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FOURTH MEETING OF THE EXPERT GROUP ON POVERTY STATISTICS (Rio Group)

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Fourth Meeting of the Expert Group on Poverty Statistics (Rio Group)
Rio de Janeiro, 15-17 October, 2001

AGENDA

MONDAY 15

09:00 – 10:00 Registration of participants

10:00 – 11:00 **Opening Session**

Sergio Besserman (IBGE, Brazil)
Dave Gordon (University of Bristol, United Kingdom)

11:00 - 11:15 Coffee Break

11:15 – 13.00 **Session 1: Information requirements for designing and monitoring poverty alleviation policies**

Typologies of policies for poverty alleviation and derived statistical demands. *Pedro Sáinz (IBGE, Brazil)*

Tackling poverty and social exclusion. *Jackie Oatway (Department of Social Security, United Kingdom)*

Monitoring policies at the local level. *Berta Teitelboim (MIDEPLAN, Chile)*

Working poor. *Madior Fall (INSEE, France)*

Poverty reduction starts with children. *Alberto Minujin (UNICEF, United Nations)*

Comments:

13:00 – 14:30 Lunch

14:30 - 15:30 **Session 2: Poverty alleviation policies at the international level**

The Millenium Declaration. Objectives, policies and indicators. *Robert Johnston (Statistical Division, United Nations)*

Poverty statistics, development and human rights. *Carol Mottet (Swiss Statistics)*

PARIS21 initiative. *Bahjat Achikbache (OECD)*

Comments:

15:30 - 16:00 **Session 3: Methodological advances of poverty measurement on subjects considered in previous meetings of the Rio Group**

(a) Absolute poverty lines

Recent progress. Argentinean illustrations. Luis Beccaría *(SIEMPRO, Argentina)*

16:00 - 16:15 Coffee Break

16:15 - 17:30 **Session 3: cont.**

Food requirements. *Javier Herrera (INEI, Peru)*

Innovations in measurement in the United States official poverty lines. *Charles Nelson (Bureau of the Census, USA)*

Canada's new market basket measure of income (MBM). *Cathy Cotton (Statistics Canada, Canada)*

Comments:

TUESDAY 16

09:30 - 11:15 **Session 3: cont.**

(b) Achievements in the measurement of household income

Report of the Canberra Group on income measurement. *ECLAC, United Nations*

Comments: *Pascual Gerstenfeld (ECLAC, United Nations)*

Alternative income concepts for poverty measurement. *Ricardo Paes-Barros (IPEA, Brazil)*

Reliability of Latin-American income measurements. *Juan Carlos Feres (ECLAC, United Nations)*

11:15 - 11:30 Coffee Break

11:30 - 13:00 **Session 3: cont.**

Empirical consequences of measuring poverty through income or expenditure. *Ricardo Paes-Barros (IPEA, Brazil)*

Income measurement using longitudinal surveys. The findings of Statistics Canada. *Cathy Cotton (SC, Canada)*

New proposal for the ENIGH. *Gerardo Leyva (INEGI, México)*

Comments:

14:30 - 16:00 **Session 3: cont.**

(c) Equivalence scales

Sensitivity of poverty measurements to the use of alternative equivalence scales. *Fernando Medina (ECLAC, United Nations)*

Different scales for different components. *Luis Beccaría (SIEMPRO, Argentina)*

Comments:

16:00 - 16:15 Coffee Break

16:15 - 17:30 **Session 4: New approaches to multi-dimensional poverty**

Health consideration in poverty estimates. *Ruben Suarez (PAHO, United Nations)*

Persistent poverty in Spain: characteristics. *Carmen Ureña (INE, Spain)*

Poverty and social exclusion. *Dave Gordon (University of Bristol, United Kingdom)*

Comments:

WEDNESDAY 17

09:30 - 11:15 **Session 4: cont.**

Quality health and welfare data for deprived and social excluded groups. *Justin Griffin (Australian Institute of Health and Welfare, Australia)*

Measuring the dynamics of poverty. *Lourens Trimp (Statistics Netherlands, Netherlands)*

Proposals for international comparison. *Madior Fall (INSEE, France)*

Comments:

11:15 - 11:30 Coffee Break

11:30 - 13:00 **Session 5: Future work program of the Rio Group**

(a) Preparation of a compendium on best practices (agenda definition and assignment of duties).

(b) Identification of areas where there is progress underway.

OPENING SESSION:

OPENING ADDRES TO THE UNITED NATIONS FOURTH EXPERT GROUP MEETING ON POVERTY MEASUREMENT

International Policy and the Measurement of Poverty

DAVID GORDON
UNIVERSITY OF BRISTOL – UNITED KINGDOM

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'Bom dia' and thank you for inviting me. It is an honour to be able to address such a prestigious gathering of experts.

I am an academic from the University of Bristol in the United Kingdom and Director of its Townsend Centre for International Poverty Research (http://www.bris.ac.uk/poverty/). This Centre was established in response to the declaration of the United Nations First Decade for the Eradication of Poverty[1]. The Centre is a grouping of 80 academics from 11 departments covering social science, medicine and law, however, despite this wealth of expertise, international policy on poverty is currently evolving so fast that it is still difficult to keep up with developments.

In this talk, I will try to describe briefly how international social policy and academic research on poverty has been changing and, in particular, how a widening chasm is developing between the anti-poverty policies being advocated by UN agencies and those of the European Union. These evolving anti-poverty policies have a number of profound implications for the measurement of poverty by National Statistical Offices (NSOs).

International Anti-Poverty Policy

For 40 years, the World Bank, the International Monetary Fund and other UN agencies have been pursuing what is, basically, the same set of anti-poverty policies. They have three elements:

1. Broad-based economic growth
2. Development of human capital, primarily through education
3. Minimum social safety nets for the poor

These policies have been largely unsuccessful. The number of poor people in the world has continued to increase and, in particular, these policies have resulted in terrible consequences in many parts of sub-Saharan Africa and the countries of the Former Soviet Union. In part, these policies have failed due a rigid adherence to neo-liberal economic orthodoxy which Joseph Stiglitz (2000) - who was Chief Economist at the World Bank and who has just won the Nobel Prize for Economics for his work on the analyses of markets with asymmetric information. – described as having four stages:

1. Privatisation – which tends to raise prices for the poor
2. Capital market liberalisation – which can allow speculators to destabilise countries' economies, as has happened in Asia and South America
3. Market-based pricing – which raises the costs of basic foods and fuel for the poor and has often caused rioting, particularly in South America, *eg* Bolivia, Ecuador and, recently, Argentina (economists should not be provoking riots around the world)
4. Free trade – which is governed by World Trade Organisation (WTO) rules that often severely disadvantage poorer countries (for example, see the Social Watch NGO in Uruguay http://www.socialwatch.org/ or Oxfam in the UK http://www.oxfam.org.uk/wto/). Despite the many advantages of free trade, historical analysis has shown that it has often resulted in severe famines and increased poverty (Davis, 2001; UNDP, 1999).

European Union Anti-Poverty Policies

Emerging EU policies on a social Europe are very different and are based on ideas of social inclusion and social quality. Inter-governmental agreements at Lisbon, Nice and Amsterdam have rejected a 'race to the bottom' for labour conditions and established anti-poverty policy based upon:

[1] See http://www.un.org/esa/socdev/poverty.htm for details

- Active labour market intervention to help create jobs and improve working conditions
- Progressive taxation and redistribution through a comprehensive welfare state

EU member states' policies do not just cover improved education and training for the work-force (*eg* social capital interventions) but also such strategies as minimum wages, minimum income guarantees to 'make work pay' and government-backed job creation schemes.

Over 100 years of social policy experience in Europe has resulted in a widespread consensus that comprehensive welfare states are the most cost-effective and efficient mechanisms for combating poverty. In the European Union, almost everyone pays into the welfare state and everyone gets something back. In 1996, nearly three-quarters of EU households, on average, received direct cash payments from the welfare state each month (or week) through state pensions, child support and other benefits (see Table 1) (Marlier and Cohen-Solal, 2000; Gordon and Townsend, 2000). European comprehensive welfare states not only provide effective and efficient mechanisms for alleviating poverty, they also protect and improve the welfare of all Europeans. Welfare states in all European countries redistribute income from 'rich' to 'poor' and from men to women. However, they also equalise income distribution across an individual's life span by taxing and reducing income levels in middle age balanced with then paying social benefits to increase income during childhood and old age.

Table 1 shows that, on average, in 13 European Union countries for which data were available in the 1996 European Community Household Panel Survey, 73% of households contained at least one person who received a social benefit payment. The percentage of households receiving social benefit payments ranged from 50% in Greece to 90% in Ireland. On average, EU member states spend 28% of their GDP on social protection benefits (Clotuche, 2001).

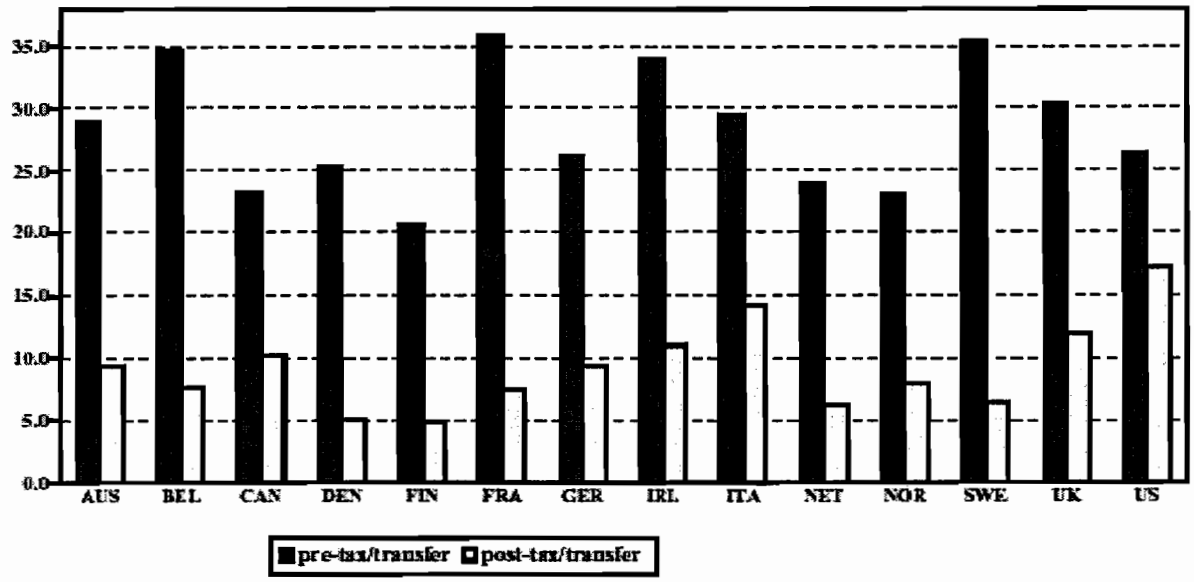
Table 1: Percentage of households receiving social benefits in 1996 in EU countries

	Pensions (%)	Other social benefits (%)	All social benefits together (%)
Ireland	23	82	90
Belgium	28	69	89
Portugal	36	68	89
Luxembourg	29	66	86
Austria	34	69	86
Denmark	19	75	85
United Kingdom	28	71	85
Netherlands	19	66	81
France	25	62	79
Germany	29	57	78
Spain	34	33	58
Italy	40	18	51
Greece	39	19	50
EU-13	30	52	73

Example: 39% of Greeks live in households where at least one member draws a pension. For other social benefits, the figure is 19%. For all social benefits together, the figure is 50% (not 58%, *ie* 39% + 19%, since some households receive more than one type of social benefit).

There is considerable debate within Europe on which is the best kind of comprehensive welfare state (Esping-Andersen (1990, 1996), for example, uses the principle of the 'commodification' of labour to identify those countries that characterise a liberal welfare state, a conservative-corporatist welfare state and a social democratic welfare state and argues that social democratic welfare states are the most desirable). However, it is self evident that 'all things being equal', the more comprehensive the redistribution via the welfare state, the lower the rates of poverty will be (Figure 1).

Figure 1: OECD analysis of income poverty rates in the 1990s pre and post transfers



International comparative analyses of income poverty lines have clearly demonstrated this fact. Figure 1 shows a recent OECD analyses of income poverty (50% median income) in industrialised countries in the mid 1990s. Countries like Sweden, France, Belgium, UK and Ireland all have much higher rates of poverty than the USA - before allowing for taxes and transfers. However, the more comprehensive welfare states in these European countries result in much lower poverty rates than the USA after redistribution of national income by taxes and transfers (Förster and Pellizzari, 2000). Similar results have also been reported using other low-income thresholds (Förster, 1994) and by UNICEF researchers with respect to child poverty rates in rich countries (UNICEF, 2000).

There is unanimity within the European Union that comprehensive social security provision is a fundamental human right. Article 12 of the revised European Social Charter guarantees the right to social security for "*all workers and their dependents*" (Council of Europe, 1961, 1996). No country can join the European Union without having signed and ratified the Council of Europe's European Code of Social Security which sets standards for health and welfare benefits and pensions "*at a higher level than the minimum standards embodied in International Labour Convention No. 102 concerning Minimum Standards of Social Security*" (Council of Europe, 1964, 1990). This ILO convention provides for minimum standards in nine distinct branches of social security (medical care, sickness, unemployment, old-age, employment injury, family, maternity, invalidity, and survivors' benefits) and has been ratified by 40 countries.

Many European social scientists (and policy makers) believe that the World Bank and IMF would have had much greater successes at reducing poverty if they had required that countries seeking aid complied with the ILO's (1952) convention on Minimum Standards of Social Security rather than

pursuing the neo-liberal 'Washington consensus' policies already described above. European Union countries have flatly rejected the World Bank's ideas about minimum social safety nets for the poor being the best way to combat poverty.

At the Nice Summit[2] in December 2000, European Union countries agreed to produce and implement a two year (July 2001 -June 2003) National Action Plan on Social Inclusion (NAPincl) designed to promote social inclusion and combat poverty and social exclusion[3]. These detailed plans are a key component of member states' commitment agreed at the Lisbon European Council[4] to make a decisive impact on the eradication of poverty and social exclusion in Europe by 2010. The European Union's aim is to be the most dynamic knowledge-based economy in the world, with full employment and increased levels of social cohesion by 2010. The accurate measurement of poverty and social exclusion is an integral component of this strategy and the recent Laeken[5] European Council concluded that "*the establishment of a set of common indicators constitute important elements in the policy defined at Lisbon for eradicating poverty and promoting social inclusion, taking in health and housing. The European Council stresses the need to reinforce the statistical machinery and calls on the Commission gradually to involve the candidate countries in this process.*" In Europe, considerable scientific efforts were made during 2001 to improve the measurement of poverty and social exclusion (Atkinson *et al*, 2002)[6] and the proposed new set of statistics and indicators will be a major improvement on previous EU analyses (Atkinson, 2000; Eurostat, 1990, 1998, 2000; Hagenaars *et al*, 1994; Mejer and Linden 2000; Mejer and Siermann 2000)

Implications for Poverty Measurement

There are a number of serious implications for internationally comparative measures of poverty. There is now widespread agreement on the scientific definition of poverty as both low income and low standard of living (Gordon and Pantazis, 1997; Gordon *et al*, 2000). These ideas were enshrined in both the European Union's definition of poverty[7] and also in the two definitions of poverty adopted by 117 governments at the World Summit on Social Development in 1995. Overall and absolute poverty were defined as;

"*Poverty has various manifestations, including lack of income and productive resources sufficient to ensure sustainable livelihoods; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increased morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments; and social discrimination and exclusion. It is also characterised by a lack of participation in decision-making and in civil, social and cultural life. It occurs in all countries: as mass poverty in many developing countries, pockets of poverty amid wealth in developed countries, loss of livelihoods as a result of economic recession, sudden poverty as a result of disaster or conflict, the poverty of low-wage workers, and the utter destitution of people who fall outside family support systems, social institutions and safety nets.*

Women bear a disproportionate burden of poverty and children growing up in poverty are often permanently disadvantaged. Older people, people with disabilities, indigenous people, refugees and

[2] See http://europa.eu.int/comm/employment_social/news/2001/oct/i01_1395_en.html

[3] See http://europa.eu.int/comm/employment_social/news/2001/jun/napsincl2001_en.html for the national plans

[4] See http://europa.eu.int/council/off/conclu/index.htm for details in all EU languages

[5] See http://www.europarl.eu.int/summits/pdf/lae_en.pdf

[6] See http://vandenbroucke.fgov.be/Europe%20summary.htm for a summary of the new EU poverty and social exclusion indicators and http://www.vandenbroucke.fgov.be/T-011017.htm for discussion.

[7] In 1975, the Council of Europe adopted a relative definition of poverty as: *"individuals or families whose resources are so small as to exclude them from the minimum acceptable way of life of the Member State in which they live."* (EEC, 1981). The concept of 'resources' was defined as: *"goods, cash INCOME, plus services from public and private resources"* (EEC, 1981). On the 19 December 1984, the European Commission extended the definition as: *"the poor shall be taken to mean persons, families and groups of persons whose resources (material, cultural and social) are so limited as to exclude them from the minimum acceptable way of life in the Member State in which they live"* (EEC, 1985).

internally displaced persons are also particularly vulnerable to poverty. Furthermore, poverty in its various forms represents a barrier to communication and access to services, as well as a major health risk, and people living in poverty are particularly vulnerable to the consequences of disasters and conflicts. Absolute poverty is a condition characterised by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information. It depends not only on income but also on access to social services."

Income is important but access to public goods – safe water supply, roads, healthcare, education – is of equal or greater importance, particularly in developing countries. These are the views of the governments of the world and poverty measurement clearly needs to respond to these views.

The need to accurately and precisely measure the extent of global poverty is becoming increasing urgent. At the United Nations Millennium Summit, an unprecedented 191 countries committed themselves to halving poverty by the year 2015 and to meeting related development targets as described in the Millennium Declaration. Valid, reliable and comparable measures of poverty are needed in order to monitor the efficiency and effectiveness of anti-poverty policies.

The Measurement of Poverty by International Agencies

There are currently three United Nations agencies which produce worldwide measurements of poverty[8] – the International Fund for Agricultural Development (IFAD) which uses administrative statistics on health, education, income and food security; the United Nations Development Programme (UNDP) which uses five indicators from administrative statistics on health, education and water supply; the World Bank which uses microdata from social surveys to calculate its $1 per day poverty line. However, this income poverty line is not applied universally and varies from region to region, *eg* $2 per day in Latin America and $4 per day in former Soviet states. It is very unclear what standard of living people have who live below these income thresholds in different countries (Gordon and Spicker, 1999).

International Fund For Agricultural Development

The IFAD is one of the world's foremost authorities on rural poverty and it has constructed four poverty indices which are designed to measure rural poverty and deprivation (Jazairy *et al*, 1995):

1. The **food security index** (FSI) attempts to measure the composite food security situation of a country. This index combines relevant food production and consumption variables, including those reflecting growth and variability. The index can take values zero and above, with 1 being a cut-off point between countries which are relatively food secure and those which are not.

2. The **integrated poverty index** (IPI) is an economic index which is calculated by combining the head-count measure of poverty with the income-gap ratio, income distribution below the poverty line and the annual rate of growth of per capita GNP. According to the IFAD, the head-count index represents the percentage of the rural population below the poverty line. The income-gap ratio is a national measure, the difference between the highest GNP per capita from among the 114 developing countries and the individual country GNP per capita expressed as a percentage of the former. Life expectancy at birth is used as a surrogate measure of income distribution below the poverty line. The IPI follows Amartya Sen's composite poverty index (Sen, 1976) and can take values between zero and 1 with values closer to 1 indicating a relatively worse poverty status.

[8] In the past, the Food and Agricultural Organisation (FAO) has also produced estimates of absolute poverty using per capita food expenditure (Engle coefficients): 59% and over indicated absolute poverty, 50-59% hand to mouth existence, 40-50% a better off life, 30-40% affluence and 30% and below, the richest (Ruizen AND Yuan, 1992).

3. The **basic needs index** (BNI) is designed to measure the social development of rural areas and is composed of an education index and a health index. The education index covers adult literacy and primary school enrolment while the health index includes population per physician, infant mortality rate and access to services such as health, safe water and sanitation. The BNI can take values between zero and 1. The closer the value is to 1, the higher the basic needs status of the population of a country.
4. The **relative welfare index** (RWI) is the arithmetic average of the other three indices (FSI, RWI, BNI). With the FSI normalised to take values between zero and 1, the RWI takes values within the same range.

The IFAD also produces a **women's status index** (WSI) which is designed to measure the situation of women in order to derive concrete policy recommendations to help improve the status of poor rural women in developing countries.

Having said this, the most recent IFAD (2001) report on rural poverty makes extensive use of the World Bank's $1 per day poverty measure, broken down by area type (*eg* urban and rural).

United Nations Developmental Program

The UNDP has produced a large number of different indices that are designed to measure poverty, inequality and other developmental issues. Since 1990, these have been published in its annual Human Development Reports. The 1997 *Human Development Report* was entirely devoted to poverty as part of the United Nations International Year for the Eradication of Poverty.

The UNDP's concept of poverty is incorporated within the broader concept of human development, which is defined as (UNDP 1995):

"Human development is a process of enlarging people's choices. In principle, these choices can be infinite and can change overtime. But at all levels of development, the three essential ones are for people to lead a long and healthy life, to acquire knowledge and to have access to the resources needed for a decent standard of living. If these essential choices are not available, many other opportunities remain inaccessible.

But human development does not end there. Additional choices, highly valued by many people, range from political, economic and social freedom to opportunities for being creative and productive and enjoying personal self-respect and guaranteed human rights.

Human development thus has two sides. One is the formation of human capabilities-such as improved health, knowledge and skills. The other is the use people make of their acquired capabilities-for productive purposes, for leisure or for being active in cultural, social and political affairs. If the scales of human development do not finely balance the two sides, much human frustration can result.

According to the concept of human development, income clearly is only one option that people would like to have, though certainly an important one. But it is not the sum-total of their lives. The purpose of development is to enlarge ***all*** *human choices, not just income."*

The most influential index produced by the UNDP is the Human Development Index (HDI) which was constructed to reflect the most important dimensions of human development. The HDI is a composite index based on three indicators: longevity, as measured by life expectancy at birth; educational attainment, as measured by a combination of adult literacy (two thirds weight) and combined primary, secondary and tertiary enrolment ratios (one-third weight); and standard of living, as measured by real GDP per capita (PPP$). However, there have been a number of changes made to the way the HDI is constructed since it was first produced in 1990 (UNDP, 1990; 1996).

The 1997 *Human Development Report* defined poverty within the Human Development perspective and introduced the term Human Poverty. This drew heavily on Sen's capability concept and

defined poverty as *"the denial of choices and opportunities for a tolerable life"*. The Human Poverty Index (HPI) attempted to operationalise this concept by focusing on those groups whose choices are heavily constrained in each of the three areas used in the Human Development Index. While the HDI focuses on the average achievements of a country, the HPI focuses on the most deprived. The HPI is made up of five weighted components (UNDP, 1997):

1. The percent of people expected to die before age 40
2. The percent of adults who are illiterate
3. The percent of people with access to health services
4. The percent of people with access to safe water
5. The percent of children under five who are malnourished

Aspects of Human Poverty that are excluded from the index due to lack of data or measurement difficulties are - lack of political freedom, inability to participate in decision making, lack of personal security, inability to participate in the life of the community and threats to sustainability and intergenerational equity. Human Poverty Indices (HPI-2) have also recently been calculated at small area level within the UK to compare local pockets of human poverty (Seymour, 2000).

World Bank

The World Bank has produced the most influential measurement of World Poverty and devoted its annual reports in both 1990 and 2000 to poverty eradication issues. The World Bank produces a *"universal poverty line* [which] *is needed to permit cross-country comparison and aggregation"* (World Bank, 1990, p27). Poverty is defined as *"the inability to attain a minimal standard of living"* (*ibid*, p26). Despite its acknowledgement of the difficulties in including, in any measure of poverty, the contribution to living standards of public goods and common-property resources, the World Bank settles for a standard which is 'consumption-based' and which comprises:

"two elements: the expenditure necessary to buy a minimum standard of nutrition and other basic necessities and a further amount that varies from country to country, reflecting the cost of participating in the everyday life of society." (World Bank, 1990, p26).

The first of these elements is stated to be *"relatively straightforward"* because it could be calculated by *"looking at the prices of the foods that make up the diets of the poor"* (*ibid*, p26-27). However, the second element is *"far more subjective; in some countries indoor plumbing is a luxury, but in others it is a 'necessity'"* (*ibid*, p27). For operational purposes, the second element was set aside and the first assessed as PPP (Purchasing Power Parity) - $370 per person per year at 1985 prices for all the poorest developing countries. Those with incomes per capita of less than $370 were deemed 'poor', while those with less than $275 per year were 'extremely poor'. This approximate $1 of consumption per person per day poverty line was chosen from a World Bank study of minimum income thresholds used in eight of the 33 'poorest' countries to assess eligibility for welfare provision[9] (Ravallion *et al*, 1991).

The *World Development Report on Poverty* in 2000 used a similar methodology to revise the poverty line estimate as $1.08 per person per day at 1993 Purchasing Power Parity (Chen and Ravallion, 2000). However, the poverty threshold is now set at the median value of the 10 poorest countries with the lowest poverty lines, *ie* world poverty rates are set at the level of the country with the 5th lowest welfare benefit eligibility threshold. No explanation has yet been provided for this change.

[9] "A representative, absolute poverty line for low income countries is $31, which (to the nearest dollar) is shared by six of the countries in our sample, namely Indonesia, Bangladesh, Nepal, Kenya, Tanzania, and Morocco, and two other countries are close to this figure (Philippines and Pakistan)" Ravallion, Datt and van de Walle (1991).

Equivalent consumption expenditures of $1.08 are calculated for each country using Purchasing Power Parity (PPP) conversions, which are primarily designed for comparing aggregates of national accounts[10], not the consumption of poor people. It is very unclear what the World Bank's poverty line means or even if the new $1.08 at 1993 PPP poverty line is higher or lower than the old $1 a day poverty line at 1985 PPP, as the 1985 and 1993 PPP tables are not directly comparable (Reddy and Pogge, 2002).

No allowance was made by the World Bank in either 1990 or 2000 for the second 'participatory' element of its poverty definition. The logic of the Bank's own argument is not followed, the minimum value of the poverty line is underestimated and the number of poor in the World are therefore also underestimated[11].

Producing Meaningful and Internationally Comparable Poverty Statistics

The major problem with all the poverty measures produced by IFAD, UNDP and the World Bank is that they are of little value for measuring poverty *within* a country or for helping developing countries to assess the effectiveness of their own anti-poverty policies. Nor do they correspond to any internationally (or even nationally) agreed definitions of poverty.

The main problem with the World Bank's $1 a day poverty lines is that they are essentially meaningless. It is impossible to tell from the World Bank poverty line whether or not a household with an income below this threshold has sufficient money to live decently or not. It would be much more meaningful to produce low income statistics which show how many households do not have an adequate income to allow them to meet their basic needs (*absolute poverty*) and/or participate in the economic, social, cultural and political life of country in which they live (*overall poverty*). Low income thresholds and statistics should measure adequacy not arbitrary thresholds and the most widely used method of achieving this goal is to use a Budget Standards approach.

A budget standard is a specified basket of goods and services which, when priced, can represent a particular standard of living. Budgets can be devised to represent any living standard (Bradshaw, 1993) and, for example, national statistical offices could produce budget standards which corresponded with the 'absolute' and 'overall' poverty definitions agreed at the World Social Summit by 117 governments (see above). This would produce income poverty thresholds which are both nationally and internationally meaningful.

Budget standards are probably the oldest scientific method of exploring low living standards. Pioneered by Rowntree (1901) in his famous studies of poverty in York, they have since been used in many countries to measure income poverty. For example, in the USA, at both national and state level (Orshansky, 1965; Watts, 1980; NYCC, 1982; Renwick, 1993; Citro and Michael, 1995) Canada (Social Planning Council, 1981) the Netherlands (Hagenaars and de Vos, 1988) New Zealand (Stephens, 1995) Hong Kong (MacPherson, 1994) Britain (Piachaud, 1979; Bradshaw, 1993; Parker, 1998, 2000) and Australia (Saunders, 1998).

Indeed, Mark Malloch Brown, the United Nations Development Program (UNDP) Administrator, recently argued that "*We need a global Rowntree ....A clearer benchmarking of poverty and of its contributing elements, such as child education and healthcare, could provide the political space and focus for action at the community, national and global levels*"[12]

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[10] See OECD FAQ's about Purchasing Power Parity at http://www.oecd.org/oecd/pages/home/displaygeneral/0,3380,EN-faq-513-15-no-no-322-513,FF.html#Ancre5

[11] See http://www.crop.org/publications/files/report/Comments_to_WDR2001_2002_ny.pdf for a more comprehensive review of the problems with the World Bank's 2000/2001 *World Development Report on Attacking Poverty* by the International Social Science Council's Comparative Research Programme on Poverty (CROP).

[12] See Child Poverty and Meeting the 2015 Targets, Statement by UNDP Administrator Mark Malloch Brown, London, UK, 26 February 2001 http://www.undp.org/dpa/statements/administ/2001/february/26feb01.html

Whilst budget standards-derived income poverty thresholds, using internationally agreed definitions of poverty, would produce meaningful and comparable income poverty statistics for individuals and households, additional (direct) measures of deprivation (low standard of living) are also needed for international poverty comparisons and anti-poverty policy monitoring since poverty is not only dependent on personal/household income but also on the availability of public goods, *eg* clean water supplies, hospitals, schools, etc. One example of how this could be achieved is discussed below.

International Measurement of Standard of Living (Deprivation)

During the 1990s, advances in social survey methodology in developing countries have made available a wealth of new data, some of which can be used to measure low standard of living and deprivation. This section outlines some recent work that has been carried out by the Townsend Centre for International Poverty Research in the UK, on behalf of UNICEF, which attempts to operationalise the absolute definition of poverty agreed at the World Summit on Social Development (see above) to measure child poverty in the developing world.

There are currently no consistent estimates of the extent or severity of child poverty in developing countries. Whilst many countries do have detailed anti-poverty strategies and statistics on child poverty, these estimates tend to use different methods and definitions of poverty which makes comparison extremely difficult.

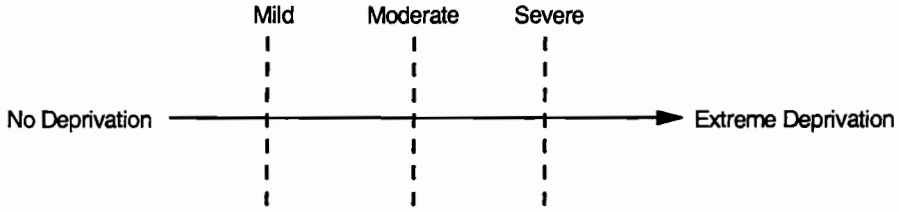
The World Bank's method of measuring poverty by low per capita consumption expenditure is singularly unsuitable for measuring child poverty and does not conform with the internationally agreed definitions of poverty adopted at the World Social Summit. For example, the definition of absolute poverty implies that a child is poor if she suffers from severe educational deprivation. In accordance with a number of UN resolutions, this could be operationalised as her lack of receipt of primary education (Gordon *et al*, 2001). There might be a number of reasons why a child does not receive primary education and low family income is often a very important factor. However, a lack of government investment in schools and infrastructure can also prevent children from being educated as can prejudice and discriminatory attitudes that consider that certain children are not 'worth' educating. Whichever of these reasons is true, either singularly or in combination, the end result will be the same in that the child will suffer from severe educational deprivation.

Therefore, there is a need to look beyond the World Bank's narrow focus on per capita consumption expenditure and at both the effects of low family income *and* the effects of inadequate service provision for children (Vandermoortele, 2000), as it is a lack of investment in good quality education, health and other public services in many parts of the World that is as significant a cause of child poverty as low family incomes. Nobel Laureate, Amartya Sen, has argued that, in developing countries, poverty is best measured directly using indicators of standard of living rather than indirectly using income or consumption measures.

In an obvious sense the direct method is superior to the income method ... it could be argued that only in the absence of direct information regarding the satisfaction of the specified needs can there be a case for bringing in the intermediary of income, so that the income method is at most a second best (Sen, 1981 p26).

Such direct measures of need or low standard of living are often referred to as *deprivation* measures. Deprivation can be conceptualised as a continuum which ranges from no deprivation, through mild, moderate and severe deprivation to extreme deprivation at the end of the scale. Figure 2 illustrates this concept.

Figure 2: Continuum of Deprivation



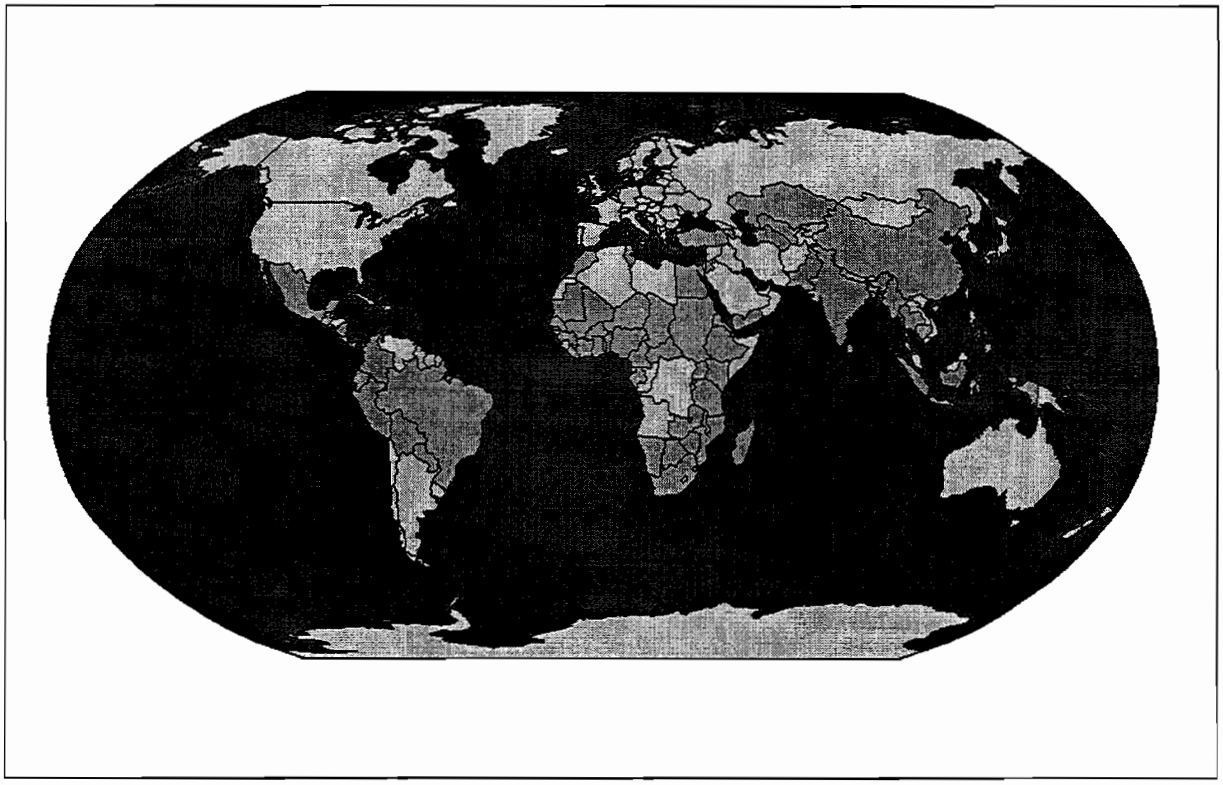
In order to measure absolute poverty amongst children using the World Social Summit definition, it is necessary to define the threshold measures of severe deprivation of basic human need for:

- food
- safe drinking water
- sanitation facilities
- health
- shelter
- education
- information
- access to services

Comparable information on severe deprivation of basic human need amongst children is available from high quality micro-data from the Demographic and Health Surveys (DHS)[13] carried out in 68 countries during the 1990s. The DHS are nationally representative household surveys with sample sizes of about 5,000 households and an estimated cost of $200 per household (Loup and Naudet, 2000). A major advantage of the DHS is their random cluster sampling methodology. On average, 3,000 to 9,000 women of childbearing age were interviewed in each country (average 5,400) and each survey contains between 150-300 clusters, with an average of 200 clusters. Cluster size is around 2-3 km or smaller in urban areas (Gerland, 1996). Figure 3 demonstrates the wide coverage of Demographic and Health Surveys.

[13] See http://www.measuredhs.com/

Figure 3: Distribution of Demographic and Health Surveys



Note: Chinese data is from the China Health and Nutrition Survey (www.cpc.unc.edu/projects/china/)

Table 2 shows the operational definitions of deprivation for the eight criteria in the World Summit definition of absolute poverty that have been used for the UNICEF study of child poverty using DHS microdata.

Table 2: Operational definitions of deprivation for children

Deprivation	Mild	Moderate	Severe	Extreme
Food	Bland diet of poor nutritional value	Going hungry on occasion	Malnutrition	Starvation
Safe drinking water	Not having enough water on occasion due to lack of sufficient money	No access to water in dwelling but communal piped water available within 200 meters of dwelling or less than 15 minutes walk away	Long walk to water source (more than 200 meters or longer than 15 minutes). Unsafe drinking water (e.g. open water)	No access to water
Sanitation facilities	Having to share facilities with another household	Sanitation facilities outside dwelling	No sanitation facilities in or near dwelling	No access to sanitation facilities
Health	Occasional lack of access to medical care due to insufficient money	Inadequate medical care	No immunisation against diseases. Only limited non-professional medical care available when sick	No medical care
Shelter	Dwelling in poor repair. More than 1 person per room	Few facilities in dwelling, lack of heating, structural problems. More than 3 people per room	No facilities in house, non-permanent structure, no privacy, no flooring, just one or two rooms. More than 5 persons per room	Roofless – no shelter
Education	Inadequate teaching due to lack of resources	Unable to attend secondary but can attend primary education	Child is 7 or older and has received no primary or secondary education	Prevented from learning due to persecution and prejudice
Information	Can't afford newspapers or books	No television but can afford a radio	No access to radio, television or books or newspapers	Prevented from gaining access to information by government, etc.
Basic Social Services	Health and education facilities available but occasionally of low standard	Inadequate Health and education facilities near by (e.g. less than 1 hour travel)	Limited health and education facilities more than 1 hours travel away	No access to health or education facilities

Children who suffer from *severe deprivation of basic human need* as shown in column 4 of Table 2 are living in absolute poverty as defined at the World Social Summit, ie *Absolute poverty is a condition characterised by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information. It depends not only on income but also on access to social services.*"

Conclusions: Eradicating World Poverty and the Role of National Statistical Offices

The possibility of eradicating poverty during the 21st Century is receiving increasing notice on the international policy agenda. None of the current estimates on the extent of world poverty by United Nations organisations are very helpful to policy makers. The World Bank's consumption-based poverty measures ($1.08 per day) are not reliable, valid or particularly meaningful and cannot be used to measure the effectiveness of anti-poverty policies.

National statistical offices already routinely produce measurements of poverty that are of use to policy makers within their own countries, however, they need to be able to produce measurements which are also internationally comparable. This is a major statistical challenge for the 21st Century and, to achieve this, we need agreement amongst national statistical offices to measure income using an internationally agreed framework - such as that recently defined by the Canberra Group[14]. They will also have to begin to measure and publish direct indicators of low standard of living and deprivation.

The Rio Group (UN Expert Group on Poverty Statistics) can play a major role in these developments, in producing operational measures of poverty based upon internationally agreed definitions.

[14] See Canberra Group website at http://lisweb.ceps.lu/links/canbaccess.htm

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SESSION 1:

INFORMATION REQUIREMENTS FOR DESIGNING AND MONITORING POVERTY ALLEVIATION POLICIES

Policies for Poverty Alleviation
Statistical Demands

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I. INTRODUCTION

The political status of poverty alleviation, at present one of the main objectives of governments, has increased permanently during the eighties and the nineties. Depending on the regions analyzed, the moment when the objective acquired great importance was normally associated to economic crisis. In the case of Latin America, the crisis that started in 1981 and lasted in most countries for the complete decade was crucial. Probably, the Asian crisis of the nineties played a similar role at least in South East Asia. One extraordinary feature is that the topic has also gained momentum in developed countries. The fact that the European Union is giving at the end of the nineties such growing importance to poverty and social exclusion, demonstrates its rather universal importance. Poverty alleviation is at the same time a central objective of the United Nations Millenium Declaration, a confirmation of its universal scope.

For analytical purposes, it is possible to distinguish two stages in this evolution. In the first stage, the political system needs to arrive to a conclusion about the magnitude of the problem. Starting from indirect indicators such as unemployment, low incomes and shortages in basic needs, and social unrest, there is a conscious that important strata of the population are under conditions of poverty, defined as an aggregated concept. Furthermore, after economic crisis, there are normally signs that the problem has increased. Therefore, the demand for an indicator that helps to establish characteristics of poverty and the magnitude of the problem. Normally, the indicator used is of the count ration type able to give a percentage of households and population under poverty.

In the second stage, the political system establishes compromises to alleviate poverty. It is necessary to identify policies that are going to be used. This stage is conceptually and operatively much more complex than the first one. There is a need to prepare an interpretation of the origin of poverty. Normally, it is difficult to arrive to consensus on those origins. Not less difficult is to agree on which are the best policies to alleviate poverty.

The statistical system has therefore been under an increasing demand to produce information able to estimate indicators about the magnitude of poverty and to help designing, implementing and monitoring policies to alleviate poverty. In many occasions, the statistical offices have themselves worked in the analytical field and played a role in the definition of indicators useful for both purposes.

The Rio Group since its first meeting in 1997 has prepared operative classifications of synthetic indicators to measure global poverty to put together best practices in the definition and estimation of them. There is broad agreement in using classifications such as absolute and relative poverty, objective and subjective poverty, and approaching absolute poverty through poverty lines or basic needs.

In this document, an effort will be made to classify the policies or political instruments being proposed to alleviate poverty. Due to the growing political status of the topic, there is a profuse production of papers making proposals of policies to alleviate poverty. Many of them are originated in the academy, but increasingly the institutes associated to political parties and the national regional and international official institutions are participating actively in this field.

Two typologies will be used to classify the policies. The first one, a macro approach, covers very broad instruments such as growth, income distribution and public expenditures. The second one, a micro approach, covers more specific instruments associated to more concrete measures that governmental institutions can adopt. They can be grouped in areas of policies such as economic transformation, human capital, social capital, short-term transfers and specific sectors social policies. The aim is not to arrive to any rigid classification, but to order in a practical way policy proposals in this area available at present.

The second aim of the document is to derive from those policy proposals statistical demands and to evaluate the degree in which the statistical systems of different types of countries are able to cope with it. The international statistical community, in the framework of the Statistical Commission of the United Nations, has been working in social statistics areas such as income distribution (through the Canberra

Group) to help coping with demands originated in public policies. The Rio Group also pursues coping with demands originated in poverty alleviation policies.

II. THE NATURE OF POVERTY AND INDICATORS CHARACTERISTICS

Poverty is a human and social phenomenon of a multi-dimensional and inter-temporal nature. It is broadly accepted that any synthetic indicator used by the political system to measure the magnitude of the problem necessarily has an operative nature and it would be senseless to pretend that it captures alone the broad nature of the phenomenon. When the studies and measurements of poverty move ahead from a synthetic indicator, it is possible to establish groups of indicators that help to illustrate better the nature of the problem. In practical terms, when in many countries the synthetic indicator gives a figure that covers an important percentage of the population, it becomes obvious that with great probability the poor constitute a heterogeneous group. The nature of poverty for different groups of poor will probably differ from one to another. In order to describe and differentiate their condition, a set of indicators is needed. Even more important, what this situation makes clear is that countries need different combination of policies for different groups of poor. It is not, therefore surprising, that in many countries, from an operative perspective, the work started with a synthetic indicator and moved towards a system of statistics for poverty alleviation.

One practical application of this working system is that in many countries it is today possible to calculate two or three global indicators of poverty, such as one on absolute level of poverty, another on relative poverty and a third one on subjective poverty. Normally, the three figures are different and the populations under poverty with these three criteria have partial and different coincidences. This makes the analysis richer and should help the political system to fight against different characteristics of the poverty phenomenon. Under these circumstances, the different indicators become complementary and not necessarily competitive. Therefore, it is practical not to work towards the selection of a preferred indicator, but to accept different indicators describing the available practices for their definition and calculation. [1]

Last but not least, when moving to the field of policies it becomes evident that when alleviating poverty a close correlation appears with other social policies that have formally different objectives, such as reducing social exclusion or improving education, dwellings and health. Operatively, this is also normally associated to the institutional structure of the public sector. In fact, in occasions, more than measuring globally poverty, other characteristics closely related to poverty are measured, such as access to water, food, education, employment or health. For this purpose, when describing policies, we will include some of these indirect policies as important proposals for poverty alleviation. One of the roles of synthetic measurement of poverty may be to give a result of many social policies.

III. PROTOTYPES OF POLICIES FOR POVERTY ALLEVIATION

As mentioned in the introduction, an effort has been made to classify the profuse quantity of policy proposals oriented towards poverty alleviation. Especially in the nineties and at the beginning of the first decade of the XXI century, proposals to alleviate poverty are central in the political agenda at the national, regional and international level.

At the international level, for example, the objective of poverty alleviation is today a central objective for the World Bank, which constitutes a signal of change of perspective in relation to the eighties and beginning of the nineties. In those periods there was a great confidence that economic and

[1] See D. Verger, *Three forms of approach: monetary, living conditions and subjective*, Seminar on international comparison of poverty. Slovaquie, Bratislava, June. 2001

institutional reforms would derive in an improvement of social conditions. The evaluation of the nineties demonstrated that, in global terms, the social situation and poverty in particular had not improved significantly and that in many countries, on the contrary, it has deteriorated. It is highly significant that in the Millenium Declaration of the United Nations the goal to halve poverty towards 2015 is one fundamental objective.

A review of objectives at the regional and national levels shows that poverty is also central in programs of regional institutions such as development banks, regional commissions and governmental programs.

In close relation to this change in priorities the topic of policies needed to alleviate poverty has become extremely popular in the academic field, in public and private institutions and in regional and international organizations. It is perhaps early to introduce any solid classification of these policies. Nonetheless, it seems operative to introduce some classifications both in the substantive and in the poverty statistics fields.

Here two policy typologies will be introduced. The first corresponds to a macro approach and the second to a micro approach.

A. The Macro Approach

This first approach is based on global and very broad "strategies" or "instruments" offered as a solution to poverty. It includes four items: economic growth, income distribution, public expenditure, and the introduction of new "development modalities". In fact, these strategies or instruments do not constitute per se specific policies. They depend on an extensive quantity of specific policies. They constitute general orientations for policy design.

For statisticians, one important feature of this broad approach is that the analysis normally uses aggregated indicators such as the rate of growth, of GDP, the Gini coefficient, the rate of public expenditure in GDP, or limited desaggregations of them.

A general feature of this type of studies is that when a combination of policies as the ones enumerated is proposed for poverty alleviation, they encountered the difficulty of their lack of independence. Economic growth and income distribution are in many theoretical approaches interdependent variables. The Kuznets curve, for example, is an attempt to explain the evolution of income distribution with per capita income levels. Similarly, in many occasions the expansion of public expenditures is believed to be competitive or contrary to the rate of economic growth.

Having in mind these difficulties, it is possible to identify proposals that use one instrument at the time or combinations of them.

1. Economic growth

Economic growth has been traditionally presented as one of the most important requirements for development. It has also been traditional, especially for economists to try to establish econometric relations between the level of income or its rate of growth with many disaggregated indicators that represent secondary objectives or characteristics of the economy or the society.

In the eighties and the nineties, it is well known that macroeconomic equilibrium became a central target of economic policy. Therefore, it is not surprising that many of those defending the central role of these equilibriums tried to demonstrate that they helped sustainable economic growth and that these conditions were the most important tools to reduce poverty. Just to exemplify, in the year 2000, an article by Dollar and Kraay called "Growth is good for the poor" became very popular in some political and academic circles because it claimed having demonstrated that economic growth was a or the central

instrument to reduce poverty. It has become also a very disseminated technique to try to establish relations between the rate of reduction of poverty (using a synthetic indicator) and the rate of growth of per capita income. This last relation is normally used to estimate the necessary rate of growth to reduce poverty according to a given objective. In occasions, arguments for growth as fundamental for poverty alleviation are followed by proposals of reforms that would accelerate the rate of growth and benefit specially the income of the poor.

Closely related to the effect of economic growth on the poor is the topic of how crisis, so typical of developing countries, affect them. Economic cycles highly influenced by the external sector, that in the eighties and nineties are related not only to trade but to finance, have alternate expansion and recessions. The characteristics of vulnerability and lack of security that are proper of poor groups raise the question of how policies could avoid at least partially the negative effects for poor.

During recent years, many objections have been raised to the hypothesis that growth is a central instrument for the reduction of poverty. One important argument has been that the new type of growth derived from economic reforms does not distribute the benefits of growth in terms functional for equity. This critic has been formalized in different analytical frameworks. A popular analysis covering different groups of countries has shown that there is no clear relation between growth and income distribution (contrary to content of the Kuznets curve). Many critics of the process of reforms have stated that, in the eighties and nineties, income distribution deteriorated with economic growth. As a consequence, the effect of growth on poverty alleviation has diminished. To illustrate the effect some have prepared simulations of what would have been the effect on poverty of a different income distribution with the same rate of growth.

In a recent document the Asian Development Bank "Fighting Poverty in Asia and the Pacific: the Poverty Reduction Strategy (1999)", uses the concept of pro-poor growth. Qualitatively, it meant growth that is labor absorbing and accompanied by policies and programs that mitigate inequalities and facilitate income and employment generation for the poor, particularly women and other traditionally excluded groups. An econometric approach of this concept for Lao People's Democratic Republic, Thailand and Korea has judged the growth in the nineties to determine if growth was or not pro-poor[2]. It is based on a calculation of what would have been the effect of growth on poverty if income distribution had not changed.

2. Income distribution

There is also an old debate related to the possible competitiveness between growth and income distribution. The most popular arguments towards optimums or second bests are that growth should, at the end, benefit everybody in similar terms and not especially the rich, or that redistribution used effectively should not slow down growth at the same time[3].

When independence between growth and income distribution is implicitly or explicitly accepted, econometric relations between poverty alleviation and these two variables have been estimated, sharing the origin of the descent of poverty between the two variables. In the formal aspects, it is rather obvious that if the same rate of growth could be obtained with a better income distribution, the results on poverty alleviation will be better.

At an aggregated level, some analysts have tried to identify factors that could have simultaneously positive effects on growth and income distribution. For example, an important effort in the educational field could have positive effects on both variables. Therefore, indirectly education could be seen as a very efficient instrument for poverty alleviation in the long term.

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[2] *What is pro-poor growth?*. Nanak Kakwani and Ernesto M. Pernia. Asian Development Review, Volume 18, Number 1, 2000.

[3] See Albert Berry, *Policy Response to Poverty and Inequalities in the Developing World.: Where Should the Priorities Lie?* ECLAC, Santiago, Chile, August 2001.

Some proposals are based on studies that try to explain the origin of income distribution in a more classical feature. The distribution of physical and human capital plays an important role in the distribution of primary income. Therefore, policies associated to a better distribution within households of both types of capital could help the poor. Special mention should be given to the distribution of land in the rural sector. There is an old debate on the effect that more equality in this sense could have on growth. Some believe it could reduce rates of growth, while others believe that reducing poverty is good for growth.

An important approach presented at the eighties by Sen[4] articulated the concept of well being in terms of functioning and capabilities. Capability is the ability to achieve and therefore, connected with the freedom people has in their choice of life or functionings. Naturally, the access to physical, human and social capital will favor capability.

If under the chapeau of income distribution we include the broader category of equality of opportunities, there are today studies that try to relate to public expenditure the achievement of objectives related to basic needs or to access to goods and services. If the indicator of income includes the value of free governmental services, these types of policies derive in an improvement of income distribution. It could also be analyzed as an improvement in expenditure distribution. It is not easy to maintain this type of analysis in the field of aggregated indicators, unless we use first desaggregations of public expenditures and relate them to poverty indicators.

3. Public expenditure

The fourth and last approach is also related to a third instrument utilized in papers to alleviate poverty: public expenditure. The level of public expenditure has also been contested in its independence from economic growth, in similar grounds of that of income distribution. It is also obvious that fast economic growth allows increasing public expenditures without changing its percentage of gross national product.

The level and distribution of public expenditure has always been considered as one important instrument of income distribution. In the eighties and the nineties, a variation to this type of analysis was introduced. It consisted in a proposal to concentrate public economic action in social policy leaving aside productive activities in other fields. Additionally, focalization should permit to concentrate social policies in the poor. Therefore, without changing significantly public income and expenditure, it was possible to have a more important effect on poverty alleviation.

This approach gave rise to many documents that explore which public expenditures were more efficient to reduce poverty. For example, education of woman was considered extremely important and productive in terms of poverty reduction because of its many indirect positive effects. Expenditure on education has also occupied the attention of an important percentage of papers that study its relation with income distribution and poverty.

Public expenditure on small and micro enterprises has also been proposed as an extremely efficient policy towards poverty alleviation. The lack of data in this area makes it more difficult to find quantitative relations that support the qualitative analysis.

Those that contest the independence of public expenditure and economic growth have tried to establish econometric relationships between them. In most occasions, they have tried to prove that increases in the percentage of public expenditure do not favor economic growth nor poverty alleviation. Nonetheless, the quantitative support is normally quite weak. Others have tried to prove that well focalized public expenditures is significantly re-distributive and therefore, even if it slows growth will have a positive effect on poverty alleviation.

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[4] Sen, A., 1987. *The Standard of Living.* Cambridge: Cambridge University Press.

4. New development challenges

The last approach we will mention in this first typology is related to the introduction of new development modalities. The papers associated to this approach are related in most cases to the introduction of macroeconomic and institutional reforms during the eighties and the nineties. The general argument was that the reforms would introduce a type of economic growth that would be more beneficial for the poor than the previous. A popular argument was that economic openness would favor the production of agricultural goods vis-à-vis industrial goods, and that this would favor the agricultural and rural sector where important percentages of the poor lived.

