on an ongoing basis, and so on. However, despite this dismal situation Murari was not able to leave the Thakur's farm in search of more profitable work. If he attempted to leave, or flee, it is reported that the moneylender would track him down and the consequences would undoubtedly be serious. After five years of work as an agricultural laborer and house servant for the Thakur, Murari owes over 8,000 Rs. Murari and others like him find that they are virtually powerless once they enter the vicious cycle of contractual labor, where they are compelled to concede to the tyranny and exploitation of the moneylenders. But for many of the poorest villagers, there are no alternative sources of loans and in certain circumstances they have no choice but to accept the exploitative terms of the local moneylenders.

Source: India 1997a.

usually raise cattle. Smaller livestock is sold first, as it is thought to be more easily replaced (Pakistan 1993).

Finally, the occupations available to poor people are often physically risky. Work-related cases of debilitating and fatal injuries, assaults, illnesses, and psychological abuse abound. In Ghana, for instance, unskilled

positions such as market truck-pushers or loading boys leave workers extremely vulnerable to sickness, disability (temporary or permanent), and infirmity. In addition, unskilled laborers complain of abuses from managers and employers who fail to uphold verbal agreements (Ghana 1995a).

Another PPA reports that migrant women in India, fleeing the devastation of a drought, work 20 hours a day at such activities as gathering fuel wood to sell in nearby towns, or transplanting paddy saplings (India 1998a). The South Africa report mentions a number of dangerous occupations, including women as old as 75 years old engaged in mixing mud and dung for plastering, or carrying 25-liter drums of water in return for pay. The South Africa report also mentions highly risky jobs such as garbage-picking and prostitution, as well as more traditional occupations. "In the community of Krakeel the major sources of wage-labor are work on fruit farms, and in an apple-processing factory. Both of these sources of income were shown to require the greatest physical effort and carry the greatest health risks of all the occupations that were identified. The factory is built on a dam and the floor gets very wet and cold. One woman pointed out that the swelling and pain in her legs was the result of the conditions she had had to work in the factory" (South Africa 1998).

Women also frequently complain of sexual harassment from co-workers and managers (India 1998a; Pakistan 1993).

Conclusions

There are important insights to be drawn from the PPA data about poor people's definitions and understanding of poverty and their strategies for managing the portfolio of scarce and often contested assets that are available to them. Poverty consists of multiple, interlocking dimensions. Poverty definitions focus on difficulties in securing food and livelihood. What is striking, however, is the extent to which dependency, lack of power, and lack of voice emerge as core elements of poor people's definitions of poverty. Powerlessness and voicelessness also underlie discussions of a heightened sense of vulnerability and the inability of poor people to protect themselves from shocks. Poor people speak extensively about assets and much less about income. These findings have implications for how we measure poverty. One of the challenges is to track and measure changes in power and voice together with other measures of poverty, such as estimates of expenditure and consumption, and access to education and health.

Three findings stand out from the review of poor people's pools of assets and how these assets are managed to reduce vulnerability to shocks. First, assets used by the poor to mediate social, economic, and environmental adversity are multidimensional in nature and are made up of a broad array of tangible and intangible physical, human, social, and

environmental resources. Families that lack certain key assets may not necessarily be poor, but nonetheless may be extremely vulnerable in times of need or crisis.

Second, assets available to the poor are scarce and contested resources. The ability to draw on assets in times of need is directly dependent on the power relations governing these resources at a number of levels, from the household to the formal institutional level. There are often strong gender differences. The mobilization of assets almost by definition involves a negotiation of power and control over resources.

Finally, the poor tend to mention income only infrequently, relative to assets such as membership within kinship and social networks, health, labor, land, and other resources that make self-provisioning possible. In fact, the Ghana report states that the “idea of a secure livelihood is frequently more important than the incentive to maximize income” (Ghana 1995a). This is not surprising, given the heightened vulnerability of poor people and poor communities to potentially devastating shocks that are beyond their control. These findings need to be considered carefully from a policy perspective. The data provide compelling evidence that for many of the world’s poor, monetary income is only a part of a much broader array of potential assets. Because social relationships are an asset, and because the poor have weak bargaining power, the organizational capacity of poor people and the quality of processes of intervention are critical.