The reforms covered most areas of economic activities and, therefore, this approach includes studies of the effect of new trade, fiscal, labor market, financial, policies on growth and poverty. In aggregate terms, the global instrument is the introduction of the new development modality but in operative terms that modality must be represented by its aggregated components in different areas of the economy. As an example, there are papers on the effect of trade reform on household welfare.[5]

Within the proposals for reforms, in the nineties the need for institutional organization that include the participation of poor have gained momentum. Some are related to the most classical political representation, while others are more operative in terms of participation in policies associated to public expenditure. Decentralization of decisions and of the implementation of policies could favor the participation of the poor. World Bank has used the term empowerment meaning making institutions work better for poor people[6].

These four macro approaches to poverty admit certain desaggregations of the variables being used. For example the analysis can be made for different regions of a country or at least divided for the urban and the rural. On occasions instead of using the rate of growth as the instrument, the components of different production functions that give origin to growth are used; for example physical capital, labor input and technology could try to explain the evolution of poverty or income distribution.

Due to the aggregate characteristic of the analysis, normally, a synthetic indicator represents poverty evolution, on occasions disaggregated by geography or political divisions. Until recently it was difficult to obtain time series of this type of indicators and up to now they continue being limited. Nonetheless at least they make it possible to discover if poverty, so measured, increased, decreased or was unchanged.

In studies or proposals where poverty is associated to basic needs, indicators of variables that are related to poverty are used as proxies. For instance, in the UN Millenium Declaration after the goal to halve the indicator of poverty associated to income, other goals such as reducing people that suffer hunger, and ensuring children to complete primary school are included. Therefore, policies oriented to these last goals can be related to the four mentioned macro approaches.

On the side of the global instruments most of the statistical demand derived from these studies concentrates on synthetic indicators of income distribution, economic growth, public expenditure and its principal components, or macroeconomic variables that represent the effect of reforms. For example the evolution of exports and imports represent the effect of external trade openness.

The important difficulties associated to these demands are the difficulties to find time series of some of these variables, especially those that measure poverty and income distribution. There are also well known difficulties to construct series of public expenditure and its components that are comparable within countries. In this context, it is common to find cross-countries studies with the well-known analytical and operative difficulties.

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[5] See, for example, *Trade Reform and Household Welfare: The Case of Mexico* by Elena Ianchovichina, Alessandro Nicita, and Isidro Soloaga. Working paper 2667, World Bank, August 30, 2001. The paper states that "data suggest that trade liberalization benefits people in the poorest design more than those in the richer ones".

[6] See *World Bank World Development Report 2000/2001 Attacking Poverty*, September, 2000, Washington D.C.

Nonetheless the situation has improved significantly during the nineties. National, regional and international organizations are now publishing on permanent basis estimates of poverty, income distribution, and aggregated components of public expenditure. There is also an increasing effort to make figures within countries and in time more comparable.

B. The Micro Approach

The second typology of policies that we will introduce in this document is based on a microanalysis. The units of analysis are households or individuals under poverty. The consequence is a more detailed analysis, at that level, of the origin of their access to goods and services. It is related to their possibilities of obtaining income, or free or not market related goods and services.

Each household has as a starting point assets of different types, such as physical and financial capital, persons in working age, levels of education, dwellings, access to free public goods, social relations, and infrastructure of the place were they live.

As mentioned before, any synthetic indicator of poverty implies putting together heterogeneous households that share a common characteristic, such as a low income. But policies to improve income, for example, can be as multiple as are the origins of such low income. Therefore at this level of analysis, the classification of policies for operative aims, should follow great fields of action of the countries institutional structures.

Here we will use as criteria those that pursue increasing the access to goods and services of the poor through four improvements: in the economic and institutional structures, the human capital, the social capital, and in other public policies.

1. Economic and Institutional Structures.

Economic growth is normally simultaneous to certain degree of economic transformation. The effects of growth on the poor depend on the characteristics of that economic transformation and on its intensity. Therefore a certain rate of growth may have different effects on poverty alleviation depending on the type of economic transformation. Part of the debate at present is related to the effects that the growth derived from the reforms of the eighties and nineties had on the poor, compared to expectations or previous growth in the framework of other economic structures.

The economic transformation has important effects on the labor market. It is in the labor market where private employment and primary incomes are determined. Therefore the policies associated to economic transformation play an important role on the evolution of poverty, both in nature and magnitude. On an extreme a political strategy could be to leave the market forces operate freely under the belief they will generate a strong economic growth that will spontaneously create jobs and income that will significantly alleviate poverty. In practice governments are constantly influencing economic transformation under social and political considerations. Agricultural policies are an old example of intervention against market spontaneous forces. Today all around the world governments realize that a high percentage of employment is generated in small and micro enterprises and there is a multitude of policies oriented towards their defense[7].

Therefore, it is necessary to include within the policies to alleviate poverty those associated, in general terms, to economic transformation and, in particular, to the labor market. Macro level labor legislation can be considered through the establishment of aggregated relations to global employment or poverty. Nonetheless, global effects could hide quite contradictory effects on different social groups, that could be captured if geography, size of enterprises, and gender are examined. It can be argued, on the

[7] Michel Glaude. Conclusions in the *Report of the Seminar on International Comparisons of Poverty*, Slovaquie, Bratislava, June 2000

negative side that it would be a mistake to implement policies of economic transformation believing they are neutral or little influential to poverty.

The institutional transformations may also play a role on poverty. Political reforms could increase or limit the bargaining power of the poor. They can influence their participation on decisions. Legal reforms of the labor market influence employment and income; and therefore affect poverty. Decentralization of public income and expenditure is frequently mentioned as a tool for reinforcing the participation of the poor in the solution of their problems. Reforms of tariffs and the financial system are also of great significance not only for the economic transformation but also for the poor by multiple mechanisms. The importance of reforms had been mentioned in the macro approach. The difference is that the effect can be quite different for different social groups and the micro approach should help to handle the differences. Openness to trade could benefit a region and create problems in another, and therefore in occasions demand public intervention.

The magnitude and distribution of assets within a society influence greatly poverty and income distribution. Public policy for poverty alleviation is normally oriented towards increasing those assets. Although physical and financial capital are extremely important for income, the developments of the eighties and nineties have shown little engagement of governments on the distribution of that type of assets. They have been situated under the rules of market operation. Furthermore, the concentration of capital of these types in huge enterprises is one of the characteristics of the development of capitalism at the end of the twentieth century. Nonetheless, there are still areas where public policy plays a role. Probably the two most important are dwellings and access to land.

Dwellings and its characteristics play a very important role in the satisfaction of basic needs. Households that own the dwellings where they live receive the corresponding service that is estimated in the imputed income. When those dwellings have access to clean water, electricity, sewage, and of quality and size sufficient to avoid crowding and inadequate shelter are a great tool for poverty alleviation. Many public policies are oriented towards part or the total of these characteristics of the dwellings and are a fundamental component of its strategies to reduce poverty. The effect of policies related to dwellings on the efficiency of educational policies has been also analyzed. Again, the micro approach is fundamental to distinguish between needs of regions or sectors of cities[8].

Access to land has always been considered as the fundamental tool for the reduction of poverty in the rural sector. Nonetheless, agrarian reforms and other type of similar policies have lost momentum in the eighties and the nineties. Access to water continues being a great tool for poverty alleviation in places where small owners of land do not have access to this production factor.

Another type of physical capital that plays an important role in welfare is the infrastructure of the neighborhoods where people live. It is typical of poor households to be situated in neighborhoods with very poor infrastructure. The dimensions of the problem are multiple and cover physical aspects as waste collection and drainage system, other services as transport, health and education centers, and general conditions such as security. It is well known that the poor give great value to policies in this area while at the same time they are normally very expensive. These conditions are in many cities closely associated to migrations from the rural to urban areas and therefore, in a very broad sense, policies able to create productive jobs or not to destroy jobs in the rural area can indirectly play a role in poverty alleviation.

2. Human capital

On the contrary of what happens with physical and financial capital, the need to improve human capital has gained great technical and political recognition in the eighties and the nineties. Fundamental elements of human capital are education, health and in particular nutrition. Policies in this area produce

[8] See *Measuring Poverty in South Africa*, Statistics South Africa, 2000

results in the long term. Both the diagnosis and the monitoring of results are extremely demanding in terms of statistics. Nonetheless, discovering the groups that will be the object of policies is an easier task.

The value of education for the effective exercise of citizenship is universally accepted and constitutes a value that goes beyond poverty alleviation. The influence of education on the labor market has always been in the center of analysis of primary income distribution. In the analysis of household income, the type of occupation and its income has been extensively and intensively studied in relation to education. Education is normally accepted as a fundamental tool to improve income distribution. Therefore, public policies give great importance to the expansion and better distribution of education. Access of every person to a similar education is considered fundamental for equal opportunities.

The micro approach plays an important role in education policies. There is an accepted objective to focalize these policies in places where poverty is high. This means that it is necessary to have information that allows a distribution of resources that is directly related at least to geographical distribution of poverty.

Health and nutrition insufficiencies constitute a fundamental component of poverty in the countries of low income and in many disadvantaged regions of countries with a medium income. It is not surprising that in the UN Millenium Declaration most of the specific quantitative goals of welfare refer to these topics. The fact that information in this area is not inexpensive and that it is as mentioned a long term process makes that proposals in this field do not have many quantitative relations with poverty indicators as in the case of education.

In the case of human capital there is a clear conscious that poverty and lack of human capital normally are closely related, especially when it is the case of extreme poverty. For this reason it is generally accepted that policies that improve this capital for the deprived are efficient to alleviate poverty. Due to fiscal restrictions the debate is normally organized around what components of investment in human capital are more efficient.

3. Social capital

More recently the concept of social capital has been introduced on poverty policies debate. Although papers relating to poverty that use the concept do not always put enough attention in its definition there is a general agreement that poor groups, as many others in the society, maintain certain relations that promote confidence, reciprocity, and cooperation. These relations could contribute to three types of benefits: reduce the costs of transactions, production of public goods, and facilitate building healthy social actors, civil associations, and base groups for the execution of policies[9].

During periods of crisis, so usual in developing countries, vulnerable groups associate in different solidarity actions to defend themselves from adverse conditions. The role of public policy in this area is being discussed more systematically at present but specific policy proposals are scarce.

4. Short Term Social Expenditure

The fourth group of policies covers the rest of social expenditure. Most of it is related to transfers that alleviate poverty in the short term. Pensions and related benefits constitute a high percentage of income for many households. During crisis and when inflation is significant, pensions loose purchasing power and origin poor households. In many countries many elder have no pension, especially in the rural area. Some countries have been extremely successful in reducing income poverty increasing and establishing pensions for these groups. Access of poor elder to health services may significantly increase welfare of many households.

[9] John Durston. *Qué es el Capital Social Comunitario,* Serie Políticas Sociales, Cepal, Julio, 2000

In many countries special funds or programs specifically created to fight poverty are today in operation. The effect of these policies at least in the short-term should be increasing income or access to public goods and services. Normally, their insertion in the public administration is difficult and therefore the execution of programs may be complicated. Some of them have created special operative systems that have proved successful. The fact that normally they transfer money to poor families can be more effective if it establishes as a condition other actions that are beneficial for the households, such as the attendance of children to school. Therefore, at least some of its effects will mature in the long-term.

In some countries public policy has created programs to facilitate the access to employment of groups that encounter difficulties due to lack of education or skills. Special attention has been given to young people and to workers that lost their jobs in the reform processes. In fact, these are policies that try to re-establish equal opportunities in socioeconomic context where the human capital acquired is not adequate or loses value. As well known, access to employment can be decisive in taking out of poverty a household.

There is a broad spectrum of other monetary transfers directed to households that face special conditions. For example, those with many children or where nobody is employed. Although, normally these transfers represent very low percentages of household incomes, they can play a role for particular cases.

IV. STATISTICAL DEMANDS DERIVED FROM POLICY PROPOSALS

Policies associated to poverty alleviation constitute a broad spectrum. Macro and micro approaches play different roles. While the first are strategic and aggregated, the second are more specific and are oriented towards groups of householders or individuals. The proposals associated to the first are more related to macro economists or sociologists. While the second are proper of economists, sociologists, statisticians related or working on policies of the public sector with well defined target groups.

One important substantive feature that relate micro and macro efforts for poverty alleviation is that policy challenges originate in inherited long-term problems plus the effect of important demographic, social and economic transformations. Within them global economic policies and the reforms oriented towards new development modalities have played an important role in the eighties and nineties. The economic transformation and especially that of the labor market, together with the rate of growth, have generated great influence in the magnitude and nature of the challenges of social policy. Although difficult, paying ex-ante attention to social consequences of this type of policies would add to the efficiency of governmental policy to alleviate poverty. The challenges of the social policy are therefore not independent of the effects of the macro orientation of policies, and it is difficult to judge and monitor the effects of micro oriented policies in the absence of an analysis of those effects.

1. Demands of the macro approach

The statistical demands of the macro approach policy proposals generally combine some synthetic type indicator of poverty with macro economic or social indicators. As mentioned, the macro policies refer to economic growth, income distribution, public expenditure, and reforms or broad long-term economic policies. Indicators of these policies, with the partial exception of income distribution, have their origin in economic statistics.

Their most important sources are National Accounts, Public Sector, and Balance of Payments Statistics. Up to now, these types of statistics in their operative development has concentrated on serving economic policies. In many applications they are not able to satisfy adequately demands derived from policies oriented towards poverty alleviation.

In the area of national accounts one first and important demand is economic growth. Relations between the evolution of poverty and economic growth are generally established at the country level. This is done, in circumstances that in many countries poverty estimates can be disaggregated at the regional and at the urban-rural level. For most countries, this desegregation is not available for the GDP. Another shortcoming of national accounts occurs when poverty estimates are originated in income. They normally use as a source, surveys that correspond to a month or a quarter. In many occasions, although quarterly national accounts have started to be available in developing countries, is not possible to find figures able to match the time element and geographic coverage of poverty indicators.

Statistics of income distribution of households are, for these purposes, also weak in national accounts. Primary income distribution is extremely aggregated and income distribution after transfers is even weaker for poverty statistics demands. Institutional accounts are being started in most developing countries, and in particular, households' accounts are estimated with scarce disaggregation and in many occasions not regularly published.

The statistics of Public Finance of the IMF, within the framework of the 1993 SNA, inspire the most important efforts to arrive to accounts that contain public incomes and expenditures. Macro economists have been interested in public deficit and global figures of taxes. For macro economic and social policy analysis a division among direct and indirect taxes is utilized. A demand exists for figures of types of expenditure by social functions and more recently by regional or geographical destinies. It has been partially satisfied, but numerous shortcomings persist. It is well known that it is not easy to capture the central, regional and local expenditures without duplications and vacuums, and under the same classifications. The problem is more acute when international comparisons are needed. It is common practice for macro economists to introduce econometric studies using crosscuts with figures of different countries.

Balance of Payments figures of global trade and finance are needed in studies that try to estimate effects of reforms associated to the external sector on poverty or income distribution. It is well known that these reforms produce very uneven effects on sectors and regions. Balance of Payment figures of trade allow studies by sectors and products. It is much more difficult to open finance figures in a way that is useful to distinguish effects similar to those of trade. In general terms, figures in this area respond to most of present requirements of those introducing external effects on poverty at the macro level.

The macro approach uses intensively synthetic indicators produced by specialists in micro approach for their figures of poverty and income distribution. The time series of poverty (absolute or relative) they need to study the effect of growth, are normally provided by figures originated in surveys income measurements. The indicators of household income distribution are frequently Gini or of the kind coefficients, that are derived from the same sources as the ones of poverty just mentioned. Figures of poverty related to basic needs originate in population and housing census or house of surveys. We will comment on the information sources of these measurements when dealing with the micro approach statistics.

We can conclude that there is an important gap in the traditional sources of economic statistics, in terms of sources of statistics for the macro approach. To illustrate this gap we can use the analysis of the effects of growth on poverty. The exercises capture gross effects, such as the one that high economic growth reduces absolute poverty. Furthermore it can discover different "elasticities" among countries and periods. Nonetheless, it does not have information to distinguish effects on regions and it is not precise enough to match the same periods. It is necessary to develop that type of traditional sources of economic statistics, having in mind the influence that macro policies have on poverty, and the need to monitor the net effects of micro policy

2. Demands of the micro approach

The micro approach statistical demands originate institutions of the public sector working on policies, research institutes, and in the same statistical office. These last demands are associated in many occasions to the calculation of synthetic indicators of poverty. These last institutions are those normally working in policy. According to the classification being used here, they refer to the economic transformation and the labor market, the human and social capital, and to the access of the poor to assets, goods and services associated to other public policies.

The most important statistical source for demands derived from policies related to this approach is household surveys. Population and housing census also play an important role, but they lack continuity in time. Economic sectors census and surveys can also play a role, especially in relation to economic transformations and the labor market. Last not least administrative registers are potentially an important source, but in practice they are intensively used only in a small group of countries. Within the public sector expenditure statistics can play an important role.

One crucial aspect of the statistical demand refers to the aim of establishing a direct or indirect relation between the instrument and poverty. It is less demanding if the relation is established with an objective or a goal in an area related to poverty but not directly with a poverty indicator. For example; we may be satisfied with an increase in employment in a group that has difficulties with the access to the labor market, absolutely convinced that it will have a positive impact in poverty. In that case our job will be easier that if we try to follow the income of the households where the individuals of the group belong, trying to determine their qualification in terms of poverty.

The relation among economic transformation, the labor market and poverty is central in the governmental policies. Poverty is a characteristic of households or individuals, and the challenge is to establish their relations with the labor market. Household surveys are the most used source of information to study these relations. In fact, in most countries the surveys were originally established as employment surveys. With time they became multipurpose surveys and in particular in many countries they included the measurement of income at least once a year. It is not therefore surprising that the survey that inquires about employment, education, characteristics of the dwelling, and income became a fundamental source of information for poverty statistics.

The demand for income measurements is one of the most important. It is vital for many of the policies and, at the same time, one of the most difficult. Fortunately the work of the Canberra Group on household statistics has helped to move as a community of interests towards best practices.

The increasing use of these surveys in poverty studies influenced their questionnaire and topics such as the size of the enterprise where individuals are employed was included, allowing to obtain a picture of the structure of the economy in terms of the size of its enterprises. Naturally, in itself this last feature of the economy is normally studied through economic surveys that are collected with monthly or quarterly frequency for sectors such as manufacturing. These surveys provide normally information about the economic transformation, employment and income but it is not easy to establish a relation with households. Nonetheless, in countries of low income where the rural sector and agriculture are very important, one of the principal sources of information is agricultural census or surveys. Households are considered as a unit of production. These statistical operations play a similar role than that of the multi sectors survey of the urban areas.

The importance acquired by the informal sector in many developing countries has influenced the establishment of special surveys for this sector. The number of countries with this type of surveys is still limited and its frequency is rather low. Nonetheless, these surveys can play an important role in establishing characteristics of the production function of this sector. Therefore, they can play an important role in the study of the income distribution allowing relations with factors of production.

Income and expenditure surveys are extremely important as an auxiliary source of information to establish poverty lines. Their frequency is low, being collected in many developing countries once every ten years. In the nineties this frequency has been increase and in at least one developing country this survey is being collected every two or three years. Therefore, it has replaced in some case the multi purpose survey as source of information for poverty studies. The efforts to study poverty in relation to expenditure instead of income are founded in efforts as the one described. On occasions special multipurpose surveys oriented towards living conditions include questions on expenditure based on procedures of collection that are less expensive but may be more imprecise than those of the traditional income and expenditure surveys.

Some developing countries have established special surveys for poverty alleviation objectives. These surveys pay special attention both to economic transformation and labor market and to access to public services. They are geographically more disaggregated and they may become representative at local levels. The great importance of this type of surveys is that they allow building a good spatial picture of economic transformation and of the effect of public services on the evolution of household income and on the satisfaction of basic needs.

Administrative records are also an auxiliary source of information for the establishment of poverty lines and to introduce corrections in income measurements. In certain countries, such as the Scandinavian, they play a central role in household and individual information. On the contrary, they are one of the weakest sources of information in developing countries. Gradually, they are being used both in national accounts and in social policy. For instance, the access to tax registers may improve significantly the income figures of national accounts, its household account and therefore, help improving the editing of income surveys.

It is desirable that countries that have developed many sources of information in relation to economic transformations and labor market, at a certain moment prepare a global view of the efficiency of all these sources. In the Rio Group, the concept of a system of household surveys has been discussed and it has become central in some important regional projects of cooperation in Latin America. The role that administrative registers can play in policies oriented towards the local level should also be considered when establishing this global view.

The measurement of human capital has become increasingly important, Numerous efforts have been carried out to establish the importance of education, health and nutrition in the alleviation of poverty and in reducing social exclusion.

In the educational area the increasing difficulties that are arising to incorporate individuals, especially young people with more education that its parents to the labor force have inspired much work. The unemployment rate has risen, and for young people incomes in real terms are in many occasions not higher than that of their parents. The evolution of income distribution of households has shown concentration on the eighties and nineties in most countries. Probably the most long-term recurrent policy proposal to simultaneously alleviate poverty and improve income distribution is education of poor children. Improvement is presented in absolute and relative terms. Absolute in terms of goals that pursue finishing a primary or secondary level and relative in terms of equality of opportunities both in years of study and quality of education. Many other indicators and studies have been prepared specially by UNESCO, UNICEF and other national and regional agencies.

Similar considerations could be raised in relation to health and nutrition. As stated in the UN Millenium Declaration, hunger continues being a symbol of poverty in many countries of the world. Access to health, and particularly to some of its basic elements as clean water, continues being a problem even in developed countries, especially for deprived groups. Many policy goals are oriented towards giving access to health to children, pregnant women and the elder.

The statistical sources necessary for policies in the area of human capital are population and housing census, household surveys and administrative data. Housing census have been used to produce poverty maps. Within those maps the level of education has been considered as an important variable. On occasions, education and level of children has been combined with other basic needs to produce a synthetic poverty indicator. The fact that population census also include employment has transformed these census in one of the most important sources that relate economic and educational structures. Other studies using the same source have tried to establish relations, such as the ones existing between school performance and the quality of dwellings.

Household surveys have been used to prepare practically the same type of studies. Their disadvantage is the size of the sample that does not permit always to consider the spatial components of policies. On the contrary, their frequency allows at national or regional levels a follow-up in the period between census of consequences of policies. Among the components of human capital the measurement of years of education is probably the easiest. Quality of education, health components and nutrition are more difficult to measure. For example, special surveys or special modules in permanent surveys are needed to measure nutrition of children. Recently, questions about the access of households and individuals to health, nutritional or educational services have been included in surveys. These questions may prove especially useful to monitor public policies in those fields.

Administrative registers are potentially a very strong source of information in the area of human capital. The fact that administration of public services has increasingly introduced electronic information constitutes a great possibility to obtain updated and detailed information. It is surprising that international and regional cooperation programs in statistics continue concentrating in census and surveys and pay little attention to this type of administrative registers.

Public sector expenditure information has been available up to now at an aggregated level. The effort to introduce efficiency and accountability in public expenditures is being translated in demands of indicators of success in policies and programs. This trend has developed a new statistical effort to publish amounts of expenditure by type of programs and to monitor its success. Although, this effort also corresponds to the last type of policy included in our classification, it also applies to programs in the field of human capital.[10]

As mentioned before, social capital is a conceptual category less developed that the one of human capital. Initial efforts are underway to collect information for analysis purposes in this area. Special surveys or questions in surveys concentrate on participation of the poor in social and political activities. Up to now, few statistical offices have well organized data banks on this topic. The fact that international organizations like the World Bank are using categories such as empowerment will soon have as a consequence an increasing demand in this area.

Access of the poor to assets, goods and services associated to other public policies constitute a broad field of statistical demands. Among them, short term transfers can play a significant role especially in situations of crisis where vulnerable groups are greatly affected. We mentioned as one of the most important item payments of pensions or subsidies to the elderly. Population census and household surveys play an important role in the identification of the nature and magnitude of the problem. For policy purposes, normally this information is insufficient. Budgetary information and other administrative information are fundamental for the design and monitoring of policies in this area.

Household surveys that include questions about pensions and access to services may constitute an important test for public policies. They can play an important role in judging the efficiency of focalization and the related administrative procedures.

[10] See: *Opportunity for all: Making progress,* presented to Parliament by the Secretary of State for Work and Pensions by Command of Her Majesty, September 2001.

Short-term subsidies are very numerous in many countries and there are great doubts about their efficiency and complementary nature with other policies. It is difficult to include questions about these policies in surveys without the danger of surcharging them. Therefore, administrative registers and local organization statistics may play a more important role in this area.

3. Rethinking the Statistical Response

The fact that poverty alleviation has today an important political status has two operative consequences we will comment here. The first is that the category is being used to capture a broad spectrum of social phenomena. The second is the multiple and extensive demand for statistics that derive from the broad use of the concept of poverty.

The broadness of the concept has an advantage and a danger. The advantage is that it forces to look simultaneously at concepts that are used both in classifications of social policies such as equality of opportunities, social exclusion, and deprivation. At the macro level at the strategic objectives of economic policies previously mentioned: economic growth, income distribution, public expenditure, and new development modalities.

The danger is to try to create a definition of poverty able to articulate all the areas associated to policies for poverty alleviation. The aim to construct such concept and a synthetic indicator associated to it will inevitably conduct to a degree of reductionism. It seems efficient to accept that poverty alleviation is simultaneously a challenge for macro and micro policies, for economic and social policies. For policy and evaluation purposes of heterogeneous phenomena a body of statistics or a set of indicators will be needed. Nonetheless, as mentioned before, for operative reasons a synthetic indicator can play a role for the official system, in the comprehension that for judging the full set of public policies it is absolutely insufficient.

The multiple and extensive demand challenges the statistical system in various dimensions. The macro and micro, the international, regional, and national, the regional and local inside the country, the institutional within the public sector, and the short and long term, among others.

The statistical system has reacted coping with part of those demands. In some countries and regions an effort is underway to create a more systematic answer. In the case of the European Union where social goals are more explicit it is understandable that actions to move towards standards in poverty measurement are underway. It has also been possible to create an instrument such as the longitudinal panel that is common to all countries and that has been planed to answer systematically questions derived from the Union political objectives. It is also important that in the conceptual field poverty has been examined in conjunction with social exclusion. This case shows the advantage for the statistical system to stop in a certain stage of work and reorganize it in a more systematic way.

As recommended for efficiency reasons in most activities it is important to place demand evaluation in first stages of activities. The special characteristic of this case is that the topic has increased its relative importance in a relative short period, in most cases without an effort to give a certain degree of conceptual or operative unity to the effort. The aim to put together policy proposals under soma classifications is precisely to help in this effort.

Some provisional conclusions can be derived from the previous pages. The first is that macro statistics are in most cases underdeveloped for poverty demands. The demands derived from the economic policy have played a major role in their operative development. The macro strategic approaches are very important for poverty alleviation. The example of the role that was attributed to reforms and growth in the eighties and nineties demonstrates that operative information was not available to test statements. In many occasions they were justified at a level of aggregation insufficient to foresee heterogeneous results of the policies that have importance in poverty evolution. Therefore, this is an important gap of the system.

The second is that the important effort done at the micro level needs in many countries a rethinking. The extensive use of population and housing census and traditional employment or multipurpose surveys has been extremely positive Special surveys or modules have been introduced to answer specific demands of the social policy, for instance in the area of human capital. The introduction of special surveys for poverty or living conditions has upgraded the system. Nevertheless, the implicit household surveys system being created needs to be submit to scrutiny, because in many cases results may show contradictions and in others, duplications of efforts. In the case of Latin America and in some international cooperation programs, the concept of an explicit system of household surveys has been introduced. But there is still much to do to transform this concept in an operative tool.

The third is that, in developing countries, there is broad field to introduce administrative registers. They are being used in small scale. Some progress has occurred, but it runs far behind the introduction of information techniques in public administrations. The fact that public expenditure is under close scrutiny introduces the possibility of having access to the administrative registers being constructed to monitor those policies. Parliaments are increasingly demanding evaluation of public expenditure, not only at the functional and global level, but also at the program and local ones.

According to the country characteristics and demands this exercise should help to introduce more consistency in the conceptual field, more unity in the policy and operative area and the establishment of priorities and efficiency in the statistical systems

IBGE
Instituto Brasileiro de Geografia e Estatística

Comisión Económica para América Latina y el Caribe

Fourth Meeting of the
EXPERT GROUP ON
POVERTY STATISTICS
(RIO GROUP)
Rio de Janeiro, Brazil, 15 - 17 October, 2001

POLICIES FOR POVERTY ALLEVIATION

Pedro Sáinz
IBGE

Political Status

- *International:*
  UN Millennium Declaration
  World Bank program objectives
  World Bank-OECD/PARIS21
- *Regional*
  Regional Commissions
  Regional Development Banks
- *National Political Targets*

Stages of Technical Work

First

- Definition and measurement of synthetic indicators.
- Establishment of relations with other concepts used in social policies: vulnerability, social exclusion.
- Simultaneous use of synthetic indicators.

Stages of Technical Work

Second

- Design, implementation and monitoring of policies for poverty alleviation.
- Increase of policies under the objective of poverty alleviation.
- Macro and micro approach of policies.

Macro Approach

- Economic growth
- Income distribution
- Public expenditure
- Development modalities: Reform processes

STRATEGIC, MAINLY ECONOMIC

Micro Approach

- Economic and Institutional Structures
- Human Capital
- Social Capital
- Short-term Public Expenditure

HOUSEHOLD AND INDIVIDUALS AS UNIT OF ANALYSIS, MOSTLY SOCIAL.

VERY BROAD FIELD. CAPTURE HETEROGENEITY

Statistical Demands

- Macro approach indicators
  - Synthetic poverty indicator
  - Synthetic macro policy indicator
- Macro approach sources
  - National Accounts
  - Public Sector
  - Balance of Payment

- Micro approach indicators
  - Specific group poverty indicator or specific group poverty related indicator and specific policy indicator (example, public expenditure item)
- Micro approach sources
  - Household classical labor or multi-purpose survey
  - Special household surveys
  - Population and housing census
  - Administrative registers
  - Decentralized information

Statistical Shortcomings

- Macro Approach
  - Very scarce desaggregation
- Micro Approach
  - Household survey systems
    - Incorporation of administrative registersin developing countries

The UK Government's Approach to Monitor Its Strategy to Tackle Poverty and Social Exclusion – Opportunity for All

JACKIE OATWAY

Poverty and Social Exclusion Team Department for Work and Pensions

UNITED KINGDOM

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SUMMARY

1. The UK Government first published its poverty and social exclusion report, *Opportunity for all*, in September 1999 and has reported progress annually since. The report describes policies to tackle poverty and social exclusion and monitors progress against a wide range of indicators. The UK approach focuses on intervention at key stages in the life-cycle (children and young people, working-age people and older people), complemented by policies specifically designed to help disadvantaged communities.

2. A cross-departmental analysts group steers the development of the *Opportunity for all* indicators. Each indicator must meet an agreed 'set of criteria' and there is an ongoing review process of the indicators. Many of the indicators are linked to Public Service Agreement targets that set a level of progress to be achieved within a specified time period. The indicators and targets, together with research and evaluation evidence, play a central role in the process of policy making within the UK.

3. The *Opportunity for all* indicators draw on a range of well-established administrative and survey data at a national level. A focus on deprived communities is one aspect of the Government's agenda and this paper focuses in particular on small area statistics due to the recent exciting developments in this area.

4. In January 2001, the UK Government launched its National Strategy for Neighbourhood Renewal. This sets out a vision in the UK that no-one should be seriously disadvantaged by where they live. Monitoring the success of strategies tailored to provide help in small geographical areas provides new challenges to data suppliers and statisticians across Government. A programme of work is already underway within the UK to address the increasing demand for 'neighbourhood data'. For example:

    - The launch of a Neighbourhood Statistics web-site to provide access to data that is readily disaggregated.
    - An ongoing programme of work, steered by a group of policy officials and statisticians to make further improvements and address gaps in current datasets.

5. This year's *Opportunity for all* report includes, for the first time, data for the communities' indicators. Future reports should see developments to this set of indicators in particular, as more data becomes available at a neighbourhood level.

1. BACKGROUND

The UK Government's strategy

Opportunity for all

6. The UK Government first published its strategy to tackle poverty and social exclusion, *Opportunity for all – tackling poverty and social exclusion,* in September 1999. Two further annual reports have been published, the latest on 19 September 2001[1].

7. Poverty and social exclusion is viewed by the UK Government as a multi-faceted phenomenon – made up of dimensions that are often linked. It is about lack of opportunities to work or to learn, and lack of opportunities to live healthy and fulfilling lives. Low income is important, but is just one aspect of poverty and social exclusion.

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[1] *Opportunity for all – one year on: making a difference*, September 2000; *Opportunity for all – making progress*, September 2001, available at www.dss.gov.uk/publications/dss/2001/oppall_third/index.htm.

8. Policies to tackle poverty and social exclusion in the UK focus on intervention at key stages in people's lives to prevent transmission through generations. For example, improving educational standards during childhood is key to success in the labour market during working age, and contributions to pensions during working-age should lead to a more comfortable retirement. This lifecycle approach is complemented by policies designed to help poor neighbourhoods, which suffer from problems such as high rates of unemployment, high levels of crime and poor housing.

9. Key policy priorities for each of these groups are shown below.

Children and young people

- Improving family incomes by tackling worklessness and increasing financial support for families.
- Investing in the crucial early years and education to break the cycle of disadvantage.
- Improving the quality of the lives of children and young people.
- Supporting young people in the transition to adult life.

People of working age

- Building an active welfare state that makes work pay and work possible.
- Encouraging lifelong learning to ensure that people have the skills and education to play an active part in the modern labour market.
- Providing support for those most at risk from discrimination and disadvantage.

Older people

- Tackling the problems of low income among today's pensioners.
- Ensuring that more future pensioners can retire on a decent income.
- Improving opportunities for older people to live secure, fulfilling and active lives.

Communities

- In all the poorest neighbourhoods, to have common goals of lower worklessness and crime, and better health, skills, housing and physical environments.
- To narrow the gap on these measures between the most deprived areas and the rest.

Indicators

10. Given the complex nature of poverty and social exclusion and the number of policy priorities, the UK Government takes the view that no single indicator can adequately capture the different aspects. Therefore, a range of indicators has been adopted to provide a comprehensive picture of progress. The indicators, which monitor the range of policy priorities outlined above, will be discussed in more detail in section 2 and are listed in Annex 1.

The Devolved Administrations

11. The UK Government works in partnership with the Scottish Executive, the National Assembly for Wales and the Northern Ireland Executive in tackling poverty and social exclusion. The provision of many services, for example education and health, are generally matters for the Devolved

Administrations. However, tax and benefit systems and employment services are reserved matters for the UK Government, with the exception of Northern Ireland.[2]

12. The indicators discussed throughout this paper have different geographical coverage to reflect devolved matters. For, example education and health indicators monitored in *Opportunity for all* cover England only, whereas employment and income indicators cover Great Britain.

13. The Scottish Executive has already adopted its own set of indicators, which are set out in *Social Justice: A Scotland where everyone matters*[3]. The respective strategies of the Northern Ireland Executive and the National Assembly for Wales are set out in *Making it Work: the New Targeting Social Needs Action Plans Report* and *Annual Report on Social Inclusion in Wales,* though these do not currently include indicators.

European Co-operation

14. Although tackling poverty and social exclusion in the UK is primarily the responsibility of the UK Government and the Devolved Administrations, there is an important role for European co-operation. Following the agreement of the Nice European Council in December 2000, member states have prepared National Action Plans on inclusion. This process facilitates the exchange of good practice across the European Union.

15. An indicators sub-group of the EU Social Protection Committee was established in January 2001 to take forward a programme of work to establish commonly agreed indicators. These indicators should facilitate better international comparisons across the European Union. The recommendations of the group are due to be presented to the Social Protection Committee at the end of the year.

2. THE OPPORTUNITY FOR ALL INDICATORS

The overall approach

16. The ongoing development of the *Opportunity for all* indicators is steered by a cross-departmental group of analysts. This group was first established in 1999 to determine the approach to monitoring poverty and social exclusion and to select suitable indicators.

Many indicators and data sources

17. The decision to use multiple indicators reflects the many different aspects of people's lives that are affected by poverty and social exclusion. The approach taken in *Opportunity for all* initially resulted in a set of over 30 indicators, increasing to almost 40 in the latest annual report[4]. The full set of indicators is listed in annex 1. There is obviously a trade-off between capturing the breadth of the problem of poverty and social exclusion and summarising overall progress.

18. Government officials have and will continue to learn from academics and members of non-governmental organisations in discussions about the pros and cons of different measurement approaches. For example, the (then) Department of Social Security held, jointly with the Centre for Analysis of Social Exclusion at the London School of Economics, a workshop to discuss indicators in July 2000[5].

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[2] Tax and benefit matters and employment policies are devolved to Northern Ireland, although in practise policies are generally kept in line with the rest of the UK.

[3] *Social Justice: A Scotland where everyone matters* (November 2000) available at www.scotland.gov.uk/socialjustice

[4] Because some indicators are multi-part there are 50 separate trends.

[5] *Indicators of Progress: A discussion of approaches to monitor the Government's strategy to tackle poverty and social exclusion* (Report of the workshop held on 19 July 2000 organised by the Department of Social Security and the Centre for Analysis of Social Exclusion, London School of Economics), February 2001, available at www.dss.gov.uk/publications/dss/2001/iop/iop.pdf

19. One of the issues addressed at the workshop (and in subsequent discussions) is the problem of using multiple indicators to determine overall progress, for example towards the goal of eradicating child poverty. One way to overcome this is to combine the indicators into a summary index to produce a single trend over time. Most academics shared the view that it is not meaningful to combine around 14 indicators for children and young people that measure different dimensions of poverty and social exclusion[6]. Added to this are the problems of determining how to choose weights in a meaningful way and using data sources with different frequencies and measurement units. Therefore, as an alternative, in last year's report we highlighted headline indicators in five key areas to monitor progress towards the eradication of child poverty (low income, educational attainment, health, housing and worklessness). This year we have added a summary table of indicator trends to clearly show progress in each set of indicators at a glance.

20. There is no single existing dataset that could be used to regularly monitor the many aspects of poverty and social exclusion. The indicators, therefore, draw on a range of administrative and survey sources. For example:

- the *Family Resources Survey*, conducted annually and sampling around 25,000 households across Great Britain, asks detailed questions about household incomes. This survey is used to monitor low income[7];
- educational attainment indicators draw on administrative data from the Department for Education and Skills;
- employment, skills and workless households indicators use data from the *Labour Force Survey*; and
- health indicators draw on a range of sources including birth and death registrations, hospital statistics and *General Household Survey* data.

What makes a good indicator?

21. The *Opportunity for all* analysts steering group discussed and agreed a set of criteria that each indicator must satisfy. These criteria are obviously still important to the ongoing development of the indicators.

- The indicators should be relevant to the Government's overall strategy for tackling poverty and social exclusion. Therefore they should either capture key current aspects of poverty and social exclusion or factors that increase the risk of experiencing poverty and social exclusion in later life.
- The indicators should be related to 'outcomes' the government wants to achieve rather than 'processes'. Therefore the number of children in workless households was selected as an indicator rather than the number of parents who are helped to find work through the New Deal[8].
- The indicators need to be based on data that are publicly available and statistically robust. Where possible this involves using series that are published under National Statistic guidelines, for example, all of the *Households Below Average Income* based statistics; and

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[6] See Annex 1 for the list of indicators.

[7] *Households Below Average Income 1994/5 – 1999/00*, Department for Work and Pensions, available at www.dss.gov.uk/publications/dss/2001/hbai/index.htm

[8] New Deal programmes provide a major part of the UK Government's strategy to help people find jobs. This includes personal advisors and tailored support to help particular groups, such as those with caring responsibilities, to find and keep jobs. Further information about New Deal programmes is available at www.newdeal.gov.uk/

- The indicators must be unambiguous in interpretation. It should not be possible for the indicator to improve without this either reflecting a reduction in poverty and social exclusion or a reduction in an important causal factor.

22. The analysts steering group now meets regularly to review and develop the indicators. As a result some indicator definitions have been improved and new indicators have been added to reflect new priorities and data developments. Detailed information for some of the communities indicators has been included for the first time in the third *Opportunity for all* annual report and this set of indicators is likely to be the focus of further review over the coming year.

Different types of indicators

23. The indicators (listed in Annex 1) are defined in different ways. Some pinpoint particular sub-groups – such as children of a certain age, socio-economic groups, classifications according to disability or lone parenthood. Some indicators are disaggregated by gender, others, such as low-income indicators, have multiple parts to provide a comprehensive picture of progress. Many indicators take the format of an increase or reduction in the proportion of people experiencing a particular outcome. Other indicators measure the gap between certain groups or areas and the rest. New communities indicators will increasingly set floor levels below which no group or geographical area should fall.

Policy priorities

24. The indicators are grouped according to the Government's policy priorities. The intention is that collectively the indicators will provide a high-level comprehensive picture of progress for each policy priority.

25. For example:

- the education policy priority includes indicators to monitor attainment at Key Stages in the education system for 7, 11, 16 and 19-year-olds, a truancy and exclusion indicator, and an indicator for children who are looked after by local authorities;
- the future pensioners policy priority includes indicators that monitor the proportion of working-age people contributing to non-state pensions, the total amount being contributed and the proportion of people who make continuous contributions; and
- the working-age policy priority to provide support to those most at risk, which is more multi-dimensional (as are some other policy priorities), includes indicators to monitor rough sleeping, use of Class A drugs, smoking rates and death rates from suicides.

Public Service Agreement targets

26. The UK Government has said that the progress of its strategy to tackle poverty and social exclusion should be judged against the *Opportunity for all* indicators. For the indicators to play a successful role they must form an integral part of the overall strategy – it is important that they are not viewed as an add-on.

27. The indicators are designed to monitor progress in the long-term in key areas (although some definitions will obviously be reviewed along the way to best capture target groups). They are often underpinned by broader sets of indicators or more detailed indicators across Government.

28. Many of the indicators are linked to Public Service Agreements (PSAs)[9]. These were first set out in 1998 and detail the service improvements, key reforms, and modernisation that the Government

[9] Information on PSAs is available at http://www.hmt.gov.uk/sr2000/psa/index.html

plans to deliver. PSAs set out commitments for what the Government will put into public services in terms of money, people, and policies, and also for the specific results on which they can be judged. The PSA targets set a time-scale (2004 in many cases) in which to attain a specific result.

29. Examples of targets set in the 2000 Spending Review are targets building on the improvements to attainment in schools, raising employment rates, reducing crime levels and improving health. Progress towards these targets, together with research evidence and evaluations of new policy initiatives all play key roles in policy making within Government.

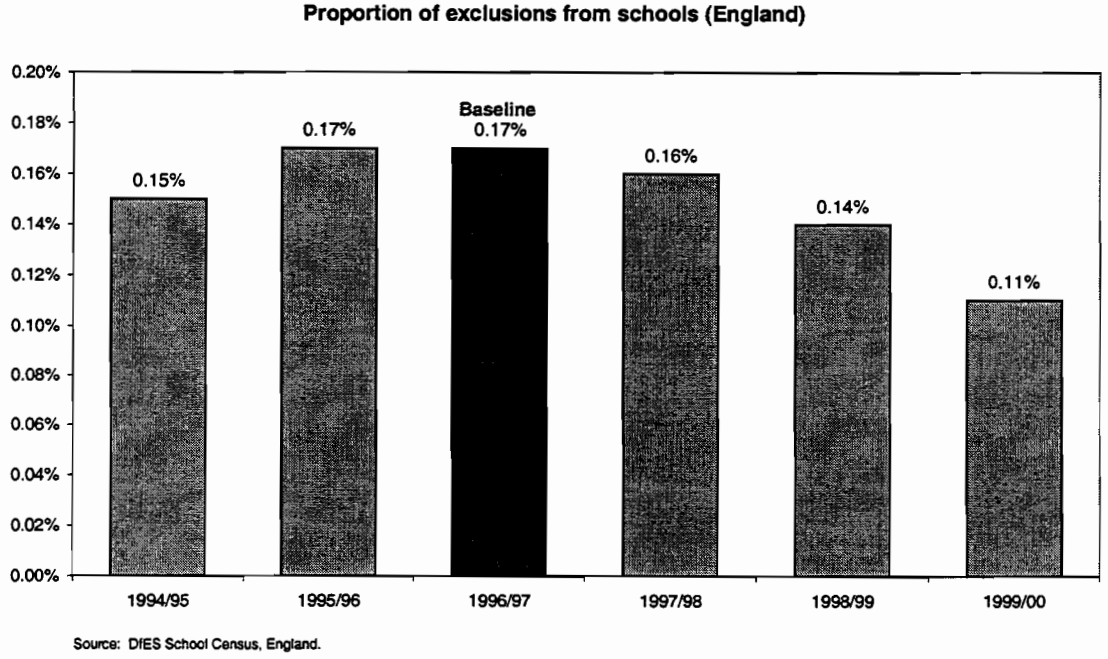
Example indicators

30. This section provides an illustration of some key *Opportunity for all* indicators – school truancy and exclusion, employment rates, continuous pension contributions, employment rate gaps and health inequalities. The last two are examples of new communities indicators measuring the narrowing of the gap between the poorest areas and the rest of the country.

School truancy and exclusion

***Indicator:* A reduction in the proportion of truancies and exclusions from school (England).**

Baseline and Trends: Baseline year – 1996/97. The chart below shows that the proportion of students permanently excluded from school has fallen significantly from 0.17% in the baseline year to 0.11% by 1999/00. The latest truancy data for 1999/00 show that truancies have been broadly constant since records began in the early 1990s at 0.7 per cent of half days missed per year through unauthorised pupil absence.



Definition: Truancies: proportion of half days missed per year through unauthorised absence. Exclusions: proportion of students excluded.

Data Source: National Pupil Absence Tables and Form 7 published in Permanent Exclusions from Schools, School Census, England.

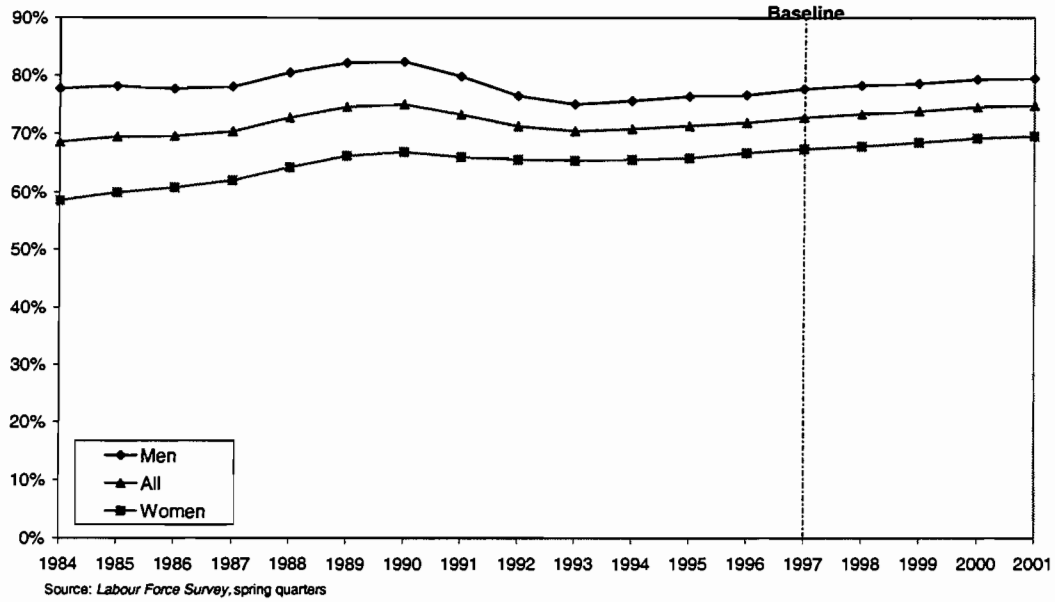
Linked to Department for Education and Skills PSA target: To cut truancy and exclusion by a third by 2002. To reduce school truancies by a further 10 per cent by 2004 from the level achieved by 2002.

Employment

***Indicator:* An increase in the proportion of working age people in employment, over the economic cycle (Great Britain).**

Baseline and Trends: Baseline year – 1997. The proportion of the working-age population in employment increased to a peak of 75.0 per cent in 1990, falling subsequently to 70.4 per cent in the early 1990s during the recession. The proportion in employment has since risen to 72.7 per cent in 1997 (the baseline year) and to 74.8 per cent in 2001. Employment rates for men have been around 10 percentage points higher than women during the last ten years.

Proportion of working-age people in employment (GB)



Source: *Labour Force Survey*, spring quarters

Year	1984	1985	1986	1987	1988	1989	1990	1991	1992
All	68.6%	69.5%	69.6%	70.4%	72.7%	74.5%	75.0%	73.2%	71.3%
Men	77.7%	78.1%	77.6%	78.0%	80.4%	82.1%	82.4%	79.8%	76.5%
Women	58.5%	59.9%	60.8%	62.0%	64.2%	66.2%	66.8%	66.0%	65.6%

Baseline

Year	1993	1994	1995	1996	1997	1998	1999	2000	2001
All	70.4%	70.8%	71.3%	71.9%	72.7%	73.3%	73.8%	74.5%	74.8%
Men	75.0%	75.6%	76.3%	76.6%	77.6%	78.2%	78.6%	79.3%	79.5%
Women	65.4%	65.6%	65.9%	66.7%	67.4%	67.8%	68.5%	69.2%	69.6%

Definition: Proportion of working age people in employment – working age is 16 to 59 for women and 16 to 64 for men.

Data Source: Labour Force Survey – spring quarters.

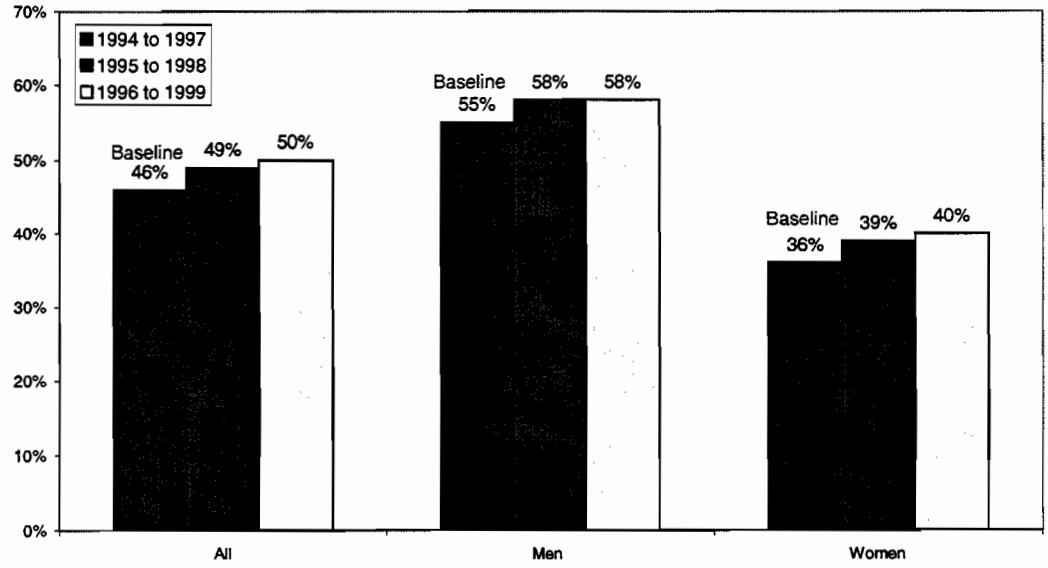
Linked to Welfare to Work PSA: To increase employment over the economic cycle.

Pensions contributions

***Indicator:* An increase in the proportion of working-age individuals who have contributed to a non-state pension in at least three years out of the last four (United Kingdom).**

Baseline and Trends: Estimates for the periods 1994 to 1997 (the baseline) and 1996 to 1999 show an increase from 46 per cent to 50 per cent in the proportion of people contributing to non-state pensions in at least three out of four years. Men are more likely to be consistently contributing that women – 58 per cent compared to 40 per cent for the period 1996 to 1999 – but the indicator shows improvements for both genders.

Proportion of working-age people who have contributed to a non-state pension in at least three out of the last four years (GB)



Definition: Proportion of those aged 20 to state pension age who have made contributions paid into a non-state pension in at least 3 years out of the past 4.

Data Source: British Household Panel Survey (data for Great Britain).

Linked to Department for Work and Pensions PSA target: To reform second tier pension provision, working with providers and employers so that: by 2004 stakeholder pensions have given more people access to good value funded second pensions; 14 million low and moderate earners have started to build up a better second pension than would be possible under SERPS.

Employment rate gaps

31. A separate indicator monitors the gap between employment rates for particular groups (lone parents, people with disabilities, minority ethnic people and older workers) and the overall rate.

***Indicator:* A reduction in the difference between employment rates in the most deprived local authority areas and the overall employment rate, over the economic cycle (Great Britain).**

	Employment rate for the 30 most deprived areas	Employment rate for all working-age people	'Employment rate gap'
Spring 2000	62.1%	74.5%	12.4%
Spring 2001	63.1%	74.9%	11.8%

Baseline and trends: Baseline year – 2000 (new indicator). The table below shows a one percentage point rise between 2000 and 2001 in the employment rate for the 30 most deprived local authority areas, compared to a smaller rise in the overall employment rate. Consequently the 'gap' between the rates has narrowed.

Definition: Employment rates are for working-age people – i.e. 16 to 59 years for women and 16 to 64 years for men. The 30 most deprived areas are the Local Authority areas with the worst initial labour market position (i.e. the districts do not change). The employment rates for the 30 areas is the total number of working-age people in employment in all 30 areas as a proportion of the total working-age population in all 30 areas (i.e. it is calculated as a total not an average).

30 Local Authority areas with the worst initial labour market position are:

Tower Hamlets; Merthyr Tydfil; Knowsley; City of Glasgow; Easington; Hackney; Blaenau Gwent; Liverpool; Manchester; Newham; Middlesbrough; Neath Port Talbot; South Tyneside; Islington; Sunderland; Halton; East Ayrshire; Redcar and Cleveland; Southwark; Rhondda, Cynon, Taff; Kingston upon Hull, City; Hartlepool; Caerphilly; Newcastle upon Tyne; North Lanarkshire; Nottingham; West Dunbartonshire; Pembrokeshire; Salford; Dundee.

Data source: Labour Force Survey – spring quarters.

Linked to Welfare to Work and Government Intervention in Deprived Areas PSA target: Over the three years to 2004 increase the employment rates of the 30 local authority districts with the poorest initial labour market position and reduce the difference between this employment rate and the overall rate.