Case study 2.1: Focus on Eastern Europe and the Former Soviet Union

Institutional Collapse, Sudden Poverty

For a poor person everything is terrible—illness, humiliation, shame. We are cripples; we are afraid of everything; we depend on everyone. No one needs us. We are like garbage that everyone wants to get rid of. —Blind woman from Tiraspol, Moldova 1997

I feel very unpleasant when you ask me how I would define my own situation. I cannot ... [shrugs his shoulders], but I do know I am poor. —Macedonia 1998

While in many instances the conditions under which people live in this region are better than in much of the developing world, people respond to the harsh social and economic conditions of the last decade with pronounced humiliation, shame, bewilderment, and confusion. After decades

of steady employment guaranteed by the state and subsidized food, housing, education, medicine, and standards of living that, if not lavish, were for most at least adequate, the collapse of communism has resulted in the rapid erosion of virtually all social support systems, and has bred mass insecurity among the people of this region as they have watched their savings and accumulated assets dwindle and disappear.

One elderly pensioner in Moldova complained that, “[Before independence] I had two thousand rubles saved in the bank for a rainy day, for my funeral. It was quite enough during those times. Now I have 2 lei. What can I buy with them?” (Moldova 1997). The loss of security they once knew has created a profound sense of hopelessness, depression, and fear of what the future might bring.

The ways in which people define poverty in Eastern Europe and the former Soviet Union vary according to a number of factors, including gender, economic status, and the position of respondents in the socioeconomic hierarchy before the social and economic transformations of the late 1980s and early 1990s. The poorest tend to cite the most basic aspects of poverty: hunger, inadequate quantities and quality of food, poor living conditions, and health problems. Following that, the poor tend to cite the inability to provide for their children, to maintain the social traditions that they once enjoyed, and to participate in a meaningful cultural and intellectual life. The transitions to a market economy, to “independence,” and to “democracy” have become equated in the minds of many poor people with unprecedented vulnerability and social injustice.

Across the region there are a number of ways in which the poor have developed survival strategies to cope with sudden poverty. An extremely important asset is access to land, either one’s own, or within one’s family. Even small plots provide the possibility for self-provisioning of food for the family and reducing expenditures. Often food raised can be exchanged for goods and services. Families have been forced to reduce their consumption levels dramatically, often to the point of spending money only on the most basic needs such as food and shelter. Meat and fresh fruits and vegetables have largely been eliminated from the diets of the poor, and replaced with cheaper, less nutritious, and carbohydrate-rich foods such as bread, potatoes, and pasta (box 2.5).

Expenditures on health care have been reduced or eliminated, and there is increased reliance on home and traditional remedies. In addition, selling assets has been a survival strategy employed by the poor across the region. Pensioners, too, rely on the sale of material possessions, perhaps because of a greater accumulation of belongings over a lifetime, but also because of the increased need to pay for costly medical treatment. It is also

Box 2.5 Food: The Ultimate Criterion of Poverty

Poverty is the fact that sometimes I go hungry to bed in the evening, because I do not have bread at home.

—Macedonia 1998

That person is poor who for 20 days out of the month eats boiled potatoes without butter, drinks tea without sugar, and doesn't have enough money to buy subsidized bread.

—Armenia 1995

Ivan and Lolita (former collective farm workers nearing pension age) now survive on what they can grow in their own garden, on various jobs Ivan finds, and what Lolita can gather from the forest and sell. They live mainly on potatoes, going through last winter without any bread at all. For the last two months they have lived on potato bread: potatoes are ground up, mixed with oil, and baked. Lolita cries when she sees a loaf of bread. —Latvia 1998

If I consider how other people live, then I feel poor because I cannot give my child what he needs. If an employed individual still has to worry about buying his or her child bread and has to scrape to make ends meet—this is not normal.

—Latvia 1997

Only God knows how we shall survive over the winter. At night you wake up because of a stomachache and because of hunger. —A former collective farm worker, Moldova 1997

Poverty for me is the fact that we bought some black flour with our last money, some flour cheaper than the rest. When we baked the bread it was not edible. We were speechless and ate it by force since we did not have anything else.

—Macedonia 1998

an important way of supplementing pensions that are inadequate, and often sporadically provided (Azerbaijan 1997).

Humiliation and Shame

If I openly admit myself to be poor, life will become psychologically harder. —A 45-year-old female agronomist, Latvia 1998

Much more than reports from other parts of the world, the poverty assessments from the former Soviet bloc underscore the intense shame and humiliation that people feel when confronted by their own poverty and asked to describe their current living conditions. In the former system, poverty was ascribed to laziness and incompetence, and poverty was often associated with criminality. Poverty was mainly perceived to be a result of personal failings or evidence of undesirable family traits and upbringing, and thus it was equated with a lack of social and moral worth. These attitudes can be ascribed in part to the legacy of the communist system, during which time any serious analysis of poverty would have constituted a direct challenge to the authority and legitimacy of the central state whose charge it was to provide welfare for all. Because of this, the position of Soviet ideology was to identify poverty as a social phenomenon associated primarily with deviant groups (Georgia 1997; Azerbaijan 1997).

The association of impoverishment with personal or familial shortcomings remains firmly embedded in the collective psyche. In this system, maintaining at least the appearance of prosperity is vital to maintaining the social connections that enable one to secure goods and services (Moldova 1997). To admit to poverty now is therefore very difficult for people who have spent productive working lives, with little or nothing to show for it, and are forced to go to extreme measures to provide sustenance for themselves and their families. To admit to poverty makes an already untenable situation even worse.

Thus people will often try to hide their poverty from their friends and neighbors (Latvia 1997). In response to interviewers' questions many simply denied that they are poor, describing themselves in other terms such as "in the middle," "close to poor," or "underprivileged." As a villager in Armenia says, "If a person is needy, we just say he doesn't live very well" (Armenia 1995). People fear that if their true economic status is known it will damage the honor and respect of the family within the community, and hurt the future chances of their children (Macedonia 1998).

One Latvian interviewee says, "Our situation is somewhere in the middle, [because] there are others for whom it is worse"; yet "there is a lot we would need, but we cannot get anything" (Latvia 1997). In Moldova

even people who appeared extremely poor to the interviewers declined to represent themselves as “poor.” Instead, they preferred to describe themselves as “close to poor,” but not completely poor. A former university lecturer in physics from Tbilisi reports that he was compelled to take a job as a chauffeur in order to support his family. He found work in another city so that he would not have to suffer the humiliation of having people he knew see him driving a limousine. “I would have felt ashamed to work as a driver in the capital, but here no one knows me. All the same, it is difficult. Recently, I ran into my former students; I’m ashamed to this day when I recall how I lied and told them that the car I drive is my own, and that I own this apartment. To this day they think I’m the director of some firm” (Georgia 1997).

Much of the humiliation comes from suddenly being unable to behave in ways consistent with strongly held social norms. When such norms can no longer be upheld, people withdraw and become socially isolated, causing depression and feelings of worthlessness. This psychological toll has had negative effects on the social cohesiveness of communities, kinship groups, and even households.

For instance, being assured of a decent funeral remains a high priority for many, especially among older respondents across the region. Not being able to properly bury and pay respects to a loved one can put the honor of the family in jeopardy. For example, in Georgia funerals take on important symbolic and social significance, serving as occasions in which families demonstrate social solidarity to themselves and others. It is a time to display a family’s prestige, honor, and prosperity. Friends of the deceased and the deceased’s extended family are expected to attend the funeral and bring gifts. During the socialist period most elderly Georgians were able to save funeral money to offset the considerable costs, but now most have lost the bulk of their savings. The elderly now find themselves caught in the position of having to depend on their families for financial and material support while they live or use up their remaining accumulated savings and leave it to their families to cover their eventual funeral costs (Georgia 1997).