Life expectancy at birth – narrowing the gap

***Indicator:* To reduce the gap between the fifth of Health Authorities with the lowest life expectancy at birth and the population as a whole (England).**

Baseline and Trends: Baseline data are for 1998 (based on the three years 1997-1999).

Life expectancy for males and females in England compared with the fifth of Health Authorities with the lowest life expectancy

		1992	1993	1994	1995	1996	1997	1998
Males	Worst fifth of Health Authorities	71.8	72.0	72.1	72.3	72.5	72.8	73.0
	Total population in England	73.7	74.0	74.1	74.4	74.6	74.9	75.1
	Difference	1.9	2.0	2.0	2.1	2.1	2.1	2.1
Females	Worst fifthof Health Authorities	77.4	77.6	77.8	78.1	78.2	78.2	78.3
	Total population in England	79.2	79.3	79.4	79.6	79.7	79.9	80.0
	Difference	1.8	1.7	1.6	1.5	1.5	1.7	1.7

Source: Government Actuary's Department and Office for National Statistics

Notes: Data presented are based on three-year averages for England.
Expectation of life data are based on population estimates and deaths data.
Each year the quintile of Health Authorities with the lowest life expectancy may be (slightly) different.

Definition: Expectation of life data are based on population estimates and deaths data. The data presented for life expectancy are based on three year averages for England. The target has been set initially in terms of the fifth of Health Authorities (HAs) with the lowest life expectancy. In future the number of HAs will be reduced to about 30 strategic HAs, with different functions from those currently undertaken. As this happens, the appropriateness for monitoring purposes of HA areas or smaller areas will be reassessed, and the target amended accordingly.

Data Source: Government Actuary's Department - total population life expectancy figures. Office for National Statistics – figures for quintile of health authorities with worst life expectancy figures (data for England).

Linked with health inequalities PSA and GIDA target: Starting with Health Authorities, by 2010 to reduce by at least 10 per cent the gap between the fifth of areas with the lowest life expectancy at birth and the population as a whole.

3. SMALL AREA DATA

32. In monitoring poverty and social exclusion strategies, small area statistics are becoming increasingly important at both a national and local level. By allowing comparisons between different parts of the country, small area data is important at a national level for evaluating initiatives and deciding where to target new initiatives. At a local level the statistics are important to assess the conditions in local areas and to target resources effectively. At both a national and local level small area statistics will provide the potential to set baselines against which future progress can be monitored, and to set outcome targets.

33. In terms of *Opportunity for all,* the communities' indicators which monitor the gap between the most deprived areas and the rest of the country, are relatively less developed than the other sets (for children and young people etc.). However, as described below new technologies and data analysis techniques are leading to rapid developments in small area statistics. In light of this it should, over the coming years, be possible to extend the coverage of neighbourhood indicators.

Neighbourhood Statistics

The service

34. The Office for National Statistics, in partnership with central and local Government and many others, is leading the ongoing development of a new Neighbourhood Statistics Service in the UK[10]. This service launched in February 2001, aims to meet the information needs of *the National Strategy for Neighbourhood Renewal* and other area based policies in both central and local government[11]. The service has already transformed the availability of information for thousands of areas across the country.

35. The Neighbourhood Statistics Service is the outcome of the consultation report of *Policy Action Team 18: Better Information*, published in April 2000 as part of the National Strategy for Neighbourhood Renewal[12]. The availability of information at neighbourhood level will help policies to be correctly designed and targeted, and aide the identification of areas with specific and often multiple problems.

36. As part of their remit, Policy Action Team 18 (PAT 18) examined a number of Government initiatives for which small area information was used to construct and implement their programmes. The group identified 22 Government initiatives as using small area indicators. For example:

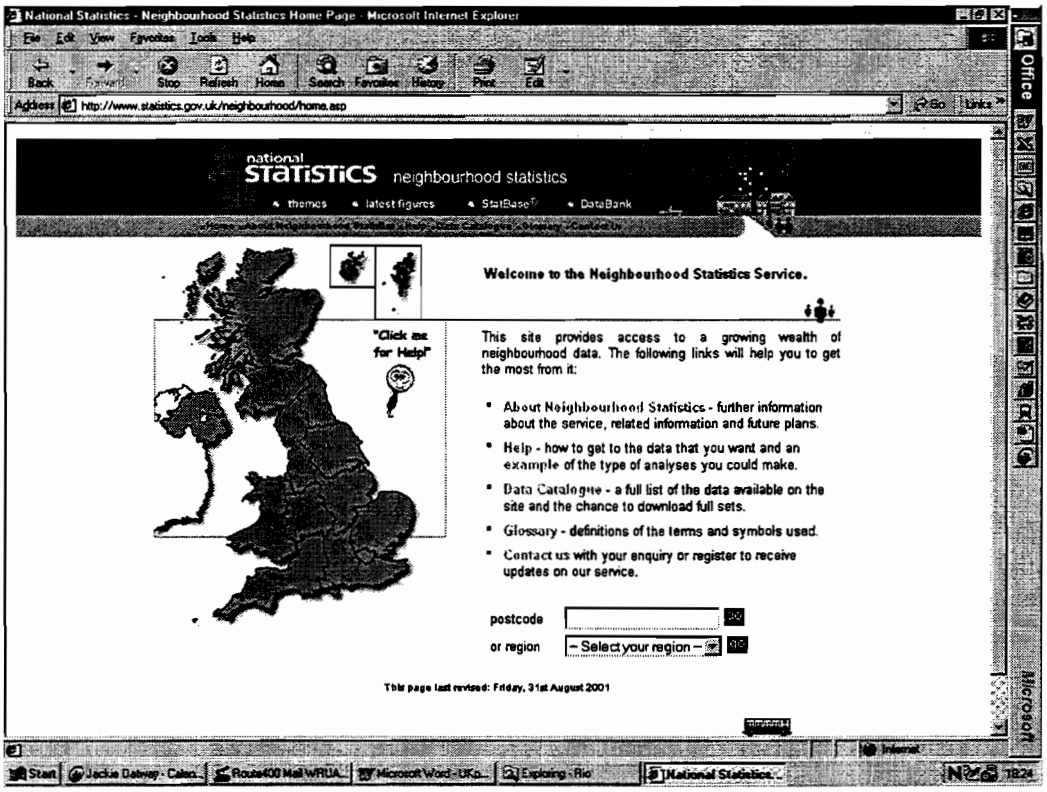
- Action Teams for Jobs which provide targeted help finding work;
- Better Government for Older People which aims to improve public services for older people;
- Crime Reduction Programmes which aim to help reverse the long-term rise in crime rates;
- Education Action Zones which tackle disadvantage and raise standards in schools that require additional support; and
- Local Transport Plans, which aim to deliver integrated transport locally and improve local transport provision.

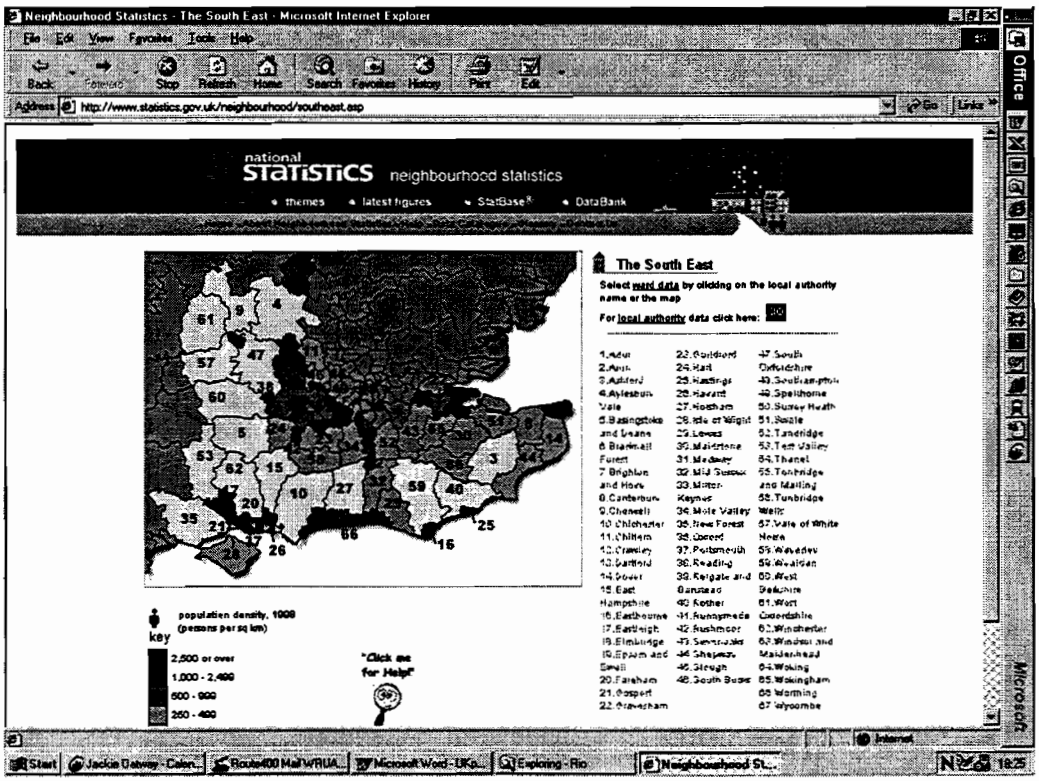
User-friendly access

37. Currently the web-site provides user-friendly access to data on, for example, populations, health, social security benefit receipt, educational attainment and employment for local authority areas (there are 354 local authorities in England) and local authority wards (there are 8414 in England)

38. The web-site provides the option of using maps, area names or postal codes to guide users to their chosen areas. The example below shows how easily I found statistics for my home local authority ward in the South East of England. It has a population of 3600 – 20 per cent aged under 16, 30 per cent aged 60 or over. The average attainment for 11-year-olds is level 3.99 (the expected standard is level 4) and there were 3800 employee jobs in the ward.

[10] See www.statistics.gov.uk/neighbourhood/home.asp
[11] See www.cabinet-office.gov.uk/seu/index/national_strategy.htm and www.neighbourhood.dtlr.gov.uk/
[12] See www.cabinet-office.gov.uk/seu/2000/better-information.pdf


National Statistics - Neighbourhood Statistics Home Page - Microsoft Internet Explorer
http://www.statistics.gov.uk/neighbourhood/home.asp
national statistics neighbourhood statistics
themes
latest figures
StatBase
DataBank
"Click me for Help"
Welcome to the Neighbourhood Statistics Service.
This site provides access to a growing wealth of neighbourhood data. The following links will help you to get the most from it:
About Neighbourhood Statistics - further information about the service, related information and future plans.
Help - how to get to the data that you want and an example of the type of analyses you could make.
Data Catalogue - a full list of the data available on the site and the chance to download full sets.
Glossary - definitions of the terms and symbols used.
Contact us with your enquiry or register to receive updates on our service.
postcode
or region
– Select your region –
This page last revised: Friday, 31st August 2001


Neighbourhood Statistics - The South East - Microsoft Internet Explorer
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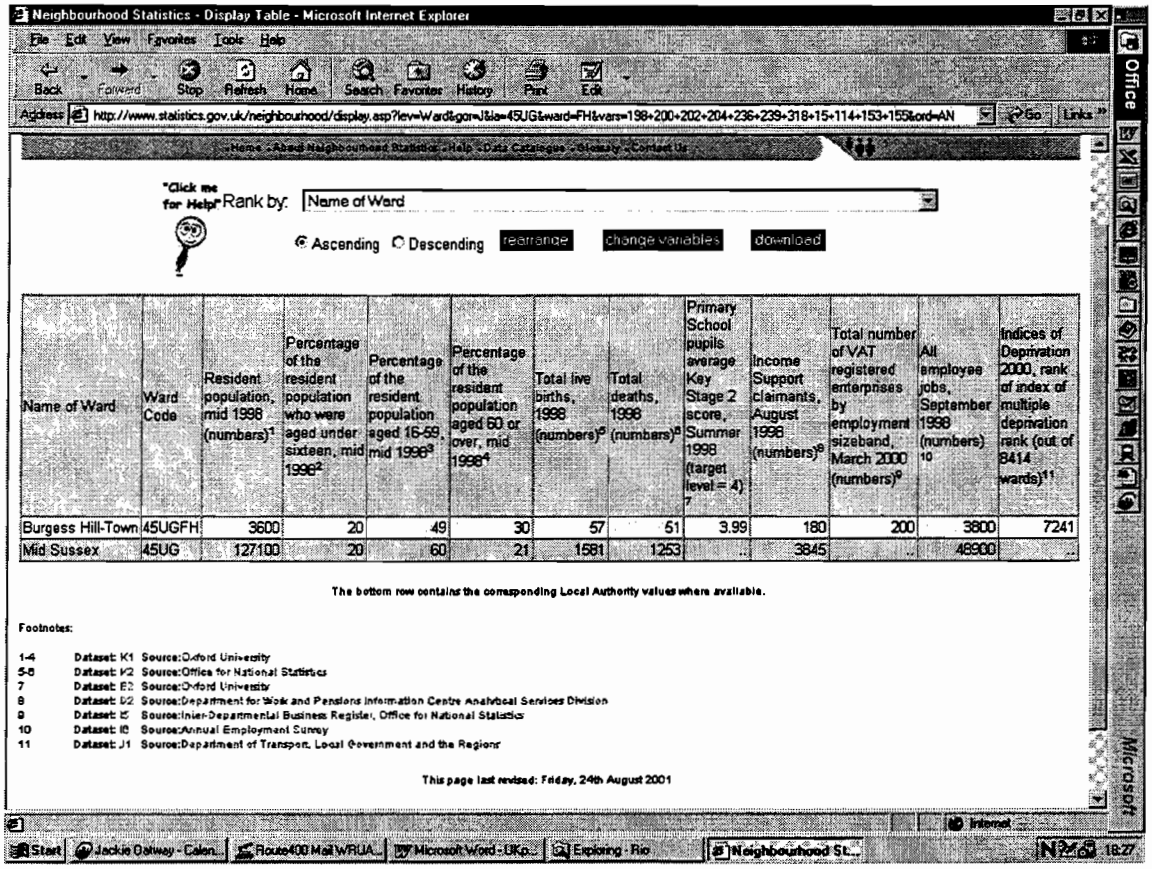
national statistics neighbourhood statistics
themes
latest figures
StatBase
DataBank
The South East
Select ward data by clicking on the local authority name or the map
For local authority data click here:
key
population density, 1998 (persons per sq km)
2,500 or over
1,000 - 2,499
500 - 999
250 - 499
"Click me for Help"



Neighbourhood Statistics - Display Table - Microsoft Internet Explorer

http://www.statistics.gov.uk/neighbourhood/display.asp?lev=Ward&gor=J&la=45UG&ward=FH&vars=198+200+202+204+236+239+318+15+114+153+155&ord=AN

"Click me for Help" Rank by: Name of Ward

Ascending Descending rearrange change variables download

Name of Ward	Ward Code	Resident population, mid 1998 (numbers)[1]	Percentage of the resident population who were aged under sixteen, mid 1998[2]	Percentage of the resident population aged 16-59, mid 1998[3]	Percentage of the resident population aged 60 or over, mid 1998[4]	Total live births, 1998 (numbers)[5]	Total deaths, 1998 (numbers)[6]	Primary School pupils average Key Stage 2 score, Summer 1998 (target level = 4)[7]	Income Support claimants, August 1998 (numbers)[8]	Total number of VAT registered enterprises by employment sizeband, March 2000 (numbers)[9]	All employee jobs, September 1998 (numbers)[10]	Indices of Deprivation 2000, rank of index of multiple deprivation rank (out of 8414 wards)[11]
Burgess Hill-Town	45UGFH	3600	20	49	30	57	51	3.99	180	200	3800	7241
Mid Sussex	45UG	127100	20	60	21	1581	1253	..	3845	..	48900	..

The bottom row contains the corresponding Local Authority values where available.

Footnotes:

1-4 Dataset: K1 Source: Oxford University
5-6 Dataset: K2 Source: Office for National Statistics
7 Dataset: E3 Source: Oxford University
8 Dataset: D2 Source: Department for Work and Pensions Information Centre Analytical Services Division
9 Dataset: I5 Source: Inter-Departmental Business Register, Office for National Statistics
10 Dataset: I6 Source: Annual Employment Survey
11 Dataset: J1 Source: Department of Transport, Local Government and the Regions

This page last revised: Friday, 24th August 2001

Future Developments

39. The Neighbourhood Statistics web-site is still in its infancy. There is a planned programme of ongoing development including:

- adding additional datasets from existing sources in 2001 and 2002;
- enhancing the sight building on small area estimation techniques and improved analytical tools in 2002;
- adding a geographic information system and the first point-referenced data (locations of services and social and physical infrastructure) in 2002;
- adding a large amount of new Census data in 2003;

40. The Neighbourhood Statistics web-site was only one of a number of recommendations made in the PAT18 report. The Office for National Statistics and the Neighbourhood Renewal Unit have therefore established a steering group to take forward the better information in small areas agenda. Both central and local government have representatives on the steering group.

Data linking to produce small area statistics

Existing datasets

41. Recent technological and analytical developments have provided exciting new opportunities for analysis at a small area level. The Information Centre at the Department for Work and Pensions[13] has, for some years, cleaned and analysed social security benefit administration data, producing analysis for individual benefits. However, in recent years, this analysis has been extended to provide a more comprehensive picture for particular client-groups (for example working-age people or families with children). This has been possible by linking administrative datasets using encrypted National Insurance Numbers (which identify each recipient but preserve their anonymity).

42. Linked benefit administrative datasets have been used to produce studies such as Noble et al (2001) which presents national, regional and ward level results for the unemployed, lone parents, people with disabilities and older people[14]. Information Centre data is also one of the datasets used to produce the Indices of Deprivation 2000, which provide ward level rankings and have played a role in determining the allocation of funding from central to local government[15].

New research

43. The Department for Work and Pensions recently commissioned research to investigate gaps in existing research strategies and to improve our understanding of key policy questions[16], such as:

    - what are the processes or 'pathways' that link low income, deprived neighbourhoods and poor outcomes for children?
    - what is the impact of geographical concentration of poor families and children?

44. The research paper discusses the potential for further data linking to add to the possibilities of analysis from existing datasets. The paper makes clear recommendations about the possible scope to better exploit existing datasets by linking data. For example, different administrative datasets can be linked at an individual level. This could provide increased scope for measurement at small areas and improve our understanding of how individuals or neighbourhoods can experience linked problems. Currently, the best sources of information on the multiple problems of poverty and social exclusion are provided by surveys, such as the Survey of Low Income Families. But these surveys are not designed to be representative for small areas. Linking administration and survey data could be one way to overcome this problem.

45. It is clear, though, that however this work is taken forward the creation of such databases in the future is likely to both broaden the potential to address key policy questions and improve the scope for small area measurement in the area of poverty and social exclusion.

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[13] Formerly the Information Centre at the Department of Social Security.

[14] *Changing Fortunes: geographic patterns of income deprivation in the late 1990s*, Mike Noble, Martin Evans, Chris Dibben and George Smith, July 2001, available at www.regeneration.dtlr.gov.uk/rs/04100/index.htm

[15] See www.regeneration.dtlr.gov.uk/research/id2000/index.htm

[16] *Linking Child Poverty and Child Outcomes: Exploring data and research strategies*, Ian Plewis, George Smith, Gemma Wright and Andrew Cullis, October 2001, available at www.dwp.gsi.gov.uk

ANNEX 1: OPPORTUNITY FOR ALL INDICATORS 2001

Children and young people

Improving family incomes by tackling worklessness and increasing financial support for families

- A reduction in the proportion of children living in workless households, for households of a given size, over the economic cycle.

Low-income indicators:

- a reduction in the proportion of children living in households with relative low incomes;
- a reduction in the proportion of children living in households with low incomes in an absolute sense; and
- a reduction in the proportion of children living in households with persistent low incomes.

Investing in the crucial early years and education to break the cycle of disadvantage

- An increase in the proportion of 7-year-old children in Sure Start areas achieving level 1 or above in the Key Stage 1 English and Maths tests.
- An increase in the proportion 11-year-olds achieving level 4 or above in the key stage 2 tests for literacy and numeracy.
- An increase in the proportion of 16-year-olds with at least one GCSE at grade A* to G.
- An increase in the proportion of 19-year-olds with at least a level 2 qualification or equivalent.
- A reduction in the proportion of truancies and exclusions from school.
- An improvement in the educational attainment of children looked after by local authorities.

Improving the quality of the lives of children and young people

- A reduction in the proportion of children living in a home which falls below the set standard of decency.
- A reduction in the gap in mortality for children under one year between manual groups and the population as a whole.
- A reduction in smoking rates during pregnancy and among children.
- A reduction in the rate at which children are admitted to hospital as a result of an unintentional injury resulting in a hospital stay of longer than three days.
- A reduction in the proportion of children registered during the year on the Child Protection Register who had been previously registered.

Supporting young people in the transition to adult life

Teenage pregnancy:

- a reduction in the rate of conceptions for those aged under 18; and
- a reduction in the proportion of those who are teenage mothers who are not in education, employment or training.
- An increase in the proportion of 16 to 18-year-olds who are in learning.

People of working age

Building an active welfare state that makes work pay and work possible

- An increase in the proportion of working-age people in employment, over the economic cycle.
- A reduction in the proportion of working-age people living in workless households, for households of a given size, over the economic cycle.
- A reduction in the number of working age people living in families claiming Income Support or income-based Job Seekers Allowance who have been claiming these benefits for long periods of time.
- An increase in the employment rates of disadvantaged groups – people with disabilities, lone parents, ethnic minorities and the older workers – and a reduction in the difference between their employment rates and the overall rate.

Low-income indicators:

- a reduction in the proportion of working-age people living in households with relative low incomes;
- a reduction in the proportion of working-age people living in households with low incomes in an absolute sense; and
- a reduction in the proportion of working-age people living in households with persistent low incomes.

Encouraging lifelong learning to ensure that people have the skills and education to play an active part in the modern labour market

- A reduction in the proportion of working-age people without a qualification.

Providing support for those most at risk from discrimination and disadvantage

- A reduction in the number of people sleeping rough.
- A reduction in the proportion of young people reporting the use of Class A drugs in the last month and the last year.
- A reduction in adult smoking rates and in particular a reduction in adult smoking rates in manual socio-economic groups.
- A reduction in the death rates from suicide and undetermined injury.

Older people

Tackling the problems of low income among today's pensioners

Low-income indicators:

- a reduction in the proportion of pensioners living in households with relative low incomes;
- a reduction in the proportion of pensioners living in households with low incomes in an absolute sense; and
- A reduction in the proportion of pensioners living in households with persistent low incomes.

Ensuring that more future pensioners can retire on a decent income

- An increase in the proportion of working-age people contributing to a non-state pension.
- An increase in the amount contributed to non-state pensions.
- An increase in the proportion of working-age individuals who have contributed to a non-state pension in at least three years out of the last four.

Improving opportunities for older people to live secure, fulfilling and active lives

- A reduction in the proportion of older people living in a home that falls below the set standard of decency.
- An increase in healthy life expectancy at age 65.
- An increase in the proportion of older people being helped to live independently.
- A reduction in the proportion of older people whose lives are affected by fear of crime.

Communities

Narrowing the gap between the most deprive neighbourhoods and the rest of the country

- A reduction in the difference between the employment rate for the most deprived local authority areas and the overall employment rate, over the economic cycle.
- A reduction in the overall rate of domestic burglary and a reduction in the difference between the rates in the local authority areas with the highest rates of domestic burglary and the overall rate.
- A reduction in the proportion of households living in a home that falls below the set standard of decency.
- To reduce the gap between the fifth of health authorities with the lowest life expectancy at birth and the population as a whole.
- We will announce, in due course, a target to reduce to zero the number of local education authorities where fewer than a set percentage of pupils achieve level 4 or above in the Key Stage 2 English and Maths tests, thus narrowing the attainment gap. An indicator will be agreed that is linked to this target.

IBGE

Comisión Económica para América Latina y el Caribe

Fourth Meeting of the
EXPERT GROUP ON POVERTY STATISTICS
(RIO GROUP)

Rio de Janeiro, Brazil, 15 - 17 October, 2001

Opportunity for all indicators - the UK Government's approach to monitoring poverty and social exclusion

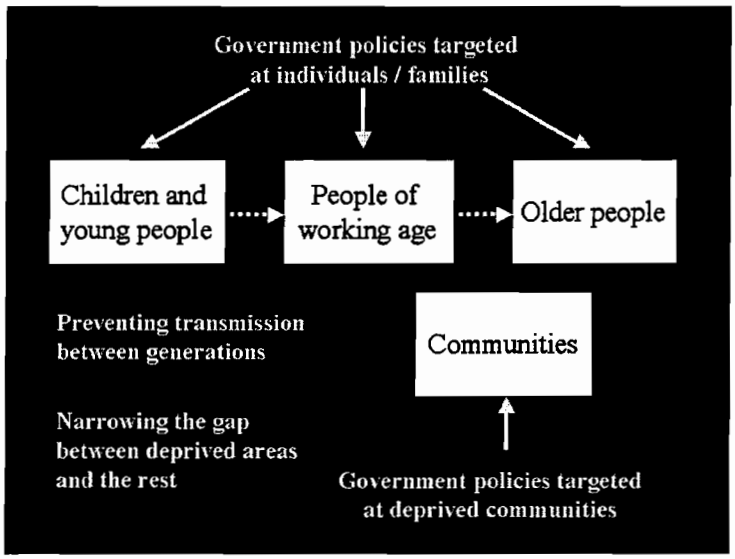
Jackie Oatway
Department for Work and Pensions
United Kingdom

OUTLINE

1. The UK Government's strategy to tackle poverty and social exclusion
2. The *Opportunity for all* indicators
3. Small area data

1. THE UK GOVERNMENT'S STRATEGY

- *Opportunity for all* annual report
- Poverty and social exclusion are multi-dimensional:
  - lack of opportunities to work, to learn or to live healthy and fulfilling lives
  - low income, education and skills, quality of housing and environments, access to services, health inequalities



LIFECYCLE AND COMMUNITIES

Childhood Raising educational standards	*Working age* Improve labour market opportunities
Working age Pensions contributions	*Retirement* Higher income
Communities Improving services and regeneration	Narrowing the gap between deprived areas and the rest

2. THE *OPPORTUNITY FOR ALL* INDICATORS

- Cross departmental analysts group
- Range of indicators to capture many different aspects of poverty and social exclusion
- Annual monitoring of progress
- Baseline year - 1997 (or as close as possible)...

DEVELOPING THE INDICATORS

Ongoing development:

- Workshop July 2000 and subsequent report published in February 2001
- Data for communities indicators in third annual report (published in September 2001)
- New indicators added (e.g. health inequalities)

WHAT MAKES A GOOD INDICATOR?

- Relevant to the Government's strategy
- Related to the 'outcomes' the Government wants to achieve rather than the 'processes'
- Based on publicly available and statistically robust data
  - National Statistics guidelines
- Unambiguous interpretation

A RANGE OF INDICATORS

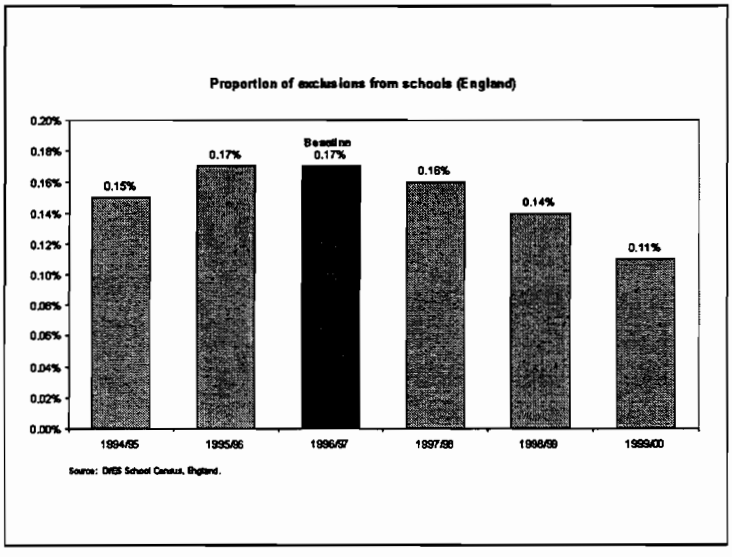
- Different types:
  - Sub-groups (e.g. socio-economic groups), gender
  - Multiple parts (e.g low income, employment)
  - Increase…, reduction…, narrowing the gap…, floor targets
- Policy priorities:
  - Education (different ages, truancy and exclusion)
  - Supporting those most at risk (drug misuse, rough sleeping, smoking, suicide rates)

EXAMPLE INDICATORS

Indicator: A reduction in the proportion of truancies and exclusions from school (England).

Data source: Administrative data from the Department for Education and Skills.

Linked to Public Service Agreement target: To cut truancy and exclusion by a third by 2002. To reduce school truancies by a further 10% by 2004 from the level achieved in 2002.



EXAMPLE INDICATORS

Indicator: A reduction in the difference between employment rates in the most deprived local authority areas and the overall employment rate, over the economic cycle (Great Britain).

	Employment rate for the 30 most deprived areas	Employment rate for all working-age people	'Employment rate gap'
Spring 2000	62.1%	74.5%	12.4%
Spring 2001	63.1%	74.9%	11.8%

Data source: Labour Force Survey

Linked to Public Service Agreement target for 2004.

3. SMALL AREA DATA

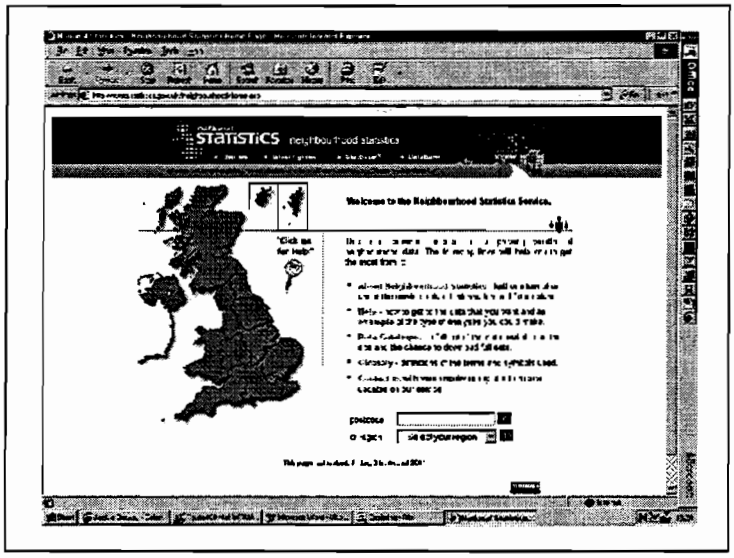
- Increasingly important:
  - for local government to monitor local targets
  - for central government to monitor the 'gaps' between the most deprived areas and the rest
- *Opportunity for all* communities indicators
- Innovative projects underway to improve access to small area data

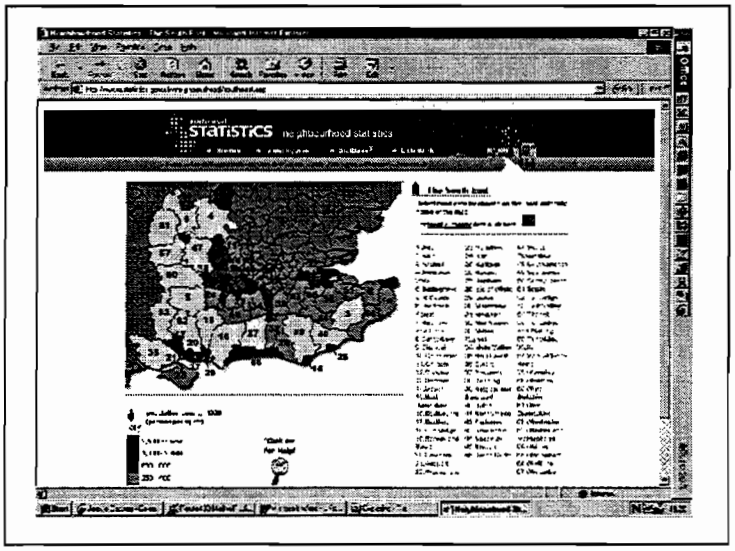
NEIGHBOURHOOD STATISTICS

- National Strategy for Neighbourhood Renewal - Policy Action Team 18
- Information needs of:
  - Action Teams for Jobs, Education Action Zones, Crime Reduction Programmes,...
- Office for National Statistics (in partnership with government and others) developing Neighbourhood Statistics website

NEIGHBOURHOOD STATISTICS WEBSITE

- www.statistics.gov.uk/neighbourhood
- Transformed availability of information for thousands of areas
  - 354 local authorities, 8414 wards
  - Eventually geo-referencing will allow selection of non-standard areas by postal codes
- User-friendly access to data on:
  - populations, social security benefit receipt, education, health, employment...





FUTURE DEVELOPMENTS

- Adding additional datasets in 2001 and 2002
- Enhancing the site building on small areas estimation techniques and improved analytical tools in 2002
- Adding a geographic information system and the first point-referenced data in 2002
- Adding a large amount of new Census data in 2003

OTHER RESEARCH POSSIBILITIES

- Some existing analysis using linked datasets:
  - Department for Work and Pensions client group analysis
  - Research by Mike Noble (Oxford University)
  - Indices of Deprivation 2000
- Future research possibilities:
  - Further linking of administrative datasets
  - Linking survey and administrative datasets
  - Small area estimation techniques

Estadísticas Sociales a Nivel Local

BERTA TEITELBOIM

MIDEPLAN - CHILE

IBGE

Comisión Económica para América Latina y el Caribe

Fourth Meeting of the
EXPERT GROUP ON
POVERTY STATISTICS

Rio de Janeiro, Brazil, 15 - 17 October, 2001

ESTADÍSTICAS SOCIALES A NIVEL LOCAL

Berta Teitelboim

GOBIERNO DE CHILE

ESTADÍSTICAS SOCIALES A NIVEL LOCAL

MINISTERIO DE PLANIFICACIÓN Y COOPERACIÓN

CHILE

Octubre 2001

GOBIERNO DE CHILE

ESTADÍSTICAS SOCIALES A NIVEL LOCAL

En Chile básicamente se trabaja con dos instrumentos de medición :

- Encuesta CASEN (Muestra representativa de todos los hogares del país)
- Ficha CAS (Censo de Pobres)

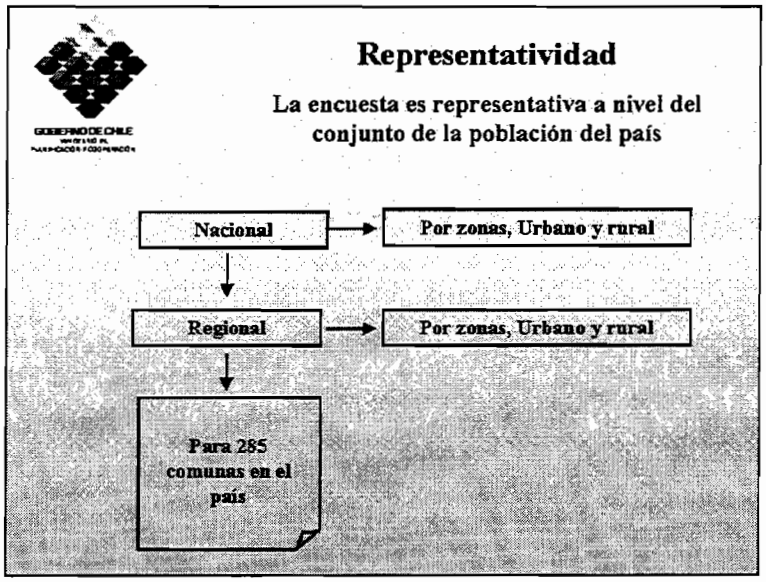
ENCUESTA CASEN

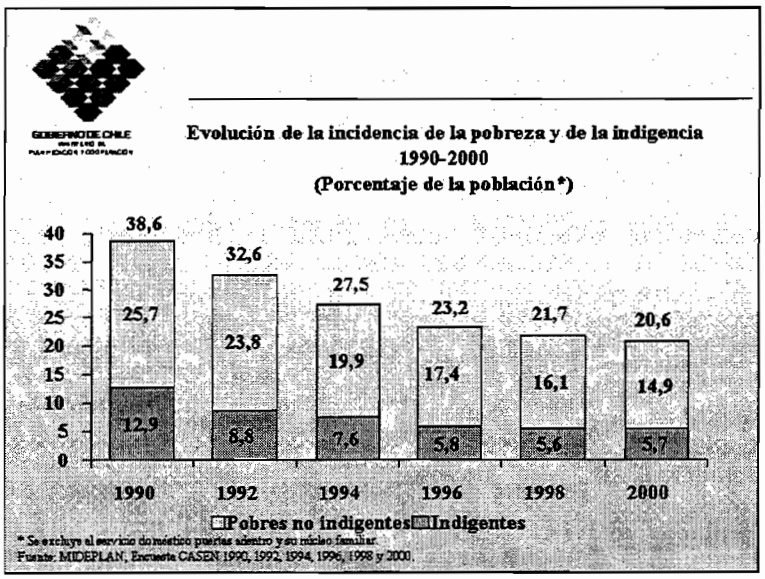
Objetivos de la Encuesta CASEN

- ✓ Conocer el impacto del gasto social en los hogares del país.
- ✓ Evaluar que el gasto social este llegando a los segmentos poblacionales identificados como focos prioritarios de las políticas sociales.
- ✓ Medir los niveles de pobreza en los hogares y caracterizar la situación de éstos, y relacionar a los hogares pobres con las otras dimensiones medidas en la encuesta.

Objetivos de la Encuesta CASEN

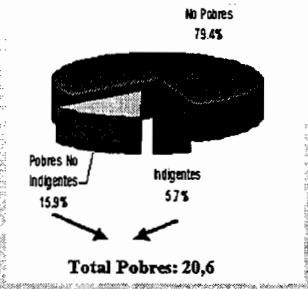
- ✓ Caracterizar a la población por estratos socioeconómicos, según sus:
  - condiciones habitacionales,
  - educacionales,
  - acceso a la salud
  - inserción al mercado del trabajo y
  - la composición de los ingresos familiares.


GOBIERNO DE CHILE
Representatividad
La encuesta es representativa a nivel del conjunto de la población del país
Nacional
Por zonas, Urbano y rural
Regional
Por zonas, Urbano y rural
Para 285 comunas en el país


GOBIERNO DE CHILE
Evolución de la incidencia de la pobreza y de la indigencia
1990-2000
(Porcentaje de la población*)
40
35
30
25
20
15
10
5
0
38,6
25,7
12,9
32,6
23,8
8,8
27,5
19,9
7,6
23,2
17,4
5,8
21,7
16,1
5,6
20,6
14,9
5,7
1990
1992
1994
1996
1998
2000
Pobres no indigentes
Indigentes
* Se excluye el servicio doméstico puertas adentro y su núcleo familiar.
Fuente: MIDEPLAN, Encuesta CASEN 1990, 1992, 1994, 1996, 1998 y 2000.

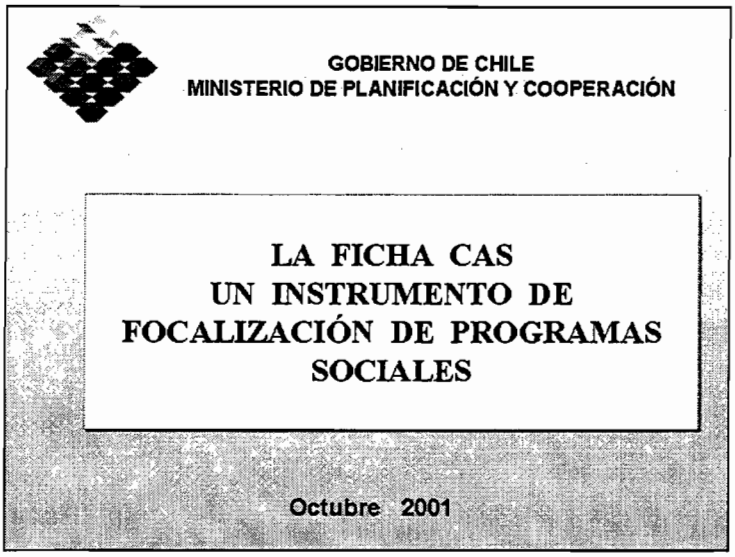
Resultados a nivel nacional

Magnitud de la pobreza e indigencia



La situación de pobreza en el país es de un 20,6% lo que corresponde a 3 millones 80 mil personas, de los cuales 850 mil (5.7%), viven en situación de indigencia.

✓**Como hemos visto en los cuadros anteriores los niveles de indigencia en Chile entre 1996 y el año 2000, prácticamente han permanecido constante, por lo tanto para avanzar en la superación de ésta se necesita contar con información localizada, ésta se se puede obtener con la FICHA CAS, instrumento que nos entrega información estadística a nivel municipal, de agrupaciones vecinales, manzanas y hasta de los hogares y personas.**



OBJETIVO DE LA FICHA CAS

- Se utiliza para ordenar a los postulantes de los programas sociales que el Estado destina para la población de escasos recursos.
- Este órden se realiza según el nivel de carencia de las familias.
- Tiene una vigencia de dos años.

USO DE LA FICHA CAS

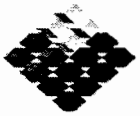
- La Ficha CAS como fuente de información es relevante para la planificación social a nivel local y en el diseño y ejecución de políticas y planes.
- Esta es aplicada por los Municipios que son organismos autónomos que cuentan con recursos para fomentar el desarrollo local.

CONTENIDOS DE LA FICHA CAS-2

- Se contemplan 13 variables distribuidas en 4 factores:
  - vivienda
  - educación
  - ocupación
  - ingreso/patrimonio

EL PUNTAJE CAS

- Está basado en un modelo estadístico-matemático.
- Indica nivel de carencia de las familias: a menor puntaje se asocia un mayor nivel de carencia.
- La ficha es aplicada por vivienda, pero el puntaje es calculado por familia.
- El puntaje final se obtiene de la suma ponderada de los puntajes de cada variable agrupadas en factores (Vivienda, Educación, Ocupación e Ingresos y Patrimonio).



COBERTURA DE LA FICHA CAS

- El consolidado del Sistema CAS registra a más de 5,5 millones de personas con encuesta CAS vigente (Diciembre 2000).

- Esto significa que más del 37% de la población total del país ha sido encuestada por los municipios en los últimos dos años.

- El 91,5% de las familias más carenciadas se encuentran con encuesta vigente.

Cobertura de la Ficha CAS según decil nacional de Puntaje CAS simulado en CASEN

Decil CAS	Puntaje de corte (CASEN 98)	Familias con ficha CAS vigente		Cobertura	Cobertura acumulada
		N	%		
1	497	391,822	25.5%	91.5%	91.5%
2	530	324,504	21.1%	73.5%	82.3%
3	555	255,354	16.6%	59.4%	74.8%
4	577	201,442	13.1%	47.5%	68.0%
5	600	164,845	10.7%	36.5%	61.5%
6	645	100,184	6.5%	23.6%	55.3%
7	674	56,809	3.7%	13.2%	49.3%
8	713	30,829	2.0%	7.0%	44.0%
9	749	9,536	0.6%	2.2%	39.4%
10	735	343	0.0%	0.1%	35.4%
Total		1,536,670	100.0%	36.4%	

Fuente: Encuesta CASEN.

PROGRAMAS QUE USAN EL PUNTAJE CAS

- **Subsidio familiar (SUF)**
- **Pensiones asistenciales (PASIS)**
- **Subsidio al consumo de agua potable y servicio de alcantarillado de aguas servidas (SAP).**
- **Subsidio de vivienda básica, de vivienda progresiva y de vivienda rural.**
- **Subsidio a los pequeños productores rurales pobres.**

OTROS PROGRAMAS QUE USAN EL PUNTAJE CAS

- **Programa de mejoramiento de barrios del F.N.D.R.**
- **Atención pre-escolar en establecimientos de INTEGRA**
- **Subvención municipal para personas de escasos recursos**
- **Fondo de desarrollo indígena y fondo de tierras y aguas (Conadi)**
- **Programa Chile Barrio**
- **Programa de Superación de Pobreza Urbana**
- **Gratuidad de atención en salud (Fonasa)**

GOBIERNO DE CHILE

FOCALIZACIÓN DE PROGRAMAS ENTREGADOS A TRAVÉS DE LA FICHA CAS

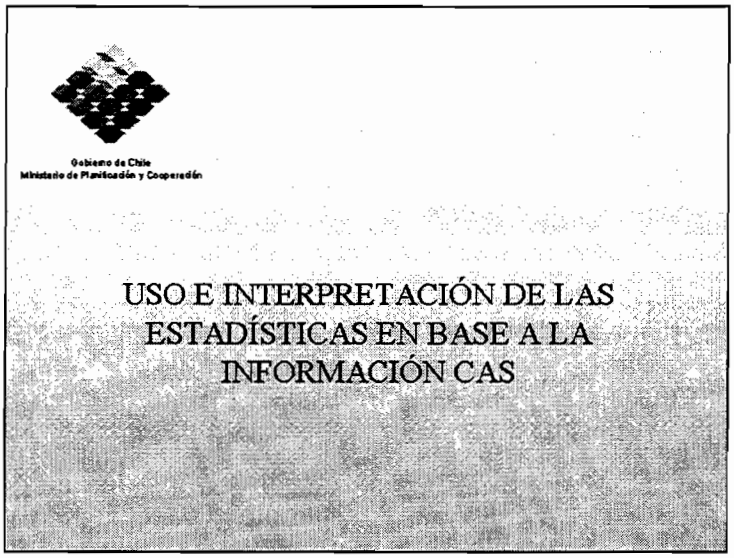
GOBIERNO DE CHILE

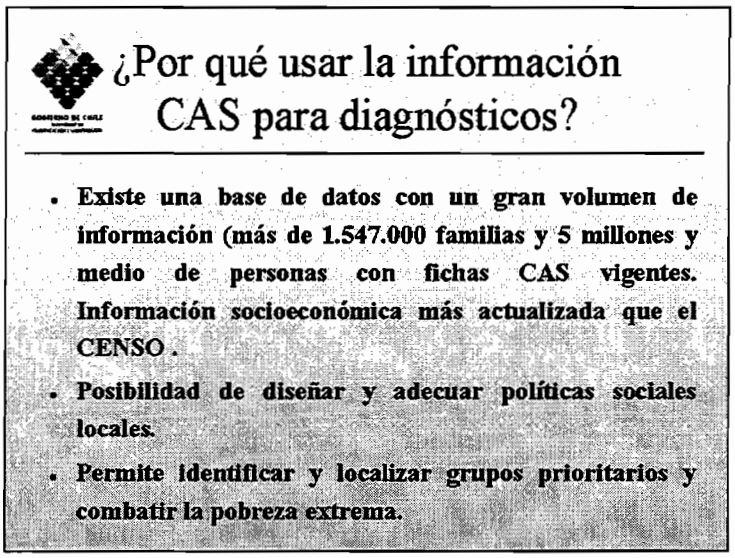
CASEN 1990 - 2000

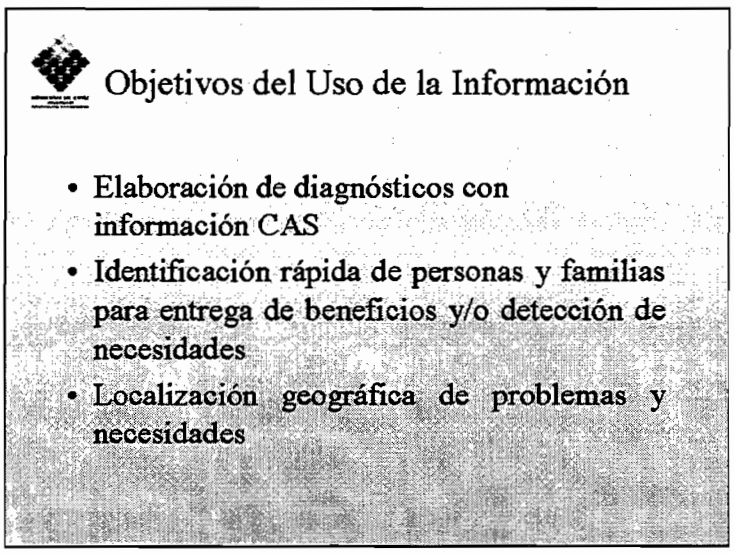
DISTRIBUCION DEL GASTO EN PASIS, SUF Y SAP POR QUINTIL DE INGRESO AUTONOMO PER CAPITA DEL HOGAR 1990 y 2000 (*)

(En Porcentaje)

		I	II	I+II	III	IV	V	Total
PASIS	1990	33.1	24.7	57.8	21.0	17.2	4.0	100.0
	2000	53.3	25.3	78.6	13.4	6.3	1.7	100.0
SUF	1990	51.4	25.8	77.2	15.1	5.8	2.0	100.0
	2000	66.2	23.6	89.8	7.4	2.3	0.6	100.0
SAP	1990	—	—	8.0	—	—	—	—
	2000	33.9	27.8	61.7	22.2	11.8	4.3	100.0


Gobierno de Chile
Ministerio de Planificación y Cooperación
USO E INTERPRETACIÓN DE LAS ESTADÍSTICAS EN BASE A LA INFORMACIÓN CAS


¿Por qué usar la información CAS para diagnósticos?
Existe una base de datos con un gran volumen de información (más de 1.547.000 familias y 5 millones y medio de personas con fichas CAS vigentes. Información socioeconómica más actualizada que el CENSO .
Posibilidad de diseñar y adecuar políticas sociales locales.
Permite identificar y localizar grupos prioritarios y combatir la pobreza extrema.