In Armenia funerals continue to have great social significance and play an important role in building social solidarity within the community. Families of the deceased shoulder a responsibility of hosting a big meal to which members of the community are invited. Although guests customarily bring gifts, the financing of a funeral, especially for poorer families, can exhaust resources and send a family into debt (Armenia 1995). People in Azerbaijan report acute embarrassment and anxiety over not being able to provide acceptable funerals for family members. One woman, an internally displaced person, felt shame and embarrassment

that she would have to sell her last carpet in which she had intended to be buried (Azerbaijan 1997).

This is not only true of funerals but of other important social occasions as well. Hospitality serves the important social function of helping to build and maintain vital social connections and to establish social standing within the community. In Azerbaijan the ability to entertain guests properly is an important indicator of social status (Azerbaijan 1997), but social events that were once large and extravagant have become small and restricted. In Georgia, where hospitality is a strong social norm, people live in fear of being either hosts or guests, and routinely avoid weddings and funerals. Hosts have nothing to serve guests and guests have nothing to bring to hosts as gifts. All parties find this deeply humiliating.

In Ukraine a 35-year-old driver recalled when families could routinely invite 150 people to celebrate a wedding. Now, when a wedding takes place, few people are told and it is restricted to only a small number of family members (Ukraine 1996). A Moldovan respondent stated: "In northern Moldova the wedding party was an index of a family's welfare. Parents prepared their whole life for this wedding party. They saved money to purchase furniture, refrigerators, and televisions for the young couple. During the Soviet era, it was very shameful for the parents if they couldn't give their children a big wedding. It meant they were poor, and people who were poor were thought of as lazy. Some parents even gave their children a house and car as wedding presents. Weddings then were held either under tents that covered huge land areas, in culture palaces, or in restaurants. Now they are simply held at home" (Moldova 1997).

One woman from Georgia reports that she deals with the inability to afford gifts by disconnecting her phone when she is expecting an invitation. In this way she is able to offer the excuse that her phone is out of order so she learns of the invitation too late (Georgia 1997). A Latvian person told interviewers, "During the past two years we have not celebrated any holidays with others. We cannot afford to invite anyone to our house and we feel uncomfortable visiting others without bringing a present. The lack of contact leaves one depressed, creates a constant feeling of unhappiness, and a sense of low self-esteem" (Latvia 1998).

In Moldova respondents describe poverty as a process of becoming increasingly socially isolated as they have been able to participate less and less in the social ceremonies and traditions that once brought people together and helped to create and maintain the social bonds between people. They feel poverty is gradually destroying these traditions (Moldova 1997). Similarly, in Ukraine the poorest members of society not only cannot afford to invite others to socialize with them, but must also refuse invitations because they also cannot afford even a small gift. A 26-year-old woman who

lives with her parents—who are pensioners—and a sister and niece says, “It’s been a year since I have seen my girlfriend; I cannot go without at least taking a little gift. We sit at home and don’t go anywhere” (Ukraine 1996). “I feel most useless in this society,” says a 20-year-old Macedonian man. “I frequently get disappointed. I am looking for a job and I cannot find any. I do not want to ask my parents for money because I know they do not have it. I frequently avoid girls precisely because of this. I am ashamed of finding myself in a position where I would not be able to pay at least for my own drink” (Macedonia 1998). A 51-year-old woman from Macedonia, wife and mother of a 14-year-old son, lost her job after 20 years due to “technical surplus.” She says, “I feel my heart aching when somebody comes and we do not even have any coffee to offer. I am ashamed at what we have become” (Macedonia 1998).

Prestige is very important in the former Soviet Union. One’s education, job, and the social standing of the family contribute to the amount of prestige one has. Prestige and status remain important assets because of the access to scarce goods and services they provide. Status is an issue at once material and psychological, and its loss can be devastating. Many people will sell belongings rather than leave prestigious jobs (Georgia 1997). Teachers have felt their respect diminish in front of their classrooms because they can no longer afford decent clothing in which to teach. A teacher from Tbilisi reports her humiliation when asked by her 8-year-old student why she looked like a beggar who had been portrayed on television (Georgia 1997).