Objetivos del Uso de la Información
Elaboración de diagnósticos con información CAS
Identificación rápida de personas y familias para entrega de beneficios y/o detección de necesidades
Localización geográfica de problemas y necesidades

TIPOS DE DIAGNÓSTICOS

1) Diagnóstico general (todos los encuestados CAS)

2)Diagnóstico de las personas con carencias socioeconómicas (bajo un umbral de puntaje)

3) Diagnóstico sectorial y tipos de carencias (por unidades vecinales)

4) Diagnóstico social focalizado territorialmente (de una población específica)

5) Diagnóstico de cobertura de encuestaje

1) DIAGNÓSTICO GENERAL

a) Descripción

- Incluye todas las encuestas vigentes
- Proporciona información global de la comuna
- Representatividad de la información depende del porcentaje de cobertura
- Ventaja: información actualizada y complementaria a otras fuentes

b) Contenidos

- **Población total según sexo y edad**
- **Jefes de familia según sexo y tramos de edad**
- **Personas y Jefes de Familia según tramos de puntaje CAS**
- **Condición socioeconómica y ocupación**
- **Condiciones de la Vivienda**
- **Educación**
- **Información acerca de Grupos prioritarios (adultos mayores, mujeres jefas de familia, jóvenes)**
- **Subsidios**

2) DIAGNÓSTICO BAJO UN UMBRAL DE PUNTAJE

a) Descripción

- Elegir umbral de puntaje (Ej: 527 ptos., corte LP)
- El universo elegido representa a las personas más carenciadas de la comuna
- Propósito: caracterizar los déficit del universo más pobre de la comuna y cuantificar demandas

3) DIAGNÓSTICO SECTORIAL (POR UNIDADES VECINALES)

a) Descripción

- Válido para todas las fichas vigentes
- Representatividad de la información depende del porcentaje de cobertura
- Propósito: comparar entre unidades vecinales

4) DIAGNÓSTICO DE UNA POBLACIÓN ESPECÍFICA

Definir población objetivo:

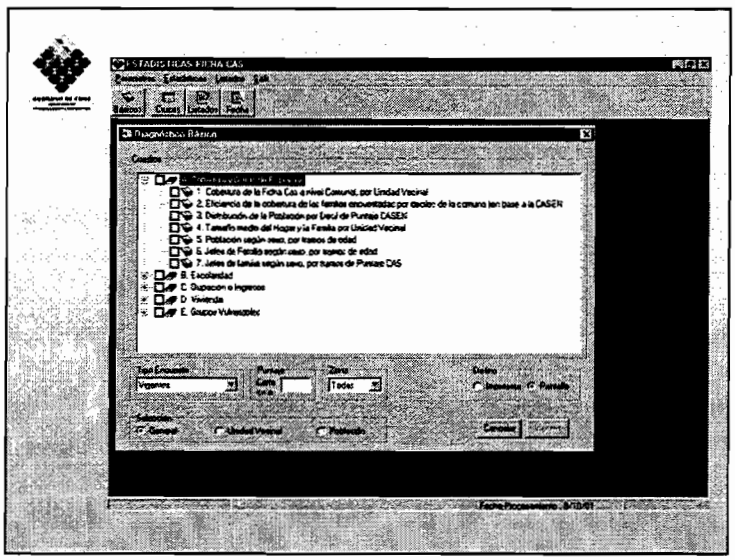
- Adultos Mayores
- Niños y niñas
- Mujeres Jefas de Hogar
- Jóvenes
- Discapacitados

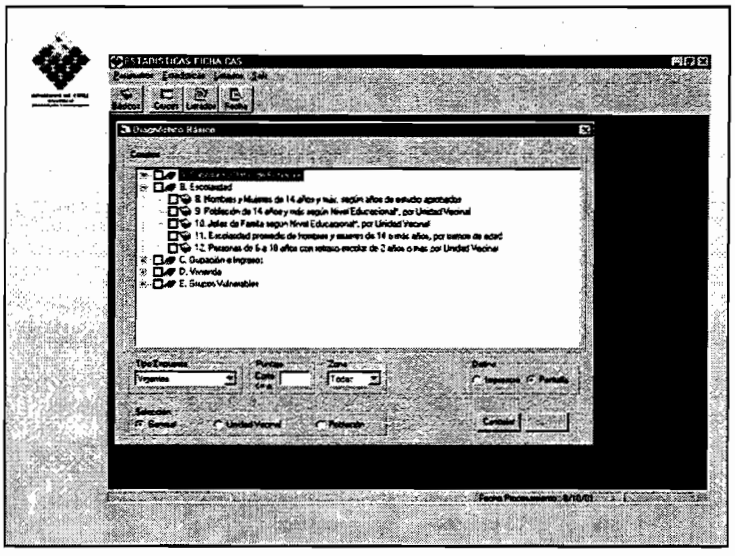
4) DIAGNÓSTICO DE UNA POBLACIÓN ESPECÍFICA

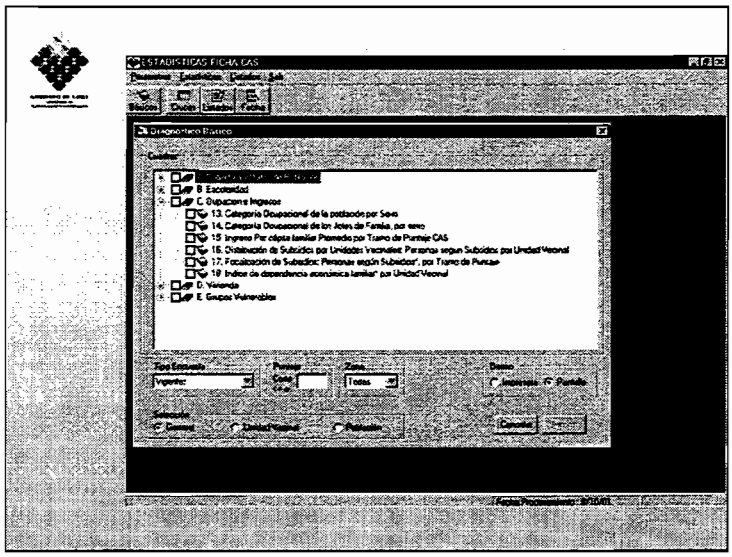
- **Permite caracterizar a todo un sector en cuanto a educación, ingresos, vivienda, empleo, patrimonio, etc.**
- **Permite cuantificar demandas, elaborar y justificar proyectos.**

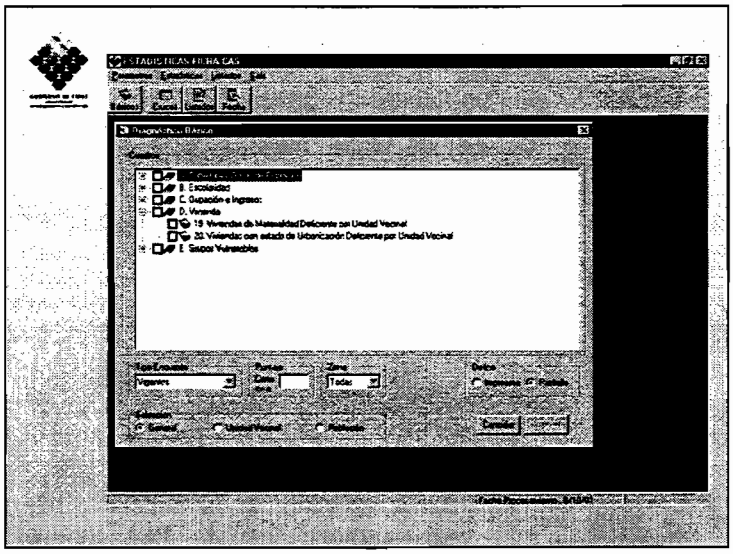
Gobierno de Chile
Ministerio de Planificación y Cooperación

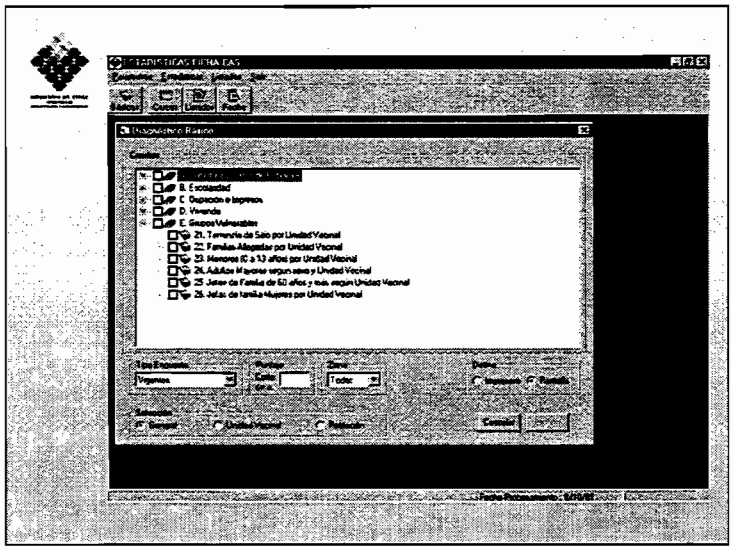
EJEMPLOS DE PANTALLAS DEL SOFTWARE UTILIZADO A NIVEL LOCAL

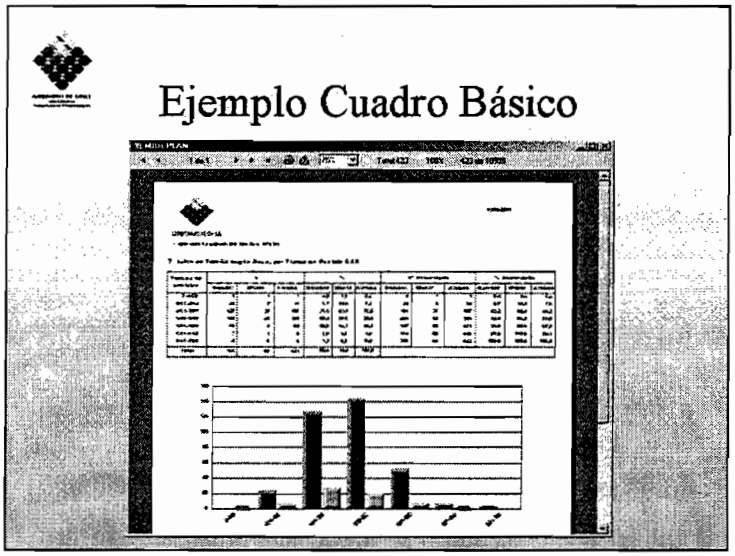


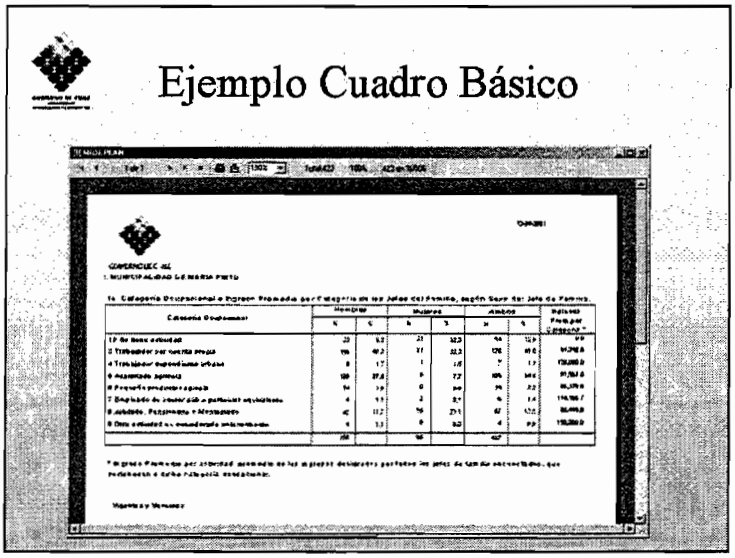


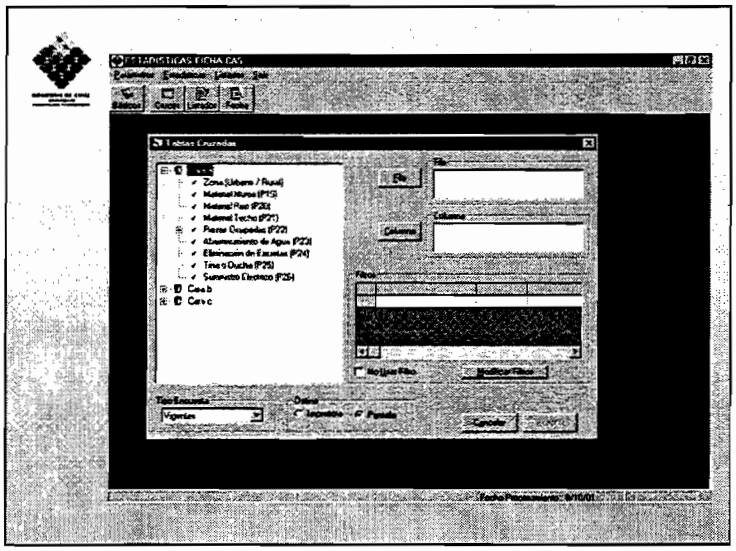

ESTADISTICAS FICHA CAS
Diagnostico Basico
B. Escolaridad
C. Ocupacion e Ingreso
13. Categoria Ocupacional de la poblacion por Sexo
14. Categoria Ocupacional de los Jefes de Familia, por sexo
15. Ingreso Per cápita familiar Promedio por Tramo de Puntaje CAS
16. Distribución de Subsidios por Unidades Vecinales: Personas segun Subsidios por Unidad Vecinal
17. Focalización de Subsidios: Personas según Subsidios*, por Tramo de Puntaje
18. Indice de dependencia económica familiar* por Unidad Vecinal
D. Vivienda
E. Grupos Vulnerables
Todas

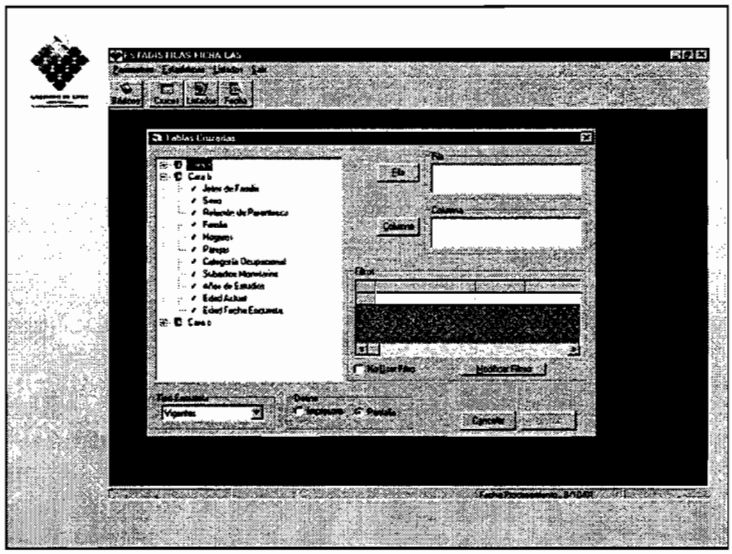

ESTADISTICAS FICHA CAS
Diagnostico Basico
B. Escolaridad
C. Ocupación e Ingreso
D. Vivienda
19. Viviendas de Materialidad Deficiente por Unidad Vecinal
20. Viviendas con estado de Urbanización Deficiente por Unidad Vecinal
E. Grupos Vulnerables
Todas

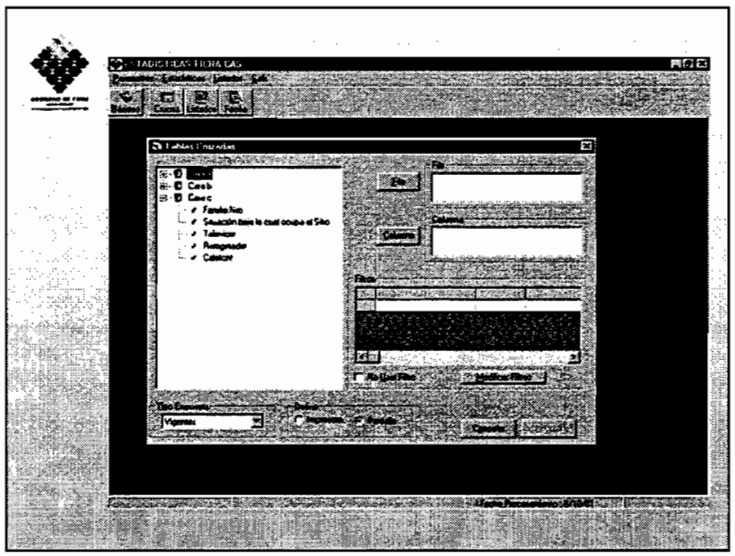

ESTADISTICAS FICHA CAS
Diagnostico Basico
B. Escolaridad
C. Ocupación e Ingreso
D. Vivienda
E. Grupos Vulnerables
21. Tenencia de Sitio por Unidad Vecinal
22. Familias Allegadas por Unidad Vecinal
23. Menores de 6 a 13 años por Unidad Vecinal
24. Adultos Mayores según sexo y Unidad Vecinal
25. Jefes de Familia de 60 años y más, según Unidad Vecinal
26. Jefas de familia Mujeres por Unidad Vecinal
Todas

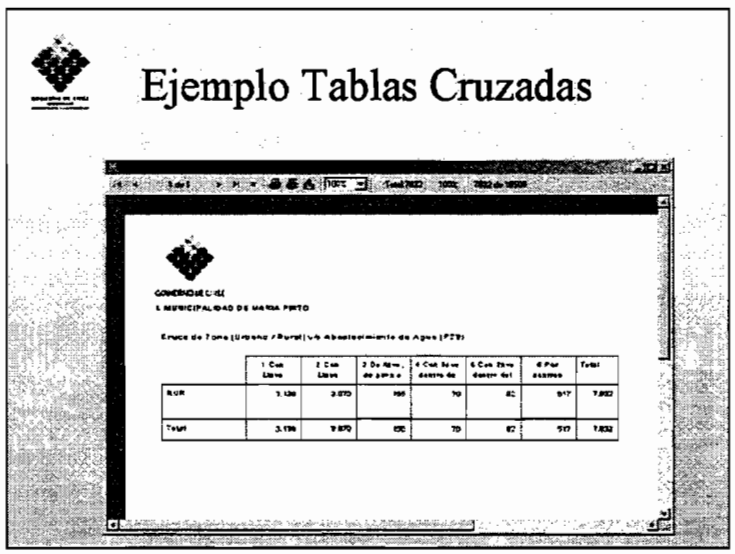

Ejemplo Cuadro Básico

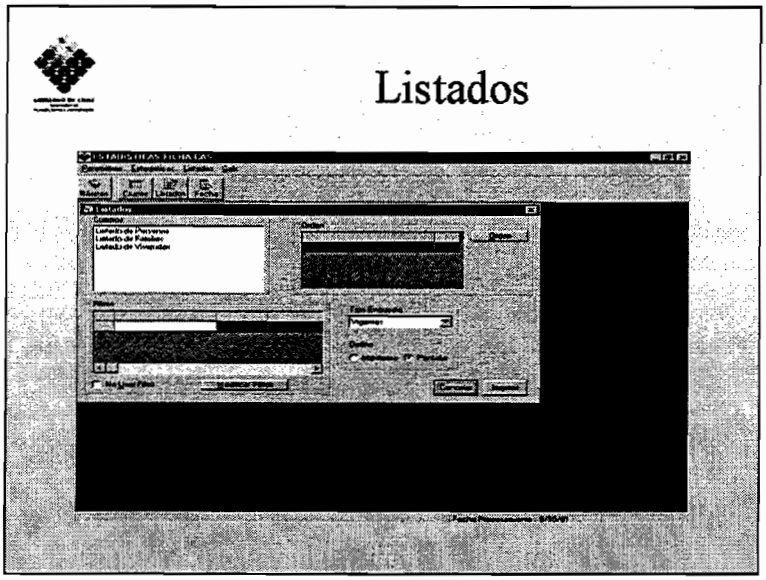

Ejemplo Cuadro Básico

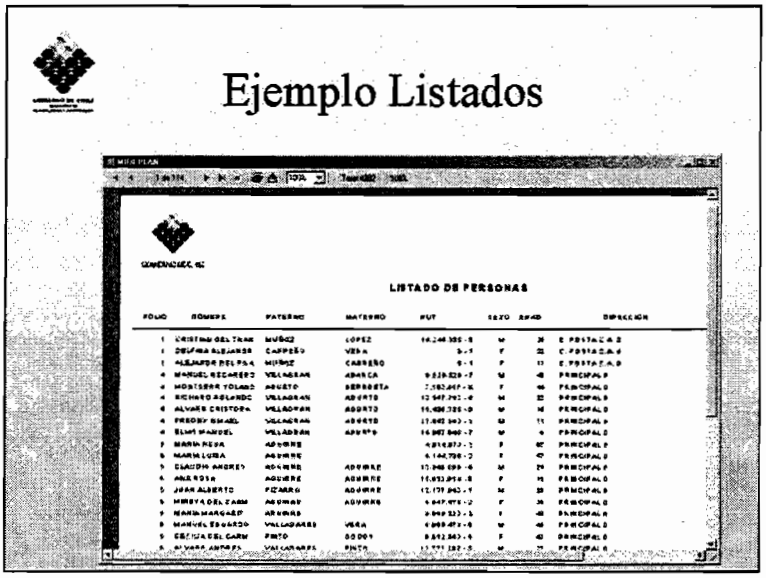







Ejemplo Tablas Cruzadas


Listados


Ejemplo Listados
LISTADO DE PERSONAS

Revisiting the Working Poor Concept for European Countries

MADIOR FALL

INSEE - FRANCE

CONTENTS

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Issue: Have a job and be poor: what relation between low income,
part time work and unemployment poverty 101
Comments 102
Analysis of the poor salaries (W and WU groups) (850000 working poor) 103
Test of poverty risk for some family composition 103
Lessons 104

Issue : Have a job and be poor : what relation between low income, part time work and unemployment with poverty ?

- New problem in developed countries : have a work is not a sufficient condition to be non poor
- For France in 1997 : 1.7 million working persons are under the French poverty threshold : 7.5% of labor force population
- Several studies on the focus on relation between labor market status and poverty :
- For USA (Bureau of Labor Statistics and Census Bureau): Klein and Jones (1989), Gardner and H erz (1992), Goings (1999)
- More recently for France (INSEE): Lagarenne and Legendre (2000), Concialdi and Ponthieux (2000), Atkinson, Glaude and Olier (2001), Hourriez (2001)

To answer to the question how many people are "working poor" we have to define the concept.

First of all we need to define what kind of measurement of poverty we use (absolute, relative...)

- For European countries we use relative poverty threshold that means we define poverty as the fact of having a living standard below a certain percentage of the standard of living regraded as "normal" (50% of the medain of living standard for INSEE and 60% for Eurostat).
- USA : the "absolute approach" give a threshold below the relative one. The official threshold represent 36% of the US median income.

Secondly : isolating working poor need to resolve two major problems

1. employment is an individual state where as one define poverty at a household level (we include the income of all household members to calculate the household standard of living)
2. employment status is an instantaneous concept whereas the base of poverty measurement is annual is our case

BLS definition of working poor (Klein and Rones) : "*persons who have devoted at least half the year to labor markets efforts being either employed or in search of a job during that period, but who still lived in poor families*"

Remarks :

- The choice of the 6 months cutoff is a compromise between a restrictive definition (person who had worked all the reference year) and an extensive definition (person who had worked more or less twice in the reference year) $\Rightarrow$ according to the restrictive or extensive definition of working poor, their number could be multiply by 2 in The USA. In France the number of working poor depend also to the definition but less than in the USA.
- Using US definition of working poor , we can isolate 4 groups of working poor in France:

1. Self employed : SE group , 300000 working poor : small farmers, craftsman and shopkeepers
2. "All year" workers (without unemployment period) : W group, 450000 working poor
   - One half of them are full time workers .
   - One half of them are involuntary part time workers
3. Workers with unemployment period : WU, 400000 working poors . For that group poverty is due both to short period of unemployment and low monthly income.
4. "All year" non worker : NW, 500000 poor. They are often long term unemployed.

Table 1: Different groups of working poor in 1997

	Labor population (Numbers in thousands)	Threshold 0.5*median		Threshold 0.6*median	
		Poor workers (Numbers in thousands)	Poverty rate (%)	Poor workers (Numbers in thousands)	Poverty rate (%)
27 weeks or more work	25964	1695	6.5	3024	11.6
. W Group	17915	453	2.5	998	5.6
. WU Group	3501	404	11.6	1735	21
All salaries (W+WU)	21416	857	4	481	8.1
. SE Group	2494	315	12.6	481	19.3
All workers	23911	1173	4.9	2216	9.3
. NW Group	2054	522	25.4	808	39.4
Inactive or less than 27 weeks work	30713	2519	8.2	4875	15.9
. Children less than 17 years old	11818	1013	8.6	2042	17.3
. Student over 17 years old	3337	413	12.4	694	20.8
. Inactive 17-59 years old (without students and retired persons)	3824	578	15.1	990	25.9
. Retired and inactive over 60 years old	11734	514	4.4	1149	9.8
All	56677	4214	7.4	7899	13.9

Comments :

- In each group the percentage of poor increase with unemployment : 2.5% for the W group; 12% for the WU group and 25% for the NW group
- Increase of the poverty gap with unemployment status
- Particular case for self employed : low income but their consumption and their subjective well being are higher than those of the poor salaries or unemployed (our poverty measurement do not take into account of wealth : self employed are much more wealthy than salaries)
- Although with the same definition of working poor between France and USA, the French working poor do not reflect the same social reality as in the US :
  - The composition of the both population of working poor are different :
    - The NW group is almost non existent in the USA (7% of the 7.5 million of working poor) but in France they represent 31% of the working poor. This is an effect of the long term unemployment greater in France than in the USA (4.8% against 0.6%)
    - US working poor re composed by SE, W and WU groups
    - The inactive persons represent a more large proportion of poor in working age (The UK look like The US on this)
    - In The USA we distinguish 2 kinds of poor families according to their participation on labor force. This difference has a few relevance in France because poverty concern only labor population and their family (the old generation with low income become gradually more scarce).

Table 2 : Share of poor people according to living with a 27 weeks or more worker or with a more than one month worker

	Living with a 27 weeks or more worker		Do not live with a 27 weeks or more	All
	with a more than 1 month in reference year	No with a more than 1 month in reference year		
SE, W and WU groups	1173	-	-	1173
C Group	182	340	-	522
All working poor	1355	340	-	1695
Children (less than 17 years old)	696	230	87	1013
Inactive non retired persons (17 to 59 years old)	590	173	229	992
Retired or inactive persons (over 60 years old)	45	16	453	514
All Inactive poor	1332	419	768	2519
All poor	2687	759	768	4214
(%)	63.8	18	18.2	100

Another definition of working poor for France may include the log term unemployed people in the working poor population :

"*a person belong to the population of the working poor if he receive income from activity during the reference year*".

Under this definition there is no big difference between USA and France : The working poor in the two countries represent more or less 30% of poor adults.

In European community, due to the relative highest poverty rates observed in the southern countries (Greece, Portugal, Spain , Italy...), we do not notice the same thing UK(20%) – Germany (33%) – Italy(23%) – Spain (28%) EC average (12 countries) (28%)

Analysis of the poor salaries (W and WU groups) (850000 working poor)

- From 1990 to 1997 : increase of poverty in these groups for two reasons :
    - The temporally jobs grow up : balance between work and unemployment
    - The society produce more and more of low monthly wage for a large part of the labor force population
- A salary become poor if he own a low annual wage and if the income of the other households members (including social security benefits) do not allow to overcome the poverty threshold.

Test of poverty risk for some family composition

- Definition : threshold of low wage = 2/3 of the annual median of wage
- Poverty risk is theorically equal to zero for the families with 0 to 3 children under 14 years old. Behind these family composition the poverty risk is real but only for salaries with low annual wage
- 12% of men and 7% of women have low wages

- Women are twice numerous than men in low wages.
- Women have both the lowest wage rates; they have more often in part time work status and they have greater unemployment period, but there is a compensation by their husbands wage towards the poverty risk. That means in a same situation a woman is 2 times less poor than a man.
- Unemployment increase the probability to be poor more than the low hourly wage status (BLS: in USA it is the opposite)

Lessons :

1. The legal minimum wage and the social security benefits (for family, housing....) limit the impact of the low hourly wage in France.
2. The part time work do not automatically create poverty when it is the only factor. But it can increase the poverty risk when it is combined with low hourly wage status and /or unemployment.
3. Without those 2 last factors, 3 salaries over 4 chose part time work and women with working partner are concerned 2 times over 3 (family with low poverty rate).
4. The non full labor market activity is the only factor which often make poor.

   Decomposition of the 850000 poor salaries according to the main factor of poverty risk :

   - The non full labor market activity : 340000
   - Voluntary part time work : 110000

5. Less poverty risk for the households with two workers
6. Poverty risk decrease according to the three family composition :
   - Woman in couple with working partner
   - Man in the same situation
   - Young people living with their parents
7. Poverty risk increase for couple with one inactive partner
8. For the same work status, to be single parent do not increase much more the poverty risk . This surprising result is an effect of the French social security benefits which compensate family expenses of lonely parent with a job (It is quiet different in the USA)

Child Poverty and Information. Poverty Reduction Start with Children PRSC

ALBERTO MINUJIN

UNICEF

IBGE

Comisión Económica para América Latina y el Caribe

Fourth Meeting of the
EXPERT GROUP ON POVERTY STATISTICS
(RIO GROUP)
Rio de Janeiro, Brazil, 15 - 17 October, 2001

CHILD POVERTY AND INFORMATION.

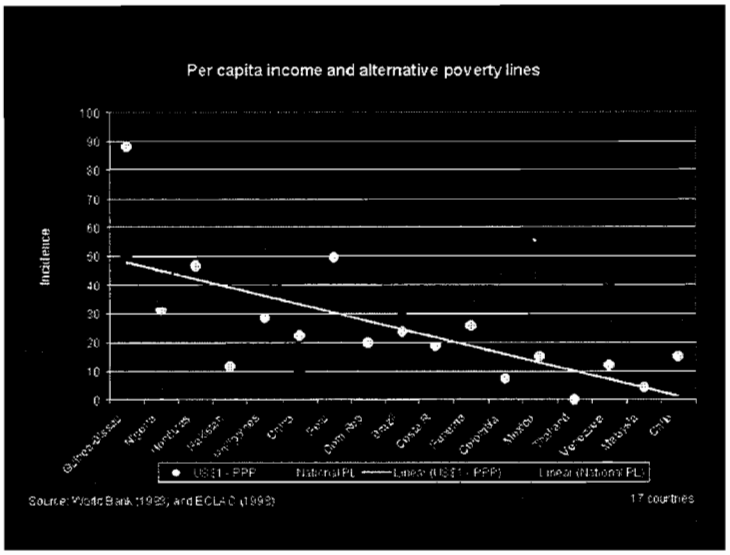
POVERTY REDUCTION START WITH CHILDREN PRSC

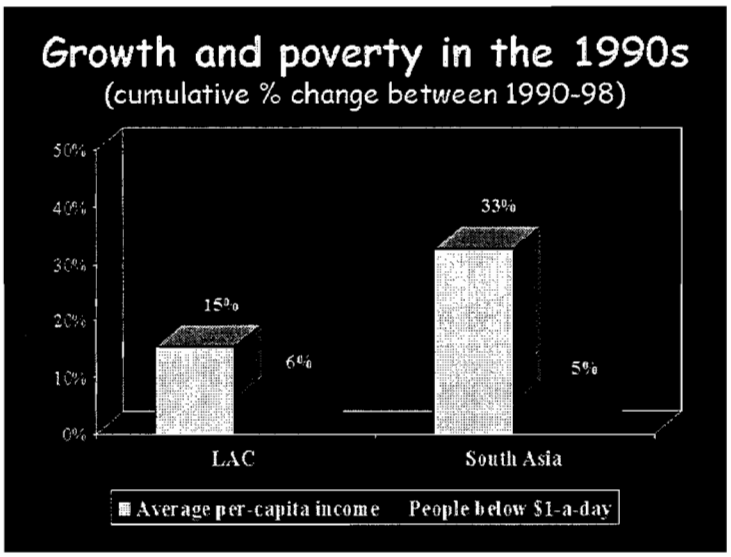
unicef
United Nations Children's Fund

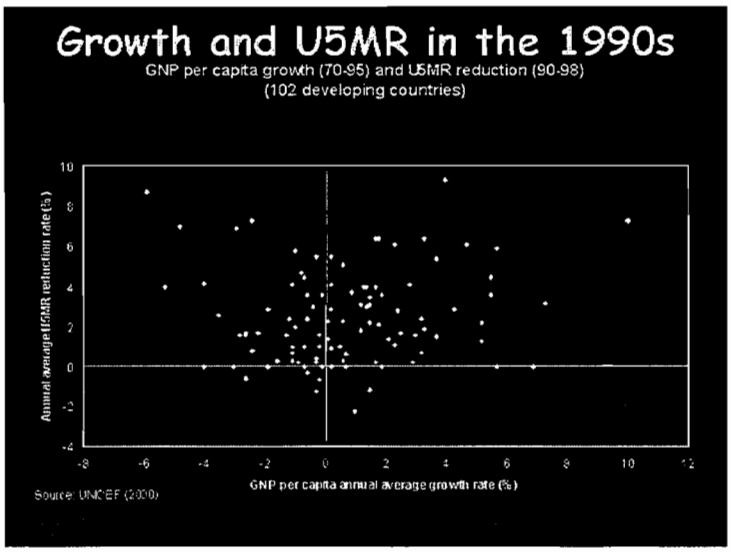
Alberto Minujin Mail: aminujin@unicef.org

A multi-dimensional definition of poverty is now widely accepted but...

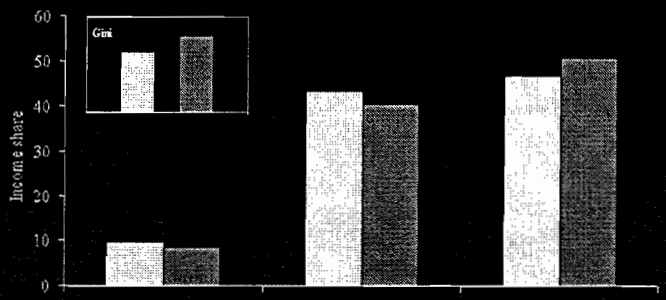
The money-metric measure of $1-a-day dominates the debate


Per capita income and alternative poverty lines
Incidence
100
90
80
70
60
50
40
30
20
10
0
US $1 - PPP
National PL
Linear (US $1 - PPP)
Linear (National PL)
Source: World Bank (1998), and ECLAC (1998)
17 countries


Growth and poverty in the 1990s
(cumulative % change between 1990-98)
50%
40%
30%
20%
10%
0%
15%
6%
33%
5%
LAC
South Asia
Average per-capita income
People below $1-a-day


Growth and U5MR in the 1990s
GNP per capita growth (70-95) and U5MR reduction (90-98)
(102 developing countries)
Annual average U5MR reduction rate (%)
10
8
6
4
2
0
-2
-4
-8
-6
-4
-2
0
2
4
6
8
10
12
GNP per capita annual average growth rate (%)
Source: UNICEF (2000)

Worsening world income distribution



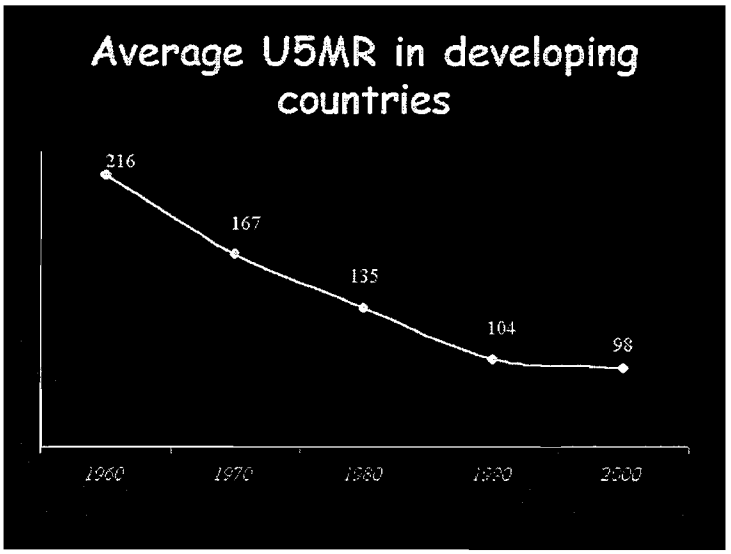
Social progress in 1990s

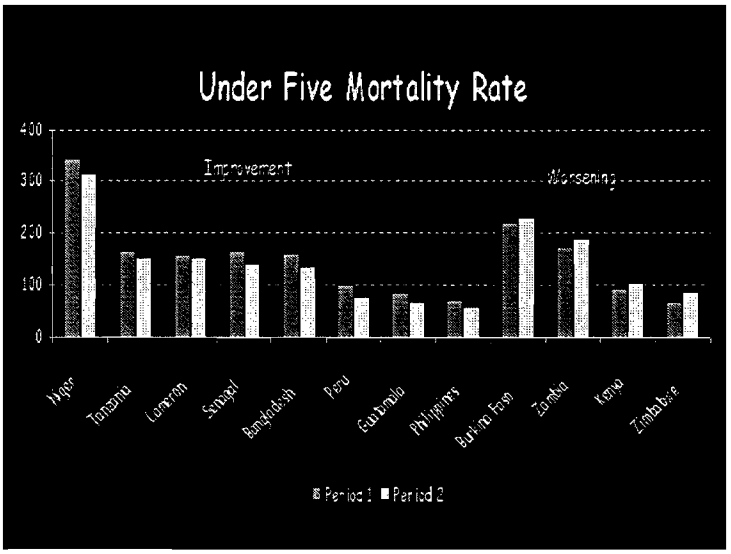
- progress continued
- but too slowly to reach agreed goals
- and slower than in earlier decades

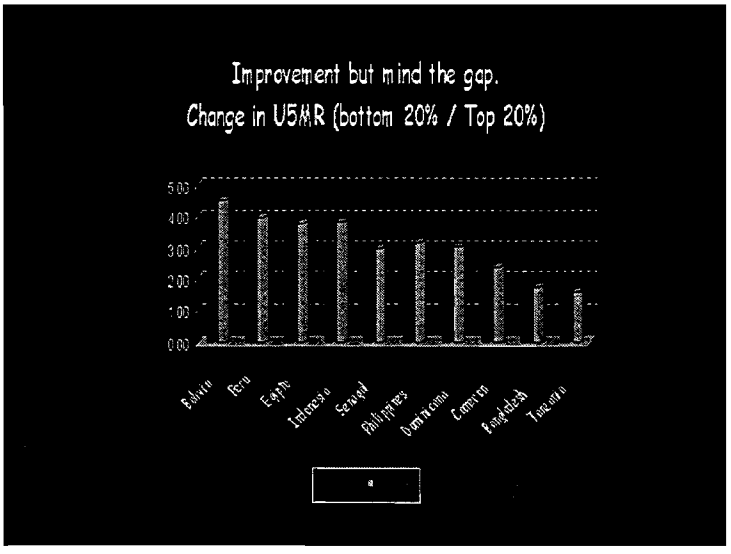
Progress is not keeping pace with promises

Its pace is falling off

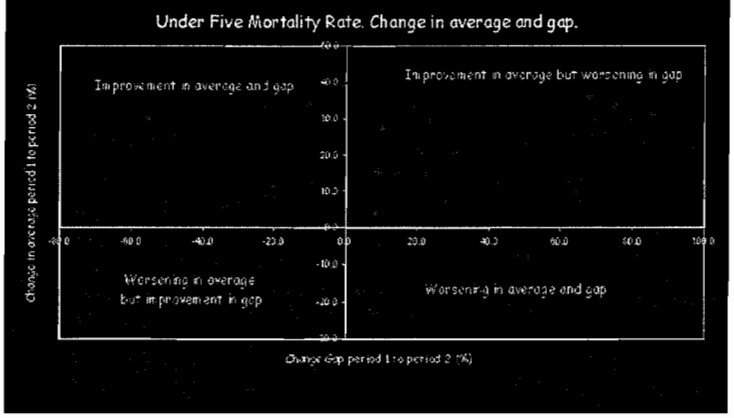
- ☹ Child mortality
- ☹ Malnutrition
- ☹ Primary education
- ☹ Water and sanitation
- ☹ Income poverty


Average U5MR in developing countries
216
167
135
104
98
1960
1970
1980
1990
2000

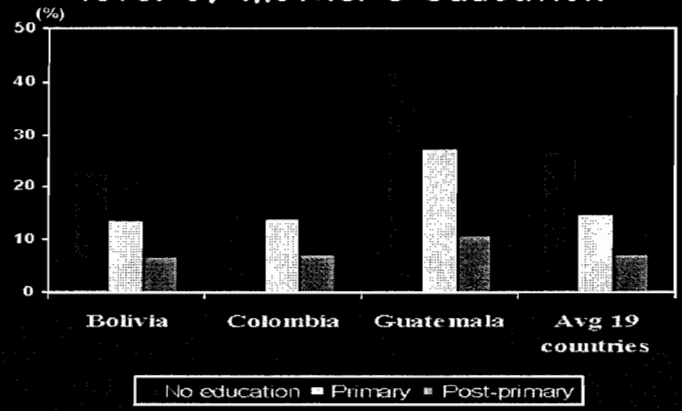

Under Five Mortality Rate
400
300
200
100
0
Improvement
Worsening
Niger
Tanzania
Cameroon
Senegal
Bangladesh
Peru
Guatemala
Philippines
Burkina Faso
Zambia
Kenya
Zimbabwe
Period 1
Period 2


Improvement but mind the gap.
Change in U5MR (bottom 20% / Top 20%)
5.00
4.00
3.00
2.00
1.00
0.00
Bolivia
Peru
Egypt
Indonesia
Senegal
Philippines
Dominicana
Cameroon
Bangladesh
Tanzania

Child Poverty and Information Poverty Reduction Start with Children



Children <3 underweight by level of mother's education



Investing in BSS is an inexpensive way of reducing poverty, breaking the poverty cycle, and laying the foundation for strong and equitable growth

Girl's education is critical

What will it take ?

- A good start in life for every child - PRSC
- Voice and choice for the poor
- Stronger solidarity within and among nations
- Good governance, strong GOV, sound policies & programmes

The global movement for children

A world fit for children

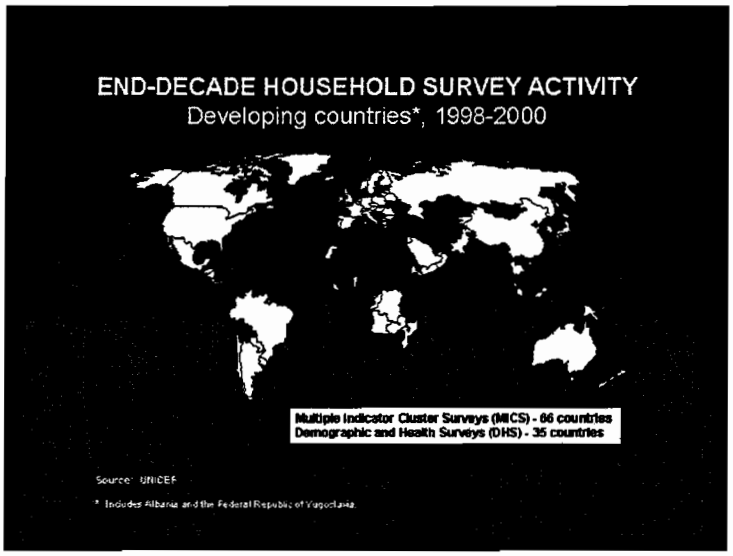
Principles:

* **Fight poverty: invest in children.** Break cycle poverty within a single generation
* **Leave no child behind.** All forms of discrimination affecting children must end.
* Stop harming and exploiting children
* Care for every child
* Educate every child
* Combat HIV/AIDS
* Protect children for war
* Listen to children
* Protect the earth for children

UNICEF and partners promoting statistical development

Multiple Indicator Cluster Survey
MICS
2 round 66 Countries

- WSC end-decade indicators
- Other child right indicators
- HIV-AIDS



UNICEF and partners promoting statistical development

- WSC data by wealth quintiles
Two or three time periods (end 80's, middle and end 90's) base on DHS.

- Child Poverty
Bristol University, Centre for International Poverty Research

Statistical Information

- Child rights convention – Non discrimination

  Disparities → data dessagregated by gender, social groups, urban/rural, ethnic, indigenous and other groups.

- Life cycle: Family, 0-5, adolescents

- Working children, conflict with law, violence...

SESSION 2:

POVERTY ALLEVIATION POLICIES AT THE INTERNATIONAL LEVEL

Fifty-sixth session
Item 40 of the provisional agenda*
Follow-up to the outcome of the Millennium Summit

Road Map Towards the Implementation of the United Nations Millennium Declaration

Report of the Secretary-General

* A/56/150

Executive summary

The road map towards the implementation of the United Nations Millennium Declaration contains an integrated and comprehensive overview of the current situation. It outlines potential strategies for action that are designed to meet the goals and commitments made by the 147 heads of State and Government, and 189 Member States in total, who adopted the Millennium Declaration.

The report addresses fully each and every one of the goals and commitments contained in the Millennium Declaration, suggests paths to follow and shares information on "best practices". It draws on the work of Governments, the entire United Nations system, including the Bretton Woods institutions and the World Trade Organization, intergovernmental organizations, international organizations, regional organizations and civil society.

In section II, **"Peace, security and disarmament"**, the report outlines measures that will help promote human security, including:

- Strengthening the rule of law and taking action against transnational crime: the international community, including the United Nations, will continue to assist States in ratifying treaties, harmonizing their domestic laws with international obligations, widening the jurisdiction of the International Court of Justice and promoting the rapid entry into force of the Rome Statute of the International Criminal Court;
- Taking action when the rule of law fails: the international community often finds itself with responsibilities ranging from preventing violent conflict to deploying peacekeeping operations and peace-building missions, often while working with regional organization partners. These challenges require action to:

(a) Replace the culture of reaction by one of prevention, as reflected in measures designed to limit armed conflict that include preventive arms control and marking and tracking "blood diamonds";

(b) Complete the significant management reforms under way in United Nations peacekeeping, which include filling new posts and developing a 30-to-90-day deployment capability;

(c) Support peace-building efforts on the ground and enhance the coordination of all the actors involved in disarmament, demobilization and reintegration, while providing the electoral assistance and promoting the reconciliation that a sustainable peace requires;

- Reforming sanctions. Although sanctions can be important instruments of Security Council action, progress must continue to be made in making sanctions "targeted", ensuring that they become more effective and that their impact on civilians is further reduced;
- Finally, making progress in disarmament in all areas, including weapons of mass destruction, landmines and small arms: next steps involve implementing existing conventions, working to develop regional mechanisms to identify, trace and halt illicit traffic in weapons, and supporting civil society advocacy efforts.

Section III, **"Development and poverty eradication: the millennium development goals"**, focuses on sustainable development through poverty eradication, emphasizing the importance of halving the number of people who currently live on one dollar a day or less. Any effort to achieve sustainable development demands a concerted effort to reduce poverty, including finding solutions to hunger, malnutrition and disease. To achieve progress, the developing

countries will need the political and financial commitment of their richer country partners. The international community should continue to operate on many fronts to reach these goals:

- Since the scourge of HIV/AIDS and other diseases has a devastating impact on every effort to lift people out of poverty, the Global AIDS and Health Fund is thus both a campaign to improve health and part of an essential strategy to achieve sustainable development;
- Given that all the issues around poverty are interconnected and demand cross-cutting solutions, such measures as the "School meals" and "Take home rations" programmes can have multiple benefits that extend beyond nutritional assistance. Education provides the skills that can lift families out of extreme poverty and preserve community health. In particular, when society facilitates girls' empowerment through education, the eventual impact on their and their families' daily lives is unequalled;
- People-centred initiatives are crucial but must be supplemented with sound national policies, such as responsible social spending programmes, as well as improvements in governance, infrastructure and institution-building, such as those included in establishing property rights for the poor;
- Wealthier nations must adhere to their promises regarding official development assistance, trade access and debt sustainability, all of which are important items on the agenda of the upcoming International Conference on Financing for Development;
- For the 49 least developed countries, the next steps are implementing a global version of the European "Everything but arms" trade programme; increasing official development assistance; fully implementing the enhanced Heavily Indebted Poor Countries Initiative and pursuing measures to promote the cancellation of official bilateral debt;
- Landlocked and small island developing countries are subject to special vulnerabilities that need to be addressed through support to the Global Framework for Transit-Transport Cooperation between landlocked and transit developing countries and the donor community and through the implementation of the Programme of Action for the Sustainable Development of Small Island Developing States;
- Lastly, the Information and Communications Technologies Task Force, which is to meet in September 2001, will take steps to begin the bridging of the digital divide.

Section IV, **"Protecting our common environment"**, describes the devastating impact that our changing climate is having on the Earth and the consequent necessity of a vigilant approach to conservation and stewardship. It is time to reverse the growing environmental damage that is occurring because of global warming, deforestation, the decimation of biodiversity, soil erosion and desertification, reduction in water tables and the increase in natural disasters. Essential actions include:

- Completing the ratification of the Kyoto Protocol as the next key step towards curbing greenhouse gas emissions;
- Enhancing cooperation and coordination on forest-related issues among relevant international and regional organizations, as well as public-private partners;
- Implementing the Convention on Biological Diversity and the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa;

- Supporting initiatives towards environmentally sound water management;
- Adopting strategies to reduce the impact of natural disasters;
- Respecting the principles of human dignity as research continues on the human genome.

Section V, **"Human rights, democracy and good governance"**, reaffirms that fundamental human rights are the foundation of human dignity and must be protected. It outlines the power of democracy to effect change and empower citizens, and reaffirms the need to work collectively for more inclusive political processes, with genuine political participation. Strategies for moving forward include:

- Fostering national human rights institutions;
- Supporting the practical application of a rights-based approach to development;
- Providing electoral assistance to help consolidate new and restored democracies and work to implement democratic principles through institutional reform programmes;
- Encouraging the further ratification and implementation of the Convention on the Elimination of All Forms of Discrimination against Women;
- Working to protect the rights of migrants and their families;
- Helping to ensure the freedom and independence of the media.

Section VI, **"Protecting the vulnerable"**, focuses on those groups, in particular women and children, that are forced into situations of displacement and abuse because of complex humanitarian emergencies. The changing nature of war has left these groups highly exposed, and both State and non-State actors need to respect the wealth of international laws and frameworks that exist to ensure the protection of civilians, refugees and the internally displaced. The report identifies practical measures that can be taken to provide protection to civilians, including through prosecuting violations of international criminal law, gaining access to vulnerable populations, and separating civilians and armed elements in situations of forced displacement. Essential next steps include:

- Fostering a culture of protection through the consistent use of international criminal law;
- Providing protection for refugees and internally displaced persons and continuing to disseminate international standards such as the Guiding Principles on Internal Displacement;
- Supporting national efforts to implement fully the Convention on the Rights of the Child and its Optional Protocols, and providing special assistance to halt the use of children as soldiers.

Section VII, **"Meeting the special needs of Africa"**, addresses the challenges posed by extreme poverty, devastating debt burdens, disease, conflict and wavering international interest. Some of those problems are general to developing countries, but Africa suffers particularly from its marginalization in the process of globalization. Africa's share in trade, investment and advances in technology have diminished further over the last decade. But African leadership has galvanized local and international support for a range of initiatives and strategies for moving forward in the following arenas:

- Supporting the New African Initiative as it affects all sectors;
- Strengthening democratic governance;

- Building peacekeeping capacity further, in cooperation with regional organizations;
- Working for sustainable development by increasing official development assistance, enhancing private capital flows and building capacities for trade;
- Forming partnerships in response to the Abuja Summit Declaration in order to combat HIV/AIDS.

Section VIII, **"Strengthening the United Nations"**, argues that renewing the capacity of the Organization to provide a space for genuine dialogue and a catalyst for effective action calls for improved coordination among its principal organs and enhanced partnerships with other multilateral organizations and civil society. For these purposes, key reforms will involve:

- Ensuring that the Organization receives on a timely and predictable basis the financial resources it needs to carry out its mandates;
- Continuing to adopt the best internal management practices;
- Paying particular attention to the safety of United Nations and associated personnel;
- Building a stronger relationship among the United Nations, the Bretton Woods institutions and the World Trade Organization through the Advisory Committee on Coordination;
- Deepening the relationship with the Inter-Parliamentary Union and engaging the private sector, non-governmental organizations and the rest of civil society through the United Nations Foundation for International Partnerships and the Global Compact.

The road map concludes by noting that there will be annual reports and, every five years, a comprehensive report on progress made or not made in reaching these goals. The entire United Nations family of Member States, international organizations, funds, agencies, programmes, the private sector and civil society must join together to meet the lofty commitments that are embodied in the Millennium Declaration. Success requires solidarity.

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Introduction

1. The United Nations Millennium Declaration (General Assembly resolution 55/2), which was adopted by all 189 Member States of the United Nations (147 of them represented directly by their head of State or Government) on 8 September 2000, embodies a large number of specific commitments aimed at improving the lot of humanity in the new century.

2. In paragraph 18 of its resolution 55/162 on the follow-up to the outcome of the Millennium Summit, the General Assembly asked me to prepare a "road map" to set out in detail how these commitments could be fulfilled. That is the purpose of the present report.

3. It is almost a truism that the problems facing humanity are closely intertwined, and that each tends to complicate the solution of one or more others. To take an obvious example, conflict and endemic disease tend to thrive in regions where the people are poor and uneducated, but in their turn they act as powerful inhibitors of education and economic growth. This observation does not justify defeatism. Rather, it shows the vital importance of a comprehensive approach and a coordinated strategy, tackling many problems simultaneously across a broad front.

4. That was precisely the objective of the United Nations Millennium Summit and Declaration. And therefore, the present report not only examines each of the commitments contained in the Millennium Declaration in its own right but also considers how they interact with each other. It seeks to highlight cross-cutting issues, where a coordinated approach can yield much more than the sum of its parts.

5. A coordinated strategy will not be achieved without better coordination among international institutions and agencies, including those within the United Nations system. And this effort must also mobilize the energies of all actors, including notably the private sector, philanthropic foundations, non-governmental organizations, academic and cultural institutions, and other members of civil society.

6. Most of the targets set by the Millennium Declaration were not new. They derived from the global conferences of the 1990s and from the body of international norms and laws that had been codified over the past half-century. Moreover, the present report shows that the plans of action needed for reaching these targets have, for the most part, already been developed and formally adopted by Member States, sometimes individually and sometimes jointly, within international organizations and at conferences.

7. What is needed, therefore, is not more technical or feasibility studies. Rather, States need to demonstrate the political *will* to carry out commitments already given and to implement strategies already worked out.

8. This will require hard decisions and courageous reforms in all States and all areas of policy, ranging from cuts in energy consumption and carbon emissions, the provision of troops and other personnel for hazardous peacekeeping operations, the absorption of refugees and the control of arms exports to more transparent and accountable governance and the reallocation of public resources towards projects that benefit the neediest groups in society, as opposed to the most influential.

9. Indeed, none of the millennium development goals can be reached unless significant additional *resources* are made available. Many of these resources will have to be found within the countries where they are spent, but a special obligation falls on the more fortunate countries to ensure that the less fortunate have a genuine opportunity to improve their lot.

10. In the Millennium Declaration, industrialized countries reaffirmed long-standing commitments to much higher levels of development assistance, much more generous debt relief, and duty- and quota-free access for exports from the least developed countries. Those that fail to

honour these commitments must realize that they are failing also in the responsibility, which they have solemnly recognized, "to uphold the principles of human dignity, equality and equity at the global level" (see General Assembly resolution 55/2, para. 2).

11. The international community has just emerged from an era of commitment. It must now enter an era of implementation, in which it mobilizes the will and resources needed to fulfil the promises made.

II. Peace, security and disarmament

12. The turn of the millennium has brought new challenges and new opportunities, particularly in the field of peace and security. Today's wars are mostly fought within States, although some conflicts have involved neighbouring countries, into which they spill over with destabilizing effects. The total number of armed conflicts is now declining and there has been a significant increase in the number of peace agreements, peacekeeping operations and other types of peace-making efforts by the international community. Nevertheless, civilians have become more vulnerable; women, children and humanitarian workers are deliberately targeted, and in some cases mutilation and rape are used as instruments of terror and control. This situation has compelled the international community to address these threats to human security.

13. The principle of human-centred security, along with the need to protect individuals and communities from violence, is increasingly acknowledged. Human security depends first on the effective application of law and order, which in turn demands a firm adherence to the rule of law. A commitment to human security also demands enhanced international cooperation in conflict prevention, and strengthened capacities to assist countries in building, keeping and restoring peace. A further requirement for ensuring human security is disarmament, which involves a consistent and concerted effort from all. Progress here can both reduce global threats and save resources vital for social and economic well-being.

A. International rule of law

GOAL: Strengthen the international rule of law and compliance with the International Court of Justice and the Charter of the United Nations, ensure the implementation by States parties of treaties in such areas as arms control and disarmament and of international humanitarian law and human rights law, and call upon all States to consider signing and ratifying the Rome Statute of the International Criminal Court[1]

14. The Charter of the United Nations and other sources of international law have established conditions under which justice and respect for the obligations arising from treaties can be maintained. The rule of law at the international level is becoming more widely accepted, and States are increasingly employing treaties to regulate their relations.

15. The rule of law is ultimately enforced through the application of democratic principles and international human rights and humanitarian norms. The primary responsibility for guaranteeing the protection and well-being of the individual rests with the State. While such structures as the International Criminal Court and the International Criminal Tribunals are critical in challenging the "culture of impunity" by deterring future human rights violations and thus acting as prevention mechanisms, there is no substitute for concrete State action to ensure that those who violate international law are brought to justice.

16. As of 1 August 2001, the Secretary-General is the depositary of more than 500 major multilateral instruments, 429 of which are in force. These treaties form a comprehensive framework of legal norms regulating the conduct of nations that has a broad impact on the lives of individuals and communities. They span the spectrum of human interactions, from human rights to

the use of outer space. For the Millennium Summit, the Secretary-General launched a campaign promoting the signature and ratification of a wide range of treaties, with particular emphasis on a set of 25 core treaties representative of the key objectives of the United Nations. A total of 84 delegations (59 at the head of state and government level) signed or deposited instruments of ratification or accession relating to 40 multilateral agreements deposited with the Secretary-General. During the three-day Summit, 187 signatures and 87 ratifications or accessions were effected. The event will be repeated annually. This year's treaty event will be held from 19 September to 5 October 2001. Entitled "Focus 2001: rights of women and children", it will coincide with the special session of the General Assembly on children and the opening of the General Assembly.

17. Important initiatives are under way to challenge the culture of impunity referred to above. Tribunals of mixed national and international staff, drawing on national and international jurisdiction, have been designed for Cambodia and Sierra Leone. If successful, they may herald a new approach to eradicating impunity in countries where genocide, crimes against humanity and war crimes have been committed. These mechanisms will not only resolve current issues but also leave a permanent cadre of trained judges, lawyers and legal staff in the country involved, and will help to integrate international standards of justice into national legal systems.

18. As of 19 August 2001, 37 countries have ratified the Rome Statute of the International Criminal Court, which provides, for the first time, a permanent tribunal for trying individuals accused of committing genocide, war crimes and crimes against humanity. Sixty ratifications are needed before the treaty will enter into force. The pace of ratification and accession augurs well for the Statute's early entry into force, which will be a giant step forward in the march towards universal human rights and the rule of law.

19. In order to ensure that United Nations forces comply with international humanitarian law, a Secretary-General's bulletin on the observance by United Nations forces of international humanitarian law was issued in 1999.[2] This measure is binding upon all members of United Nations peace operations and has been disseminated to all peacekeeping missions, signalling formal recognition of the applicability of international humanitarian law to United Nations peace operations. It will apply in situations of armed conflict where United Nations forces are actively engaged.

20. Strategies for moving forward include:

- Supporting States in designing domestic legal frameworks consistent with international human rights norms and standards;
- Making international technical assistance available to help countries that wish to harmonize their domestic laws with international obligations;
- Encouraging States to take part in the treaty event "Focus 2001: rights of women and children", with particular attention to the set of 23 selected treaties relating to the advancement of women's and children's rights;
- Supporting States to implement international legal commitments, including treaties, and developing United Nations mechanisms, such as the Treaty Handbook, to help Governments draft legislation and run training programmes on aspects of international law;
- Ensuring the widest acceptance of the International Court of Justice's compulsory jurisdiction, and ensuring that provisions in future multilateral treaties provide for disputes to be referred to the International Court of Justice;

- Working at the national level to advance ratification and accession processes in order to reach the 60 ratifications required for the Rome Statute of the International Criminal Court to enter into force.

GOAL: To take concerted action against international terrorism and to accede as soon as possible to all the relevant international conventions

21. The United Nations strategy against international terrorism has largely focused on efforts to create a legal framework. Twelve global conventions and protocols, as well as numerous declarations, have been adopted. The number of States acceding to the international conventions on terrorism is increasing slowly, and the rate of implementation varies. In the Vienna Declaration on Crime and Justice: Meeting the Challenges of the Twenty-first Century,[3] Member States committed themselves to take measures to prevent and combat criminal acts that further terrorism.

22. Strategies for moving forward include:

- Encouraging States to sign, ratify and implement the conventions and protocols relating to terrorism;
- Supporting the international community in its efforts to finalize the draft international convention for the suppression of acts of nuclear terrorism, and efforts to draw up a comprehensive convention on international terrorism;
- Continuing efforts to develop and adopt corresponding laws and administrative procedures at the national level.

GOAL: To redouble our efforts to implement our commitment to counter the world drug problem

23. Illicit drug traffic generates between $150 billion to $250 billion a year, which is either laundered or used to finance further illegal activities and armed conflict. The United Nations helps countries to strengthen their efforts to combat drug trafficking by advising on strategic approaches to drug control, identifying and promoting good practice in law enforcement and developing appropriate projects to enhance the effectiveness of law enforcement authorities.

24. Ratification of the three international conventions on drug control is close to universal: 170 States are parties to the Single Convention on Narcotic Drugs of 1961,[4] 168 are parties to the Convention on Psychotropic Substances of 1971[5] and 160 are parties to the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988.[6]

25. By adopting the Political Declaration at the twentieth special session of the General Assembly, in June 1998,[7] Member States committed themselves to establishing or strengthening by 2003 measures against the illicit manufacture, trafficking and abuse of synthetic drugs; national legislation and programmes against money-laundering and cooperation among judicial law enforcement authorities; measures to promote cooperation among judicial and law enforcement authorities; and drug demand reduction strategies and programmes. They further committed themselves to achieving significant and measurable results in drug demand reduction; significant elimination or reduction of the illicit manufacture, marketing and trafficking of psychotropic substances, including synthetic drugs and significant elimination or reduction of the illicit cultivation of coca, cannabis and opium poppy by 2008.

26. Strategies for moving forward include:

- Supporting States to ensure that the commitments made at the twentieth special session of the General Assembly are realized;

- Working to secure adequate financial and technical support for alternative development programmes, and to set up improved monitoring and evaluation mechanisms to assess the impact of alternative development interventions.

GOAL: To intensify our efforts to fight transnational crime in all its dimensions, including trafficking in and smuggling human beings and money-laundering

27. The General Assembly recently adopted the United Nations Convention against Transnational Organized Crime[8] and its Protocols to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children,[9] against the Smuggling of Migrants by Land, Sea and Air,[10] and against Illicit Manufacturing of and Trafficking in Firearms.[11] As of 14 August 2001, there are 126 signatories to the Convention, which will enter into force once it has been ratified by 40 States, which is expected to happen by the end of 2002. To date, two States have ratified the Convention.

28. Transnational crime has an estimated turnover of $1 trillion and estimated profits of $500 billion per year. Criminal organizations are shifting their operations to more sophisticated criminal activities, involving information technology and the financial sector, as well as to less "traditional" areas, including trafficking in human beings and trafficking in firearms. For example, estimates of the number of trafficking victims now range from 700,000 to 2 million a year, mostly women, children and the very poor.

29. The challenge that corruption poses to the rule of law, good governance and development is now widely recognized. Corruption has robbed many developing and transition countries of their national assets. Attempts by such countries to recover money lost in this way have been delayed by the absence of appropriate international treaties and by bank secrecy. Work on a new convention that will strengthen and mobilize national and international actions against corruption has begun, and the negotiations for this convention should be complete by the end of 2003.

30. Strategies for moving forward include:

- Encouraging States to bring into force and implement the United Nations Convention against Transnational Organized Crime and its Protocols as soon as possible, and to help developing countries meet new obligations arising from these instruments;
- Directing research towards the complexities of cyber-crime, particularly on modalities of international cooperation to deal with it;
- Continuing efforts by the United Nations to employ its comprehensive information, legal, regulatory and enforcement infrastructure to combat money-laundering;
- Incorporating crime prevention and criminal justice concerns into United Nations peace operations.

GOAL: To observe the Olympic Truce, individually and collectively, now and in the future, and to support the International Olympic Committee in its efforts to promote peace and human understanding through sport and the Olympic ideal

31. The Olympic Truce requires all belligerents to cease hostilities for a specific period around the Olympic Games. This is an important conflict resolution tool, endorsed by heads of State at the General Assembly in 1993[12] and again at the Millennium Summit.[13] The International Olympic Committee (IOC) is engaged in a number of projects, with United Nations partners and others, to develop sport as a means for the reconciliation of communities in conflict or post-conflict situations. The Secretary-General's Adviser on Sports for Development and Peace is identifying other United Nations programmes that might benefit from the involvement of sports organizations.

32. Strategy for moving forward:

- Enhancing cooperation between Member States, IOC and the United Nations system to use sport in economic and social development, and for the promotion of a culture of peace, particularly among youth.

B. Strengthening United Nations capacities for resolving armed conflict

GOAL: Make the United Nations more effective in maintaining peace and security by giving it the resources and tools it needs for conflict prevention, the peaceful resolution of disputes, peacekeeping, and post-conflict peace-building and reconstruction

33. Despite a decline in the number of armed conflicts during the past decade, wars continue to cause immense suffering, particularly in Africa and Asia. In the 1990s, armed conflict claimed more than 5 million lives, most of them civilians, and inflicted hardship on its survivors through injury, displacement and dispossession. The human and material costs of failing to prevent conflict are harsh and lasting. The international community must move from a culture of reaction to a culture of prevention of armed conflict: it is the most desirable and cost-effective strategy to ensure lasting peace.

Conflict prevention

34. Conflict prevention, like conflict itself, is a cross-cutting issue and cannot be implemented in isolation from policies in the development, security, political, human rights and environmental arenas. There is a critical interdependence between sustainable development and human security. Mechanisms of social stability and societal justice usually develop hand in hand with improvements in living standards. This process is a dynamic one, with basic development goals reinforcing the need for good governance, and in turn good governance practices providing a framework for peace and development.

35. Development is a force of change that can raise expectations but can also highlight disparities and even trigger violent conflicts. This problem has been exacerbated in the past, when development has stopped, regressed or been accompanied by rising inequalities, causing tensions to increase. Part of the prevention strategy in these situations is to manage the pace of development and foster equity, also ensuring that projects can be undertaken in a sustainable manner and that local expectations are set appropriately.

36. Effective conflict prevention strategies need to be based on a comprehensive and multidisciplinary approach, tailored to the unique circumstances of each situation. This approach should include structural measures to address the underlying causes of conflict, such as socio-economic inequalities or the denial of fundamental human rights. It should also include operational measures aimed at crisis prevention, such as fact-finding missions, preventive diplomacy or preventive deployment. Within the United Nations, we have begun to supplement our more traditional political and military conflict prevention activities with a longer-term vision of prevention, which we are now building more consciously into all our work. Effective preventive diplomacy measures will continue to be utlilized, including fact-finding and confidence-building missions, visits by special envoys, as well as the exercise of the Secretary-General's "good offices".

37. In recent years, academic and research institutes around the world, together with United Nations research arms, such as the United Nations University and the United Nations Institute for Training and Research, have significantly increased their focus on prevention issues. Non-governmental organizations have emerged as an important channel for preventive action and diplomacy. They have provided impartial forums for divided groups to communicate and negotiate, disseminate studies on response opportunities and policy briefs, and act as advocates in

raising international awareness of impending or ongoing conflict. In addition, an international networking capacity in the field of conflict prevention is currently being developed to systematically link academic experts, non-governmental organizations and other sectors of civil society to the United Nations and various other international and regional organizations.

38. Other strategies for conflict prevention can include tracking and marking "blood diamonds" and other "conflict resources". In July 2001, 40 diamond-producing countries, the World Diamond Council and the European Union (EU) came up with the main principles of a certification system requiring Governments to confirm the legitimacy of diamonds and producers to give guarantees to their Governments. Strategies can also include eliminating the flow of illegal small arms, such as through post-conflict schemes in which vouchers or cash are offered in exchange for weapons.

39. A particularly important achievement with regard to conflict prevention is the recent Security Council resolution 1366 (2001) on the prevention of armed conflict. The resolution is a broad and progressive endorsement of a range of issues related to prevention, and should be welcomed for its recommendations and its contribution to the dialogue. In the resolution, the Security Council stressed that national Governments hold the essential responsibility for conflict prevention, but the Council also demonstrated a willingness to integrate a comprehensive and long-term preventive strategy into its work.

40. Strategies for moving forward include:

- Earlier and more sustained action to address the underlying causes of conflict, development of improved integrated prevention strategies with a regional focus, and enhancing the capacity of Member States, regional organizations and the United Nations system to undertake effective preventive action;
- Encouraging States to ensure the equitable distribution of assets and access to resources;
- Urging States to act on the recommendations made in the report of the Secretary-General on the prevention of armed conflict;[14]
- Strengthening national capacities for addressing structural risk factors by providing United Nations advisory services and technical assistance;
- Continuing to utilize United Nations multidisciplinary fact-finding missions, encouraging States and the Security Council to use preventive deployments and establishing an informal network of eminent persons for conflict prevention.

Peacekeeping

41. A total of 54 United Nations peacekeeping operations have been set up since 1948, two thirds of those since 1991. However, peacekeeping trends have fluctuated over the past 50 years, particularly over the last decade. Today, there are 16 active peacekeeping operations. Correspondingly, the numbers of military troops and civilian police staffing levels have also increased. In 1999, there were 9,000 military troops and 2,000 civilian police serving in United Nations operations; today, there are 35,000 military troops and 8,000 civilian police. Cooperation with regional organizations has become an important aspect of peacekeeping, although varying regional peacekeeping capacities influence the nature of cooperation with the United Nations. Combining the motivation and knowledge of regional actors with the legitimacy, expertise and resources of the United Nations can enhance the international community's work for peace. Troop contributions from developing countries have increased substantially. In 1991, only two of the top 10 troop contributors were developing countries; in 2001, eight of the top 10 contributors are developing countries.

42. Although peacekeeping is a vital instrument, there was previously a tendency to treat it as a temporary aberration rather than to invest in its long-term success. Member States have now

recognized the need to match peacekeeping mandates with human, material, financial and political support, and we have embarked together on the journey towards achieving operational excellence.

43. As detailed in the reports of the Panel on United Nations Peace Operations and of the Special Committee on Peacekeeping Operations,[15] United Nations peacekeeping capacity has suffered from shortages in Headquarters staff, field personnel and financial resources, and in the availability of troops, personnel and resources. Furthermore, because of the perception that peacekeeping was a temporary endeavour rather than a core function of the United Nations, Headquarters in particular was not equipped with the level of resources it needed to function adequately.

44. The Millennium Declaration called for expeditious consideration of the recommendations of the Panel on United Nations Peace Operations. The General Assembly responded to the recommendation to make additional resources available, providing the United Nations with 93 posts in December 2000, and is now considering a budget for further recommendations on increased staffing levels, on strengthening management practices and culture, and on translating legislative guidance into strategic plans for future peacekeeping operations. The progress made towards developing a 30-to-90-day deployment capability is particularly welcome. The peacekeeping reform process includes expanded standby arrangements for military, civilian and civilian police personnel, and the development of global logistics support and staffing strategies. Further efforts to strengthen United Nations peacekeeping include creating a long-term planning capacity, improving efficiency in the relationship between headquarters and field missions and enhancing training capacity, whereby peacekeepers will receive standardized training, including in human rights and humanitarian law. Related efforts to enhance the functioning of the Executive Committee on Peace and Security, through the provision of a small secretariat, will contribute to enhance decision-making capabilities, including in areas pertaining to peacekeeping.

45. Strategies for moving forward include:

- Ensuring the expeditious completion of the peacekeeping reform process by Member States and the United Nations, focusing in particular on reaching an agreement in 2001 on the legislative decisions required for further progress, including on financial resources;
- Increasing collaboration between the United Nations and regional organizations;
- Dedicating greater attention to gender, humanitarian and disarmament issues in peacekeeping operations.

Peace-building and reconstruction

46. A significant part of the work of the United Nations and its specialized agencies is in the area of peaceful dispute resolution, including through legal mechanisms, and in programmes for building peace and reconstructing war-torn societies. This work tends to be low-key and long-term but is vital in efforts to achieve a more peaceful and just world.

47. The United Nations uses a number of tools for dispute resolution, ranging from the Secretary-General's good offices and missions by his high-level envoys and special representatives to longer-term initiatives and programmes undertaken by the operational agencies. Other efforts include truth and reconciliation commissions and community dialogue activities, which aim to bring together stakeholders, usually in intra-State conflicts, to discuss and resolve differences in non-confrontational settings. Conflicts between States can be resolved through the use of the international legal framework and the International Court of Justice.

48. Dispute resolution mechanisms, particularly those concerned with truth and reconciliation, are critical even after a violent conflict has begun, but they should be accompanied by a broader range of measures that fall under the rubric of "peace-building". Peace-building involves long-

term political, developmental, economic, social, security, humanitarian and human rights measures aimed at preventing the outbreak or recurrence of conflict by addressing its root causes. It can take many forms, such as the disarmament, demobilization and reintegration of former combatants; strengthening the rule of law and the administration of justice; providing electoral and governance assistance; supporting the development of civil society and of the free and independent media; engaging in land reform; and promoting conflict resolution and reconciliation techniques at the local community level.

49. From early experiences in Namibia and Cambodia and the 1992 publication of the Agenda for Peace[16] to more recent missions in East Timor, Kosovo and Tajikistan, the United Nations has acquired a wealth of practical peace-building experience. The Millennium Declaration's focus on additional resources and tools for effective peace-building is timely, given the recent increase in both conceptual and operational work in this area.

50. A number of initiatives have been taken in the peace-building arena since the Millennium Summit. In February 2001, there was a thematic debate of the Security Council, a presidential statement of the Security Council (S/PRST/2001/5) and a consultation on peace-building with regional organizations. Work within the system on peace-building policy is ongoing and has seen important contributions from throughout the system. There is a vast body of operational expertise in all the United Nations departments, agencies, funds and programmes, and a growing recognition that the most successful peacekeeping operations help to build the institutions, social infrastructure and economic capacities that can help to prevent what would otherwise be the next round of conflict.

51. Moving from resolving conflict to restoring peace requires a focus on sustainable measures. All United Nations actors present in a specific country can and do contribute to peace-building. Many departments and agencies have established or are in the process of establishing specialized peace-building functions, while considerable work has gone into inter-agency coordination in this area. The contribution of operational agencies is vital in peace-building. On the ground, United Nations resident coordinators and country teams are improving the coherence of their programming, and a peace-building unit is being established at Headquarters to support these activities.

52. Strategies for moving forward include:

- Securing adequate resources from the international community to permit recovery and development for post-conflict societies;
- Strengthening the capacity of United Nations resident coordinators and country teams to undertake effective peace-building;
- Consolidating peace and preventing the recurrence of conflict through disarmament, demobilization and reintegration measures;
- Improving the functioning of the United Nations peace-building support offices based on the findings of the recent evaluation mission.

GOAL: To strengthen cooperation between the United Nations and regional organizations, in accordance with the provisions of Chapter VIII of the Charter of the United Nations

53. A number of regional organizations are establishing or enhancing their capacity in the peace and security area, such as through the establishment of institutional capacities for conflict prevention and conflict management. In addition, the United Nations and regional organizations have created a number of cooperative arrangements, such as annual meetings between the United Nations Office at Geneva, the European Union, the Council of Europe and the Organization for

Security and Cooperation in Europe (OSCE), and the establishment in 1998 of a United Nations office in Addis Ababa to liaise with the headquarters of the Organization of African Unity (OAU). In peacekeeping and peace-building situations, the United Nations and regional groups have co-deployed or have divided responsibilities. A new permutation of such cooperation can be seen in the mission in Kosovo, where direct reporting lines have been established from regional partners to the United Nations Interim Administration Mission in Kosovo (UNMIK). Other practical forms of cooperation have evolved, such as fielding joint conflict prevention missions.

54. Since 1994, there have been high-level biannual meetings between the United Nations and regional organizations. The theme in 1998 was conflict prevention. This year's meeting, in February 2001, examined the potential for expanding cooperation in the field of peace-building; 18 delegations from regional, subregional and other international organizations attended and adopted a "Framework for cooperation in peace-building". OSCE will hold the first regional workshop to discuss specific regional dimensions of cooperation.

55. Strategies for moving forward include:

- Continuing the high-level biannual meetings between the United Nations and regional organizations;
- Strengthening cooperation through capacity-building, strategic development and operational interaction between regional organizations and the United Nations;
- Strengthening national and regional mechanisms for prevention, conflict resolution and peace-building, and examining ways to build links to civil society.

GOAL: To minimize the adverse effects of United Nations economic sanctions on innocent populations, to subject such sanctions regimes to regular reviews and to eliminate the adverse effects of sanctions on third parties

56. Mandatory measures imposed under Article 41, Chapter VII, of the Charter of the United Nations are an important tool available to the Security Council as it seeks to maintain or restore international peace and security. In recent years, however, there has been increasing concern about the negative effects of sanctions on vulnerable civilian populations, as well as over their collateral effects on third States. Comprehensive sanctions may impose civilian hardships disproportionate to likely political gains. Those in power might transfer the cost to the vulnerable, profit from black market activity and exploit sanctions as a justification for their own shortcomings. Furthermore, neighbouring countries bear much of the trading losses from compliance. Greater use should, therefore, be made of existing provisions contained in the Charter for mitigating the economic effects of sanctions on these countries.

57. In response to these problems, Member States, intergovernmental organizations, non-governmental organizations and academic experts have been making efforts to improve the effectiveness of United Nations sanctions, as well as to refine the concept of targeted sanctions. Such measures include financial sanctions, arms embargoes, travel bans and diplomatic restrictions. Expert seminars on targeting United Nations financial sanctions have been held to explore the basis for cooperation among Member States, intergovernmental organizations, non-governmental organizations and experts in the field. The seminars have also explored such issues as the design and application of targeted Security Council financial sanctions against decision-making elites. Targeted financial sanctions could enhance the effectiveness of the sanctions instrument and minimize unintended negative effects.

58. Recent sanctions measures imposed by the Security Council have been more targeted, and in all of these sanctions regimes the Council has sought to focus sanctions pressure on those responsible for behaviour that contravenes international norms of peace and security, while

seeking to minimize the humanitarian impact on civilian populations and on affected third States. Even targeted sanctions might not be enough to restore peace or halt illicit actions. They must be integrated into a comprehensive conflict resolution strategy or conflict prevention strategy, and must be complemented by inducement measures.

59. Solutions must also be found to the difficulties of monitoring sanctions. That task is currently the primary responsibility of Member States, but they often lack the capacity to monitor effectively. A permanent sanctions monitoring mechanism needs to be developed in order to ensure better targeting and enforcement of smart sanctions and to bring non-cooperation and non-compliance information to the attention of the Security Council. This would allow for a more systematic follow-up for those State and non-state actors who break sanctions or who do not cooperate with United Nations panels of experts and sanctions committees, and would also provide a point of contact between the Security Council and other international and regional organizations dealing with sanctions. It is therefore essential for the Security Council to reach agreement on its policy objectives and on how success should be defined with regard to sanctions.

60. The Security Council has also made more frequent use of United Nations panels of experts, which have documented sanctions violations, including illicit arms trafficking and illegal sales of diamonds, and made recommendations on improving international monitoring. The Security Council might make more frequent use of humanitarian assessments before the imposition of sanctions, as well as continuing to monitor the humanitarian impact once sanctions have been imposed, as has recently been the case in Afghanistan. The Security Council Working Group on Sanctions, established by the President of the Security Council on 17 April 2000, has confirmed that it will report to the Council when it reaches consensus on recommendations.

61. Strategies for moving forward include:

- Supporting the international community's continuing efforts to develop targeted sanctions;
- Supporting the Security Council in its work to improve international monitoring of sanctions regimes and in efforts to assess the humanitarian impact of sanctions.

C. Disarmament

62. Despite the end of the cold war, global military spending has been increasing. In 1998, military spending was $762 billion; in 2000, approximately $800 billion was spent on weapons of mass destruction, conventional weapons, research and development and personnel costs. The real total is likely to be even higher since data is not available for a number of countries, including some that are currently in conflict. That ominous trend heightens the danger of a renewed arms race. The possible demise of the Treaty on the Limitation of Anti-Ballistic Missile Systems[17] threatens the framework of treaties on disarmament and non-proliferation, while raising the risks of new arms races, including in outer space. Innocent people throughout the world are still threatened by weapons of mass destruction. They face additional threats from major conventional weapons, as well as from the destabilizing accumulation and illicit sale of small arms and light weapons, and the continued production and use of landmines. Of all these challenges, however, the total elimination of nuclear weapons must remain the top priority.

GOAL: To strive for the elimination of weapons of mass destruction, particularly nuclear weapons, and to keep all options open for achieving this aim, including the possibility of convening an international conference to identify ways of eliminating nuclear dangers

63. Despite widespread and persistent calls for transparency, there are no official figures available on either the number of nuclear weapons in the world today or their total cost. According

to several estimates, however, more than 30,000 such weapons remain, many of them on hair-trigger alert.

64. The Comprehensive Nuclear-Test-Ban Treaty[18] has not entered into force even though it has 161 signatories and 77 ratifications. Only three of the five nuclear-weapon States (as defined by the terms of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT))[19] have ratified the Treaty. START II,[20] a bilateral treaty to reduce nuclear weapons to about 3,500 each for the United States and the Russian Federation, has not entered into force.

65. The Conference on Disarmament remains deadlocked despite a growing need for new agreements on nuclear disarmament, fissile materials and the prevention of an arms race in outer space. This stalemate has raised serious concern within the international community that the effectiveness of the established multilateral disarmament machinery is being adversely affected.

66. Despite these trends, certain developments offer a foundation for future progress. More than half of the nuclear weapons deployed at the height of the cold war have now been dismantled. The overwhelming majority of States have fully complied with their legal obligations concerning weapons of mass destruction. Instances of non-compliance with International Atomic Energy Agency safeguards agreements and Security Council resolutions are rare and do not signify a global trend.

67. Efforts to eliminate nuclear weapons have gained new strength from the 1996 International Court of Justice advisory opinion on the legality of the threat or use of nuclear weapons, which found unanimously that no threat or use of nuclear weapons should be made unless it is compatible with the requirements of international law applicable in armed conflict, and that "there exists an obligation to pursue in good faith and bring to a conclusion negotiations leading to nuclear disarmament in all its aspects under strict and effective international control".[21] At the 2000 NPT Review Conference, the five nuclear weapons States made an unequivocal commitment to nuclear disarmament.

68. There has been some progress in eliminating other weapons of mass destruction. At the Fifth Review Conference of the States parties to the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction,[22] the status of the negotiations aimed at strengthening the Convention is expected to be discussed. Since the entry into force of the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction[23] in 1997, about 5,600 tons of chemical agents and 1.6 million munitions and containers have been destroyed, and 1,000 inspections were conducted in 49 States by the Organization for the Prohibition of Chemical Weapons.

69. The preparatory process for the 2005 NPT Review Conference will begin in 2002. A panel of governmental experts will commence work on a study on missiles reporting to the General Assembly in 2002. The Conference on Facilitating the Entry into Force of the Comprehensive Nuclear-Test-Ban Treaty will take place from 5 to 27 September 2001. The General Assembly resolved in November 2000 to prepare a two-year study on education and training in disarmament and non-proliferation.

70. Possibilities for creating verifiable and irreversible norms in other areas, including missiles and outer space, should be explored. At the intergovernmental level, an opportunity to discuss an even broader array of disarmament issues, including the multilateral disarmament machinery, is long overdue.

71. Strategies for moving forward include:

- More efforts to ensure full implementation of the Nuclear Non-Proliferation Treaty, the Biological Weapons Convention and the Chemical Weapons Convention and to promote their universality;
- Convening an international conference devoted to disarmament;
- Continuing United Nations work to enhance public accountability, clarify the benefits of disarmament, and monitor weapons research and development activities;
- Supporting the international community, including civil society, in efforts to eliminate weapons of mass destruction.

GOAL: To call on all States to consider acceding to the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-personnel Mines and on Their Destruction (APM Ban Treaty),[24] as well as the amended mines protocol to the Convention on certain conventional weapons[25]

72. Landmines continue to impede the development and security of populations in almost one third of the world's countries. In response to this situation, United Nations support to mine action is now being planned or provided in over 30 countries, an increase of 100 per cent since 1997. Significantly, independent research indicates that in the same period, the production and transfer of landmines has all but ceased while the use of mines has been successfully stigmatized. Nevertheless, casualties continue to occur on a daily basis, and some countries and groups persist in the deployment of landmines.

73. The momentum generated by stigmatizing the use of landmines and destroying existing stockpiles is being maintained through civil society monitoring, transparency measures, and yearly meetings of States parties. As of 29 June 2001, there are 117 parties to the APM Ban Treaty. Twelve countries have acceded or ratified the Treaty since the publication of the Millennium Declaration, while 58 nations are participants to the Amended Protocol II of the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or To Have Indiscriminate Effects.[26] The total eradication of anti-personnel mines remains a crucial requirement for human security and socio-economic development.

74. Strategies for moving forward include:

- Achieving the universalization of the APM Ban Treaty, the Convention on Certain Conventional Weapons and Amended Protocol II by encouraging States to ratify or accede to the Treaties and accept the amended Protocol;
- Encouraging States to provide the Secretary-General with complete and timely information, as required in article 7 of the APM Ban Treaty;
- Continuing United Nations work to establish mine clearance, awareness, victim assistance programmes and contingency planning for mine-affected countries and regions.

GOAL: To take concerted action to end illicit traffic in small arms and light weapons, especially by making arms transfers more transparent and supporting regional disarmament measures, taking account of all the recommendations of the United Nations Conference on Illicit Trade in Small Arms and Light Weapons

75. Illicit trade in small arms and light weapons poses grave challenges to international peace and security. Their excessive accumulation and easy availability jeopardize post-conflict reconstruction and development efforts, threaten human security and violate humanitarian law and human rights. Small arms are legally produced by more than 600 companies in at least 95

countries, with the value of global small arms production estimated at over $1.4 billion and that of ammunition production at $2.6 billion. An estimated 500 million small arms and light weapons are available around the world. Even outside of conflict zones, these weapons have severe adverse effects on economic, social and human development.

76. Various initiatives are currently under way, globally and regionally, to address the issue of illicit trade in small arms. At the regional level, measures involve signing legally binding treaties, and strengthening and establishing regional or subregional moratoria on the transfer and manufacture of such weapons. These measures include the Economic Community of West African States moratorium on the production and trade in small arms; the Inter-American Convention Against the Illicit Manufacturing and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials; a European Union joint action on small arms and code of conduct on arms exports; and a Southern African Development Community (SADC) plan of action. In Africa, Latin America and Europe, such regional cooperation culminated in Bamako, Nairobi, Brasilia and SADC declarations, and an OSCE document on small arms and light weapons.

77. Making arms transfers more transparent is also vitally important. The United Nations manages two confidence-building instruments, the Register of Conventional Arms and the Standardized Instrument for Reporting of Military Expenditures. An average of 90 countries already report to the Register annually. Some 35 countries report military expenditures annually. While participation in these instruments has increased noticeably, they have not been as fully utilized as they should be.

78. The United Nations Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects, held from 9 to 20 July 2001, provided the international community with an opportunity to adopt measures to combat this global scourge. The Programme of Action of the Conference, which was adopted by consensus, is a significant first step towards the goal of preventing, combating and eradicating the illicit trade in small arms and light weapons. It includes suggestions for national strategies, such as establishing national coordination mechanisms and adequate laws, and destroying surplus weapons and increasing controls over the manufacture and transfer of such weapons. It endorses and encourages various regional measures, such as harmonizing national legislation and establishing and strengthening regional mechanisms, and regional action programmes to prevent, combat and eradicate the illicit trade in these weapons. The programme also underscores the importance of international cooperation and assistance, particularly regarding the implementation of arms embargoes imposed by the Security Council and the disarmament, demobilization and reintegration into civil society of ex-combatants. The Conference did not, however, achieve consensus on two essential issues: restrictions on and regulation of private ownership of such weapons, and preventing their transfer to non-State actors.

79. Strategies for moving forward include:

- Securing urgent international commitments for both human and financial resources to effectively implement and follow up the measures adopted at the United Nations Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects;
- Convening, through the United Nations, a review conference in 2006 and biennial meetings of States to consider progress made in the implementation of the Programme of Action of the Conference;
- Supporting Governments' endeavours to prevent the spread of small arms by providing technical expertise and financial support in collecting and destroying such weapons;
- Exploring private and public sector financing of "weapons for development" initiatives;

- Continuing United Nations efforts to achieve universal participation in confidence-building instruments and to foster regional initiatives, such as the creation of regional registers and exchanges of data on national inventories.

III. Development and poverty eradication: the millennium development goals

80. In order to significantly reduce poverty and promote development it is essential to achieve sustained and broad-based economic growth. The millennium development goals highlight some of the priority areas that must be addressed to eliminate extreme poverty. These goals include commitments made by developed nations, such as increased official development assistance (ODA) and improved market access for exports from developing countries.

81. It is crucial that the millennium development goals become national goals and serve to increase the coherence and consistency of national policies and programmes. They must also help reduce the gap between what needs to be done and what is actually being done. The widening gap between goals and achievements implies that the international community has failed to deliver on crucial commitments it made during the 1990s.

82. The millennium development goals are mutually supportive and require multisectoral programmes that tackle each of the goals simultaneously. Countries should ensure that poverty reduction strategies increase the focus on the poorest and most vulnerable through an appropriate choice of economic and social policies. Human rights should be at the centre of peace, security and development programmes. In addition, it is necessary to broaden partnerships between all stakeholders, such as civil society and the private sector.

83. The United Nations system, in cooperation with other partners in development, will monitor goals that are directly related to development and poverty eradication (see annex).

GOAL: To halve, by the year 2015, the proportion of the world's population whose income is less than one dollar a day and the proportion of people who suffer from hunger and, by the same date, to halve the proportion of people who are unable to reach or to afford safe drinking water

Income poverty

84. Since 1990, the number of people living on less than a dollar a day has declined from 1.3 billion to 1.2 billion. However, this decline has not been spread evenly. In East Asia, poverty rates have declined fast enough to meet the goal in 2015. But sub-Saharan Africa lags far behind and in some countries poverty rates have worsened. While the greatest number of poor people live in South Asia, the highest proportion of poor people is in sub-Saharan Africa, where approximately 51 per cent of the population lives on less than a dollar a day.

85. At its twenty-fourth special session, held in 2000, the General Assembly reaffirmed the commitments agreed at the World Summit for Social Development and produced very significant new initiatives for the eradication of poverty. In particular, there was agreement for the first time on a global target of halving the proportion of people living in extreme poverty by 2015, and the commitment to the global targets for poverty reduction was subsequently endorsed by all countries in the United Nations Millennium Declaration adopted in September 2000. Accompanying this work at the policy level, much is going on to support effective and efficient institutions. The United Nations, for example, is involved in programmes that extend services to small entrepreneurs through microfinance projects which meet local community priorities.

86. Strategies for moving forward include:

- Ensuring support for country-led economic and social initiatives that focus on poverty reduction;
- Strengthening capabilities to provide basic social services;
- Assisting capacity-building for poverty assessment, monitoring and planning.

Hunger

87. Income is not the only measure of poverty. The poor suffer from malnutrition and poor health. Between 1990-1992 and 1996-1998, the number of undernourished people fell by 40 million in the developing world. However, the developing world still has some 826 million people who are not getting enough food to lead normal, healthy and active lives. In addition, of the 11 million children in developing countries who die each year before reaching the age of five, 6.3 million die of hunger.

88. Alleviating hunger is also a prerequisite for sustainable poverty reduction since better nourishment improves labour productivity and the earning capacity of individuals. Increased food production is essential since 75 per cent of the world's poor and hungry live in rural areas and depend directly or indirectly on agriculture for their livelihoods. Moreover, a higher crop yield reduces prices, benefiting all the poor.

89. The Rome Declaration on World Food Security and the World Food Summit Plan of Action that was adopted at the World Food Summit in 1996[27] laid the foundation for diverse paths to a common objective — food security, at the individual, household, national, regional and global levels. The main goal of the Summit was to ensure an enabling political, social and economic environment, designed to create the best conditions for the eradication of poverty and a durable peace based on the full and equal participation of women and men, which is most conducive to achieving sustainable food security for all. The Summit stressed the importance of implementing policies that would improve access to sufficient and nutritionally adequate food and its effective utilization.

90. Strategies for moving forward include:

- Taking stock of actions taken since the 1996 World Food Summit, at the five-year review of the World Food Summit to be held in November 2001, and proposing new plans at the national and international levels to achieve hunger goals;
- Ensuring that food, agricultural trade and overall trade policies are conducive to fostering food security for all through a fair and just world trade system;
- Continuing to give priority to small farmers, and supporting their efforts to promote environmental awareness and low-cost simple technologies.

Access to water

91. About 80 per cent of the people in the developing world now have access to improved water sources. Yet nearly 1 billion people are still denied access to clean water supplies and 2.4 billion people lack access to basic sanitation. As economic development and population growth increase demands on limited water resources, water management and the provision of safe drinking water and sanitation facilities will become priority areas. The United Nations Joint Monitoring Programme for Water Supply and Sanitation has been supporting capacity-building towards universal access to safe drinking water and sanitation.

92. Strategies for moving forward include:

- Promoting increased investment in the water and sanitation sectors;
- Addressing further issues related to the sustainable management of water resources at the World Summit on Sustainable Development, to be held in Johannesburg in 2002.

GOAL: To ensure that, by the year 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling and that girls and boys will have equal access to all levels of education

93. Education levels in developing countries have climbed dramatically in the past half-century, yet we have a long way to go. In 1998, of some 113 million school-age children not enrolled in primary education, 97 per cent lived in developing nations and nearly 60 per cent were girls. Female enrolment in rural areas, in particular, remains shockingly low.

94. Promoting universal access to basic education continues to be a challenge. In developing countries, one child in three does not complete five years of schooling. Although enrolment rates have been increasing in several regions, the quality of education remains low for many. In numerous countries, there are serious disparities in enrolments and retention rates between girls and boys and between children of rich and poor families. Gender biases, early marriage, threats to the physical and emotional security of girls and gender insensitive curricula can all conspire against the realization of the fundamental right to education for girls.

95. Short-changing girls is not only a matter of gender discrimination but is bad economics and bad social policy. Experience has shown over and over again that investment in girls' education translates directly and quickly into better nutrition for the whole family, better health care, declining fertility, poverty reduction and better overall performance.

96. The Education For All (EFA)/Dakar Framework calls for the development or strengthening of national plans of action and the reinforcing of national, regional and international mechanisms to coordinate global efforts to accelerate progress towards Education For All. The United Nations Girls Education Initiative, established within the context of follow-up to the Education For All Framework, provides country-level guidance to the United Nations system and involves other partners.

97. The "School meals" and "Take home rations" programmes are good examples of how poor households can be influenced to send their girl children to school through creative, locally driven multi-level solutions. These programmes can have an impact on all the challenges we face: lack of access to education, health problems and poverty. School-based meals and rations can bring more children into school, give equal opportunities to girls, lower rates of malnutrition and improve retention levels.

98. Strategies for moving forward include:

- Urging national policy makers to accept girls' education as a strategy for achieving universal primary schooling, as well as an end in its own right;
- Urging national Governments, local communities and the international community to commit significant resources towards education such as school buildings, books and teachers;
- Making education systems adaptable to the needs of girl children, especially those from poor households;
- Supporting school-feeding programmes and take-home rations programmes that can attract girls to school.

GOAL: By the year 2015, to have reduced maternal mortality by three quarters, and under-five child mortality by two thirds of their current rates

99. At the global level, estimates of maternal mortality for 1995 indicate that about 515,000 women die each year of pregnancy related causes, 99 per cent of them in developing countries. Although there is evidence of substantive declines in maternal mortality in some countries, there is no reliable data in countries where the problem is thought to be most acute. Reduction in maternal mortality depends on the availability of health care for expectant mothers, particularly when dealing with complications in pregnancy. Globally, skilled attendants and skilled nurses assist only about 56 per cent of births. Adolescent girls and women often lack the power to make decisions for themselves and lack access to good quality and affordable reproductive health, including family planning services.

100. The "Making pregnancy safer" initiative represents one of the contributions of the United Nations to the global efforts to achieve safe motherhood. The initiative is based on the premise that achieving substantial and sustained reductions in maternal and neonatal mortality is critically dependent on the availability, accessibility and quality of maternal health care services, and therefore efforts must necessarily be focused on strengthening health-care systems.

101. Worldwide, under-five mortality rates are declining: under-five mortality decreased from 94 to 81 per 1,000 live births between 1990 and 2000. However, approximately 11 million children under five still die annually in developing countries, mostly from preventable diseases. Progress in the reduction of child mortality has slowed in some regions because of the effects of human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) and the resurgence of malaria and tuberculosis. Unsafe water, malnutrition, inadequate immunization, lack of education and lack of access to basic heath and social services are major contributing factors.

102. Among the initiatives that were launched to curb the scourge of major diseases, especially among children, is the Global Alliance for Vaccines and Immunizations. Officially launched in early 2000 at Davos, it aimed to combine public and private resources to ensure that all the world's children are protected against six core vaccine-preventable diseases: polio, diphtheria, whooping cough, measles, tetanus and tuberculosis.

103. Strategies for moving forward include:

- Establishing (or updating) national policies, standards and regulatory mechanisms for safe motherhood; and developing systems to ensure their implementation;
- Promoting appropriate community practices in support of safe motherhood and the reduction of under-five mortality;
- Monitoring maternal and newborn health care status and access to services;
- Supporting programmes for immunization and vaccination, the use of oral rehydration therapy, nutrition and water and sanitation interventions.

GOAL: To have, by 2015, halted and begun to reverse the spread of HIV/AIDS, the scourge of malaria and other major diseases that afflict humanity

104. Approximately three million people died of AIDS in 2000 alone, and some 36 million people are currently living with HIV/AIDS. By the end of 2000, the global HIV/AIDS catastrophe had claimed nearly 22 million lives. Multi-drug resistant tuberculosis is increasing in many countries, due to poor treatment practices. Eight million people develop active tuberculosis and nearly two million die annually. Over 90 per cent of cases and deaths are in developing countries. Tuberculosis is also the leading cause of death in people with HIV/AIDS. Malaria is another major concern. Each year, one million people die from malaria, and the number has been increasing over the past two decades. The deterioration of health systems, growing resistance to drugs and

insecticides, environmental changes and human migration, which have led to an increase in epidemics, all contribute to the worsening global malaria problem.

105. In recent years, Governments have demonstrated an increased political and financial commitment to tackling HIV/AIDS, malaria, tuberculosis and other priority health problems. They recognize the impact of these illnesses on poor people's ability to emerge from poverty, and on prospects for national economic growth. The Roll Back Malaria Campaign and the Stop Tuberculosis Initiative were global initiatives undertaken to help curb the scourge of these major diseases.

106. At the special session of the General Assembly on HIV/AIDS, held in June 2001, Governments acknowledged that prevention of HIV infection must be the mainstay of national, regional and international responses to the epidemic. They also recognized that prevention, care, support and treatment for those infected and affected by HIV/AIDS are mutually reinforcing elements of an effective response and must be integrated in a comprehensive approach to combat the epidemic.

107. The Global AIDS and Health Fund is an instrument to raise international attention on the global health crisis, and to translate that attention into political support and financial commitments. The Fund intends to help reverse the spread of HIV/AIDS, tuberculosis and malaria, and to reduce the consequences of these illnesses. The aim is to have the Fund operational by the end of the year.

108. Strategies for moving forward include:

- Achieving a target of $7 to $10 billion in total spending on HIV/AIDS from all sources, including affected countries;
- Urging the international community to support the Global AIDS and Health Fund;
- Strengthening health-care systems and addressing factors that affect the provision of HIV-related drugs, including anti-retroviral drugs and their affordability and pricing;
- Supporting and encouraging the involvement of local communities in making people aware of such diseases;
- Urging national Governments to devote a higher proportion of resources to basic social services in poorer areas since this is crucial for preventing diseases;
- Supporting other initiatives based on partnerships with the private sector and other partners in development.

GOAL: To provide special assistance to children orphaned by HIV/AIDS

109. Some 13 million children have been orphaned as a result of HIV/AIDS, over 90 per cent of them in sub-Saharan Africa. It is expected that the number of AIDS orphans will rise to approximately 40 million in the next two decades in sub-Saharan Africa alone. The mechanisms causing and reinforcing poverty are changing due to AIDS because the majority of people living with and dying from AIDS are in the prime of life. As a result, in some areas of the world, a significant part of a generation is disappearing and leaving behind the elderly and children to fend for themselves. The cost of AIDS in rural areas is particularly high because HIV-infected urban dwellers return to their villages for care when they fall ill, which places pressure on women and a tremendous strain on rural household resources. The Interagency Task Team on Orphans and Vulnerable Children has been set up in order to define the strategy and action plan for providing effective United Nations support to orphans and children made vulnerable by HIV/AIDS.

110. Strategies for moving forward include:

- Mobilizing and strengthening community and family-based actions to support orphaned and vulnerable children;
- Ensuring that Governments protect children from violence, abuse, exploitation and discrimination;
- Ensuring that Governments provide essential quality social services for children and that orphans and children affected by HIV/AIDS are treated on an equal basis with other children;
- Expanding the role of schools as community resource and care centres.

GOAL: To encourage the pharmaceutical industry to make essential drugs more widely available and affordable by all who need them in developing countries

111. In recent years, the pharmaceutical industry has become increasingly involved in specific programs to make cheap or free drugs available for such diseases as AIDS, malaria, leprosy, meningitis, lymphatic filariasis, trachoma and tuberculosis. In May 2000, a partnership was launched between five major pharmaceutical companies and the United Nations to increase developing country access to HIV medicines, including sharp reductions in prices for anti-retroviral drugs. Technical assistance provided though this initiative has supported the development of HIV care and support plans in some 26 countries. So far, in 13 of these countries, agreements for the supply of discounted drugs have been reached with suppliers. A request for expressions of interest open to both research and development pharmaceutical companies and generic drug producers has been issued as part of the United Nations efforts to expand access to HIV medicines.

112. The fifty-fourth World Health Assembly, held in May 2001, called upon the international community to cooperate in strengthening pharmaceutical policies and practices in order to promote the development of domestic industries. The Assembly further referred to the need for voluntary monitoring and reporting of drug prices in order to improve equity of access to essential drugs in the international system. The Assembly requested that the United Nations encourage the development of drugs for diseases affecting poor countries, and work to enhance the study of existing and future health implications of international trade agreements. Earlier in the year, the United Nations undertook discussions with of some of the world's leading pharmaceutical companies to agree on what further steps need to be taken to expand access to HIV prevention and care, including access to HIV-related medicines for developing countries.

113. In June 2001, at the special session of the General Assembly on HIV/AIDS, Member States recognized that the availability and affordability of drugs and related technology are significant factors to be addressed. They also recognized the need to reduce the cost of these drugs and technologies, in close collaboration with the private sector and pharmaceutical companies. In the Declaration of Commitment,[28] the General Assembly called for the development of and progress in implementing comprehensive care strategies, including the financing plans and referral mechanisms required to provide access to affordable medicines, diagnostics and related technologies.

114. At the special session, the General Assembly welcomed national efforts to promote innovation and develop domestic industries consistent with international law, which will increase access to medicines for all. the General Assembly stressed the need to evaluate the impact of international trade agreements on local manufacturing of essential drugs, the development of new drugs and obtaining access to them.

115. During recent years, a number of governing bodies and other forums have called for the examination of trade agreements and their role in supporting access to medicines. The most important trade agreement concerning access to medicines is the Agreement on Trade-Related Aspects of Intellectual Property (TRIPS).[29] TRIPS provides global norms for intellectual property protection, including a minimum 20-year patent term that also applies to medicines. However, TRIPS also accords Governments the flexibility to address social interests, such as access to medicines, for example by allowing Governments to issue compulsory licenses that effectively override the exclusive control that patents can give to the inventor of new drugs. In June 2001, the TRIPS Council of the World Trade Organization (WTO) convened a special discussion day on TRIPS and health. This discussion, focusing on how to ensure greater access to life-saving drugs in developing countries while at the same time supporting innovation of new drugs and technologies, is likely to continue at the next round of WTO ministerial-level trade talks.

116. With some 95 per cent of HIV-positive people living in developing countries and the severe deprivation of medicines in many of those countries, the United Nations system is redoubling its approach to greatly expand access to medicines in developing countries, in particular the hard-hit least developed countries.

117. Strategies for moving forward include:

- Strengthening health systems for the provision of essential medicines;
- Increasing affordability through differential pricing and the reduction or elimination of import duties, tariffs and taxes;
- Mobilizing sustainable financing to support the costs of expanded access to drugs in poor countries;
- Exploring the feasibility, in collaboration with non-governmental organizations and other concerned partners, of developing and implementing systems for the voluntary monitoring and reporting of global drug prices;
- Urging drug companies not only to reduce prices of essential drugs but also to improve the distribution of life-saving drugs, especially in least developed countries;
- Utilizing non-traditional and innovative mechanisms to increase the effective distribution of drugs to those who need them;
- Ensuring further evaluation and assessment of international trade agreements that affect the availability of essential drugs;
- Increasing research and development of advanced medications for those diseases that primarily affect developing countries.

GOAL: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers, as proposed in the "Cities without slums" initiative

118. During the next generation, the global urban population will double from 2.5 billion to 5 billion people. Almost all of the increase will be in developing countries. Recent figures show that a quarter of the world's population who live in cities do not have adequate housing and often lack access to basic social services, such as access to clean and safe water and sanitation.

119. The increasing concentration of population and economic activity in large cities in developing countries tends to increase poverty and squatter settlements. Slums lack basic municipal services, such as water, sanitation, waste collection and drainage systems. They create intense pressure on local resources, ecosystems and environments, creating a need for well organized and efficient social services, transportation, waste management and pollution control.

Intervening at the city level can help reduce poverty, partly because the economies of scale that are possible make the provision of services cost-effective.

120. The United Nations has joined forces with other development partners to respond to this challenge through major initiatives, such as Cities Without Slums; the Global Campaign for Secure Tenure, which aimed to achieve demonstrated progress towards adequate shelter for all with secure tenure and access to essential services in every community by 2015; the Global Campaign on Urban Governance; and Managing Water for African Cities.

121. Strategies for moving forward include:

- Ensuring support from the international community for the provision of basic social services, such as safe water and sanitation, to the urban poor;
- Ensuring the development of integrated and participatory approaches to urban environmental planning and management;
- Ensuring good urban governance and planning by forging public-private partnerships.

GOAL: To promote gender equality and the empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable

122. Women are still the poorest of the world's poor, representing two thirds of those living under a dollar a day. When such a large proportion of women live on incomes of less than $1 a day, the relationship between being female and being poor is stark. Over the past two decades, the number of rural women living in absolute poverty has risen by 50 per cent, as opposed to 30 per cent for men. To change this severe inequality, women will need to gain control over financial and material resources, and will also need access to opportunity through education.

123. In the five-year review of the Beijing Platform for Action, Governments committed themselves to removing all discriminatory provisions in legislation and eliminating legislative gaps that leave girls and women without effective legal protection and recourse against gender-based discrimination by 2005.

124. In 1999, at the five-year review of the International Conference on Population and Development (ICPD+5), a total of 177 Member States adopted "Key actions for the further implementation of ICPD", calling on Governments to protect and promote women's and girls' human rights through the implementation and enforcement of gender-sensitive legislation and policies.

125. Strategies for moving forward include:

- Urging greater efforts in the areas of maternal mortality, the prevention of HIV/AIDS and gender sensitivity in education;
- Advocating women's empowerment in employment;
- Supporting the inclusion of women in government and other decision-making bodies at a high level.

GOAL: To develop and implement strategies that give young people everywhere a real chance to find decent and productive work

126. The youth population of the world amounts to more than one billion men and women. Their numbers are expected to grow by more than 100 million to reach almost 1.2 billion by 2010, more than half of them in Asia and the Pacific. Youth also make up more than 40 per cent of the world's total unemployed. There are an estimated 66 million unemployed young people in the world today, an increase of nearly 10 million since 1995.

127. In 2000, the United Nations system established the High-Level Policy Network on Youth Employment, drawing on the most creative leaders in the private industry, civil society and economic policy. The aim is to explore imaginative approaches in creating opportunities for youth. National plans of action in selected countries will be developed. Reporting mechanisms for monitoring progress will be proposed for all organizations involved. In addition to developing policy recommendations, the Network is expected to mobilize public opinion and action in favour of youth employment.

128. Strategies for moving forward include:

- Ensuring employability through increased investment in education and vocational training for young people;
- Ensuring equal opportunities by giving girls the same opportunities as boys;
- Facilitating entrepreneurship by making it easier to start and run enterprises.

GOAL: Success in meeting these objectives depends, inter alia, on good governance within each country. It also depends on good governance at the international level and on transparency in the financial, monetary and trading systems. We are committed to an open, equitable, rule based, predictable and non-discriminatory multilateral trading and financial system. We are also concerned about the obstacles developing countries face in mobilizing the resources needed to finance their sustained development. We will therefore make every effort to ensure the success of the International Conference on Financing for Development

129. While there have been some considerable improvements in human as well as economic development, some real challenges still remain. Developing nations need immediate help in addressing issues in finance, trade and governance.

130. In March 2002, the United Nations will convene the International Conference for Financing for Development in Monterrey, Mexico. At the Conference, the United Nations will call upon the international community to strongly support the key elements in international development and cooperation described below in order to strengthen the position of developing nations in today's globalizing world.

Domestic resource mobilization

131. The mobilization of domestic resources is the foundation for self-sustaining development. Domestic resources play the main role in financing domestic investment and social programmes, which are essential for economic growth and making permanent gains in eradicating poverty. However, conditions within the economy must be conducive to saving and investment spending. A sound fiscal policy, responsible social spending and a well functioning and competitive financial system are the elements of good governance that are crucial to economic and social development.

Increase in private capital flows

132. Foreign capital can provide a valuable supplement to the domestic resources that a country can generate. Large sums of capital cross national borders in the form of foreign direct investment (FDI), both long-term flows and short-term flows (portfolio flows). The international capital markets constitute a further vast pool of funds from which countries can draw. FDI is now the largest form of private capital inflow to developing countries. World flows of FDI increased fourfold between 1990 and 1999, from $200 billion to $884 billion, and its ratio to GDP is generally rising in developing countries. FDI flows are less in countries in conflict or those that do not have an attractive investment climate. For example, 15 emerging economies, mainly in East Asia, Latin America and Europe, accounted for 83 per cent of all net long-term private capital flows to developing countries in 1997. Sub-Saharan Africa received only 5 per cent of the total.

133. While private capital cannot alleviate poverty by itself, it can play a significant role in promoting growth. However, its provision needs to be organized in such a way that reduces vulnerability to crises. Recent trends indicate that capital flows to emerging economies, particularly those in East Asia, were short-term capital flows, which are volatile in nature. The absence of a sound financial system makes nations particularly vulnerable to short-term flows, leading to financial crises. Facilitating financial capital formation in an economy, whether domestic or otherwise, requires a sound domestic environment.

134. Strategies for moving forward include:

- Good governance that is based on participation and the rule of law, with a strong focus on combating corruption and appropriate safeguards for private investment;
- Disciplined macroeconomic policies and fiscal policy, including clear goals for the mobilization of tax and non-tax revenues;
- Responsible public spending on basic education and health, the rural sector and women;
- Well functioning and diverse financial systems that allocate savings to those capable of investing efficiently, including microfinance borrowers, women and the rural sector;
- A just investment policy that treats domestic as well as foreign investors fairly and reduces vulnerability to financial crises.

Increase in official development assistance

135. Official development assistance (ODA) is still a key source of finance, especially for least developed countries that lack the infrastructure necessary to attract private capital flows. Net ODA to developing nations declined from 58.5 billion in 1994 to 48.5 billion in 1999. This decline has come at a time when ODA should have gone up substantially, taking into account that a clear programmatic basis for development cooperation was put forward in a cycle of major United Nations conferences. Furthermore, an increasing number of developing countries undertook major reforms in economic and political governance, and the fiscal situation in donor countries had improved significantly.