Coming to Terms with Poverty

There are some people who live worse than I do, but there are also those who live better. For some I am poor, for others not, but compared to my own former situation, I am a beggar.
—Armenia 1995

Each person assesses poverty relative to the lives they used to enjoy, or, depending on the context, relative to the lives around them. —Latvia 1998

People from Eastern Europe and the former Soviet Union tend to think about their current economic position by comparing it with both their earlier standard of living and the current situation of others. Both are ways of attempting not only to rationally comprehend the transformations of their social status, but also to psychologically mediate their experiences. This is one of the most consistent features of the reports from this region.

Comparing the present situation with the past is a way for respondents to externalize responsibility for the current situation. By pointing to specific events that impoverished everybody, by citing examples of those worse off than they are, or the criminality and duplicity of the wealthy, respondents feel that, at least to a certain extent, their impoverishment is not the result of personal failings, but of events utterly beyond their control, such as the transitions associated with independence, or in some cases, with other shocks such as the earthquake in Armenia in 1988 that left thousands homeless (Armenia 1995).

Those over 40 frequently make historical comparisons; they often look back on the socialist era with nostalgia, loss, and regret. One person states, "Then there were no such great differences between people, there was no poverty. There was a middle class that lived well" (Macedonia 1998). Comparing the current situation with that before 1989, one Latvian respondent says, "In any case, there were no problems; we never lived too well, but we did not owe anyone anything" (Latvia 1997). An unemployed single mother with two children states, "I think that others buy new things for themselves; I cannot buy anything. It is not important if a person can survive or not; no one cares!" (Latvia 1997).

In Georgia, where in 1992 prices rose tenfold and by 1993 were increasing 100 to 300 percent each month, a man says that before the hyperinflation he had enough money to buy a car, while now that same amount would buy four loaves of bread (Georgia 1997). This was also the case in Ukraine, where "a family of four living in two rooms might be considered poor if they were unable to save enough money for major purchases such as a summer house, furniture or a washing machine. Such a family, however, could easily afford food, housing, and utility charges, vacations and clothing" (Ukraine 1996). However, now virtually all of these are entirely unaffordable, and simply providing food, health care, and adequate living space for a family is a significant struggle.

Comparing one's position with others (describing poverty synchronically) serves two functions. First, many people point to the worse conditions of others as examples of those who are really poor to avoid being forced to concede their own destitution. "My living situation is very difficult," researchers are told, "but I still have something to eat and something to wear. This morning I saw two women who were eating food they had found in the garbage. This is poverty!" (Moldova 1997).

Second, people may also compare themselves to those wealthier than they are, ascribing that wealth to corruption and dishonesty. Particularly for people over 40, the rules of the new market economy seem to violate the values by which they were raised. Because of the belief that in the former system "business was 'speculation,' and 'speculation' was a dishonest and

even criminal way of making money,” they compare themselves with their neighbors who have overcome their own psychological barriers to get involved in street trade and commerce (that has come to symbolize the new market relations). They claim they would rather retain their self-respect and the respect of their peers by working for meager salaries in the state sector or selling personal possessions (Georgia 1997).

Maintaining connections to people in government and business and, in general, to those with some control over scarce resources is essential to avoiding poverty, but many are losing any connections they once had as societies become more divided between rich and poor. In Georgia respondents frequently identify “capitalism” and “market relations” with an unswerving pursuit of self-interest with no regard for the effects on those outside of one’s own social network (Georgia 1997). A popular joke in Ukraine encapsulates many of the attitudes toward earning money in the new economy and the importance of official connections through which goods and services can be brokered:

United Nations officials are interviewing three pilots, a German, an American, and a Russian, for a UN international air force. The German says he has experience and wants a salary of \$3,000. The American says he has excellent training and wants a salary of \$6,000. The Russian says he wants \$9,000. When asked about his experience, the Russian readily admits that he’s never flown a plane and he has no experience in the military. When the astonished UN officials ask why he is demanding \$9,000, he cheerfully explains, “Simple! \$3,000 for you, \$3,000 for me, and \$3,000 for the German. Let him fly!”
—Ukraine 1996

This joke illustrates how ideologies and attitudes toward earning money have changed as well as how “one person’s willingness to bend the rules allows another to earn money purely by capitalizing on the acquaintance” (Ukraine 1996). “We have our problems,” says one Latvian man, “how to survive; they have their problems—how to guard their fortunes” (Latvia 1998).