136. Strategies for moving forward include:

- A commitment by the industrial countries at the International Conference on Financing for Development to implement the target of providing ODA equal to 0.7 per cent of their gross national product (GNP);
- Distinguishing between the portion of ODA spent on development and that spent on humanitarian assistance so as to help prevent the erosion of development assistance in favour of humanitarian assistance;
- Allocation of ODA by donor nations to countries that need it most, and to those countries whose policies are effectively directed towards reducing poverty.

Increase in trade

137. Trade is an important engine of growth. Not only is it an important foreign exchange earner but it also has multiplier effects by generating income through employment. Eight rounds of multilateral negotiations have done much in the past half-century to dismantle tariff and non-tariff barriers to trade. But by far the main beneficiaries of trade liberalization have been the industrialized countries. Developing countries' products continue to face significant impediments in rich countries' markets. Basic products in which developing countries are highly competitive are precisely the ones that carry the highest protection in the most advanced countries. These include not only agricultural products but also some industrial products. In the 1990s, growth in

trade has been the strongest among upper-middle-income economies, whose share of world trade in goods grew from 8 to 11 per cent between 1990 and 1998. Their ratio of trade to gross domestic product (GDP) measured in purchasing power parity (PPP) terms now stands at more than 25 per cent. But too many countries have been left out. The share of the poorest 48 economies unfortunately has remained nearly constant, at about 4 per cent.

138. Strategies for moving forward include:

- Ensuring that developed nations fully comply with the commitments they made under the Uruguay Round of multilateral trade negotiations to improve market access for products from developing countries;
- Ensuring significant improvement in market access in developed countries for agricultural products from developing countries;
- Eliminating the remaining trade barriers in manufacturing, especially on textiles and clothing;
- Providing for limited, time-bound protection of new industries by countries that are in the early stages of development;
- Capacity-building and technical assistance for trade negotiations and dispute settlements;
- Ensuring that the next round of trade negotiations is truly a development round.

GOAL: Address the special needs of the least developed countries, and in this context welcome the Third United Nations Conference on the Least Developed Countries, held in May 2001, and ensure its success. The industrialized countries are called on:

(a) To adopt, preferably by the time of that conference, a policy of duty- and quota-free access for essentially all exports from the least developed countries;

(b) To implement the enhanced programme of debt relief for the heavily indebted poor countries without further delay, and to agree to cancel all official bilateral debts of those countries in return for their making demonstrable commitments to poverty eradication;

(c) To grant more generous development assistance, especially to countries that are genuinely making an effort to apply their resources to poverty reduction

139. The Third United Nations Conference on the Least Developed Countries, held in May 2001, adopted a programme of action that provides a framework for a global partnership to accelerate sustained economic growth and sustainable development in least developed countries. The least developed countries and their partners are committed to fostering a people-centred policy framework; good governance at the national and international levels; building productive capacities to make globalization work for least developed countries; enhancing the role of trade in development; reducing vulnerability and protecting the environment; and mobilizing financial resources.

140. The programme of action recognizes the important role that Governments, civil society and the private sector have to play in its implementation and follow-up, through stronger public-private partnerships. There is a critical need for an effective mechanism to support intergovernmental review and follow-up of the implementation of the programme of action; to mobilize the United Nations system, as well as other relevant multilateral organizations; and to facilitate substantive participation of least developed countries in appropriate multilateral forums. The Secretary-General has been requested to submit to the General Assembly, at its fifty-sixth session, his recommendations for an efficient and highly visible follow-up mechanism.

Duty- and quota-free access for essentially all exports from least developed countries

141. During the 1970s, several advanced economies introduced preferential market access schemes for developing countries. The EU and Japan introduced their Generalized System of Preferences (GSP) programmes in 1971, Canada in 1974 and the United States in 1976. Currently, there are 15 GSP schemes throughout the world. Under the System, developed countries (GSP donor countries) have applied, on a voluntary and unilateral basis, preferential tariff rates to imports from developing countries (GSP beneficiaries). Numerous other countries have also introduced preferential market access schemes for least developed countries. However, they usually exempt many products, such as agriculture and textiles, that are deemed sensitive by developed nations.

142. Recently, the EU announced that the Everything But Arms (EBA) initiative will grant duty- and quota-free access for essentially all non-military exports from the 49 least developed countries. This initiative proposes to remove all tariffs and quotas on all imports from least developed countries except arms. EBA came into effect for most products on 5 March 2001, except for sugar, rice and bananas. The gesture will help to rebuild confidence in the ability of the multilateral trade system and WTO to reflect the needs of all its members. Other developed nations are being urged to follow this example set by the EU.

143. Strategies for moving forward include:

- Strengthening efforts to integrate trade policies into national development policies towards poverty eradication;
- Assisting least developed countries in capacity-building in trade policy and related areas, such as tariffs, customs, competition and investment in technology;
- Continuing to work towards the objective of duty-free and quota-free market access for all least developed countries' products, excluding arms;
- Assisting least developed countries in upgrading their production and export capacities and capabilities;
- Continuing to improve the generalized system of preferences for least developed countries by reducing administrative and procedural complexities.

Debt relief

144. In September 1996, the Interim and Development Committees of the International Monetary Fund (IMF) and the World Bank endorsed the Heavily Indebted Poor Countries (HIPC) Initiative to provide relief to eligible countries once they meet a range of conditions that should enable them to service the residual debt through export earnings, aid, and capital inflows. The HIPC Initiative requires debtor countries to pursue macroeconomic adjustment and structural and social policy reforms and provide for additional finance for social sector programmes, primarily basic health and education.

145. Following a comprehensive review of the HIPC Initiative, a number of modifications were approved in September 1999 to provide faster, deeper and broader debt relief to 41 countries classified as HIPCs and strengthen the links between debt relief and poverty reduction, the assumption being that debt relief would release fiscal resources to allow these countries to improve human development.

146. A total of 22 countries reached their decision point by end-December 2000 and therefore qualify for debt relief under the enhanced HIPC Initiative. The HIPC Initiative will reduce the debt stock of the 22 countries by almost two thirds, from $53 billion in net current value terms to roughly $20 billion. Of the 22 countries that have qualified for debt relief, 17 are African least developed countries. There are 11 more least developed countries that face an unsustainable debt

burden according to HIPC criteria, most of which are affected by conflicts. However, under current procedures it may take several years before those countries are able to fulfil the conditions required to receive debt relief. In addition, there are several debt-stressed least developed countries that are not defined as HIPCs. The international community must act quickly to relieve these least developed countries of their debt burden. There is also a risk that the financial resources released by debt relief will not be fully additional. For 14 of the 17 African least developed countries which have qualified for debt relief, official flows fell considerably between 1996 and 1999.

147. Strategies for moving forward include:

- Encouraging donors to mobilize resources to finance debt relief;
- Ensuring that debt relief is additional and not an alternative to other forms of development assistance;
- Taking measures to enhance a national policy framework that contributes effectively to poverty eradication and promotes faster economic growth;
- Designing and implementing nationally owned development policies and strategies, including, where appropriate, poverty reduction strategy papers, with the full participation of stakeholders;
- Pursuing measures to promote the cancellation of official bilateral debt.

Official development assistance

148. Compared to the goal of 0.15 to 0.20 per cent of GNP as ODA to least developed countries, as adopted at the Second United Nations Conference on the Least Developed Countries in 1990, actual ODA flows were 0.06 per cent in 2000. While the cutback in ODA has affected a large number of developing countries, it has hit Africa and Asia especially hard. Net ODA disbursements from Governments and multilateral institutions to Africa fell by more than a quarter from $25.1 billion in 1990 to $18.5 billion in 1998, while flows to Asia dropped from $19.5 billion to $16.1 billion during the same period. Many of the least developed countries have suffered a severe decline, particularly in terms of ODA received per capita. Seven countries in this group, all from Africa, recorded a drop of more than 50 per cent in net ODA receipts per capita between 1990 and 1998, 20 countries saw a fall of between 25 per cent and 50 per cent and 13 countries registered a decline of up to 25 per cent.

149. Since ODA is necessary to build the infrastructure necessary to attract foreign capital, direct or otherwise, if Governments are to achieve the goals for 2015 and if sustained and sustainable economic growth is to become the norm in all developing countries, substantially larger amounts of ODA will be needed.

150. Strategies for moving forward include:

- Urging bilateral and multilateral development agencies to take steps towards making their aid programmes more efficient and responsive to the needs of least developed countries;
- Supporting further institutional reforms to increase transparency and dialogue at the bilateral and multilateral levels;
- Urging donor nations to fulfil their commitments towards increased assistance to the least developed countries;
- Establishing information systems to monitor the use and effectiveness of ODA.

GOAL: Resolve to address the special needs of small island developing States by implementing the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General

Assembly rapidly and in full. Urge the international community to ensure that, in the development of a vulnerability index, the special needs of small island developing States are taken into account

151. Small island developing States vary enormously according to distinct bio-physical, sociocultural and economic characteristics. Their efforts for sustainable development, however, are constrained by common disadvantages, such as limited natural resources, fragility of ecosystems and vulnerability to natural hazards. All except five of the small islands have a land area of less than 30,000 square kilometres. Many small island developing States are located in the tropics and fall within the influence of tropical storms and cyclones. Therefore, they are prone to extreme weather events. Economic activities are frequently dominated by specialized agriculture (e.g., sugar) and by tourism, both of which are influenced by climatic factors. The small islands face difficulties in gaining concessions based on the recognition of their structural disadvantages. The small island developing States unfortunately face a paradox as they are increasingly regarded as relatively prosperous nations based on their national income indicators even though those numbers do not reflect their actual economic and environmental vulnerability.

152. The Programme of Action for the Sustainable Development of Small Island Developing States[30] identified a number of priority areas in which specific actions are needed at the national, regional and international levels, including vulnerability to climate change, management of wastes, management of coastal and marine resources, and management of energy, freshwater and land resources.

153. Several indicators developed within or outside the United Nations have demonstrated the vulnerability of small island developing States to external shocks beyond their control. Particularly relevant to the problems of economic instability of small island developing States is the economic vulnerability index covering 128 developing countries (including most small island developing States). The index shows that small island developing States are (a) highly unstable economically as a result of natural and economic shocks, and (b) greatly handicapped as a result of their small size.

154. Since the twenty-second special session of the General Assembly, several global events, such as the Tenth United Nations Conference on Trade and Development and the Third United Nations Conference on the Least Developed Countries, have recalled the fragility of small island developing States in the globalizing economy. In this context, progress has been made towards a consensus on the importance, for small island developing States, of gaining recognition on the grounds of vulnerability in key international arenas where concessions are already granted to other categories, such as the least developed countries (in WTO) or low-income countries (in the World Bank).

155. Strategies for moving forward include:

- Ensuring progress towards a special and differential treatment of small island developing States in the financial and trade-related spheres;
- Supporting and assisting small island developing States in specific aspects of multilateral trade negotiations;
- Supporting any additional efforts necessary towards the implementation of the Programme of Action for the Sustainable Development of Small Island Developing States.

GOAL: Recognize the special needs and problems of landlocked developing countries, and urge both bilateral and multilateral donors to increase financial and technical assistance to this group of countries to meet their special development needs and to help

them overcome the impediments of geography and by improving their transit transportation system

156. Landlocked developing countries are negatively affected by the high cost of their exports and imports. According to the latest available figures (1997), while freight costs represented approximately 4.4 per cent of the cost including freight (c.i.f.) import values for developed countries and about 8 per cent for developing countries as a group, for the landlocked countries in West Africa they represented approximately 24.6 per cent, for those in East Africa they represented about 16.7 per cent and for those in Latin America they represented approximately 14.6 per cent of c.i.f. import values. The high level of international transport costs facing landlocked countries is explained also by the fact that their exports incur additional costs in the country or countries of transit (customs clearance fees, road user charges etc.). The high transport costs of landlocked countries imports impose a significant economic burden on the economies of landlocked countries in the form of inflated prices of both consumer and intermediate inputs, such as fuel.

157. Strategies for moving forward include:

- Ensuring that landlocked and transit developing countries and the donor community cooperate in the implementation of the Global Framework for Transit-Transport Cooperation;
- Assisting landlocked countries in developing efficient and flexible transport systems;
- Urging donors and international financial and development agencies to promote innovative financial mechanisms to help landlocked countries meet their infrastructure financing and management needs.

GOAL: Deal comprehensively and effectively with the debt problems of low- and middle-income developing countries, through various national and international measures designed to make their debt sustainable in the long run

158. The situation of middle-income countries and the few low-income countries which have had access to international capital markets and thus have a mix of official and private creditors is fairly complex and cannot be generalized. Many of them have heavy debt-servicing obligations, measured as a percentage of their foreign exchange earnings and/or budgetary revenue.

159. Some of these non-HIPC countries have had to seek a restructuring of their external debt-servicing obligations in recent years. While there are established procedures for helping such countries to restructure their debts and receive temporary international liquidity, the mechanisms have been evolving and further change can be expected. The Paris Club is usually at the centre of debt restructurings and it may well remain key in this regard. While it is taking steps to improve the availability of information on its proceedings, the need remains for clearer principles and more transparent mechanisms for working out debt problems, and new complementary approaches may be required.

160. Strategies for moving forward include:

- Urging all creditors to developing countries to support measures to ensure that debt financing becomes an integral part of their development efforts and not a hindrance to them;
- Ensuring better coordination between private and public creditors in debt workouts of debtor nations;
- Preventing the accumulation of excessive debt or the "bunching" of debt-servicing obligations over a short period of time so as to ensure that debt financing plays a constructive role in development finance.

GOAL: To ensure that the benefits of new technologies, especially information and communication technologies, in conformity with the recommendations contained in the ministerial declaration adopted by the Economic and Social Council at the high-level segment of its substantive session of 2001[31] are available to all

161. Information and communication technologies (ICTs) can be potent instruments for accelerating broad-based growth and sustainable development and for reducing poverty. Vast regions of the world are increasingly lagging behind in connectivity and access to global information flows and knowledge and are thus marginalized from the emerging global knowledge-based economy. While in the United States nearly 60 per cent of the population are online, the percentage of the population online is only 0.02 per cent in Bangladesh, 0.36 per cent in Paraguay and 0.65 per cent in Egypt. Worldwide, 410 million people are online, but only 5 per cent of those are in Africa or Latin America. At the high-level segment of its substantive session of 2001, the Economic and Social Council expressed profound concern that the huge potential of ICT for advancing development, in particular of the developing countries, has not yet been fully exploited.

162. To address this problem, the Council proposed the establishment of an ICT task force that would lend a truly global dimension to the multitude of efforts to bridge the global digital divide, foster digital opportunity and thus put ICT at the service of development for all. The task force has been established and will be formally launched in September 2001.

163. Strategies for moving forward include:

- Promoting universal and affordable access to ICT and assisting Member States in creating ICT for development strategies;
- Supporting human resources development and institutional capacity-building;
- Building partnerships, including with the private sector.

IV. Protecting our common environment

164. One of our greatest challenges in the coming years is to ensure that our children and all future generations are able to sustain their lives on the planet. We must tackle, as a matter of priority, issues of climate change, preserving biodiversity, managing our forests and water resources and reducing the impacts of natural and man-made disasters. If we do not act to contain the damage already done and mitigate future harm, we will inflict irreversible damage on our rich ecosystem and the bounties it offers.

GOAL: To make every effort to ensure the entry into force of the Kyoto Protocol,[32] preferably by the tenth anniversary of the United Nations Conference on Environment and Development in 2002, and to embark on the required reduction in emissions of greenhouse gases

165. In 1997, the world released 23.8 billion tons of carbon dioxide (CO_2), the most important of the greenhouse gases. Almost half of those emissions were from high-income economies. That level is four times the 1950 level and is currently increasing at a rate of nearly 300 million tons annually. Population growth, increasing consumption and the reliance on fossil fuels all combine to drive up the release of greenhouse gases, leading to global warming. According to the Intergovernmental Panel on Climate Change, increases in greenhouse gases have already caused a temperature rise of 0.3 to 0.6 degrees Celsius during the last 100 years. There has been a sharp upward trend in temperatures in the last 10 years, and the years since 1993 have been the hottest on record. If nothing is done to control greenhouse gas emissions, the global average temperature could rise by a further 0.4 degrees Celsius by the year 2020. Global warming could result in sea

levels rising by 34 inches by the end of the twenty-first century, flooding human coastal and island settlements and melting the polar ice caps.

166. The Kyoto Protocol aims to reduce emissions of greenhouse gases by industrialized nations to 5.2 per cent below 1990 levels within the period 2008 to 2012. Greenhouse gas emissions in industrialized countries have fallen during the period 1990 to 1998, particularly due to the economic changes in the Russian Federation, other parts of the former Soviet Union and Eastern Europe. Negotiations are ongoing to implement the United Nations Framework Convention on Climate Change[33] signed at the United Nations Conference on Environment and Development (UNCED) and to bring into force the 1997 Kyoto Protocol.

167. To come into force, the Kyoto Treaty requires the ratification of 55 countries, which must also be responsible for at least 55 per cent of CO_2 emissions. As of 14 August 2001, 37 of the 84 countries that have signed the Kyoto Protocol have ratified it. It is still possible for Governments to meet the target of entry into force by the opening of the World Summit on Sustainable Development in September 2002.

168. Formal discussions among the parties to the United Nations Framework Convention on Climate Change were held at the resumed sixth Conference of the Parties, held in Germany in July 2001. The Conference approved rules for implementing the Kyoto Protocol to cut greenhouse gas emissions. The consensus agreement won the backing of 178 nations. Among the incentives that secured the agreement was a provision for developed countries to engage in emissions trading. The idea behind emissions trading is that companies and countries that cut emissions below their assigned target level will have excess credits to sell. Industrialized nations and companies that cannot reach their emissions quotas may find it cheaper to buy the excess credits than install new pollution-abatement equipment. Such a market-based mechanism is expected to direct limited investment money to the most cost-effective emissions-reduction projects. Lawmakers from the nations attending the meeting will consider the implementation measures when they vote on formal ratification.

169. Current United Nations initiatives in support of greenhouse gas reduction include the Intergovernmental Panel on Climate Change, which carries out assessments of the science of climate change as well as its potential socio-economic consequences. The Global Environment Facility (GEF) helps countries to mitigate and adapt to climate change.

170. The World Summit on Sustainable Development, to be held in Johannesburg in September 2002, will constitute the 10-year review of UNCED. A focused agenda should foster discussion of findings in particular environmental sectors (forests, oceans, climate, energy, fresh water, etc.) as well as in cross-sector areas, such as economic instruments, new technologies and globalization. The Summit must also consider fully the impact of the revolutions in technology, biology and communications that have taken place since 1992. Private citizens as well as institutions are urged to take part in the process. Broad participation is critical. If further action is to be effective in achieving the ultimate goal of sustainability, Governments cannot work alone.

171. For the immediate future, the most important effort is to ensure that the Kyoto Protocol is ratified by 55 nations responsible for at least 55 per cent of the CO_2 emissions in 1990. The United Nations will also encourage the parties to the Convention on Climate Change to introduce instruments and procedures to restrict greenhouse gas emissions and to provide technical means to developing countries to do so.

172. Strategies for moving forward include:

- Ensuring the ratification of the Kyoto Protocol;
- Developing a clear framework to elicit voluntary initiatives from the private sector by giving credit to voluntary actions that reduce greenhouse gas emissions;
- Encouraging initiatives that will help reduce the vulnerability of the poor and strengthen their adaptive capacity to deal with the adverse impacts of climate change;
- Encouraging new partnerships and strengthening of institutions to deal with the adverse impact of climate change.

GOAL: To intensify our collective efforts for the management, conservation and sustainable development of all types of forests

173. Forests and woodlands are vital to the social and economic well-being of people. They provide a wide range of products for economic development as well as subsistence for millions of people, including indigenous people, who live in and around forests. Furthermore, forests also provide indispensable environmental services, such as soil and water conservation, the preservation of biological diversity and the mitigation of climate change through carbon storage and sequestration.

174. As of 2000, 3.9 billion hectares (ha) of land, about one third of the world's total land area, are covered by forests, 17 per cent in Africa, 14 per cent in Asia, 5 per cent in Oceania, 27 per cent in Europe, 14 per cent in North and Central America and 23 per cent in South America.

175. Forest resources contribute to the subsistence of communities and economies, but many current forms of usage are unsustainable. The world's natural forests continue to be converted to other land uses at an alarming rate. Currently, deforestation is greatest in the tropics. The global deforestation rate is estimated to be about 14.6 million ha per year. Major causes of deforestation and forest degradation include agricultural expansion and the harvesting of fuel wood. Half of the wood harvested in the world is used as fuel, mostly in developing countries. In developed nations, forest resources are used mainly for industrial products. Only 6 per cent of the forest area in developing countries is covered by a formal and nationally approved forest management plan, compared with 89 per cent in developed countries.

176. Forest policy deliberations, initially conducted by the Intergovernmental Panel on Forests and the Intergovernmental Forum on Forests, subsidiary bodies of the Commission on Sustainable Development, are now carried out by their successor, the United Nations Forum on Forests (UNFF), itself a subsidiary body of the Economic and Social Council. The Collaborative Partnership on Forests, consisting of 12 multilateral forest-related organizations, has also been formed to support the activities of UNFF.

177. Strategies for moving forward include:

- Enhancing cooperation and coordination on forest-related issues among relevant international and regional organizations, as well as public-private partners;
- Strengthening political commitment to the management, conservation and sustainable development of all types of forests, including the special needs and requirements of countries with low forest cover.

GOAL: To press for the full implementation of the Convention on Biological Diversity[34] and the Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa[35]

178. The world's biological diversity is being lost at an alarming rate. For example, of the 1.75 million species that have been identified it is estimated that 3,400 plants and 5,200 animal species, including one in eight bird species and nearly one in four mammal species, face extinction.

179. The 1992 Convention on Biological Diversity has 181 States parties as of 14 August 2001, and commits Governments to conserve biodiversity, to use its components in a sustainable manner and to share equitably the benefits arising from the use of genetic resources. Despite this, the world's biological diversity is being irreversibly lost at an alarming rate, as a result of large-scale clearing and burning of forests; the overharvesting of plants; the indiscriminate use of pesticides and other persistent toxic chemicals; the draining and filling of wetlands; the loss of coral reefs and mangroves; destructive fishing practices; climate change; water pollution; and the conversion of wild lands to agricultural and urban uses.

180. There is a clear need for additional resources to assess status and trends on biological diversity and to mainstream biodiversity concerns into sectoral and cross-sectoral planning, policies and projects. The issue of further scientific assessment of living modified organisms resulting from modern biotechnology will require close attention.

181. The Cartagena Protocol to the Convention on Biological Diversity was adopted by more than 130 countries on 29 January 2000, in Montreal. Called the Cartagena Protocol on Biosafety in honour of the Colombian city which hosted the Conference of Parties to the Convention in Cartagena in 1999, the Protocol, upon entry into force, is expected to provide a framework for addressing the environmental impacts of bioengineered products or "living modified organisms" that cross international borders. The Cartagena Protocol will help to protect the environment without unnecessarily disrupting world food trade. As of 31 July 2001, the Cartagena Protocol on Biosafety has been signed by 102 countries and one regional economic organization — the European Community.

182. The United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, was negotiated after UNCED and it entered into force in December 1996. It stressed the need for a new grass-roots participatory approach to solving the problem of desertification. Desertification affects the topsoil that is crucial to agriculture and the world's food supply. This is predominantly due to overcultivation, poor irrigation, drought and overgrazing. The Convention emphasizes partnerships, both internationally and domestically, as well as the need to afford special consideration to those affected by desertification in developing countries.

183. Strategies for moving ahead include:

- Supporting the implementation of the Convention to Combat Desertification by taking measures that prevent land degradation and focus on new participatory approaches to solving the problem of desertification;
- Ensuring the universal ratification of the Convention on Biological Diversity and the Cartagena Protocol on Biosafety, as well as the harmonization and implementation of biodiversity-related instruments and programmes.

GOAL: To stop the unsustainable exploitation of water resources by developing water management strategies at the regional, national and local levels which promote both equitable access and adequate supplies

184. The supply of clean and safe water has not kept up with the increases in demand for it. Water tables are falling in every continent. Although 70 per cent of the world's surface is covered by water, only 2.5 per cent of the water on earth is freshwater. Less than 1 per cent of the world's freshwater resources is accessible for human use. Water use grew at more than twice the rate of

population during the twentieth century. In 2000, at least 1.1 billion people or 18 per cent of the world's population lacked access to safe water. If present trends in water consumption continue, almost 2.5 billion people will be subject to water shortages by 2050.

185. The United Nations played an active role in the World Water Forum held in The Hague in 2000, where discussions focused on strategies for the sustainable management of water resources and their related coastal and marine environments. These strategies are currently being implemented by various nations, with the active involvement of the United Nations, and include programmes for the management of freshwater systems and their related coastal and marine environments.

186. Strategies for moving ahead include:

- Conducting global assessments of priority aquatic ecosystems with a view to developing appropriate policy responses;
- Developing policies, guidelines and management tools for environmentally sustainable integrated water management;
- Helping developing countries and countries with economies in transition to use environmentally sound technologies to address urban and freshwater basin environmental problems;
- Ensuring a comprehensive review of chapter 18 of Agenda 21,[36] which is the main framework for United Nations activities in the management of freshwater resources, at the World Summit on Sustainable Development, to be held in Johannesburg in 2002;
- Ensuring that such measures as the "polluter pays" principle and the pricing of water, which were raised at the World Water Forum, are further examined.

GOAL: To intensify our collective efforts to reduce the number and effects of natural and man-made disasters

187. In 1999, natural disasters resulted in the loss of more than 100,000 human lives. If the projected impact of climate change on disasters is also factored into the equation, human and economic losses resulting from disasters will be significant unless aggressive measures are implemented to prevent the occurrence of or mitigate the effects of natural and man-made disasters.

188. There has been a major conceptual shift from the traditional emphasis on disaster *response* to disaster *reduction*. The International Decade for Natural Disaster Reduction (1990-1999) led to the International Strategy for Disaster Reduction and the establishment of an inter-agency task force and secretariat. Disaster reduction prevents, mitigates and prepares for the adverse impact of natural hazards and related environmental and technological disasters. It must be promoted as an urgent priority on the international development agenda.

189. Many countries, with the assistance of non-state actors, have begun to adopt initiatives, including the increased application of science and technology, designed to reduce the impact of natural hazards and related technological and environmental phenomena.

190. The Geneva Mandate on Disaster Reduction reaffirms the necessity for disaster reduction and risk management as essential elements of government policies. The International Strategy for Disaster Reduction will help societies in their endeavours to mitigate and to the extent possible to prevent the effects of natural hazards. Separately, the General Assembly mandated the Strategy to continue international cooperation to reduce the impacts of El Niño and other climate variability, and to strengthen disaster reduction capacities through early warning.

191. Strategies for moving ahead include:

- Supporting interdisciplinary and intersectoral partnerships, improved scientific research on the causes of natural disasters and better international cooperation to reduce the impact of climate variables, such as El Niño and La Niña;
- Developing early warning, vulnerability mapping, technological transfer and training;
- Encouraging Governments to address the problems created by megacities, the location of settlements in high-risk areas and other man-made determinants of disasters;
- Encouraging Governments to incorporate disaster risk reduction into national planning processes, including building codes.

GOAL: To ensure free access to information on the human genome sequence

192. In 2000, the publicly funded Human Genome Project and the commercial Celera Genomics Corporation jointly announced success in listing the sequence of the 3.1 billion bases of human DNA. But although the DNA sequence has been listed, decoding it or making it meaningful will take several more years. The Project, a multinational public-sector research consortium, has announced that its genome database will be made freely available on the Internet, but Celera is expected to charge royalties. The decoding of the human gene has brought the issue of patenting genes to the fore. The genome project is an excellent example of technology transfer at work, with numerous laboratories operating in at least 18 different countries. Although some biotechnology innovations originate in the South, most of the more complex biotechnology is still being advanced in developed countries.

193. In 1997, the United Nations Educational, Scientific and Cultural Organization (UNESCO) members unanimously signed the Universal Declaration on the Human Genome and Human Rights,[37] stating that the human genome in its natural state must not give rise to financial gains, and that no research concerning the human genome should prevail over respect for human rights. Also, practices contrary to human dignity, such as reproductive human cloning, should not be permitted and benefits from advances concerning the human genome must be made available to all. In addition, research concerning the human genome shall seek to offer relief from suffering and improve health.

194. Strategy for moving forward:

- Taking into account the UNESCO declaration of 1997, nations are urged to ensure free access to information on the human genome sequence.

V. Human rights, democracy and good governance

195. The United Nations exists to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, the equal rights of men and women, and the right of minorities and migrants to live in peace. All human rights — civil, political, economic, social and cultural — are comprehensive, universal and interdependent. They are the foundations that support human dignity, and any violations of human rights represent an attack on human dignity's very core. Where fundamental human rights are not protected, States and their peoples are more likely to experience conflict, poverty and injustice.

GOAL: To respect and fully uphold the Universal Declaration of Human Rights[38] and strive for the full protection and promotion in all countries of civil, political, economic, social and cultural rights for all

196. Currently, the ratification status of key international human rights treaties is as follows (numbers of countries which have ratified in parentheses): the International Covenant for Economic Social and Cultural Rights[39] (145), the International Covenant on Civil and Political Rights[40] (147); the International Convention on the Elimination of All Forms of Racial Discrimination[41] (158); the Convention on the Elimination of All Forms of Discrimination against Women[42] (168); the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment[43] (126), and the Convention on the Rights of the Child[44] (191).

197. While the increasing willingness of Governments to make these commitments should be applauded, the gulf between commitments and concrete action must still be bridged. People throughout the world remain victims of summary executions, disappearances and torture. Accuracy on numbers is difficult to ascertain because violations take place in too many countries of the world and are rarely reported. One of the very few measures available is the work of the special rapporteurs on human rights. For example, the number of letters sent by the Special Rapporteur on torture of the Commission on Human Rights might give a sense of the situation regarding torture but cannot describe the full magnitude of the problem: in 2000, 66 letters were sent to 60 countries on behalf of about 650 individuals and 28 groups involving 2,250 persons.

198. Thirty-eight countries have undertaken to adopt national plans of action for human rights, following the recommendation of the 1993 Vienna Declaration and Programme of Action,[45] and at least 14 countries have completed the process. More than 50 national human rights institutions have been established under the Paris principles, a detailed set of internationally recognized principles that provides minimum standards on the status and advisory role of national human rights institutions. The Paris principles were endorsed by the Commission on Human Rights in 1992 and the General Assembly in 1993, and have become the foundation and reference point for United Nations activity in this area. Since 1995 and the start of the Decade on Human Rights Education, at least 17 countries have undertaken national planning programmes and more than 40 have initiated human rights education activities.

199. A mid-term global study undertaken in 2000 found that effective human rights education strategies have yet to be developed. Specific measures for school systems, such as developing and revising curricula and textbooks, human rights training of school personnel and relevant extracurricular activities, have yet to be institutionalized. Similarly, human rights are rarely a focus of study at the university level, except at specialized human rights institutes. Some efforts have been made to educate personnel working in the administration of justice, but less has been done for officials working in the social and economic fields.

200. There has been a clear shift in attitudes towards human rights protection by Member States. Once considered to be the sole territory of sovereign States, the protection of human rights is now viewed as a universal concern, as evidenced by the recent convictions for genocide, rape, war crimes and crimes against humanity handed down in the International Criminal Tribunals for Rwanda and former Yugoslavia.

201. Human rights are also a central tenet of United Nations reform, which emphasizes the centrality of human rights in all activities of the system. The cross-cutting nature of human rights demands that whether we are working for peace and security, for humanitarian relief or for a common development approach and common development operations, the activities and programmes of the system must be conducted with the principles of equality at their core. That evolution is reflected in a diverse range of United Nations forums.

202. Human rights are an intrinsic part of human dignity and human development can be a means towards realizing these rights. A rights-based approach to development is the basis of equality and equity, both in the distribution of development gains and in the level of participation in the development process. Economic, social and cultural rights are at the heart of all the millennium

development goals related to poverty reduction, hunger alleviation, access to water, education for boys and girls, the reduction of maternal and under-five child mortality, combating HIV/AIDS and other major diseases, and promoting gender equality and the empowerment of women.

203. Human poverty indicators in recent years have shown enormous differences among countries and between the developing and developed worlds. When disaggregated by region, rural and urban areas, ethnic group or gender, national human development data reveal disparities that are unacceptable from the human rights perspective. An increasing number of Member States have recognized the value of the rights-based perspective on development and should be encouraged to implement this approach at the national level.

204. Strategies for moving forward include:

- Encouraging Governments to fulfil their human rights obligations, to ratify the six principal human rights treaties urgently, and to ratify or accede to the Rome Statute of the International Criminal Court;
- Integrating human rights in all development activities focused on the economic, social and cultural well-being of each member of society;
- Supporting the work of regional and subregional human rights institutions to promote national implementation of human rights norms, and to develop joint strategies for action on cross-border issues;
- Expanding United Nations programmes for Member States aimed at providing advice and training on treaty ratification, reporting and implementation;
- Integrating human rights norms into United Nations system policies, programmes and country strategies, including country frameworks and development loans.

GOAL: To strengthen the capacity of all our countries to implement the principles and practices of democracy and human rights, including minority rights

205. There has been a rapid increase in the number of democracies over the past 20 years. The ratio of democratic Governments to autocracies in the mid-1990s was more than two to one, a complete reversal of the situation in the late 1970s. In 2000, the Commission on Human Rights outlined a number of elements for promoting and consolidating democracy. These include fair and periodic elections, an independent judiciary, a transparent government and a vibrant civil society. States that respect the rights of all their citizens and allow all of them a say in decisions that affect their lives are likely to benefit from their creative energies and to provide the kind of economic and social environment that promotes sustainable development. However, an election alone is not a solution; small minorities are often at risk in democracies and a well-functioning democracy is one that operates within the context of a comprehensive human rights regime.

206. The United Nations continues to assist new or restored democracies. Since 1988, four international conferences have been held with the aim of identifying essential democratic ideals, mechanisms and institutions and implementation strategies. Those conferences have helped to target areas for action, including building conflict resolution capacities, combating corruption, building and supporting civil society, enhancing the role of the media, security sector reform, supporting public administration structures and decentralization, and improving electoral and parliamentary systems and processes. Protecting the rights of women, minorities, migrants and indigenous peoples is also essential.

207. Since 1989, the United Nations has received over 140 requests for electoral assistance from Member States on the legal, technical, administrative and human rights aspects of conducting democratic elections. Occasionally, as in Kosovo and East Timor, the mandate has expanded to providing a transitional administration, with oversight of an entire political process designed to

promote human rights and democratic participation. The United Nations has also experienced a growth in requests from Member States for human rights assistance in such areas as holding elections, law reform, the administration of justice and training for law enforcement officials.

208. Strategies for moving forward include:

- Supporting States in integrating human rights mechanisms into national institutions, particularly by establishing human rights commissions, ombudsmen and law reform commissions;
- Strengthening the implementation of democratic principles through institutional reform and raising civic awareness;
- Paying special attention to the rights of minorities, indigenous peoples and those most vulnerable in each society;
- Continuing United Nations work to ensure that elections are based on free and fair principles.

GOAL: To combat all forms of violence against women and to implement the Convention on the Elimination of All Forms of Discrimination against Women

209. To date, 168 States have ratified or acceded to the Convention on the Elimination of All Forms of Discrimination against Women, committing themselves to ending discrimination against women in all forms. In a landmark decision for women, the General Assembly adopted an Optional Protocol[46] to the Convention allowing for inquiries into situations of grave or systematic violations of women's rights, which entered into force in December 2000 and now has a total of 67 signatories and 22 ratifications. However, violence against women and girls continues to take place in the family and the community, while trafficking in women and girls, honour killings, and harmful traditional practices, such as female genital mutilation, remain common forms of abuse. During armed conflict, rape, sexual torture and slavery are used as weapons of war against women and girls. The failure of many existing economic, political and social structures to provide equal opportunities and protection for girls and women has often left them excluded from education, vulnerable to poverty and subject to disease.

210. There are encouraging moves to create and implement new policies, procedures and laws that ensure respect for women's rights at the national level. Regional efforts include a meeting concerning national machinery for gender equality in African countries, held from 16 to18 April 2001 in Addis Ababa, and an expert group meeting on the situation of rural women within the context of globalization, held in Ulaanbaatar from 4 to 8 June 2001.

211. The promotion of gender equality is a strong focus of United Nations activities, which are designed to ensure the equality of women in all aspects of human endeavour and as beneficiaries of sustainable development, peace and security, good governance and human rights. The United Nations acts as a catalyst for advancing the global agenda on women's issues, promoting international standards and norms and the dissemination of best practices.

212. In 2001, the Commission on the Status of Women adopted a multi-year programme that calls for the review of themes relevant to the empowerment of women, including the eradication of poverty, the participation and access of women to the media and current information technologies, the role of men and boys in achieving gender equality, and women's equal participation in conflict prevention, management and resolution and in peace-building. During the special sessions of the General Assembly on HIV/AIDS and on the five-year review of the United Nations Conference on Human Settlements (Habitat II), a gender dimension was incorporated into the final outcome documents.

213. Strategies for moving forward include:

- Encouraging Governments to implement legislative reform and strengthen domestic law enforcement mechanisms to promote non-discrimination and ensure compliance with international standards;
- Supporting national efforts to guarantee women equal access to education, social and health services, to improve their control over economic assets and to enhance their participation in decision-making processes;
- Continuing efforts to encourage parties to conflicts to involve women in ceasefire and peace negotiations and include gender issues in peace processes as well as in peace agreements;
- Working within the United Nations to ensure clear mandates for all peacekeeping missions to prevent, monitor and report on violence against women and girls, including all sexual violence, abduction, forced prostitution and trafficking.

GOAL: To take measures to ensure respect for and the protection of the human rights of migrants, migrant workers and their families, to eliminate the increasing acts of racism and xenophobia in many societies, and to promote greater harmony and tolerance in all societies

214. Migrants, minorities, refugees, displaced persons, asylum seekers and smuggled persons remain the victims of discrimination, racism and intolerance. The International Organization for Migration estimates that there are between 15 and 30 million irregular migrants worldwide. It is estimated that more than 10 per cent of the world's population belong to national or ethnic, linguistic and religious minorities, and that there are more than 300 million indigenous people.

215. The International Steering Committee of the Global Campaign for Ratification of the Convention on the Rights of Migrants was formed in 1998, and the Special Rapporteur on the human rights of migrants continued to promote adherence to the Convention within the framework of the mandate entrusted to her by the Commission on Human Rights. States should act to ratify the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families[47] so that it enters into force with a minimum of delay, and should enact implementing legislation to give meaning to the International Convention on the Elimination of All Forms of Racial Discrimination. Practical strategies for action to combat racism, racial discrimination, xenophobia and related intolerance are critical. Enforcement and administrative structures can be utilized to reduce the vulnerability of migrants, particularly through public information campaigns and human rights training for immigration officials and the police. Effective policy development will be improved through the systematic collection, exchange and analysis of data, disaggregated according to age, race, minority or migrant status at the national, regional and international levels.

216. The World Conference Against Racism, Racial Discrimination, Xenophobia and Related Intolerance has provided an opportunity to promote greater awareness of these issues. There has been positive cooperation in the Conference process from human rights bodies, such as the Committee on the Rights of the Child, the Committee on Economic, Social and Cultural Rights, and the Committee on the Elimination of Racial Discrimination. The challenge is to identify and implement practical and concrete measures to address racism, for example through attention to youth and education.

217. Strategies for moving forward include:

- Supporting State efforts to ratify and implement the Convention on Migrant Workers;
- Assisting States in developing documentation programmes for their citizens, adults and children alike, which can provide key access to fundamental rights;

- Continuing United Nations work to provide technical advice and training and to lead dialogue on specific policies dealing with migration issues and their implications.

GOAL: To work collectively for more inclusive political processes, allowing genuine participation by all citizens in all our countries

218. Ensuring democracy requires good governance, which in turn depends on inclusive participation, transparency, accountability and the promotion of the rule of law. All national actors, including NGOs and the private sector, must interact constructively to achieve democratic and representative outcomes. The United Nations assists Governments in strengthening their legal frameworks, policies, mechanisms and institutions for democratic governance through support to democratic governing institutions, such as parliaments, judiciaries and electoral management bodies; building human rights institutions and conflict resolution mechanisms and skills, strengthening local government and civil society participation in decision-making processes; strengthening public sector management, transparency and accountability; combating corruption, enhancing the role of the media; and improving electoral and parliamentary systems.

219. There has been increased cooperation between the United Nations and regional bodies. Such mechanisms as the African Commission on Human and Peoples Rights, the Council of Europe and the OSCE High Commissioner for National Minorities share their experience with United Nations human rights bodies, such as the Commission on Human Rights and the Working Group on Minorities, with respect to supporting the effective participation of minorities in public life. In addition, in July 2000 the Economic and Social Council established the Permanent Forum for Indigenous Issues as an opportunity to offer a coordinated, integrated and holistic approach to tackle the situation of indigenous issues.

220. Strategies for moving forward include:

- Encouraging States to develop and implement programmes that support pluralistic institutions, periodic elections and other democratic processes, in conformity with international human rights standards;
- Continuing United Nations work to strengthen parliamentary structures and policy-making processes;
- Providing assistance to government efforts to involve civil society in policy-making decisions;
- Supporting government efforts to strengthen local governance in urban and rural areas.

GOAL: To ensure the freedom of the media to perform their essential role and the right of the public to have access to information

221. Freedom of the media is one of the key tenets of democracy that ensures transparency and accountability. Yet despite widespread international, regional and national legislation guaranteeing freedom of the media, violations ranging from harassment, arbitrary arrest, physical harm and structural censorship continue. To date, the Special Rapporteur on the promotion and protection of the right to freedom of opinion and expression of the Commission on Human Rights has filed 16 allegations concerning cases of violations of the right to freedom of opinion and expression and over 100 urgent actions, a procedure for cases that are of a life-threatening nature or other situations where the particular circumstances of the incident require urgent attention. Over 200 cases of violence against journalists, perpetrated by both State and non-state actors, have been recorded in the last five years. In addition, there are a number of worrying attempts to shut down or control Internet access and usage.

222. Combating these violations will require further efforts on the part of States, including legislative reform and a re-examination of domestic law enforcement mechanisms, in order to

ensure parity with international standards governing the right to freedom of opinion and expression. The International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights provide the minimum protections and guarantees required for the existence of a free and independent media. Ratification of these instruments is crucial.

223. At the regional level, the Organization of American States (OAS) approved the Declaration of Principle on Freedom of Expression in 2000. Developed by Special Rapporteurs of the United Nations, OAS and OSCE, it confirms the following rights and freedoms: freedom of expression as an indispensable requirement of democracy; the right to seek, receive and impart information and opinions freely; access to information held by the state, with only exceptional limitations; prohibition of prior censorship; and the right to communicate views by any means and in any form.

224. Strategies for moving forward include:

- Encouraging States to reform legislation that unduly restricts speech on the grounds of national security, libel, defamation and judicial contempt;
- Reviewing national criminal laws and their enforcement in order to protect the rights to freedom of opinion, expression and information;
- Continuing United Nations work with Governments to develop a free and independent media through developing corresponding legal frameworks, working with civil society and developing media monitoring mechanisms and capacities for identifying abuses.

VI. Protecting the vulnerable

225. Protecting the vulnerable in complex emergencies is a fundamental concern for Member States and the international community. Complex emergencies, resulting from armed conflict and in some cases compounded by natural disasters, have intensified in many parts of the world. It is estimated that 75 per cent of those who died in wars in the most recent decades were civilians. Women and children are particularly exposed during conflict. In the 1990s, more than two million children were killed as a result of armed conflict and more than six million were permanently disabled or seriously injured. The vulnerability of civilians is exacerbated by large-scale forced displacement and the specific effects of conflict on women and children, including rape, sexual slavery and human trafficking, and the recruitment and use of child soldiers. The indiscriminate use of landmines and the virtually uncontrolled proliferation of small arms further aggravate the suffering of vulnerable civilian populations.

GOAL: To expand and strengthen the protection of civilians in complex emergencies, in conformity with international humanitarian law

226. The primary responsibility for expanding and strengthening the protection of civilians rests with Governments; they are fundamental to building the "culture of protection" called for in my reports on the protection of civilians. Where Governments themselves do not have the means to effectively protect vulnerable populations, they should reach out to all entities that may provide protection, including the United Nations system, non-governmental organizations, regional organizations and the private sector. In regional conflicts, decisive and rapid action often requires political decision makers to move beyond a solely country-specific focus. Nevertheless, it is not only Governments that have this responsibility. According to the Geneva Conventions of 1949 and to customary international humanitarian law, armed groups also have a direct responsibility to protect civilian populations in armed conflict.

227. In recent years, Member States and the Security Council have made commitments toward protecting civilians in complex emergencies. The United Nations has adopted policies and taken

the first steps to enhance the protection of civilians when it authorizes embargoes and implements sanctions. Independently, regional organizations and arrangements, including OAU, ECOWAS, OAS, EU, OSCE and the Group of Eight Major Industrialized Countries, have taken action to address elements of the question of the protection of children's rights during armed conflict.

228. Strategies for moving forward include:

- Urging States to prosecute violations of international criminal law through national courts or the International Criminal Court once it is established;
- Strengthening national justice systems to ensure the consistent application of international laws that protect civilians;
- Calling upon all parties to conflicts to ensure access to vulnerable populations;
- Developing criteria and procedures for identifying and then separating armed elements in situations of forced displacement.

GOAL: To strengthen international cooperation, including burden-sharing in and the coordination of humanitarian assistance to countries hosting refugees, and to help all refugees and displaced persons to return voluntarily to their homes in safety and dignity and to be smoothly reintegrated into their societies

229. In 2001, there are approximately 20 to 25 million persons who have been internally displaced as a result of armed conflict and generalized violence, and over 12 million refugees. Most States have made legal commitments to uphold the basic principles of refugee protection, to respect human rights and to promote international peace and security. These fundamental principles underpin all efforts to protect the displaced, and host countries must be supported in their efforts to provide protection through the provision of increased resources and assistance.

230. The difficult situation faced by countries hosting refugees, many of which are among the least developed, is now widely recognized. Yet the rhetoric on international solidarity and burden-sharing rarely translates into tangible support to refugee-affected areas. Effective burden-sharing requires concerted action among all actors and should be aimed at reducing pressure on scarce resources. A general consensus exists that while refugees should receive the required level of support, the needs and sensitivities of host communities should be addressed simultaneously. The United Nations seeks to promote the self-reliance of refugees and to facilitate their local integration, while at the same time addressing the basic needs of the host communities and compensating for some of the adverse impacts on the local physical and socio-economic infrastructure. Even when refugees are received with understanding and compassion, large refugee populations can place strains on public services, housing, agricultural land and the environment. Such pressures pose serious obstacles in the search for solutions to refugee problems through voluntary repatriation, local integration or resettlement.

231. Voluntary repatriation has been identified by both Governments and refugees as the preferred durable solution to their plight. The reintegration phase is crucial for both returnees and communities of origin. Comprehensive and broad reintegration assistance works to prevent further refugee outflows. Resources for "reinsertion packages" are vital in helping refugees return to their communities of origin and to assist these communities in receiving them. To be sustainable, return must be accompanied by measures to rebuild communities, must foster reintegration and must be linked to national development programmes. To foster reconciliation, the United Nations has paid special attention to building partnerships with development, financial and human rights institutions.

232. With regard to the internally displaced, the United Nations has worked towards the development of a normative framework for the protection and assistance of the internally

displaced — the Guiding Principles on Internal Displacement.[48] Standards have existed for refugees since 1951, but the Guiding Principles are the first international standards for the internally displaced. They emphasize the primary duty and responsibility of Governments to ensure the voluntary, safe and dignified return or resettlement of internally displaced persons, and offer guidance on strategies that adequately address their needs.

233. Mechanisms have been developed to improve the response to internal displacement issues. The hope is that better information on the numbers and needs of displaced people will improve assistance response and strengthen advocacy efforts on their behalf. All solutions must focus on safe and sustainable reintegration, or on enhancing the self-reliance capacities of the internally displaced in those situations when reintegration is not yet possible. Measures to rebuild communities, foster reintegration and links to national development programmes are critical if the return of displaced populations, refugees or internally displaced persons is to be sustainable.

234. Strategies for moving forward include:

- Ensuring that States comply with their legal obligations to protect and assist all refugees and displaced persons;
- Making international assistance and development programmes more responsive to the needs of host communities and more effective in alleviating pressure on the receiving local environment;
- Working in the international community to assist the displaced in rebuilding their lives and enable them to resume supporting themselves and their families;
- Improving and making United Nations advocacy work more systematic through the dissemination of international standards, including the Guiding Principles on Internal Displacement, monitoring adherence to these standards.

GOAL: To encourage the ratification and full implementation of the Convention on the Rights of the Child and its Optional Protocols on the involvement of children in armed conflict[49] and on the sale of children, child prostitution and child pornography[50]

235. The General Assembly unanimously adopted the Convention on the Rights of the Child on 20 November 1989, and it entered into force in September 1990. The Convention is the most universally embraced human rights treaty, and as of 14 August 2001 191 instruments of ratification or accession have been deposited with respect to the Convention. Only two countries have yet to ratify the Convention. The World Conference on Human Rights, held in Vienna in 1993, set the end of 1995 as a target for its universal ratification of the Convention on the Rights of the Child: we are now six years behind this target.

236. The Convention on the Rights of the Child has formed the basis for other international conventions, such as the Hague Convention on the Protection of Children and Cooperation in Respect of Inter-Country Adoption, the new ILO convention and recommendation concerning the prohibition and immediate action for the elimination of the worst forms of child labour, and several regional instruments, such as the African Charter on the Rights and Welfare of the Child. The implementation of the Convention on the Rights of the Child at the international level has been enhanced through bilateral, regional and multilateral agreements, including on the abolition of the worst forms of child labour and preventing and combating child trafficking. On 25 May 2000, the international community adopted two Optional Protocols to the Convention on the involvement of children in armed conflict and on the sale of children, child prostitution and child pornography.

237. At the national level, implementation of the Convention on the Rights of the Child has led to a process of social change, including through legislative and policy reforms, the development of

national plans of action and the establishment of national institutions for children's rights. In addition, the Convention requires the promotion of information and education campaigns to create awareness and ensure respect for the rights of all children. Civil society initiatives, such as those by the non-governmental organization Group for the Convention on the Rights of the Child, assist in monitoring and implementing the Convention at the national level.

238. Strategies for moving forward include:

- Encouraging States to take advantage of the special session of the General Assembly on children, to be held in September 2001, as a further opportunity to ratify the Convention on the Rights of the Child and its Optional Protocols;
- Securing state commitments to ending the use of children as soldiers, demobilizing and rehabilitating former child soldiers and taking into account the special needs of women and girls;
- Continuing to support government efforts to implement, monitor and report on the Convention by promoting capacity-building activities and enhancing assessment systems at the national level and by ensuring the allocation of adequate resources for the realization of children's rights.

VII. Meeting the special needs of Africa

239. Since the Millennium Summit, there has been a greater resolve in African leadership to take ownership and control over the continent's destiny. International engagement with Africa has been characterized by the beginning of concerted efforts to move towards a coherent approach in dealing with the continent. Recent Security Council efforts, such as Council missions to conflict areas in Africa, more regular Secretariat briefings on conflict situations and increased engagement in peacekeeping in Africa are also positive steps.

240. African leaders have taken the lead in articulating regional development initiatives. At its Summit in Lusaka held in July 2001, it was decided that the Organization of African Unity will be replaced by the African Union in a bid for greater economic, political and institutional integration for the continent. The African Union will bring new opportunities for African countries to work together and forge a common platform of action. The other outcome of the Summit was the adoption of the New African Initiative, a continental strategy developed by African leaders directed to achieving sustainable development in the twenty-first century. The Initiative centres on African ownership and management and contains an agenda for the renewal of the continent.

GOAL: To give full support to the political and institutional structures of emerging democracies in Africa

241. It has been estimated that since 1990 the number of democratically elected national Governments in Africa has grown fivefold. Political systems all over the continent are increasingly inclusive and based on open electoral processes. While there has been a surge in the number of countries that have held elections, that development does not by itself guarantee political, civil, social and economic freedom.

242. Many new democracies are fragile, and need support and assistance to build democratic institutions. Support must be strategic, sustained and structured around the contextual realities of the country in question and must be compatible with its priorities and national agenda for reform. Newly democratizing countries require assistance for transitional arrangements, to anticipate potential long-term implications and to establish the necessary processes for reform. African Governments, civil society and the international system as a whole have a role to play in reforming public financial institutions and developing transparent economic and regulatory practices.

243. Strategies for moving forward include:

- Supporting the democracy and governance programmes of the New African Initiative, which includes targeted capacity-building focused on public sector management, administrative and civil service reform and strengthening parliamentary oversight;
- Encouraging Governments to nurture democratic values, ideals and institutions and to develop independent judiciaries and media.

GOAL: To encourage and sustain regional and subregional mechanisms for preventing conflict and promoting political stability, and to ensure a reliable flow of resources for peacekeeping operations on the continent

244. There are a number of regional and subregional mechanisms in Africa that work to prevent conflict and promote political stability. The OAU Mechanism for Conflict Prevention, Management and Resolution is mandated to observe conflict and ceasefire situations and carry on early warning and mediation. It has undertaken a number of peacekeeping and conflict prevention initiatives. OAU is currently establishing an African early warning system to allow for more rapid information exchange on conflict situations in Africa.

245. Subregional organizations that enhance peace and security include the Intergovernmental Authority on Development in the Horn of Africa; ECOWAS; and the Southern African Development Community (SADC). Although conflict in the region has been an obstacle to peacemaking endeavours, there is great potential for future cooperation in matters of defence and security.

246. In addition, non-governmental actors are increasingly diverse and active across the whole conflict spectrum, from conflict prevention and political and constitutional reform to demilitarization and community participation in peace processes. Others work on conflict resolution and building the bridge from peace to development.

247. Of the 46 peacekeeping operations launched by the United Nations since 1988, 18 were deployed in Africa. There have been a number of examples of successful cooperation at the regional and subregional levels in peacekeeping in Africa. Extensive cooperation has taken place between the United Nations and ECOWAS in operations in West Africa and between the United Nations and OAU to implement the Lusaka Agreement.

248. Bilateral and multilateral efforts are required to ensure the availability of resources for peacekeeping in Africa. However, efforts to enhance African capacity cannot relieve the Security Council of its primary responsibility for the maintenance of international peace and security, and should not justify reduced engagement. Support by non-African States for African peacemaking and peacekeeping efforts, including through the deployment of peacekeeping operations, will continue to be essential. Meaningful change requires not only plans but action, including readiness on the part of able Member States to share information and expertise and to provide adequate logistical and financial resources and ongoing political support.