Rural and Urban Areas: Different Assets, Different Needs

Peasants now live 10 times better than those in the city do, but they work 10 times harder. —Agronomist, Armenia 1995

Both the rural and the urban poor raise the issues of food and access to basic services. While references suggest that rural poverty may be less

severe than in urban areas because of rural people's possibilities for self-provision, income statistics suggest that poverty is both more widespread and more severe in rural areas than in cities. (See, for instance, Kyrgyz Republic 1998.) As in the rest of the world, rural areas have traditionally had less access to basic services, including transportation, health care, and schools.

In Georgia families in both urban and rural areas report going without food for several days, especially in order to ensure that their children have something to eat. Rural areas mainly experience hunger in the early spring before crops can be planted and after food supplies have been exhausted. In urban areas, however, hunger tends to be more acute and people report subsisting for long periods of time on only bread and tea (Georgia 1997).

Having some small piece of land on which to grow vegetables or having social connections to family or others who can grow food is an important resource for urban families. Indeed, a common opinion among urban residents is that at least people in rural areas stand less of a chance of going hungry. "What benefit do I have from the fact that there is everything in town?" a woman asks. "You see things, but do not have money for anything. If I would live in a village I would be happy. If I had one small piece of land I would plant things, breed cattle and say good-bye to poverty" (Macedonia 1998). There has even been a slight trend in Armenia of urban to rural migration in order to take advantage of extended kinship networks in villages and increased access to land (Armenia 1995).

Nevertheless, the rural poor often report feeling isolated and lack key infrastructure such as transportation, schools, and health-care clinics (Latvia 1998). In Macedonia, for instance, rural residents frequently report that their situation is more severe than that of urban residents due to lack of basic services. "We in the village have a four-grade primary school and one shop," a poor person stated. "Our children should continue their education in the nearest town. We also have to seek medical care in the town. Everything we need we have to go and buy in the city ... and these are additional costs."

Interviews completed in Latvia suggest that urban poverty tends to be more anonymous. People are not as aware of their neighbors' conditions and can ignore the people picking through the garbage for food. Urban residents more frequently tend to equate poverty with being unable to take advantage of the cultural or social activities that they previously enjoyed.

Vulnerability and Despair

Previously, pensioners could help their children and still keep something for themselves, but now you just lie down and die.

—Latvia 1998

Box 2.6 The Situation of the Elderly Population in Eastern Europe and the former Soviet Union

I went to sleep a rich man able to buy several cars. But I woke up a beggar. —Pensioner from Kharkiv, Ukraine 1996

Who is going to provide social assistance to pensioners if they don't even help young people? We pensioners are sick and helpless. We don't produce anything. So who needs us? —Ukraine 1996

We envisaged happy pension days when we would rejoice over our grandchildren and see them grow in settled households. See what we came out with? Instead of our children helping us, they cannot take care and manage their own lives. If it were not for the pension they would have to go out in the streets and beg. —Macedonia 1998

Today you can't die. Not long ago a friend buried her mother. The funeral cost krb 50 million [\$226]. To pay for it, they sold her mother's Lenin Medal for \$380. How will my children bury me? I am horrified every time I think about it. —Ukraine 1996

You gave birth to them yourself, get rid of this mess yourself!
—Response from officials when mothers requested aid for their needy children, Ukraine 1996

Those for whom the socialist system formerly provided primary support are particularly vulnerable. These groups include the elderly, the disabled, children (and especially orphans), the unemployed, and those who lack adequate social support networks.

Many categories of the elderly are among the most vulnerable segment of the population throughout the region (see box 2.6). Subsisting on the bare minimum provided by state pensions, they often find themselves dependent on their children and extended family whose resources are already spread exceedingly thin. For pensioners, a large problem is actually receiving pensions regularly and on time (Moldova 1997). In Azerbaijan, by 1995 pensions had decreased to 4 percent of their 1991

value (Azerbaijan 1997). One pensioner from Baku, Azerbaijan, used to work as a radiographer and telephone operator, but hyperinflation has rendered her pension and savings practically worthless: "I used to wear a mink coat and now I can't even afford a pair of shoes." She lives on a small pension and is forced to sell her household belongings. She is no longer able to pay for services or buy medicine to treat her tuberculosis. Her diet consists mainly of margarine and pasta (Azerbaijan 1997). Some pensioners are able to find work and supplement their state support, although many cannot find employment or are physically unable to work. Qualitative findings from the Azerbaijan PPA contradict earlier household survey data that showed pensioners with jobs to be among the least vulnerable population groups (Azerbaijan 1997). Salaries tend to be very low and job security uncertain. In Georgia, also, delays in pension payments often pose serious problems to the elderly poor. Pensioners who do not have family networks to fall back on are among the most vulnerable. Large numbers of elderly subsist by begging (Georgia 1997). Many are ill and disabled and cannot work. Others have witnessed their life savings vanish before their eyes because of hyperinflation, and are forced to sell off their personal possessions to survive. Some pensioners are able to self-provide, growing food on small plots of land. Others are unable to do this because of disability or lack of access to land.

Children are also at risk of hunger, and families with many children are often among the poorest (Latvia 1998). In Azerbaijan respondents discuss the increasing prevalence of child labor in which children as young as six are commonly seen on the street engaged in vending and odd jobs (Azerbaijan 1997). In Armenia some children suffer malnutrition, stunted growth, and rickets even though families attempt to ensure that the youngest children are adequately fed (Armenia 1995). A respondent in Latvia says that children are an "expensive pleasure." For single mothers, a child can greatly increase a mother's burdens because of the added logistical restrictions when trying to find or hold down a job (Ukraine 1996). A Ukrainian respondent says, "There's nothing to eat. We're constantly hungry. There's nothing to wear. There's no money to buy the child boots, or notebooks, pens or a book bag. My life is just grief. That's all ... I don't even want to live. I gave birth to these kids and I have to raise them. But if I didn't I would have put a rope around my neck and hanged myself a long time ago" (Ukraine 1996).

Additionally, there is now increasing social stigmatization of women with large numbers of children. Many women now try to limit the number of children born. Abortions in Ukraine are available for US\$30 to \$50, an amount that is prohibitive for poor women. Nevertheless,

Box 2.7 Vulnerability of Refugees and Internally Displaced Persons (IDPs)

I wish I had died rather than become an IDP. —Female Azerbaijani IDP, Azerbaijan 1997

It is very difficult for IDPs to find work because they are farm workers or skilled at animal husbandry. It is very difficult to get used to the city life. —40-year-old male IDP and former agricultural worker, Azerbaijan 1997

Only the well-off truly can believe in tomorrow. —Azerbaijan 1997

After each bombardment I lost two or three kilos. I became very anxious and we all suffered from high blood pressure. —Armenian refugee, Armenia 1995

because abortions are available, many believe it is unconscionable for women to bear so many children during a time of pronounced economic hardship and stress. This attitude is also held among government officials who are in the position of making decisions on how aid is to be distributed to poor families. A respondent, after unsuccessfully trying to get aid, refused to return to the city agency responsible for welfare for families in need. “I only get upset and nothing else. They insult me and reproach me for being a single mother. They told me I’m to blame for having so many children and they’re right, I am. But the children aren’t guilty of anything!” (Ukraine 1996).

Survey reports indicate that Internally Displaced Persons (IDPs) are among the most vulnerable groups, and there is some animosity toward them due to the aid directed toward them. One person says, “Only refugees and IDPs receive humanitarian aid while we have to sell our goods. I have a negative attitude toward IDPs” (Azerbaijan 1997). Of course, many refugees and IDPs have no assets to sell, as they are forced to leave their homes and all of their possessions, often with just the clothes on their backs (box 2.7).