249. Member States may wish to provide support to peacekeeping in Africa bilaterally, through organizations on the continent or through the United Nations. Where African countries are undertaking peacekeeping operations outside of the United Nations, Member States may wish to co-deploy a United Nations operation or to dispatch United Nations liaison officers as a means to maintain the engagement of the international community.

250. Strategies for moving forward include:

- Maintaining the engagement of the international community in peacekeeping in Africa;
- Supporting peacekeeping in Africa through assistance to specific operations or through incremental steps to enhance peacekeeping capacity generally in Africa;
- Providing more funds to allow African military officers, particularly those serving with OAU and subregional arrangements, to participate in training and short-term exchange opportunities;
- Encouraging further cooperation by African States within the United Nations standby arrangements system.

GOAL: To take special measures to address the challenges of poverty eradication and sustainable development in Africa, including debt cancellation, improved market access, enhanced official development assistance and increased flow of foreign direct investment, as well as transfers of technology

251. While some African countries are doing well, poverty in Africa continues to rise, with approximately 340 million people — or half the population — living on less than $1 per day. The mortality rate of children under five years of age is 140 per 1,000, while life expectancy at birth is only 54 years. Only 58 per cent of the population has access to safe water. Although economic growth rates in Africa are projected to increase in 2001 and 2002, they will fall far short of what is necessary to meet the international target of halving poverty by 2015. The continent accounts for only 1.5 per cent of world exports, and its share of global manufacturing is less than 4 per cent. Total external debt in sub-Saharan Africa in 1999 was $216 billion, which is approximately 70.5 per cent of its GNP and 210.8 per cent of its exports. This is unsustainable. Moreover, of the 41 heavily indebted poor countries in the world, 33 are in Africa.

252. It is essential that the continent embark on the path to sustainable development and achieve its goals of economic growth, increased employment, reduction of poverty and inequality, diversification of productive activities, enhanced international competitiveness and increased exports. The New African Initiative is based on national and regional priorities and development plans that must be prepared through participatory processes. The Initiative has set the target of a GDP growth rate of above 7 per cent per annum for the next 15 years to help achieve its goals. To achieve the estimated 7 per cent per annum growth rate, Africa needs to fill a resource gap of 12 per cent of its GDP, or US$ 64 billion. This will require increased domestic savings as well as improvements to the public revenue collection system. However, the majority of the needed resources will have to be obtained from outside the continent through increased ODA, increased private capital flows and higher export earnings.

253. Strategies for moving forward include:

- Helping Africa seek increased ODA flows and reforming the ODA delivery system to ensure that flows are more effectively utilized by recipient African countries;
- Supporting the establishment of measures that reduce risk in order to attract and sustain foreign investment and technology transfers;
- Helping Africa to secure further debt relief;
- Assisting Africa in ensuring active participation in the world trading system, through open and geographically diversified market access for its exports;
- Helping the continent diversify its production;
- Providing assistance to secure and stabilize preferential treatment by developed countries.

GOAL: To help Africa build up its capacity to tackle the spread of the HIV/AIDS pandemic and other infectious diseases

254. If we do not contain the spread of HIV/AIDS and work on its prevention we will witness a tragic and profound unravelling of social, educational, governance and commercial frameworks all over the world, but most acutely in Africa. The effect of this disease is devastating to every sector and every development target — food production, education for all, good governance and eliminating extreme poverty. And as political, social and economic infrastructures weaken, existing problems will be exacerbated. There have been some successes. Senegal began its anti-AIDS programme in 1986 and has managed to keep its infection rate below 2 per cent. Uganda began its programme in the early 1990s, when 14 per cent of the adult population was already infected, whereas the figure today is 8 per cent and continues to fall. But more needs to be done throughout the continent, especially in those countries where the epidemic is more prevalent.

255. HIV/AIDS is not the only disease taking its toll in Africa. The spread of HIV/AIDS, combined with a growing general drug resistance, threaten tuberculosis control. In 1999, 516,000 people in Africa died of tuberculosis, 305,000 of them also infected with HIV. Almost 30 per cent of all new tuberculosis patients are HIV-positive. The leading cause of death in people with HIV/AIDS is tuberculosis.

256. On April 2001, the President of Nigeria hosted the African Summit on HIV/AIDS and Other Related Infectious Diseases in Abuja, Nigeria, where the Abuja Summit Declaration was adopted. The mandate is to find solutions to the HIV/AIDS crisis through global partnerships. Since the Abuja Summit, the Global Fund for AIDS and Health has been established and I have appointed a Special Envoy for HIV/AIDS in Africa.

257. In the framework of the Debt-for-AIDS Initiative, the United Nations is assisting African countries in placing HIV/AIDS policies within national planning processes, such as the poverty reduction strategy papers. The International Partnership against AIDS in Africa, made up of African Governments, the United Nations, donors, the private sector and non-governmental organizations, aims to significantly increase collective efforts against HIV/AIDS. The United Nations Inter-Agency Task Team on HIV-Related Drugs has adopted a strategy on HIV-related drugs. In May 2000, an initiative to expand access to HIV treatment was launched by the United Nations organizations and five major pharmaceutical companies. This initiative represents a redoubling of efforts to assist developing countries in implementing comprehensive care strategies for people living with HIV/AIDS, including a reduction of prices for HIV-related drugs. While its main focus remains sub-Saharan Africa, other developing countries can also avail themselves of United Nations technical support under this initiative. As of August 2001, 26 countries in Africa have formulated care and support plans for people living with HIV infection, and 13 have reached agreements with producers of drugs used to treat HIV infection. In the least developed countries, the latter agreements have reduced the cost of those drugs by 85 to 90 per cent compared to their cost in industrialized countries.

258. Although malaria is not an infectious disease it is a major concern: one million people die of malaria annually, 90 per cent of them in Africa and the majority of them children. The Roll Back Malaria campaign, which was launched in 1998, has led to the preparation of plans of action in 38 countries, which include developing malaria control policies and indicators for monitoring and evaluation, upgrading intervention capacities at the regional level and using insecticide-impregnated mosquito nets. The African Summit on Roll Back Malaria, held in Abuja in April 2000, supported these goals and reinforced the commitment to roll back deaths from the disease by 50 per cent by 2010.

259. Many of the world's health needs can only be met at the international level through the provision of global public goods. Among the most critical global public goods for health are the

generation and dissemination of knowledge of research, effective health system reforms and the transfer of new technologies. Research and development of new drugs, vaccines and other technologies are desperately needed to prevent and control diseases that primarily affect poor countries.

260. Strategies for moving forward include:

- Promoting global public goods for health by mobilizing commercial enterprises, especially pharmaceutical companies;
- Giving high priority to measuring improvements in health in African countries, particularly the least developed countries;
- Supporting capacity-building in least developed countries to collect and analyse data on agreed health indicators and to share information and lessons at the regional and global levels;
- Supporting African Governments in their efforts to reduce deaths and disability from the major diseases affecting the poor, such as HIV/AIDS, tuberculosis and other infectious diseases.

VIII. Strengthening the United Nations

261. The United Nations is a uniquely global institution, with universal membership. In order to continue to act as a catalyst for change and to provide a forum for dialogue and effective action the system will have to be renewed and modernized to cope with the challenges of this millennium. In particular, we need to strengthen the ability of the system to work together, extend our partnerships and ensure the security of our staff as they carry out the mission of the United Nations.

GOAL: To reaffirm the central position of the General Assembly as the chief deliberative, policy-making and representative organ of the United Nations, and to enable it to play that role effectively

262. Following the adoption of the United Nations Millennium Declaration, the President of the General Assembly has undertaken to revitalize the work of the Assembly in response to the burden of the increase in agenda items over the years. Member States held a series of open-ended informal consultations and have agreed to streamline the agenda of the General Assembly, its reporting process and the allocation of agenda items to subsidiary organs of the Assembly. Particular efforts have been made to cluster agenda items in a thematic fashion, to promote the biennial consideration of a number of agenda items and to allocate a higher number of agenda items to committees so as to promote more effective debates.

263. Strategies for moving forward include:

- Continuing the General Assembly's efforts to revitalize and streamline its work;
- Continuing to strengthen the office of the President through enhanced consultations and outreach.

GOAL: To intensify our efforts to achieve a comprehensive reform of the Security Council in all its aspects

264. The Open-ended Working Group on Reform of the Security Council was established in 1993. In 2000, the Working Group held five substantive sessions on decision-making in the Security Council, including on the use of the veto, the expansion of the Security Council, periodic review of an enlarged Security Council, and working methods of the Security Council, and transparency of its work. The Working Group's recommendation in 2000 was that the General Assembly consider the issue of equitable representation and an increase in the membership of the Council.

265. Security Council reform envisages a body that is larger to reflect new political realities and underline equal geographical representation of all regions of the world, with a more transparent body through improvements in its working methods. These are considered parallel processes. Regarding enlargement, there is a lack of agreement on a number of issues, particularly the number of new Council members to be added; whether any of the new members would have permanent status; whether any new permanent member(s) would exert the right of veto; and whether the veto should be limited (for example, to Chapter VII operations), curtailed or eventually eliminated.

266. Strategies for moving forward include:

- Continuing consideration in the General Assembly regarding the size and composition of the Security Council;
- Continuing reform of the methods of work of the Security Council, including transparency and consultation with troop-contributing countries;
- Enhancing the Security Council's ability to anticipate, prevent and react to event on short notice.

GOAL: To strengthen further the Economic and Social Council, building on its recent achievements, to help it to fulfil the role ascribed to it in the Charter of the United Nations

267. Building on earlier reforms, the General Assembly agreed in 1996 on a series of further measures for the restructuring and revitalization of the United Nations in the economic, social and related fields. The annual high-level segments of the Economic and Social Council have resulted in ministerial declarations on a number of critical development issues, such as on information and communications technologies (ICT) for development in 2000 and on the sustainable development of Africa in 2001. The Council has also established an innovative ICT Task Force. It has improved policy oversight of the operational activities for development of the United Nations agencies, funds and programmes. In addition, the Economic and Social Council has introduced a humanitarian segment to provide a forum for broader policy issues in this area. It has also strengthened the supervision of its functional commissions, with particular emphasis on promoting coordinated follow-up to the outcomes of major United Nations conferences and summits in economic and social fields.

268. With regard to coordination, high-level meetings have been held annually since 1998 between the Council and the Bretton Woods institutions on international financial and development issues. An annual policy dialogue is also held with the heads of the international financial and trade institutions to review the state of the world economy. The Economic and Social Council also holds thematic meetings with members of the Administrative Committee on Coordination (ACC). The Council's capacity to convene meetings involving Governments, the United Nations system and representatives of civil society and the private sector to address economic and social issues was exemplified by the African Forum for Investment Promotion, which was held during the Council's substantive session of 2001. The Forum brought together African ministers, African private corporations, trade unions, investors, specialized agencies of the United Nations system and regional and subregional development organizations. Finally, the structural relationship between the Council and the five regional commissions has also been improved. The Council now holds an annual dialogue with the Executive Secretaries, and the regional commissions increasingly provide issue-specific input to the Council's work.

269. Strategies for moving forward include:

- Continuing the Economic and Social Council's efforts to consider how best to fulfil its mandate and streamline its working methods;
- Focusing its 2002 coordination segment on further strengthening and helping the Council to fulfil the role ascribed to it in the Charter of the United Nations.

GOAL: To strengthen the International Court of Justice in order to ensure justice and the rule of law in international affairs

270. There are approximately 100 multilateral and 160 bilateral treaties in force providing for the jurisdiction of the International Court of Justice (ICJ). As of 31 July 2000, 189 States are parties to the Statute of the Court and 62 States have recognized its compulsory jurisdiction. Some 260 bilateral or multilateral treaties provide for the Court's jurisdiction in the resolution of disputes arising out of their application or interpretation. From August 1999 to July 2000, ICJ held 29 public sessions and a large number of private, administrative and judicial meetings.

271. The recent growth of international judicial bodies, such as the International Criminal Tribunals, the International Tribunal for the Law of the Sea and the quasi-judicial mechanism for the settlement of disputes within WTO poses a risk of fragmentation in international law. ICJ could play a useful role in maintaining the unity of international jurisprudence if more use of the Court were made.

272. Strategies for moving forward include:

- Encouraging States to use the International Court of Justice more frequently for the resolution of their disputes;
- Increasing the number of organs and organizations entitled to request advisory opinions and the number of advisory opinions requested.

GOAL: To encourage regular consultations and coordination among the principal organs of the United Nations

273. The Presidents of the principal organs of the United Nations have met and discussed issues of common concern, such as the prevention of armed conflicts and the impact of HIV/AIDS on peace and security in Africa, and wider issues relating to peacekeeping and peace-building.

274. Strategies for moving forward include:

- Further cooperation and consultation among the General Assembly, the Economic and Social Council and the Security Council;
- Broadening the range of issues on which consultations are held among the principal organs of the United Nations.

GOAL: To ensure that the United Nations is provided on a timely and predictable basis with the resources it needs to carry out its mandates

275. The collection of current and outstanding assessments has improved, and an increasing number of Member States remit their contributions in full and on time. As of 15 August 2001, 103 Member States have paid their regular budget contributions in full for 2001. However, some major contributors have paid none or only part of their dues, forcing the United Nations to cross-borrow from peacekeeping accounts to offset the earlier and larger than usual deficit currently experienced. It is clear that the United Nations cannot function effectively unless all Member States pay their dues, in full, on time and without conditions.

276. Despite cash-flow problems, the United Nations has demonstrated consistent budgetary discipline over the last eight years. Not only has there been no growth in the budget in the last four biennia but there has in fact been a reduction in the United Nations budget. The United Nations has absorbed the effects of inflation as well as a large number of unfunded mandates. The Secretariat has been able to accomplish this by reallocating from low-priority areas and administrative services to high-priority programmes, as identified by Member States. The United Nations has reformed its budget methodology, adopting a results-based budget approach and improving the forecasts of cash availability and needs.

277. An important step has been taken towards providing peacekeeping with the resources commensurate with its mandate. The recommendations of the Panel on United Nations Peace Operations, together with those of the Special Committee on Peace Operations, have focused on strengthening a range of core capacities, including financial support, to ensure that the United Nations has adequate resource to fulfil its peacekeeping mandates.

278. Strategies for moving forward include:

- Ensuring that all States pay their dues in full, on time and without conditions;
- Continuing efforts to reform the budget methodology and practice of the United Nations.

GOAL: To urge the Secretariat to make the best use of those resources, in accordance with clear rules and procedures agreed by the General Assembly, in the interests of all Member States, by adopting the best management practices and technologies available

279. Within the ambit of the comprehensive and ongoing reform process, the Secretariat has been strengthening management practices in several areas. The Senior Management Group, which is chaired by the Secretary-General, comprises the top managers in the Secretariat and programmes and funds. The Group meets weekly, with video-conferencing links to Geneva, Nairobi, Rome and Vienna. Functioning as a cabinet, it ensures strategic coherence within the United Nations on policy and management issues. It also facilitates coordination among the far-flung members of the United Nations family. Another useful process is the Management and Reform Committee, chaired by the Deputy Secretary-General, which regularly reviews policies and practices on administrative, budgetary and human resources matters.

280. Four executive committees, operating at the Under Secretary-General level, function as internal decision-making mechanisms covering the key areas of concern for the Secretariat: the Executive Committee for Peace and Security, the Executive Committee for Economic and Social Affairs, the United Nations Development Group and the Executive Committee for Humanitarian Affairs. Human rights is a cross-cutting theme in all the committees. Further, the Interdepartmental Framework for Coordination to strengthen planning and coordination among peacekeeping, humanitarian, developmental and political functions has been reoriented towards early warning and preventive action.

281. Training continues for all managers throughout the Secretariat. A system of programme management plans has been instituted with each of the Under-Secretaries-General. In early 2001, the Secretariat developed a prototype of an electronic management reporting system, which will enable useful management indicators (e.g., vacancy rates, gender and geographical statistics and spending balances) to be generated on a daily basis and will be extended as a further management tool to oversee departmental performance. The system will be linked with the existing Integrated Management Information System. In June 2001, the General Assembly adopted a resolution authorizing the implementation of human resources management reform, which will empower managers to select their staff and will allow the Secretariat to meet its managerial requirements by increasing the mobility of United Nations personnel.

282. Information technology is playing a more central role in the Organization's activities. In February 2001, the Secretary-General submitted a report to the General Assembly entitled "Information technology in the Secretariat: a plan of action",[51] which describes initiatives to implement effective internal governance by supporting information technologies and sharing best practices.

283. Strategies for moving forward include:

- Ensuring that information technologies are allocated sufficient resources and strategically developed throughout the Secretariat;
- Managing knowledge within the United Nations so that it is made available to civil society and other partners;
- Continuing the modernization of human resources policies and procedures;
- Continuing to streamline administrative processes.

GOAL: To promote adherence to the Convention on the Safety of United Nations and Associated Personnel

284. Since 1992, more than 200 civilian staff members have lost their lives in the service of the United Nations. Hundreds more have been taken hostage or have been victims of violent security incidents. Almost every United Nations entity has experienced the loss of personnel, and at least 68 countries have lost their nationals in the service of the United Nations. The conflicts of the 1990s have demonstrated a dangerous disregard of the obligations and restraints imposed by international law on the conduct of hostilities. The General Assembly and the Security Council have deplored the rising toll of casualties among national and international staff, particularly, in situations of armed conflict.

285. The security of staff is a fundamental requirement for the effective functioning of United Nations operations, and the primary responsibility for their protection, under international law, lies with host Governments. Personnel from international organizations and non-governmental organizations who work in humanitarian operations are also subject to killings and other forms of violence. Indeed, in the past year there have been more cases of attacks on these latter categories of humanitarian personnel. The vast majority of perpetrators of such attacks go unpunished, while those few that are arrested tend to receive only cursory penalties.

286. The Convention on the Safety of United Nations and Associated Personnel[52] entered into force on 15 January 1999. As at 14 August 2001, there are 54 parties to the Convention, accounting for less than one third of the Member States. Since the adoption of the Convention, the limitations of its scope of application to United Nations operations and associated personnel have become apparent. The Convention is not applicable to United Nations operations which have not been declared by the General Assembly or the Security Council to be exceptionally risky. In practice, no declaration has ever been made to that effect by either organ, notwithstanding the actual need for it in many United Nations operations. The Convention is also not applicable to humanitarian non-governmental organizations which have not concluded "implementing/partnership agreements" with the United Nations or its specialized agencies, though in practice they are in no less a need for such protection. The optimal solution would be a protocol that would dispose of the need for a declaration in case of United Nations operations and dispense with a link between a humanitarian non-governmental organization and the United Nations as a condition for protection under the Convention.

287. Under the Statute of the International Criminal Court, attacks against personnel, installations and equipment involved in a humanitarian assistance or a peacekeeping mission are considered

"war crimes" as long as they are entitled to the protection given to civilians or civilian objects under the international law of armed conflict. The Rome Statute, however, is not yet in force.

288. Moreover, the ratification of conventions alone is not enough and must be supplemented by the practical implementation of those obligations. Parties to conflicts must allow for the safe and unrestricted access of humanitarian workers, and must respect the provisions of the 1949 Geneva Conventions, particularly with regard to the distinctions between combatants and non-combatants, and the civilian and humanitarian character of refugee camps and settlements.

289. Improving the security of United Nations personnel is a core responsibility for the United Nations system and for Member States. The Secretary-General has submitted a number of recommendations to strengthen the United Nations security management system and arrangements. The proposals include the provision of enhanced and comprehensive security and stress management training; the implementation of minimum operational security and telecommunications standards in the field; and an increase in the number of staff in the field and at Headquarters.

290. Steps have been taken to improve collaboration on staff security matters within the United Nations system and with implementing partners. Additional measures are being taken to ensure that accountability and compliance are key components of the United Nations security management system. The appointment of a full-time Security Coordinator is a fundamental requirement if our efforts to strengthen and expand the United Nations security management system are to yield the desired results.

291. Strategies for moving forward include:

- Full ratification of the Convention and the ratification of the Rome Statute of the International Criminal Court;
- Approval of a protocol that would extend the scope of application of the Convention on the Safety of United Nations and Associated Personnel to all United Nations operations and categories of personnel;
- Stronger action by Member States to ensure that perpetrators of attacks on humanitarian personnel are brought to justice;
- Further improvements on accountability and effective coordination on staff security issues within the United Nations system;
- Further strengthening of the United Nations security management system through increased and more secure financing and the appointment of a full-time Security Coordinator.

GOAL: To ensure greater policy coherence and better cooperation between the United Nations, its agencies, the Bretton Woods institutions and the World Trade Organization, as well as other multilateral bodies

292. Sustainable development, peace-building and linkages between humanitarian assistance and development cooperation have implications for sectoral and institutional boundaries. Now, more than ever, there is a need for a comprehensive and holistic approach in addressing multifaceted problems, and for cohesion among the diverse entities of the United Nations system in order to enhance coherent action and the strategic deployment of resources. This requirement extends to the international system as a whole.

293. The preparatory process for the International Conference on Financing for Development has led to an unprecedented degree of cooperation among the United Nations, the Bretton Woods institutions and WTO. There is a dynamic structure of cooperation that covers both the inter-secretariat and intergovernmental aspects of the financing for development process. The Bretton

Woods institutions have appointed senior officials to liaise with and help the United Nations Secretariat on an ongoing basis. At the intergovernmental level, fruitful interactions between the members of the Bureau of the Preparatory Committee for the Conference and the Executive Boards of the Bretton Woods institutions took place in February 2001. Meetings were also held with the Trade and Development Committee of WTO in April 2001, and with members of the General Council of WTO in 2000. Moreover, senior officials of each of the major institutional stakeholders actively engage in discussions at the United Nations Headquarters and provide feedback to their intergovernmental oversight committees.

294. A new culture of cooperation and coordination is fast gaining ground among the organizations of the system, and new mechanisms are being set up to advance and concretize this endeavour. Coordination within the system is overseen and guided by ACC, which has recently undertaken a number of measures to enhance policy coordination. These measures include the establishment of the High-Level Committee on Programmes and the High-Level Committee on Management, which report to ACC.

295. As a consequence of this new spirit of cooperation, ACC, with the full involvement of the Bretton Woods institutions and WTO, has demonstrated a strong commitment to achieving a greater degree of policy and strategy harmonization, enhanced information-sharing and common evaluation and monitoring processes. Concrete examples include strengthening field-level cooperation, developing common approaches to the challenges in Africa, addressing the issue of HIV/AIDS and formulating a comprehensive system-wide strategy for poverty eradication.

296. The United Nations country teams, led by United Nations resident coordinators and in close collaboration with Governments and civil society, undertake an interdisciplinary analytical process, the common country assessment. The common country assessment examines the national situation and identifies key issues affecting the welfare of people. It also examines national priorities as set by Governments, and uses these as a basis for advocacy and policy dialogue with Governments. Using the common understanding of the causes of poverty generated through the common country assessment process, United Nations country teams then work with Governments to prepare the United Nations Development Assistance Frameworks (UNDAFs), which outline how the United Nations system will respond to national poverty reduction priorities in a strategic manner. In almost all cases, these priorities include the national efforts to reach the Millennium Declaration goals. Currently, 84 countries have completed the common country assessment, and 38 have also finalized UNDAFs. In order to advance country-level coherence the United Nation system is working towards a single common framework for country-level action, based on the key concepts of country ownership and inter-agency partnerships and reflecting a comprehensive approach to development and peace-building.

297. Entities of the United Nations system also cooperate to support national poverty reduction strategies through the comprehensive development framework and poverty reduction strategy paper processes. Greater poverty reduction at the lowest possible cost requires stronger partnerships at the country level. This is one of the key principles of the comprehensive development framework and is also critical to the development of the poverty reduction strategy papers. The comprehensive development framework is a country-led initiative, which calls for Governments to reach out to all development partners.

298. Strategies for moving forward include:

- Improving policy coherence and cooperation across the entire international system in order to deal with today's global challenges;
- Ensuring that country-level strategies harmonize priorities and work within a common framework for action.

GOAL: To strengthen further cooperation between the United Nations and the Inter-Parliamentary Union

299. As of August 2001, the Inter-Parliamentary Union (IPU) had 141 member parliaments and five associate members. In its resolution 55/19, the General Assembly welcomed the efforts made by IPU to provide for a greater parliamentary contribution and enhanced support to the United Nations. The General Assembly also requested the Secretary-General, in consultation with Member States and IPU, to explore ways in which a new and strengthened relationship between IPU, the General Assembly and its subsidiary organs could be established. In the Secretary-General's recent report on this issue[53] a number of recommendations were made to that end.

300. Strategies for moving forward include:

- Pending the General Assembly's decision on the recommendations contained in the report, the Secretary-General will initiate a joint review by the United Nations and IPU of the cooperation agreement concluded between the organizations in 1996;
- More direct engagement of parliaments in substantive issues addressed at the United Nations.

GOAL: To give greater opportunities to the private sector, non-governmental organizations and civil society in general to contribute to the realization of United Nations goals and programmes

301. There has been a huge growth in the number, diversity and influence of non-state actors that are now involved in the work of the United Nations, and as a result the last decade has seen significant changes in how the United Nations relates to them. Since relationships between the United Nations and non-state actors are multilevel, multi-issue and multipurpose, there is no single approach for dealing with all relationships. They range from well established procedures for participation in the intergovernmental process to more recent arrangements, such as the Global Environment Facility, a financial mechanism that provides grants to assist developing countries to address international environmental problems; the United Nations Fund for International Partnerships; and the Global Compact, which is designed to engage the private sector, non-governmental organizations and labour in promoting good practices based on human rights, labour rights and the environment.

302. The report of the Secretary-General entitled "Towards global partnerships"[54] discusses these issues in more detail, stressing that the central purpose of cooperation between the United Nations and non-state actors is to enable the Organization to serve Member States and their people more effectively, while remaining true to the principles of the Charter.

303. Strategy for moving forward:

- Reviewing these relationships in order to bring beneficial results for all parties and forging a new way for the United Nations to "do business" in partnership with non-governmental organizations, the private sector and the rest of civil society.

IX. The road ahead

304. The heads of State and Government at last year's summit charted a cooperative path to meet the challenges ahead. This road map has attempted to carry forward their vision, identify the areas in which we need to work, and offer suggestions for the future. It has benefited from suggestions from all the departments, funds and programmes in the United Nations and its specialized agencies, and from the other executive agencies represented in the Advisory Committee on Coordination, including the World Bank, IMF and WTO. Non-governmental organizations, civil society and the academic community have also provided suggestions.

Follow-up reporting

305. Next year, and each year thereafter, as you have requested, I will submit an annual report — distinct from my annual report on the work of the Organization — which will chart progress, made or not made, in fulfilling the Millennium commitments, and highlight particular themes of special significance for that year. Every five years, my successors and I will submit a comprehensive progress report.

306. I propose the following themes for your consideration: For 2002, preventing armed conflict and the treatment and prevention of diseases, including HIV/AIDS and malaria; 2003, financing for development and strategies for sustainable development; 2004, bridging the digital divide and curbing transnational crime. In 2005, five years after the Millennium Summit, I will prepare the first comprehensive report. It will focus on progress made over the preceding five years and review the implementation of decisions taken at the international conferences and special sessions on the least developed countries, HIV/AIDS, financing for development and sustainable development.

307. When you consider how you will review these annual reports and the comprehensive report, it is my hope that you will use the assessment process as an occasion for strengthening the overall coherence and integration of the reporting system. I look forward to your continuing guidance. Most of all I look forward to our making progress in meeting the goals before us.

Notes

[1] A/CONF.183/9.

[2] ST/SGB/1999/13.

[3] See General Assembly resolution 55/59, annex.

[4] United Nations, *Treaty Series*, vol. 976, No. 14152.

[5] See *Official Records of the United Nations Conference for the Adoption of a Convention against Psychotropic Substances, Vienna, 25 November-20 December 1988*, vol. I (United Nations publication, Sales No. E.94.XI.5).

[6] United Nations, *Treaty Series*, vol. 1019, No. 14956.

[7] General Assembly resolution S-20-2, annex.

[8] General Assembly resolution 55/25, annex I.

[9] Ibid., annex II.

[10] Ibid., annex III.

[11] See General Assembly resolution 55/25 para. 4.

[12] See General Assembly resolution 48/11.

[13] See General Assembly resolution 55/2, para. 10.

[14] S/2001/574.

[15] A/55/305-S/2000/809 and A/C.4/55/6; see also A/55/502, A/55/507, A/55/551 and A/55/977.

[16] A/47/277-S/24111.

[17] United Nations, *Treaty Series*, vol. 944, No. 13446.

[18] See General Assembly resolution 50/245.

[19] United Nations, *Treaty Series*, vol. 729, No. 10485.

[20] See *The United Nations Disarmament Yearbook*, vol. 18: 1993 (United Nations publication, Sales No. E.94.IX.1), appendix II.

[21] See *Legality of the Threat or Use of Nuclear Weapons, Advisory Opinion, I.C.J. Reports 1996*, p. 26.

[22] General Assembly resolution 2826 (XXVI).

[23] See *Official Records of the General Assembly, Forty-seventh Session, Supplement No. 27* (A/47/27), appendix I.

[24] See CD/1478.

[25] CCW/CONF.I/16 (Part I), annex B.

[26] See *The United Nations Disarmament Yearbook*, vol. 5: 1980 (United Nations publication, Sales No. E.81.IX.4), appendix VII.

[27] Food and Agriculture Organization of the United Nations, *Report of the World Food Summit, Rome, 13-17 November 1996, Part One* (WFS 96/REP) (Rome, 1997), appendix.

[28] General Assembly resolution S-26/2.

[29] See *Legal Instruments Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations* (WTO, 1997).

[30] *Report of the Global Conference on the Sustainable Development of Small Island Developing States, Bridgetown, Barbados, 25 April-6 May 1994* (United Nations publication, Sales No. E.94.I.18 and Corr.1 and 2), chap. I, resolution I, annex II.

[31] E/2001/L.20.

[32] FCCC/CP/7/Add.1.

[33] A/AC.237/18 (Part II)/Add.1, annex I.

[34] United Nations Environment Programme, *Convention on Biological Diversity* (Environmental Law and Institution Programme Activity Centre), June 1992.

[35] A/49/84/Add.2, annex, appendix II.

[36] *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992*, vol. I, *Resolutions Adopted By the Conference* (United Nations publication, Sales No. E.93.I.8 and corrigenda), resolution 1, annex II.

[37] United Nations Educational, Scientific and Cultural Organization, *Records of the General Conference, Twenty-ninth Session*, vol. I, *Resolutions*, resolution 16.

[38] General Assembly resolution 217 A (III).

[39] General Assembly resolution 2200 A (XXI), annex.

[40] Ibid.

[41] General Assembly resolution 2106 A (XX), annex.

[42] General Assembly resolution 34/180, annex.

[43] General Assembly resolution 39/46, annex.

[44] General Assembly resolution 44/25, annex.

[45] A/CONF.157/24 (Part I), chap. III.

[46] General Assembly resolution 54/4, annex.

[47] General Assembly resolution 45/158.

[48] E/CN.4/1998/53/Add.2, annex.

[49] General Assembly resolution 54/263, annex I.

[50] Ibid., annex II.

[51] A/55/780.

[52] General Assembly resolution 49/59, annex.

[53] A/55/996.

[54] A/56/323.

Annex

Millennium development goals

1. As part of the preparation of the present report, consultations were held among members of the United Nations Secretariat and representatives of IMF, OECD and the World Bank in order to harmonize reporting on the development goals in the Millennium Declaration and the international development goals. The group discussed the respective targets and selected relevant indicators with a view to developing a comprehensive set of indicators for the millennium development goals. The main reference document was section III of the United Nations Millennium Declaration, "Development and poverty eradication".

2. The list of millennium development goals does not undercut in any way agreements on other goals and targets reached at the global conferences of the 1990s. The eight goals represent a partnership between the developed countries and the developing countries determined, as the Millennium Declaration states, "to create an environment — at the national and global levels alike — which is conducive to development and the elimination of poverty" (see General Assembly resolution 55/2, para. 12).

3. In order to help focus national and international priority-setting, goals and targets should be limited in number, be stable over time and communicate clearly to a broad audience. Clear and stable numerical targets can help to trigger action and promote new alliances for development. Recognizing that quantitative monitoring of progress is easier for some targets than for others and that good quality data for some of the indicators are simply not (yet) available for many countries, we underscore the need to assist in building national capacity while engaging in further discussion (as in the process mandated by the Economic and Social Council) with national statistical experts. For the purpose of monitoring progress, the normal baseline year for the targets will be 1990, which is the baseline that has been used by the global conferences of the 1990s.

4. The United Nations will report on progress towards the millennium development goals at the global and country levels, coordinated by the Department of Economic and Social Affairs of the United Nations Secretariat and UNDP, respectively. Reporting will be based on two principles: (a) close consultation and collaboration with all relevant institutions, including the United Nations Development Group (including WHO and UNCTAD), other United Nations departments, funds, programmes and specialized agencies, the World Bank, IMF and OECD, and regional groupings and experts; and (b) the use of nationally owned poverty reduction strategies, as reported in poverty reduction strategy papers, United Nations common country assessments and national human development reports, which emphasize a consultative process among the development partners. The main purpose of such collaboration and consultation will be to ensure a common assessment and understanding of the status of the millennium development goals at both the global and national levels. The United Nations Secretariat will invite all relevant institutions to participate in and contribute to global and country-level reporting with a view to issuing an annual United Nations report that has the wide support of the international community and that can be used by other institutions in their regular reporting on the goals.

5. The proposed formulation of the eight goals, 18 targets and more than 40 indicators are listed below. Other selected indicators for development, which are not related to specific targets, include population, total fertility rate, life expectancy at birth, adult literacy rate and gross national income per capita. Where relevant, indicators should be calculated for subnational levels — i.e., by urban and rural area, by region, by socio-economic group, and by age and gender.

Millennium development goals

Goals and targets	*Indicators*
Goal 1. Eradicate extreme poverty and hunger	
Target 1. Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day	1. Proportion of population below $1 per day
	2. Poverty gap ratio (incidence x depth of poverty)
	3. Share of poorest quintile in national consumption
Target 2. Halve, between 1990 and 2015, the proportion of people who suffer from hunger	4. Prevalence of underweight children (under five years of age)
	5. Proportion of population below minimum level of dietary energy consumption
Goal 2. Achieve universal primary education	
Target 3. Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling	6. Net enrolment ratio in primary education
	7. Proportion of pupils starting grade 1 who reach grade 5
	8. Literacy rate of 15-24-year-olds
Goal 3. Promote gender equality and empower women	
Target 4. Eliminate gender disparity in primary and secondary education, preferably by 2005, and to all levels of education no later than 2015	9. Ratio of girls to boys in primary, secondary and tertiary education
	10. Ratio of literate females to males of 15-to-24-year-olds
	11. Share of women in wage employment in the non-agricultural sector
	12. Proportion of seats held by women in national parliament
Goal 4. Reduce child mortality	
Target 5. Reduce by two thirds, between 1990 and 2015, the under-five mortality rate	13. Under-five mortality rate
	14. Infant mortality rate
	15. Proportion of 1-year-old children immunized against measles
Goal 5. Improve maternal health	
Target 6. Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	16. Maternal mortality ratio
	17. Proportion of births attended by skilled health personnel

Goals and targets	*Indicators*
Goal 6. Combat HIV/AIDS, malaria and other diseases	
Target 7. Have halted by 2015 and begun to reverse the spread of HIV/AIDS	18. HIV prevalence among 15-to-24-year-old pregnant women
	19. Contraceptive prevalence rate
	20. Number of children orphaned by HIV/AIDS
Target 8. Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases	21. Prevalence and death rates associated with malaria
	22. Proportion of population in malaria risk areas using effective malaria prevention and treatment measures
	23. Prevalence and death rates associated with tuberculosis
	24. Proportion of tuberculosis cases detected and cured under directly observed treatment short course
Goal 7. Ensure environmental sustainability[a]	
Target 9. Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources	25. Proportion of land area covered by forest
	26. Land area protected to maintain biological diversity
	27. GDP per unit of energy use (as proxy for energy efficiency)
	28. Carbon dioxide emissions (per capita) [Plus two figures of global atmospheric pollution: ozone depletion and the accumulation of global warming gases]
Target 10. Halve by 2015 the proportion of people without sustainable access to safe drinking water	29. Proportion of population with sustainable access to an improved water source
Target 11. By 2020 to have achieved a significant improvement in the lives of at least 100 million slum dwellers	30. Proportion of people with access to improved sanitation
	31. Proportion of people with access to secure tenure [*Urban/rural disaggregation of several of the above indicators may be relevant for monitoring improvement in the lives of slum dwellers*]

Goals and targets	*Indicators*
Goal 8. Develop a global partnership for development[a]	
Target 12. Develop further an open, rule-based, predictable, non-discriminatory trading and financial system Includes a commitment to good governance, development, and poverty reduction — both nationally and internationally	[*Some of the indicators listed below will be monitored separately for the least developed countries (LDCs), Africa, landlocked countries and small island developing States*] **Official development assistance**
Target 13. Address the special needs of the least developed countries Includes: tariff and quota free access for least developed countries' exports; enhanced programme of debt relief for HIPCs and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction	32. Net ODA as percentage of OECD/DAC donors' gross national product (targets of 0.7% in total and 0.15% for LDCs) 33. Proportion of ODA to basic social services (basic education, primary health care, nutrition, safe water and sanitation) 34. Proportion of ODA that is untied
Target 14. Address the special needs of landlocked countries and small island developing States (through the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General Assembly)	35. Proportion of ODA for environment in small island developing States 36. Proportion of ODA for transport sector in landlocked countries
Target 15. Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term	**Market access** 37. Proportion of exports (by value and excluding arms) admitted free of duties and quotas 38. Average tariffs and quotas on agricultural products and textiles and clothing 39. Domestic and export agricultural subsidies in OECD countries 40. Proportion of ODA provided to help build trade capacity **Debt sustainability** 41. Proportion of official bilateral HIPC debt cancelled 42. Debt service as a percentage of exports of goods and services 43. Proportion of ODA provided as debt relief 44. Number of countries reaching HIPC decision and completion points
Target 16. In cooperation with developing countries, develop and implement strategies for decent and productive work for youth	45. Unemployment rate of 15-to-24-year-olds
Target 17. In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries	46. Proportion of population with access to affordable essential drugs on a sustainable basis
Target 18. In cooperation with the private sector, make available the benefits of new technologies, especially information and communications	47. Telephone lines per 1,000 people 48. Personal computers per 1,000 people [Other indicators to be decided]

[a] The selection of indicators for goals 7 and 8 is subject to further refinement.

Monitoring Development and Human Rights? A Project for Handling the Challenge[1]

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"The subject... Statistics, Development and Human Rights, *is nothing less than a quest for a science of human dignity. When the target is human suffering, and the cause human rights, mere rhetoric is not adequate to the task in hand. What are needed are solid methodologies, careful techniques, and effective mechanisms to get the job done* ".

Mary Robinson, UN High Commissioner for Human Rights

Abstract

This paper summarizes the main outcomes of the international Conference on "Statistics, Development and Human Rights" (Montreux, 4-8 September 2000), which revealed the enormous potential that statistical methods offer for improving monitoring of human development and reporting on human rights issues. The Conference was characterized by a multidisciplinary and cross-institutional approach, bringing together statisticians, development experts and human rights practitioners. Its conclusions were turned towards the materialization of the "spirit of Montreux" into a program for concrete action. Thus in the course of the last months a network of more that 50 academic institutions, international organizations, national statistical institutes and NGOs agreed to launch an independent international project: the "Development and Human Rights Observatory" (DHR-O). The objective of this project is to strengthen mechanisms and methods for monitoring development and human rights. It intends to facilitate, organize and implement interdisciplinary policy-oriented research, training programs and technical assistance to institutional building. In its present stage of development, DHR-O is focusing on three core areas: i) use of statistical methods, indicators and qualitative analysis in human rights reporting; ii) design, test and pilot application of rights-based development indicators; and iii) design and evaluation of statistical tools for monitoring democracy and governance.

1. Introduction

Many statisticians from the academia tend to privilege an "exclusive" interpretation of statistical science, which is supposed to develop itself on its own basis and for its own purposes. Taken to extremes, such a pseudo-platonic approach could lead to a scientific activity that pretends to stand as an end in itself. As Carlo Malaguerra pointed out, in the professional statistical community it often happens that this approach gives rise to an implicit hierarchical distinction between the masters of the statistical theory and the practitioners of different kinds of applied statistics. The first tend to consider themselves as the holders of a statistica nobilis, and look at practitioners of applied statistics as the holders of a kind of statistica vulgaris who largely loose their scientific virginity at the touch of the rough requirements of the field (Malaguerra, 1997).

As a reaction to such an exclusive interpretation of the statistical science, in the course of the last years many authoritative voices have strongly advocated for an inclusive approach that takes into account the large variety of skills and the multidisciplinary requirements that characterizes any modern scientific activity. Zoltan Kenessey was one of those who deeply understood that the nobility of statistics as a science consists in its capacity to integrate theories, applied methods and technical tools that allow effective progress in human knowledge and in the policy-oriented analysis of concrete human problems. As he wrote, " *academic statistics has moved too far towards creating its own ivory tower, which may be a loss to the users of new statistical approaches, the applied statisticians. After all, during the history of statistics, "real life" problems have stimulated many important advances in statistical theory; the connections between "theorical" and "applied" statistics certainly do not move along a one-way street alone. Indeed, a hierarchical perception of the different fields of knowledge is counter-productive in both intellectual and practical grounds*". (Kenessey, 1995) An inclusive interpretation of statistical science should therefore tend towards a more comprehensive approach of its nature and aims, as well as to a more

ambitious definition of the role and contribution of the statistical profession within the scientific community and the society as well.

The more than 300 contributions submitted to the international Conference on "Statistics, Development and Human Rights" (Montreux, 2000) illustrate a concrete, large and complex field of application of the inclusive approach of statistics as suggested by Kennesey. Indeed, the Montreux Conference showed that such an inclusive approach of statistics, along with a multidisciplinary approach of scientific research, can considerably enhance current and potential application of statistical methods to the analysis of development and human rights issues.

The aim of this paper is to summarize the main elements of the Conference's novelty, to recall its outcomes and to present the current orientation of its follow-up action. It namely intends to highlight a program of work of a large network of experts and institutions from the North and South hemispheres that are firmly committed in strengthening methods and tools for ensuring effective monitoring and benchmarking of development and human rights policies.

2. Statistics and human rights: rediscovering a challenge

For many years, the potential application of statistical methods in the field of human rights remained largely unexplored. In spite of some pioneer contributions (Claude and Jabine, 1992) and brilliant recent studies (Spirer and Spirer, 1993; Ball, Kobrak and Spirer, 1999; Ball and Spirer, 2000), the statistical community has paid little or no attention to the potential contribution of its science and profession to the measurement and analysis of the implementation of human rights.

It was only three years ago that some statisticians, development specialists and human rights practitioners decided to tackle together the issue within the framework of the preparation of the Montreux Conference. Since the beginning of the programming work, it became evident that this Conference had to focus on current and potential contribution of statistical methods to the reinforcement of mechanisms aiming at monitoring the achievements of human development and the respect of human rights. Of course, the proposal of such a theme initially raised serious concern within some circles of official statisticians, who felt that the initiative was a dangerous incursion into the territory of politics rather that an effective scientific-based project. Thus the organizers had to spend a considerable amount of energy in trying to convince reluctant personalities and institutions but, finally, most of them understood the true nature of the initiative and accepted to attend the Conference. Moreover, the ISI and its IAOS section decided to endorse the aim of the Conference and heads of major international organizations and UN programs enthusiastically accepted to deliver key-note addresses.

The Montreux Initiative was based on an original multidisciplinary and cross-institutional approach. As a matter of fact, it reached its objective of gathering together three groups of experts: statisticians, development specialists and human rights practitioners. The multidisciplinary debates of the Conference confirmed that statistical skills have an important role to play in the setting up of mechanisms, methods and indicators for observing, measuring and assessing progress in the implementation of human rights and the right to development. But this can only be effective through a close dialogue between producers and users of quantitative information. In this sense, the conclusions of the Conference stressed that the debates of Montreux were just a first answer, a first step, within a process still in development in this new direction.

The success of the Conference is now raising high expectations in the international community. Indeed, the multidisciplinary debates of the Conference revealed the enormous potential that statistical methods offer for improving benchmarking of human development and reporting on human rights issues. In the next sections of this paper we would like to draw up the major elements that should be taken in consideration for responding to such a challenge.

3. Statistics and human rights reporting

Concrete experiences show that statistical professional skills are considerably enhancing quality, reliability and fairness of reporting on human rights violations. In many cases simple descriptive statistics based on properly gathered data can provide better assessments than those non-quantitative observers often make. In fact, poor quantitative reporting often lead to embarrassing reversals of findings once proper statistical analysis is applied. As Patrick Ball stressed, there are three areas in which non-quantitative analysts often do not get the interpretation correct -and which they cannot defend scientifically even if they do get the interpretation correct: **estimates of the magnitude** of violations, **bias** that may have affected the data collection or interpretation, and **relative proportions of responsibility** among perpetrators. Appropriate use of statistical methods can therefore help to better evidence massive human rights infringement and in fact these methods are becoming an inherent part of the investigations of the International Criminal Tribunals.

There are however statisticians who are sincerely concerned with the risk that involvement of the profession in human rights reporting would lead to a confusion between statistical work and political militancy -and thus to infringement of the scientific neutrality that underlies the ethics of the profession. In this respect, it is essential to stress **that the role of statisticians in human rights defense should be legitimate not as a militant component of the advocacy action, but as a professional contribution to enhance fair, scientific-based analysis and reporting.** This is relevant in particular when it comes to involvement of statisticians in the work of non-governmental organizations and National Commissions for Human Rights, that need to increase their quantitative analysis capacities and thus require various forms of professional support (training, scientific advice, evaluation of expertness, reporting services, etc.). Current work of authoritative scientific bodies such as the American Association for the Advancement of Science (AAAS) clearly demonstrates that such a professional support can be provided without infringing the professional integrity.

It is worthy of note that the contribution of professional statistical skills to human rights reporting has not only to do with measurement of the magnitude of violations, it should also aim **at benchmarking progress in the implementation of human rights over time.** Indeed, the role of statistics and indicators could be determinant for allowing effective assessment of key public policies as well as for the evaluation of governmental redressing action. In this sense, current work of international organizations like ILO or UNICEF attests of the importance that proper survey design and statistical analysis have for ensuring a consistent monitoring of the effective national implementation of international instruments such as, for instance, the Convention on the Rights of the Child.

4. The human rights approach to development issues: statistics and accountability

A second main area of contribution of (an inclusive and multidisciplinary-linked) statistical science is related to the human rights approach to development issues. Indeed, while development and human rights have long been pursued in isolation from one another, the two concepts are now being reintegrated. The challenge consists today in the need for building solid, reliable and consistent **indicators for rights-based development.** Only such kind of indicators would allow meaningful measure of human development as mirroring effective access to human dignity.

The authoritative contribution of Graig G. Mokhiber showed that the rights-based approach to development is a general conceptual framework that relates the development policies and processes to the international norms, standards and principles of the international human rights instruments (international charts, treaties, conventions and declarations). Here, **participation, accountability, non- discrimination and empowerment of human beings and target human groups** become essential principles. Assessing human development from this perspective requires relevant data and indicators that can not always be provided by traditionally restrictive socio-economic statistics alone. There is thus an urgent need for

developing relevant "rights-based indicators" of development as well as for integrating the "rights element" into the existing socio-economic statistics and indicators.

In this context, it is essential to understand that rights-based development focuses on accountability and incorporates notions of entitlement and obligation. Figures that simply reflect measure of status or a degree of realization are not sufficient. Accountability-based indicators should relate to explicit standards against which to measure performance, specific persons or institutions owing performance, specific right-holders or claim-holders to whom performance is owed, etc. In other terms, statistical information and indicators should be redesigned and used as **policy-oriented tools** that really allow to test equality and non-discrimination, to assess effective access to economic and social rights and thus to benchmark and monitor progress or regression in the human development process.

Such policy-oriented statistical tools are today of a crucial importance for ensuring a consistent design and implementation of national development policies. In this context, it is obvious that national authorities of transition and developing countries should give the highest priority to the production of statistics and indicators aiming at **measuring poverty** and at **monitoring poverty alleviation.**

However, as the evolution of the international project Paris21 clearly shows, the international community, and in particular the industrialized countries, should help to solve a dramatic paradox: the problems of measuring extreme poverty, which remains one of the most flagrant violations of human rights in the world, will remain unsolved as long as the poorest countries lack technical and financial means for assessing their own situation.

5. Statistics, democracy and governance

Prior remarks on the links between statistics, development and human rights lead us to stress that statistical information should not any more be confined to a role of mere technical support for governmental services in charge of policy design and evaluation. "Official" statistics must play the role of **an open information system aiming at promoting public awareness and increased participation of citizens in public affairs.**

Indeed, during the last decade, many countries and regions of the world embarked in two parallel processes that are highly significant in terms of human development: democratization and broader access to information. As a result of this, there is an increasing public demand for reliable, impartial and fresh statistical information that explains the economic and social development. The citizen feels that there can be no fair or accurate diagnosis without proper statistics, failing which one descends into the realm of rumor. And the public institutions that produce the statistical information are increasingly being considered as **impartial central actors within the democratic debate:** their role consists in shedding light on democratic debate by making it clearer and more understandable so that everybody can take part in it.

Today everybody would agree that there are strong links between the institutional building of official statistics, good information support to democratic process and effective monitoring of good governance. And, in fact, national experiences in various regions of the world clearly attest that enhanced statistical capacity normally increases transparency of governmental activities and constitutes a powerful spring for injecting professional skills in public administrations. Nevertheless, there is a general lack of conceptual reference frameworks, as well as many controversial approaches, which are impeding the translation of the enhanced statistical capacity into the development of solid mechanisms aiming at truly monitoring governmental action (such as public spending). There is therefore a need to formulate basic statistical standards and analytical formats that would help to enhance capacities, at the national level, to monitor how efficiently governments deliver goods and services.

Of course, even if a conceptual reference framework is defined and agreed at the international level, the production of reliable indicators of governance at the national level will still constitute a very

ambitious goal. This could be reached only if NSIs are fully recognized by law and respected in practice as true independent "statistical authorities". And here the international co-operation should playa major role: it should highlight the role of statistical information as a public good and urge governments of recipient countries to endorse and respect the UN Chart on the fundamental principles of official statistics.

6. Inclusiveness, multidisciplinary work and cross-institutional approach

Previous considerations reflect the major intermediary conclusions of an on-going process that started in Montreux and that is turned towards tangible follow-up action. Indeed, most of the attendants to the Conference on "Statistics, Development and Human Rights" felt that the innovative "spirit of Montreux" should be continued and materialized into concrete work. They felt that a real international network was just born and that this should now be nourished and allowed to grow. But they also considered that there is a need to fulfill five key preconditions for translating the policy-oriented approach of Montreux in tangible action:

- First of all, in this process **the role of statistics itself should be based on an inclusive approach that integrates the theoretical and applied branches of the statistical profession.** Indeed, monitoring the human development and the implementation of human rights requires theoretical foundations, serious research on statistical methods as well as design, tests and production of information based on strict scientific criteria.
- Further work should be based on a **multidisciplinary and cross-institutional approach,** bringing together statisticians, economists, political and social scientists, development specialists and human rights experts. Such a multidisciplinary approach **should stimulate effective dialogue and scientific collaboration, policy-oriented applied research and design of appropriate training programs.**
- Next steps should involve **actors both at the national and at the international levels,** and create interaction between them. The agenda of the international agencies pushes them to strengthen their capacity regarding statistical information and their access to it, and this is a powerful motor. While ultimately all efforts tend towards the **empowerment of national actors to develop and to use quantitative information.**
- Further action should focus on **effective mobilization of the statistical know-how and transfer of expertise.** The Conference has shown numerous instances where this was in action but it has also shown numerous areas and institutional frameworks -namely the national human rights institutions-where increased professional use of statistical methods and better quantitative based analysis are needed.
- Finally, the reinforcement of national statistical capacities of developing countries constitutes a prior and unavoidable condition for more rigorous observation of progress in terms of development and human rights. Any further action should therefore be strongly linked with bilateral and multilateral programs aiming at strengthening the statistical capacity of developing countries.

7. DHR-O: a project for handling the challenge

On the basis of these key-orientations, in the course of the last months the organizers of the Conference formulated a number of proposals and conducted numerous meetings and consultations with persons and organizations that are interested and strongly committed in materializing the "spirit of Montreux" into concrete work. Views of most of these partners converge in the idea that this work should be carried out within the framework of **an independent international project,** that should be designed on the basis of the international network of expertness that since the Montreux Conference is expanding and growing. Such a project should reflect the Conference's aims, constituency and dynamics: it should

therefore be of a cross-disciplinary, cross-institutional and non-governmental nature, and should focus on policy-action applied research linking statistics, development and human rights policies.

The core idea that emerges from this collective reflection -as well as from the elements developed in this paper- consists in the need for integrating and inter-linking the existing statistical expertness and the policy-oriented research that is carried out by universities, research institutes, and non- governmental organizations. This would allow joining forces in order to make available the statistical know-how and to provide high quality scientific support, reporting services, training and professional advice to national and international organizations active in the fields of human rights and development policies.

A broad and strong international consensus on these elements led us to formulate and propose an ambitious project aiming at setting up a **"Development and Human Rights Observatory" (DHR-O). The objective of this project is to facilitate, organize and implement interdisciplinary applied research, training programs and provision of advice and services aiming at setting-up and evaluating mechanisms, methods and indicators for improving benchmarking of human development and reporting on human rights issues.** Statistical methods and quantitative analysis are considered in this context as essential scientific bases for a qualitative lecture and interpretation of quantitative information. DHR-O will initially focus on three core areas:

- use of statistical methods, indicators and quantitative analysis in human rights reporting;
- design, test and pilot application of rights-based development indicators;
- design and evaluation of statistical tools for monitoring democracy and governance.

In each core area the actions foreseen (policy-oriented research, training and scientific and technical assistance to institutional building) will focus on selected topics and will be carried out as pilot exercises which expected results could later be extended to work on other topics. In this sense, the conception of the project, based on a design by modules, considers the need to advance progressively and remains structurally open towards future development of work with current or future partners.