Attitudes toward Government

What kind of government do we have? One hand gives and the other takes away! —Ukraine 1996

Attitudes toward the government in Eastern Europe and the former Soviet Union result from a complex combination of factors. Mainly there is widespread anger at what is perceived as horrendous financial mismanagement that has caused hyperinflation and widespread unemployment. The poor blame the government for their impoverishment, widespread unemployment, and the inflation rates that have devalued their savings, wages, and pensions. Poor people believe government officials have exploited their social and political positions for wealth, influence, and personal gain, while ignoring the position of the neediest. At the same time, after a lifetime of dependence on subsidies and entitlements, many still look to the government for solutions to their problems, and hope that it will resume the role it filled in the past. In Georgia, for instance, people frequently described the state as a “parent that should take care of its children” (Georgia 1997). For this reason, many express anger at what they perceive as corruption, mismanagement, and indifference on the part of the government to growing impoverishment (box 2.8).

For many, government support such as pensions, meager though it may be, is the only available source of income. Yet throughout the region people complain about the humiliating treatment they receive when attempting to obtain social assistance. Many become discouraged by bureaucracy, rude and unresponsive officials, and withheld information. A respondent in Macedonia reports, “You have to queue a lot and go from one desk to another. The clerks are very impolite [and] do not inform as they should” (Macedonia 1998). Another spent a month gathering all the necessary documentation to receive social assistance. The result was that he was given a number and told to return in a month’s time. He did not return, partly out of shame and partly out of anger (Macedonia 1998). In Armenia some refuse even to apply for a pension because the amount is so minimal its only purpose is to constitute a form of mockery (Armenia 1995).

During the previous regime people gained access to goods and services through connections and often paid for favors with a gift, or modest bribe. This was an accepted and expected way of doing things and it did not pose serious problems. Currently, however, the system of bribery has become more pervasive and extreme, posing hardships above and beyond what most can afford. Employment, health care, and social services all frequently require bribes. A person from Georgia says, “Recently at the

Box 2.8 Attitudes toward the Government

Since the state no longer provides the assistance needed and expected, the overwhelming response is anger, frustration, betrayal, abandonment, and, finally, demoralization.

People place their hopes in God, since the government is no longer involved in such matters. —Armenia 1995

Politicians don't care about the suffering population. —Moldova 1997

Our leaders announced transition to new market relations and then left us to the mercy of fate, not asking whether we were prepared to accept the transition. —Georgia 1997

When I retired I had 20,000 rubles in my savings account. With this money it would have been possible to buy four cars. But what the government did with it— the government we trusted with our money! They re-indexed savings so that inflation ate it! That money is now not enough for bread and water. And still, they give a pension that doesn't even provide minimum survival. If the pension they gave me earlier, 132 rubles, was enough for a comfortable life, well, on today's pension, I can't possibly live or survive. —Ukraine 1996

telephone station they told me, 'Pay \$400 and tomorrow we will connect you'—it's market relations!" Another says, "If you don't have the money, it's all the same whether you study or not, but with money, even a moron can enroll in medical school" (Georgia 1997).

While the fall of the Berlin Wall and the accompanying social and political transition are understood by many in the West as changes ushering in a new and unprecedented freedom to the region, many from the former socialist countries experienced the transition as the exact opposite (see also figures 2.1 and 2.2 in appendix 7). In Georgia "people associate their poverty with the lack of freedom—they feel enslaved by their crushing daily burdens, by depression, from fear of what the future will bring" (Georgia 1997).

Notes

1. The numerous academic sources that review the various quantitative methods for measuring poverty include: Sen 1997; Foster and Sen 1997; and Lipton and Ravallion 1995. For a less technical discussion of quantitative poverty measures, see Greeley 1994. For reviews of participatory and qualitative approaches to gathering information on poverty, see Chambers 1994; Salmen 1987; Cernea 1985; and Carvalho and White 1998.

2. The 1998 Gujrat cyclone affected 4.6 million people; left 1,241 people dead; and killed 21,993 cattle. See Bhatt 1999. The figures for the 1999 cyclone in the state of Orrissa are even higher.

3. See Agarwal 1992 for a rich discussion on gender relations and coping with drought and famine in South Asia.