8. Approach and method of work

DHR-O will be multidisciplinary in approach, inclusive and participatory in method. It will create action-oriented synergies and stimulate co-operation and exchange among academic institutions, national statistical institutes, national human rights institutions and non-governmental, governmental and intergovernmental organizations. It will bring together human rights practitioners, development experts, statisticians, scholars and policy-makers, along with those from related disciplines and fields whose knowledge and analysis can inform policy-oriented research and action on development and human rights benchmarking, monitoring and reporting. It will be global in perspective, and will put particular emphasis on effective North/South partnership.

DHR-O will focus on outcome-oriented action. The project's design considers from the start the value-added and multiplier effect of the expected results of research, as well as the potential transfer of the lessons reached by a given action. DHR-O will thus produce research reports, manuals and briefing papers with policy recommendations. These will be brought to the attention of policy-makers. DHR-O will also produce, on the basis of existing expertness and results of its own research and action, ad hoc public reports at the request of national and international organizations.

DHR-O will be independent of governments, inter-governmental organizations and voluntary and private sector organizations. It will work closely with all these bodies in the pursuit of its objectives.

DHR-O will work on the basis of a decentralized, networking-based approach, that intends to enhance synergies between distant partners of the project and to weave links with relevant existing or planned research projects and programs. The force of DHR-O will reside in the combination of a large variety of scientific expertness, professional skills and North/South cultural backgrounds. Its effective

functioning will be based on various forms of concrete contributions of the partners, who will provide the largest part of the human and intellectual resources required by the program of work.

DHR-O as "observatory" will consist essentially of decentralized, locally-based, research, reporting and training action. Each institutional partner commits itself to carry out specific segments of the work program, or to provide expertness to a given area of the project, or to design, organize and/or conduct specific actions such as pilot surveys, tests, analysis of data, training and ad hoc reporting. Some partners may also commit to provide financial support to the project, or to second experts to the secretariat, or to provide material facilities for a single action or a series of actions. The nature and expected results of the contribution of each partner to the project will be subject of detailed terms of reference.

In each area of work of DHR-O the program will be implemented under the scientific direction of **area leading teams.** Those teams will secure good flow of information among the partners, supervise deadlines, evaluate intermediary reports on topical research. Moreover, they will report to the scientific committee of DHR-O on the advancement of work as well as on problems encountered and achievements reached in their respective areas.

DHR-O **program of work will cover a three years period (2002- 2004).** It is already foreseen that, if the project is successful, its outcomes will be presented in an international Conference to be organized in 2005. Such a "Montreux + 5 Conference" will allow to evaluate progress in the implementation of the "lines of action" formulated in the conclusions of the Conference on "Statistics, Development and Human Rights", and also to review and, if needed, to redefine the institutional framework of DHR-O.

DHR-O will be governed by a **Steering Committee** and serviced by **a light core secretariat,** based in Geneva. This will ensure overarching co-ordination within the implementation of the program. It will provide information, advice, as well as organizational and technical support to all partners. It will be in particular in charge of drafting policy-oriented reports and formulating operational recommendations on the basis of the achievements and conclusions of the research and action carried out in each topic and area. Those reports and recommendations will be discussed in ad hoc workshops and then submitted to the Steering Committee of the project, that will endorse their content and approve their publication. The secretariat will bring results of research and related recommendations to the attention of policy-makers within international and national governmental agencies and non-governmental organizations.

Last but not least, DHR-O Steering Committee will nominate a **Scientific Committee** that will evaluate the implementation of the research program and give advice on the problems encountered and the perspectives opened by intermediary results. It will in particular guarantee the quality and integrity of the reports and recommendations submitted by the secretariat.

As of today, some 50 academic institutions, international organizations and national statistical institutes from the North and South hemispheres decided to join the network that supports and owns the project.

Such a collective ownership of this initiative is essential: the success of DHR-O will ultimately depend on the effective commitment of each of its partners.

In other terms, it is now time to proceed to concrete implementation of work. As Mrs. Mary Robinson stated in Montreux, "mere rhetoric is not adequate to the task in hand. What are needed are solid methodologies, careful techniques, and effective mechanisms to get the job done".

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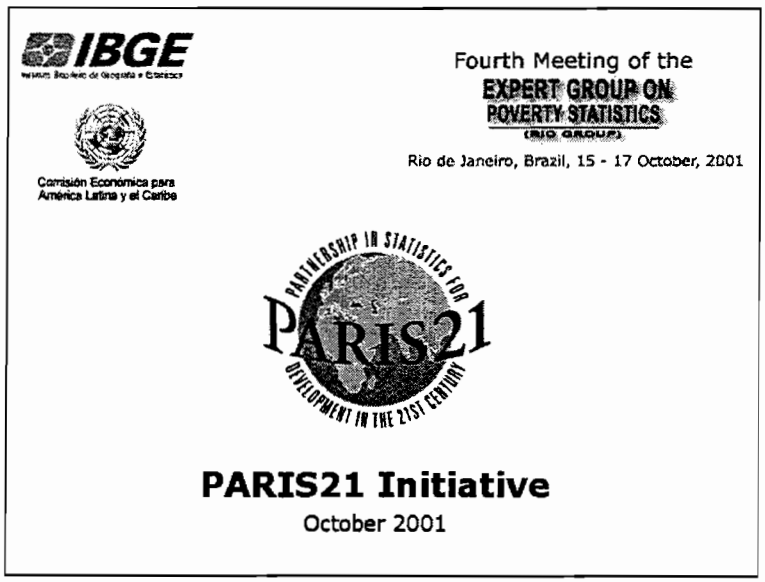
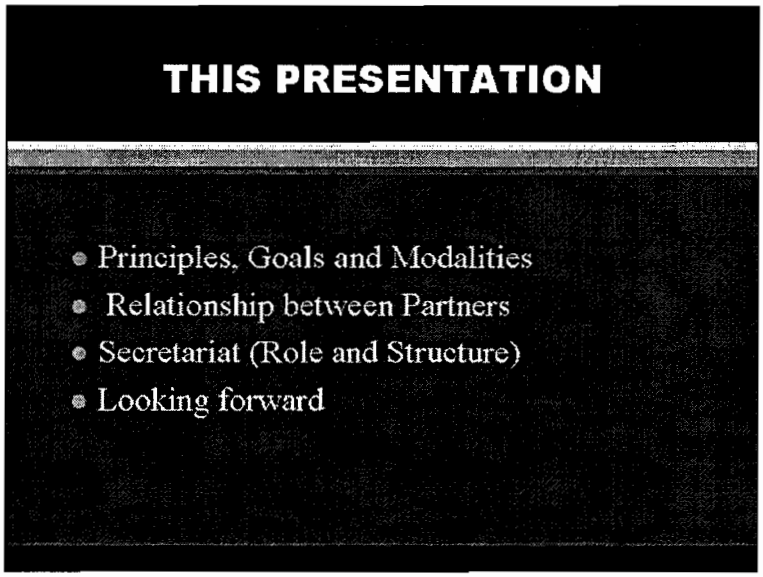
Paris21

BAHJAT ACHIKBACHE

OECD

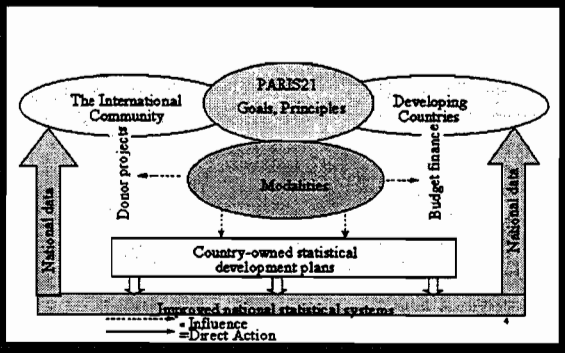

IBGE
Comisión Económica para América Latina y el Caribe
Fourth Meeting of the
EXPERT GROUP ON
POVERTY STATISTICS
(RIO GROUP)
Rio de Janeiro, Brazil, 15 - 17 October, 2001
PARTNERSHIP IN STATISTICS FOR DEVELOPMENT IN THE 21ST CENTURY
PARIS21
PARIS21 Initiative
October 2001


THIS PRESENTATION
Principles, Goals and Modalities
Relationship between Partners
Secretariat (Role and Structure)
Looking forward

P21 Principles

- Launched in Paris in Nov. 1999 in response to ECOSOC resolution to support achievement of UN conference and Summit goals
- Global forum and network to build support for developing and using statistical capacity, through partnership of
  - statisticians
  - policy makers
  - development professionals
  - users, including civil society, of statistics
- Operates at national, regional and international levels

PARIS21 VISION



GOALS of *PARIS21*

- Increased political support for statistics
- Integrate with poverty reduction strategies
- Promote statistical development strategies
- Better dialogue with users and partners
- Apply
  - Partnership Principles
  - UN Guidelines for TC

P21 Purpose

- Engendering a culture of evidence-based policy making, management and monitoring;
- Helping to develop well-managed statistical systems that are appropriately resources;
- Promoting sustainable statistical capacity building;
- Better use and analysis of statistics as a foundation for effective development policies.

P21 Partnership

- **International:**
  - International Organisations
  - Bilateral Donors
  - Developing Countries
- **Regional:**
  - Regional Development Organisations
  - Regional Development Banks
  - South-South Co-operation
- **National:**
  - Public Institutions: NSO, Government, Policy makers
  - Civil Society, NGO, Private sector, Media

MODALITIES

P - Partnership - Improved collaboration between partners at meetings and workshops

A - Advocacy products - build support and demand

R - Resource generation - through advocacy and awareness raising

I - Information exchange - good practice & innovative approaches

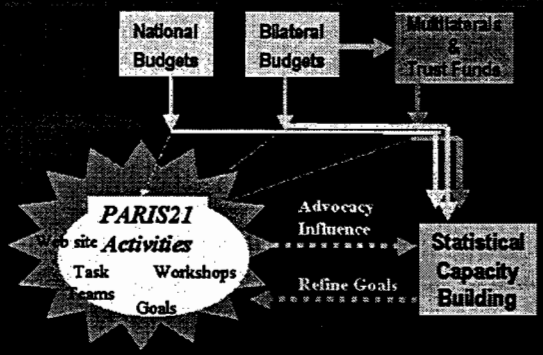
S - Strategic approaches - policy focussed statistical plans to Produce, Analyse, Disseminate and Use key Statistics

P21 activities

1. *Regional & National Workshops*
2. *Follow-up at national level*
3. *Task Teams*
4. *Consortium annual meetings (large participation)*
5. *Steering Committee meetings*
6. *Web Site and publications*

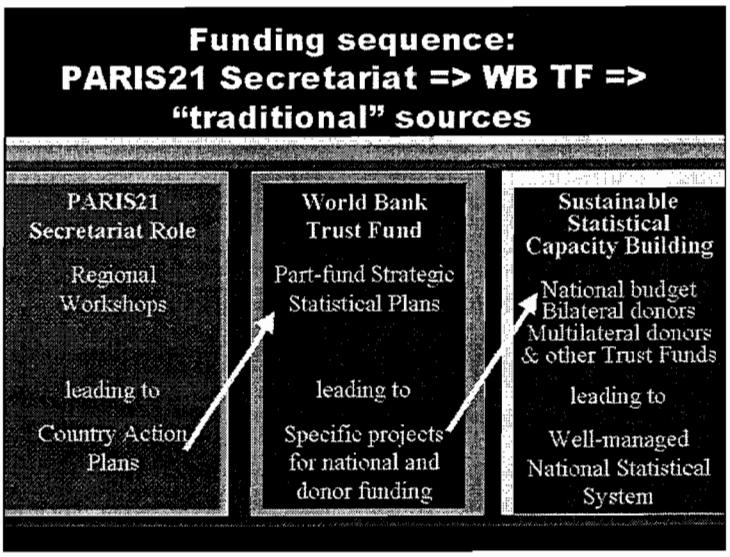
Funding PARIS21 Inspired Work

Relationship Between Partners



FINANCING OF STATISTICAL CAPACITY BUILDING

- Biggest contribution from national budgets
- Support from international and bilateral agencies
  - Step-wise increase needed in both
- PARIS21 advocacy, awareness raising
  - Increased resources
    - National Budgets
    - Technical Assistance



Previous PARIS21 Regional workshops

- **Uganda,** November 2000 - NSO/PARIS21
  «Strengthening capacities for measuring and monitoring policy»
  9 developing Countries, 89 Participants
- **Zambia,** December 2000 - South African Development Community/PARIS21
  «Developing partnership for information needs on Poverty Reduction Strategies» 15 developing Countries, 79 Participants
- **Uganda,** July 2001 - NSO/PARIS21
  «Supporting policy with statistics - Developing a strategic approach» 7 developing Countries, 137 Participants
- **Ethiopia,** August 2001 - UNECA/PARIS21
  «Strengthening Statistical Capacity for Poverty Monitoring» - CODI meeting,

Schedule & Coverage

Q3 2001 - Q4 2003

- ***Andean Community & Latin America - Q4 2001***
- ***Commonwealth of Independents States - Q4 2001***
- ***ECOWAS African countries - Q1 2002***
- ***Central Africa - Q2 2002***
- ***Central America & Caribbean - Q2 & Q4 2002***
- ***Arab States - Q3 2002***
- ***Asia & Pacific - Q3 2002, Q1 & Q3 2003***

Task Teams - (Leader)

- ***Advocacy - (World Bank)***
- ***Statistical Capacity Indicators - (IMF)***
- ***Strategic Statistical Development Plan - (France)***
- ***Census - (UNFPA)***
- ***Agriculture & Rural Statistics - (FAO)***

SUCCESS CRITERIA

SHORT-TERM & LONGER TERM

- Better Use of Better Statistics
- Increased flow of resources
  - National Resources
  - External Funding

LONGER TERM

- Reduced dependence on external funding

SESSION 3:

METHODOLOGICAL ADVANCES OF POVERTY MEASUREMENT ON SUBJECTS CONSIDERED IN PREVIOUS MEETING OF THE RIO GROUP

Requerimientos y Déficit Alimentarios en el Perú, 1997-2000

JAVIER HERRERA

INEI - PERU

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Introducción

La gravedad del problema de la pobreza en los países en desarrollo es usualmente apreciada a través de indicadores que miden la extensión de la pobreza monetaria objetiva, definida como el déficit de recursos del hogar (en términos de sus ingresos o de sus gastos) respecto a una línea de pobreza. Dada la escasez de recursos públicos disponibles para los programas de lucha contra la pobreza, la atención se ha focalizado sobre el contingente de los hogares en pobreza extrema definidos como aquellos cuyos gastos totales (o ingresos) son inferiores al costo de la canasta básica alimentaria que permitiría a dichos hogares cubrir sus requerimientos nutricionales.

A la diferencia de la línea de pobreza total que incluye un componente no alimentario "necesario" difícil de anclar en criterios objetivos, la línea de pobreza extrema pareciera dominada únicamente de normas objetivas dadas por nutricionistas. Sin embargo como varios autores lo han señalado, la satisfacción de las necesidades alimentarias es un hecho socialmente e históricamente determinado. Nuevas necesidades aparecen en el transcurso del tiempo del mismo modo que se desarrollan nuevas formas de satisfacer necesidades preexistentes. En la practica de la medición de la pobreza la manera en que se resuelve la cuestión de la determinación social del consumo es a través de la definición de la población de referencia. Los artículos que componen la canasta de consumo, las cantidades de los mismos así como los precios a los cuales son valorados, corresponden a aquellos observados en la población de referencia. Ahora bien, la población de referencia esta constituida por los hogares cuyos gastos o ingresos coinciden con la línea de pobreza. Existe pues una circularidad en la definición de la línea de pobreza.

Debe mencionarse también que el enfoque monetario insiste sobre la capacidad de comprar los bienes y servicios considerados básicos y no su consumo efectivo. Muchos hogares pueden tener un nivel de gasto monetario en alimentos equivalente o superior al costo de la canasta que cumple con los requerimientos calóricos sin adquirir realmente dicha canasta debido a modos de consumo subóptimos. ¿Qué relación guarda la pobreza extrema y el déficit calórico de los hogares y la pobreza extrema? Ambas medidas identifican a la misma población? ¿Indican ellas la misma gravedad de diagnostico?

En la presente documento se sintetizaran[1] las principales innovaciones metodológicas de la reciente reestimación de la pobreza en el Perú respecto a 1) la definición de las normas calóricas y 2) la definición de la población de referencia.

En primer lugar se ha efectuado una estimación más fina de las normas calóricas de las diferentes regiones del Perú, teniendo en cuenta las diferencias en la estructura demográfica de la población en lugar de suponer una estructura tipo que invariable de una región a la otra. Enseguida, se ha considerado una sola población de referencia, a diferencia del procedimiento anterior en el que se consideraban diferentes poblaciones de referencia (una para cada uno de los siete dominios geográficos) con el fin tanto de valorar las canastas básicas de alimentos (CBA) a partir de una estructura de consumo diferenciada para cada una de las tres regiones naturales, como para estimar el componente no alimentario de la canasta básica de consumo (CBC). Se ha estado suponiendo, sin que exista evidencias sólidas para argumentarlo, que las diferencias en los niveles de las líneas reflejaban únicamente disparidades regionales de precios y de hábitos alimenticios. Sin embargo, existen diferencias significativas de niveles promedio de ingresos y gastos entre las regiones de suerte que al haberse definido poblaciones de referencia específicas a cada región las disparidades de los valores de la canasta están reflejando diferentes comportamientos frente a diferentes niveles de ingreso. Es por ello que se consideró una sola población de referencia definida a nivel nacional sobre la base de niveles de gastos ajustados con el fin de tener en cuenta las disparidades espaciales de precios y luego definir y valorar las CBA. Para ello se tuvo especialmente que construir un indicador (deflactor) espacial de niveles de precios.

[1] La versión completa puede ser consultada en el sitio web del INEI: http://www.inei.gob.pe

1. *Nuevas estimaciones de la norma calórica para el Perú*

El INEI ha venido adoptando un enfoque normativo relativo a la definición de los requerimientos calóricos con el fin de medir la pobreza monetaria absoluta objetiva. Para ello se había definido una norma calórica única para el conjunto del país.

la cual fue fijada en 2318cal percapita y por día sobre la base de

La estimación de 2318 calorías por día y por persona que venia utilizando el INEI fueron hechas tomando una estructura promedio de un hogar en base del Censo Nacional de Población y de Vivienda de 1993 mientras que el tamaño del hogar proviene de la encuesta ENSECO 93-94. La estructura demográfica promedio resultante es la de un hogar de cinco miembros, compuesto por dos adultos y tres niños. Las necesidades calóricas para cada miembro del hogar tipo fueron calculadas en base a las recomendaciones FAO-OMS-ONU, 1985, distinguiéndose los requerimientos por sexo y por edad. Se considero que todos los mayores de 10 años tenían actividades de intensidad moderada.

Dos cuestiones surgen inmediatamente. ¿Cuán adecuada es la norma de 2318cal? Debemos tener una sola norma nacional? ¿Hasta qué punto el supuesto de una sola estructura familiar para el conjunto del país es sustentado por la información disponible? Generalmente se ha sostenido que las actividades agrícolas que predominan en el campo implican un requerimiento calórico superior al de las actividades terciarias en las ciudades. En el caso del Perú no es evidente que se requiera dos normas distintas, una para las ciudades y otra para el campo y ello por varias razones. La primera es que la norma calórica debe aplicarse al conjunto de la población y no sólo a la población activa de suerte que queda todavía planteado qué norma calórica debería emplearse para los otros miembros del hogar que no desempeñan actividades productivas.

Disponiéndose por un lado de tablas detalladas elaboradas por nutricionistas y por el otro de información desagregada de edad y sexo para cada uno de los miembros del hogar presentes en la encuesta, se ha procedido a una nueva estimación de los requerimientos calóricos partiendo esta vez de los requerimientos de cada individuo miembro del hogar y no de una composición promedio del hogar a nivel nacional. Para cada miembro del hogar, y según su edad y sexo, se les asignado un requerimiento calórico de acuerdo a los métodos estándar que enseguida detallamos. Los cálculos han sido efectuados para la encuesta ENAHO 97-4 que servirá de año base en la actualización de las líneas de pobreza.

Para los niños menores de 10 años (desagregados al nivel mas detallado por edades y sexo) se han utilizado directamente los requerimientos calóricos recomendados por la OMS. Para los mayores de 10 años se ha utilizado la estimación de pesos promedio por sexo y por edad proporcionadas por la FAO y citadas en el anexo 6 de Anne J. Swindale, Punam Ohri-Vachaspati (1997): "Household food consumption indicator guide". IMPACT.

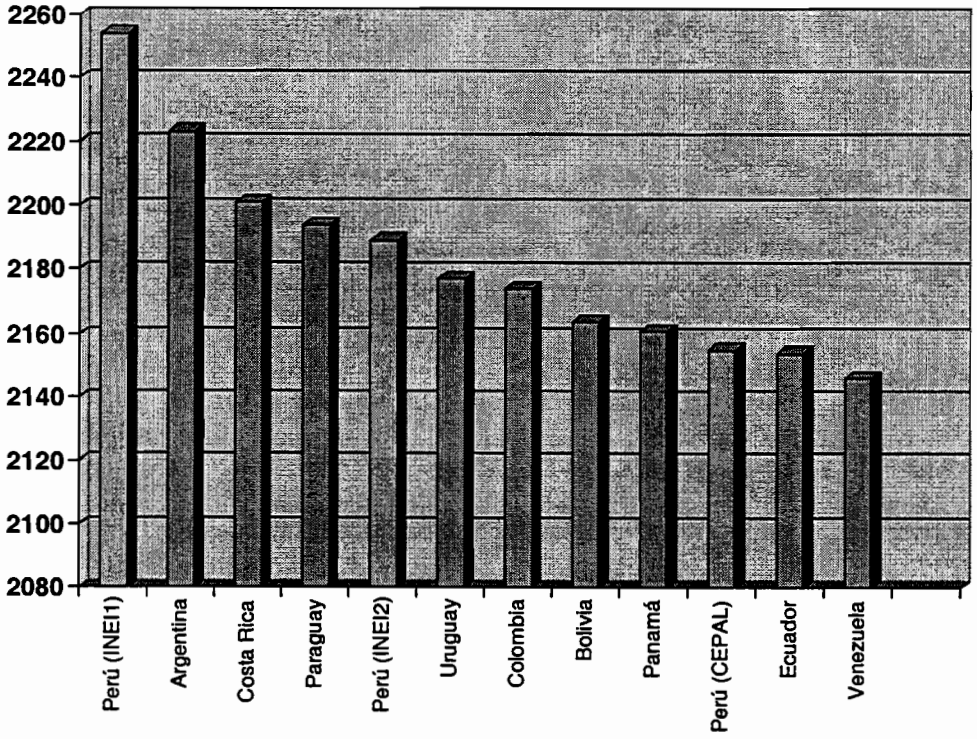
Enseguida se calculo la tasa de metabolismo basal para cada individuo, según las formulas propuestas por la OMS en la cual se distingue igualmente los requerimientos por sexo y por rangos de edad (ver anexo).

Finalmente, las tasas de metabolismo basal de los mayores de 10 anios fueron corregidas por tipo de actividad. Los coeficientes empleados fueron estimaciones realizadas para paises latino-américanos por José Maria Bengoa, Benjamin Torùn, Moisés Bahar y Nevin Scrimshaw: Food nutrition Bulletin, vol 11, n°1. p.8 cuadro 1. The United Nations University, en las cuales también se distingue sexos y clases de edad (ver anexo).

Dos opciones fueron consideradas. La primera atribuye a todos los mayores de 10 años una actividad moderada mientras que en la segunda opción se mantiene una actividad moderada para todos los urbanos mayores de 10 años y una actividad intensa para los mayores de 10 años de edad. Estas dos estimaciones nos dan el "piso" y el "techo" de los requerimientos calóricos de la población en 1997. Nótese que en estos cálculos se ha considerado que todos los individuos tienen al menos una actividad

moderada. En la estimación alta se ha supuesto que todos los individuos residentes en áreas rurales (y mayores de 10 años) desempeñan actividades intensas (generalmente asociadas a las actividades agrícolas). Un calculo mas fino clasificaría los tipos de ocupación (información disponible solo para los mayores de 14 años) según niveles de actividad (ligera, moderada e intensa) e imputaría los coeficientes correspondientes. En este caso se presenta la dificultad de calificar todas las actividades en función del coeficiente de ajuste así como posibles problemas ligados a la calidad de la información correspondiente a las ocupaciones). Precisase además que no se hizo ningún ajuste con el fin de considerar las madres lactantes debido fundamentalmente a la dificultad de identificar con precisión a la madre (la relación de parentesco del niño menor de 3 años puede ser la de nieto sin que entre las otras mujeres presentes se sepa cual es la madre).

Gráfico n°1: Requerimientos calóricos promedio estimaciones CEPAL y INEI



Fuente: cifras CEPAL citadas por Marcos Robles (1999): Determinación del gasto familiar, canasta básica de alimentos y líneas de pobreza. Informe de consultoría (Paraguay) y nuestros cálculos para el Perú. La estimación de la CEPAL para el Perú es de 2155 por día.

Según la segunda opción mas generosa con la población en el ámbito rural (que podría justificarse además de la prevalencia de actividades agrícolas por los déficits acumulados) tendríamos que en el Perú los requerimientos calóricos serian de 2254 calorías por día y por persona. A pesar de ser inferior a la utilizada anteriormente, ella se ubica en primer lugar cuando se consideran las estimaciones hechas por la CEPAL para un gran numero de países latinoamericanos. La estimación con actividad moderada se ubica en cuarto lugar, luego de la Argentina, Costa Rica, el Paraguay. Países con similares estructuras de empleo y con amplios sectores rurales como lo son Bolivia y el Ecuador (y en menor medida Colombia y Venezuela), tiene todos requerimientos calóricos inferiores a los estimados para el Perú.

El instituto Cuánto define tres normas calóricas diferenciadas según ámbitos geográficos. Para definir la norma calórica el INEI se basó en trabajos de nutricionistas y consideró como referencia un hogar "típico" de cinco miembros, compuesto por dos adultos y tres niños. Cuánto por su lado toma igualmente como referencia el mismo tipo de familia pero adopta normas calóricas ligeramente superiores en la Costa, la Selva y cerca de 15% más elevadas para la Sierra, tanto urbana como rural (ver cuadro n°3).

Cuadro n°1

Norma calórica según el INEI y según Cuánto, 1997 (calorias percapita diarias)

	Cuánto	INEI	% Cuánto /INEI
Lima Metrop., Costa urbana y rural	2371	2318	2.3%
Sierra urbana y rural	2648		14.2%
Selva urbana y rural	2385		2.9%

Fuente: J. Herrera (2001): Nuevas estimaciones de la pobreza en el Perú, 1997-2000. INEI

Los mayores requerimientos de la Costa se explican por la composición demográfica de los hogares los cuales tienen una menor proporción de niños en baja edad, a la diferencia de lo que ocurre en la Sierra y en la Selva. Se mantiene la misma jerarquía que la adoptada por el Instituto Cuanto, aunque con requerimientos calóricos adaptados a la *actual* estructura demográfica del país. Nótese igualmente que el requerimiento de 2648 calorías per capita y por día en el caso de la Sierra no se justifica actualmente, aun considerando que *toda* la población mayor de 10 años tiene una actividad intensa.

Cuadro n°2
Requerimientos calóricos (intensidad de actividad moderada), 1997

Mean Subpop.	Estimate	Std. Err.	[95% Conf.	Interval]
Regiones naturales				
Costa	2219	4.63	2210	2228
Sierra	2160	4.38	2151	2168
Selva	2158	6.68	2145	2172
Dominios geográficos				
Costa urbana	2206	6.76	2193	2220
Costa rural	2186	11.74	2163	2209
Sierra urbana	2199	6.58	2186	2212
Sierra rural	2138	5.39	2127	2148
Selva urbana	2181	8.84	2164	2199
Selva rural	2139	9.27	2121	2157
Lima Metropolitana	2232	6.79	2219	2246
Promedio Nacional	**2190**	**3.06**	**2184**	**2196**

Fuente: nuestras estimaciones en base de la ENAHO 97-4

Cuadro nº3
Requerimientos calóricos (actividades moderadas en área urbana e intensas en área rural), 1997

Mean Subpop.	Estimate	Std. Err.	[95% Conf.	Interval]
Regiones naturales				
Costa	2239	5.17	2229	2249
Sierra	2276	5.70	2265	2287
Selva	2254	9.56	2235	2273
Dominios geográficos				
Costa urbana	2206	6.76	2193	2220
Costa rural	2392	16.76	2359	2425
Sierra urbana	2199	6.58	2186	2212
Sierra rural	2319	7.41	2305	2334
Selva urbana	2181	8.84	2164	2199
Selva rural	2316	13.04	2290	2341
Lima Metropolitana	2232	6.79	2219	2246
Promedio Nacional	**2254**	**3.32**	**2248**	**2261**

Fuente: nuestras estimaciones en base de la ENAHO 97-4

Luego de haber estimado a nivel individual los requerimientos y agregado por dominios geográficos, los tests de diferencias de promedios indicaron que se podían agrupar ciertos dominios de suerte que se tiene tres requerimientos calóricos promedios. Dichos promedios difieren únicamente en razón de la diferente composición demográfica de los dominios geográficos pues todos los individuos de la misma edad y sexo tienen los mismos requerimientos. Al haberse imputado el mismo peso promedio a los mayores de 18 años, se esta implícitamente otorgando una mayor "ración" calórica a la población rural que sin duda tiene un menor peso promedio.

Cuadro nº4
Nuevas Normas Calóricas (Calorías percapitas diarias)

		Costa urbana, Costa rural, Sierra urbana, y Selva urbana	Sierra rural, Selva rural
	Calorías promedio	T-statistic	
Lima Metrop.	2232	4.34***	11.43***
Costa urbana, Costa rural, Sierra urbana, y Selva urbana	2194		9.69***
Sierra rural, Selva rural	2133		

*** valor significativamente diferente al 1% entre los dominios indicados en la columna.

Cuadro n°5
Test de diferencias en los requerimientos calóricos (actividad moderada)
t-values y nivel de significatividad, 1997

t-values	Lima Metrop.	Costa urbana	Costa rural	Sierra urbana	Sierra rural	Selva urbana	Selva rural
Lima Metrop.		2.72***	3.41***	3.54***	10.90***	4.58***	8.11***
Costa urbana			1.49	0.79	7.92***	2.26**	5.85***
Costa rural				-0.95	3.74***	0.32	3.13***
Sierra urbana					7.18***	1.59	5.25***
Sierra rural						-4.20***	-0.13
Selva urbana							3.29***
Selva rural							

urbano/rural	11.73***

t-values	Costa	Sierra	Selva
Costa		9.20***	7.40***
Sierra			0.15
Selva			

*** diferencia significativa al 1%
** diferencia significativa al 5%
* diferencia significativa al 10%

Las deficiencias calóricas en el Perú

Tomando en cuenta nuestra estimación de los requerimientos calóricos con factor de ajuste por intensidades de actividad diferenciadas según ámbito urbano (actividad moderada) y rural (intensa), y cuando lo comparamos con el equivalente calórico del gasto en alimentos de los mismos hogares, encontramos que 33% de la población sufriría de desnutrición. El principal contraste se encuentra, al igual que en el caso de la pobreza extrema, entre los pobladores de áreas urbanas y rurales. Mientras que la incidencia de deficiencia calórica es de 24% en las ciudades, esta alcanza 50% en áreas rurales con lo cual ***uno de cada dos habitantes de las zonas rurales sufriría un déficit calórico***. Esto en el supuesto que el consumo de alimentos sea repartido equitativamente (según las necesidades de cada uno) al interior del hogar. Como esto no se verifica necesariamente, se trata de una estimación conservadora de la incidencia del déficit de la ingesta calórica en el Perú. Un punto debe llamar nuestra atención. En el área de Lima metropolitana se tiene según los gastos una muy baja incidencia de la extrema pobreza (menos del 5%) y cuando se consideran los requerimientos calóricos comparado al equivalente en calorías del gasto alimentario se tiene que cerca de un limeño de cada cinco padecería de un insuficiente consumo de calorías. Si se considera el indicador de pobreza extrema monetaria como un indicador equivalente, se estaría subestimando seriamente la gravedad del problema de déficit de consumo calórico.

Cuadro nº6
Estimación de la incidencia de la deficiencia calórica en el Perú, 1997

	Estimate	[95% Conf. Interval]	
Nacional	32.9%	31.0%	34.9%
Areas			
Rural	50.4%	46.6%	54.3%
Urbana	23.5%	21.5%	25.5%
Regiones naturales			
Costa	21.7%	19.4%	24.1%
Sierra	47.8%	44.2%	51.3%
Selva	36.1%	31.5%	40.8%
Dominios geográficos			
Costa urbana	20.1%	16.7%	23.4%
Costa rural	39.1%	32.2%	45.9%
Sierra urbana	35.8%	32.0%	39.6%
Sierra rural	54.4%	49.3%	59.5%
Selva urbana	25.5%	20.3%	30.7%
Selva rural	45.1%	38.1%	52.1%
Lima Metropolitana	19.7%	16.3%	23.1%

Fuente: nuestras estimaciones en base de la ENAHO 97-4
Nota: con intensidad moderada en las áreas urbanas e intensa en áreas rurales.

Cuadro nº7

Dominios geográficos	a=0	a=1	a=2
Costa urbana	20.1%	5.4%	2.6%
Costa rural	39.1%	9.7%	3.8%
Sierra urbana	35.8%	10.2%	5.1%
Sierra rural	**54.4%**	**18.8%**	**9.0%**
Selva urbana	25.5%	6.4%	2.8%
Selva rural	45.1%	12.9%	5.7%
Lima Metropolitana	19.7%	6.2%	3.6%

Cuadro nº8

	Subgroup poverty 'share'			Subgroup population share
Dominios geográficos	a=0	a=1	a=2	
Costa urbana	10.9%	9.4%	9.5%	17.8%
Costa rural	6.0%	4.9%	3.9%	5.1%
Sierra urbana	14.0%	12.9%	13.2%	12.9%
Sierra rural	**38.3%**	**42.9%**	**41.9%**	**23.2%**
Selva urbana	4.5%	3.6%	3.3%	5.8%
Selva rural	9.3%	8.7%	7.8%	6.8%
Lima Metropolitana	17.0%	17.5%	20.4%	28.5%

Cuadro n°9
Pobreza extrema y deficiencia calórica (actividad moderada urbana e intensa rural)

	Sin déficit calórico	Con déficit calórico	
No pobre extremo	64.82	19.08	83.90
Pobre extremo	2.25	13.85	16.10
Total	67.07	32.93	100.00

Fuente: Nuestras estimaciones, ENAHO97

Cuadro nº10

	Sin déficit calórico	Con déficit calórico	
No pobre extremo	77.26	22.74	100.00
Pobre extremo	13.98	86.02	100.00
Total	67.07	32.93	100.00

Fuente: Nuestras estimaciones, ENAHO97

Cuadro n°11

	Sin déficit calórico	Con déficit calórico	
No pobre extremo	96.64	57.93	83.90
Pobre extremo	3.36	42.07	16.10
Total	100.00	100.00	100.00

Fuente: Nuestras estimaciones, ENAHO97

Cuadro n°12
Lima Metropolitana

	Sin déficit calórico	Con déficit calórico	
No pobre extremo	80.03	17.32	97.36
Pobre extremo	0.29	2.35	2.64
Total	80.32	19.68	100.00

Fuente: Nuestras estimaciones, ENAHO97

Cuadro n°13
Lima Metropolitana

	Sin déficit calórico	Con déficit calórico	
No pobre extremo	99.64	88.04	97.36
Pobre extremo	0.36	11.96	2.64
Total	100.00	100.00	100.00

Fuente: Nuestras estimaciones, ENAHO97

Cuadro n°14
Lima Metropolitana

	Sin déficit calórico	Con déficit calórico	
No pobre extremo	82.21	17.79	100.00
Pobre extremo	10.93	89.07	100.00
Total	80.32	19.68	100.00

Fuente: Nuestras estimaciones, ENAHO97

La población de referencia

El dilema con las estimaciones de incidencia de la pobreza es que para definir el costo de la canasta básica de consumo de alimentos y luego para calcular los coeficientes de Engel que nos permitirán estimar el componente no alimentario de la canasta se necesita postular a priori una población de referencia que suponemos estará cercana a la verdadera población bajo la línea de pobreza. Existe pues una circularidad en el método usualmente empleado para la estimación de la pobreza y nada garantiza que esta primera población de referencia no esté en realidad muy lejos de aquella que enseguida se estimará como pobre. Existen sin embargo recientes métodos iterativos (que se detallan mas abajo) que permiten acercarse a esta población pobre con mayor precisión. Lo que quisiéramos destacar en este punto es que se han venido definiendo en el Perú varias poblaciones de referencia. En el caso del INEI se definieron siete poblaciones de referencia, una para cada uno de los dominios geográficos. Sin embargo, inicialmente la población fue dividida en tres poblaciones de referencia una para cada una de las tres regiones naturales, Costa, Sierra y Selva. Para ello se utilizó como criterio de selección de considerar tres deciles del gasto por encima del percentil cuyo consumo de calorías correspondía a la norma de 2318 calorías. Estas poblaciones de referencia fueron extrapoladas sin modificación alguna a cada una de los siete dominios geográficos. Como resultado final tenemos la situación que dichas poblaciones de referencia no solo ya no responden al criterio ad hoc inicial sino que, más grave aún, corresponde a hogares con niveles muy diferentes de gastos.

"Se especificaron las ingestas calóricas de la población clasificada en percentiles de consumo percápita para cada una de las regiones del país, (b) se identificó el decil móvil, para cada región, cuyo consumo diario de kilocalorías por persona fuese cercano al mínimo, y (c) asumiendo que el percentil que ingiere el mínimo es el que se encuentra en el lugar medio de dichos deciles, se seleccionó como población de referencia al 30 % contenida en los percentiles 11 al 40 para la Costa, 42 al 71 para la Sierra y 27 al 56 para la Selva. Es decir, se eligió a los estratos que por lo menos ingieren el mínimo calórico, excluyéndose de este modo a la población de más bajos recursos (para así no considerar consumos restringidos) y a la de más altos ingresos (para así no considerar consumos con alto contenido suntuario)..." (Informe Marcos Robles, INEI).

En efecto, estas poblaciones de referencia no tienen el mismo nivel de gasto y por ello los costos unitarios de las calorías difieren (serán mas elevados para las poblaciones de referencia que tienen mayor gasto) del mismo modo que la proporción de gasto en alimento dentro del gasto total será menor. Ello implica por un lado que la línea de pobreza que resulta de valorar las diferentes canastas básicas de alimentos será superior en los dominios geográficos cuyas poblaciones de referencia están en las partes superiores de la distribución del gasto respecto a los dominios cuyas poblaciones de referencia pertenecen a los segmentos más pobres de la población nacional.

Cuadro n°15
Poblaciones de referencia utilizadas por el INEI en sus estimaciones oficiales, 1997

	gasto percapita mensual promedio	coeficiente de Engel promedio	gasto percapita mensual promedio a precios de Lima metrop.	rango de los percentiles del gasto a precios de Lima
Costa urbana	158.43	0.5420	177.48	27 a 54
Costa rural	93.11	0.6099	105.23	12 a 28
Sierra urbana	231.37	0.5209	269.22	49 a 76
Sierra rural	94.11	0.6695	116.54	15 a 34
Selva urbana	178.91	0.5795	180.52	31 a 56
Selva rural	97.67	0.6883	106.76	14 a 30
Lima Metropolitana	228.11	0.5139	228.11	40 a 66

Una primera observación que puede hacerse es que al no haberse ajustado por las diferencias espaciales de precios, el cálculos de los percentiles del gasto resulta bastante distorsionado, mas aun habiéndose confundido en un mismo dominio las áreas urbanas y rurales que son las que presentan mayores disparidades en los niveles de precios. Dicha separación por dominios se justificaba inicialmente para examinar la hipótesis según la cual los patrones de consumo entre las diversas regiones naturales presentaban divergencias importantes. Sin embargo, dado que los niveles promedio del gasto son menores en los dominios rurales respecto a los urbanos e inferiores a los de Lima metropolitana, tenemos el hecho que los hogares rurales tienen, en promedio, un costo por caloría inferior al de los hogares urbanos y ello ha implicado que se considere que dichos hogares podrían satisfacerse con una canasta cuyo costo es inferior al de los dominios urbanos, y esto independientemente de las diferencias de niveles de precios. Si comparamos el costo por caloría para hogares con niveles comparables de gasto en diferentes dominios observamos que son bastante similares. Los hogares rurales tienen una CBA "menos costosa" no solamente porqué la alimentación es más barata o por preferencias culturales sino también (y probablemente principalmente) porque son más pobres y esto les lleva a consumir calorías más baratas.

Cuadro n°16
Costo de calorías, gastos percapita promedio por deciles y sector, 1998

	Costo de 100cal por deciles			Indice relativo a Lima		Gastos per cápita 1998	
Deciles	*urbano*	*rural*	*Lima*	*urbano*	*rural*	*urbano*	*rural*
1	3,12	2,47	3,72	1,1928	1,5068	93,98	34,06
2	3,58	2,72	4,13	1,1547	1,5172	142,33	53,36
3	3,82	2,71	4,69	1,2263	1,7321	175,26	67,66
4	4,10	2,83	4,64	1,1334	1,6409	209,97	81,71
5	4,46	2,99	5,24	1,1755	1,7523	247,43	97,42
6	4,56	3,21	5,53	1,2134	1,7207	295,29	114,21
7	5,31	3,36	5,92	1,1140	1,7629	358,32	134,90
8	5,58	3,56	5,98	1,0724	1,6807	439,49	164,51
9	6,10	3,79	8,45	1,3849	2,2280	598,99	204,78
10	8,55	4,64	8,66	1,0129	1,8653	1306,08	365,30
Nacional	4,92	3,23	5,69	1,16	1,76	386,52	131,69

Este problema se agrava a la hora de calcular los coeficientes de Engel promedio para dicha población de referencia en cada uno de los dominios. Lógicamente, hogares más pobres dedicaran una parte más importante de su gasto a los alimentos de suerte que dichos coeficientes serán menores que en el caso de hogares urbanos más ricos y por la tanto resultaran teniendo líneas de pobreza inferiores. En suma, no se está "midiendo con la misma vara" a los hogares en los diferentes dominios geográficos y ello es el resultado de haber considerado diferentes poblaciones de referencia estimadas a partir de los percentiles del gasto calculados para cada uno de los dominios geográficos. La solución adoptada sigue las pautas propuestas por Ravallion[2] consiste en calcular una sola población de referencia nacional a partir de los gastos percapita deflactados espacialmente (a precio de Lima por ejemplo) y solo enseguida proceder a estimar el costo de la canasta de alimentos y los coeficientes de Engel.

Las etapas para la definición de la CBA han sido las siguientes:

1) Se ordenó la población según niveles de gasto total percapita expresado en precios de Lima
2) Se fijó a priori por donde debe andar la población pobre.
3) Para dicha población nacional de referencia y para la lista de productos que componen la CBA, calculamos las respectivas cantidades (medianas) para los hogares que pertenecen a la población nacional de referencia en cada uno de los 7 dominios. Nótese que no se trata de recalcular la población de referencia sino de ventilar los coeficientes obtenidos por dominios geográficos para hogares con niveles de gastos que se encuentran en los mismos rangos.
4) Se calculó el contenido calórico de dichas canastas
5) Se ajustaron las cantidades de productos para normar el consumo de calorías a las normas que nos hemos fijado. El total de calorías de las canastas ajustadas debe sumar dichos montos en cada uno de los dominios
6) Se calcularon los coeficientes de Engel (promedios) para la misma población de referencia repartida en los diferentes dominios. Tendremos 7 coeficientes de Engel
7) Se estimó cuánto nos da la incidencia de la pobreza total
8) Comparamos la cifra que nos da en incidencia de pobreza total (por ejemplo 40%) con la población de referencia. Si hemos escogido correctamente la población de referencia, la incidencia de la pobreza debe situarse en el intervalo de la misma (entre 30 y 50% si escogimos quintiles). Si tal es el caso, ya tenemos nuestras líneas de pobreza definidas de manera consistente. Si tal no es el caso, hay que volver a comenzar todo el proceso escogiendo como población inicial una que contenga en su intervalo la incidencia de pobreza que acabamos de calcular en las etapas anteriores. Este proceso debe convergir muy rápido, a condición de no definir rangos demasiado amplios de la población de referencia.

La metodología propuesta por Pradhan et al[3] con el fin de tratar el problema de la definición de la población de referencia procede por iteraciones las cuales constan de doce etapas (que detallamos enseguida). Ella es particularmente exigente en cuanto a la calidad de la información en el sentido que la población de referencia inicialmente definida en las iteraciones debe contar con un numero suficiente de observaciones de precios y de cantidades de los productos que componen la canasta alimentaria. Tal condición no se cumple en las encuestas que hemos analizado por lo cual se utilizo el método propuesto por Ravallion.

[2] Propuesta hecha por Ravallion (1998): "Poverty lines in theory and in practice". World Bank, LSMS working paper.
[3] Pradhan, Menno, A. Suryahadi, S. Sumarto y L. Pritchett (2000:8-9): "Eating like which 'Joneses'? An iterative solution to the choice of a poverty line.

1) Se comienza postulando una línea de pobreza a priori para cada una de las regiones j (PL^n_j)

2) Se divide el gasto percapita de cada hogar i en cada region por dicha linea de pobreza $e^n_{ij} = C_{ij} / PL^n_j$

3) Para cada bien (k) que compone la canasta de alimentos, se hace una regresión de la cantidad consumida percapita sobre los gastos "deflactados" por la línea de pobreza. Se utiliza en la regresión únicamente los hogares cuyos gastos son cercanos a la línea de pobreza ($0.8 < e^n_{ij} > 1.2$).

4) A partir de dicha regresión se calculan las cantidades predichas del consumo de cada uno de los productos cuando los gastos son iguales a la línea de pobreza (cuando $e^n_{ij} = 1$). Es decir:

$$\bar{q}_k = \alpha_{ok} + \alpha_{1k}$$

5) Calcular el contenido calórico de esta canasta básica de alimentos (CBA)

$$TC = \Sigma\ \bar{q}_k * c_k, \text{ en donde } c_k \text{ es el contenido unitario de calorías del producto j}$$

6) Re-escalar las cantidades de la canasta CBA de suerte que arroje N calorías (2318 calorías en el caso de la norma retenida por el INEI)

$$\tilde{q}_k = \bar{q}_k\ (N/TC)$$

7) Para cada región j y para cada bien k, estimar una regresión entre los precios unitarios sobre los gastos percapita deflactados por la línea de pobreza

$$p_{ijk} = \beta_{ojk} + \beta_{1jk} * e^n_{ij} + \varepsilon_{ijk}$$ en donde p_{ijk} es el precio pagado por el hogar i en la region j por el bien k

8) Calcular el precio unitario predicho pagado por los hogares cuyos gastos son cercanos a la línea de pobreza por el producto k en la región j

$$p_{jk} = \beta_{ojk} + \beta_{1jk}$$

Para evitar el impacto indeseable de valores aberrantes se utilzan regresiones de cuantiles (medianas). Esto implica correr un gran numero de regresiones (j*k) lo cual puede resultar demasiado tedioso. Los autores suguieren utilizar MCO o simples medianas sobre el conjunto de hogares y luego utilizar las regresiones de cuantiles para las ultimas iteraciones.

9) Calcular el costo de las N calorias de la canasta de alimentos. Esta sera la linea de pobreza alimentaria

$$FPL^n_j = \Sigma\ \tilde{q}_k * \tilde{pj}_k$$

10) Estimar una curva de Engel para la proporción de gasto en alimentos respecto al gasto total en cada una de las regiones

$$w_{ij} = w_j + \beta \log (e^n_{ij} * (PL^{n-1}_j / FPL^n_j)) + v_j$$

de la cual se obtiene el intercepto $\tilde{w}_j$ para cada región.

11) La línea de pobreza al cabo de la n^{esima} iteración es:

12) Se vuelve a la etapa 1 utilizando esta vez la línea de pobreza de la n^{esima} iteración para la n+1 iteración.

Las nuevas líneas de pobreza extrema

Las nuevas líneas de pobreza extrema con la nueva población de referencia (que se encuentra en el quintil que va de percentil 30 al 50 de los gastos percapita a precios de Lima) y los nuevos requerimientos calóricos son en promedio superiores en 6% a las antiguas líneas utilizadas por el INEI en el año 1997, base para las actualizaciones ulteriores. Los dominios que muestran mayores incrementos son los de la Sierra urbana y rural y el de la Selva urbana, todos mayores en cerca de 10% a las antiguas líneas. El efecto de la actualización temporal tiende a disminuir estas diferencias iniciales. En el año 2000 la diferencia está en la Selva urbana con 9% mientras que en los demás dominios dichas diferencias no alcanzan más de 5% e incluso se torna negativa en el caso de la Sierra urbana.

Cuadro n°17
Nuevas y antiguas líneas de pobreza extrema del INEI

Líneas de pobreza extrema	1997		1998		1999		2000	
	Antes	Ahora	Antes	Ahora	Antes	Ahora	Antes	Ahora
Costa urbana 1/	88.79	90.12	98.67	99.07	97.20	96.39	98.15	97.72
Costa rural	85.18	84.88	94.90	93.16	93.42	90.57	94.42	91.81
Sierra urbana	81.85	90.17	89.61	97.10	88.66	95.35	95.54	97.37
Sierra rural	73.04	82.39	79.88	89.82	78.59	87.88	85.81	90.15
Selva urbana	85.47	93.98	93.76	101.68	94.63	99.98	94.49	102.81
Selva rural	83.33	84.16	91.04	91.64	91.97	89.64	91.80	91.96
Lima Metropolitana	109.10	117.52	115.45	124.28	116.43	123.61	118.37	125.91

1/ No incluye a Lima Metropolitana

Las antiguas líneas de pobreza extrema del INEI tomaban como base las de 1997 y se les actualizaba con el índice de precios al consumidor (IPC) del grupo de alimentos de Lima metropolitana. Según la nueva metodología, se actualiza la canasta básica de alimentos con el IPC de alimentos para cada una de las principales ciudades del país. Se asume que los precios de los bienes alimenticios en áreas rurales han seguido la misma evolución que en las principales ciudades (25 ciudades, siendo en su casi totalidad capitales departamentales)

La pobreza extrema

En cuanto a la pobreza extrema, se mantiene su característica central que es la de estar concentrada mayoritariamente en las áreas rurales en donde viven un poco mas de 8 de cada diez pobres extremos. Entre los años 1997 y 1999 ella se mantuvo en alrededor de 18% y parece haberse reducido de 3 puntos porcentuales en el año 2000, al pasar a 15,0% de la población total. Esto significó una disminución de 537 mil personas en tal situación. Sin embargo, no en todos los lugares descendió la pobreza extrema; en la Selva se ha mantenido casi en el mismo nivel (22,2% a 23,4%). Debemos ser sin embargo cautos en la lectura de estas cifras en razón de diminución importante del tamaño de la muestra entre 1997 y el 2000 y unas altas tasa de no respuesta en el año 2000 que probablemente sesgado este indicador en este ultimo año.

Nuevas y antiguas cifras de la pobreza en el Perú

	1997		1998		1999		2000
Pobreza total	Antes	**Ahora**	Antes	**Ahora**	Antes	**Ahora**	
Nacional	37.6	**42.7**	37.3	**42.4**	37.9	**47.5**	**48.4**
Rural	59.9	**66.3**	59.8	**65.9**	61.6	**71.8**	**70.0**
Urbana	23.7	**29.7**	26.0	**29.7**	31.9	**34.7**	**36.9**
Pobreza Extrema							
Nacional	16.0	**18.2**	15.7	**17.4**	14.5	**18.4**	**15.0**
Rural	37.1	**41.5**	39.1	**40.0**	30.9	**44.4**	**35.6**
Urbana	4.3	**5.3**	4.2	**5.2**	3.9	**4.7**	**4.1**

Fuente: nuestras estimaciones en base de las encuestas ENAHO 1997-2000

ANEXO I

Programa STATA de estimación de los requerimientos calóricos

```
clear all
use "C:\Data\Perou\1997-4\traitee\data\ena97402.dta", clear


*Variables:

*solo consideramos a los miembros del hogar
drop if miembro==2

recode sexo 2=0
*edad en meses de los ninios
gen  edadni=edad*12 if edad<2 &  edadtiem==1
replace edadni=edad if  edadtiem==2
recode edadni 0=1
label var edadni "edad en meses de los menores de 1 anio"
*no podemos calcular la edad en meses de los menores de 2 anios pues no
tenemos fecha de nacimiento en 97-4

*requerimientos caloricos y TMB
* Fuente: Anne J. Swindale, Punam Ohri-Vachaspati (1997) : "Household food
consumption indicator guide". IMPACT.

* niños de 6 meses o menores
* reqerimientos caloricos

gen reqcal=470 if sexo==1 & edadni<1
replace reqcal=445 if sexo==0 & edadni<1
replace reqcal=550 if sexo==1 & edadni>=1 & edadni <2
replace reqcal=505 if sexo==0 & edadni>=1 & edadni <2
replace reqcal=610 if sexo==1 & edadni>=2 & edadni <3
replace reqcal=545 if sexo==0 & edadni>=2 & edadni <3
replace reqcal=655 if sexo==1 & edadni>=3 & edadni <4
replace reqcal=590 if sexo==0 & edadni>=3 & edadni <4
replace reqcal=695 if sexo==1 & edadni>=4 & edadni <5
replace reqcal=630 if sexo==0 & edadni>=4 & edadni <5
replace reqcal=730 if sexo==1 & edadni>=5 & edadni <6
replace reqcal=670 if sexo==0 & edadni>=5 & edadni <6

* niños de 6 meses a 11 meses
* reqerimientos caloricos

replace reqcal=765 if sexo==1 & edadni==6
replace reqcal=720 if sexo==0 & edadni==6

replace reqcal=810 if sexo==1 & edadni==7
replace reqcal=750 if sexo==0 & edadni==7

replace reqcal=855 if sexo==1 & edadni==8
replace reqcal=800 if sexo==0 & edadni==8
```

```
replace reqcal=925 if sexo==1 & edadni==9
replace reqcal=865 if sexo==0 & edadni==9

replace reqcal=970 if sexo==1 & edadni==10
replace reqcal=905 if sexo==0 & edadni==10

replace reqcal=1050 if sexo==1 & edadni==11
replace reqcal=975 if sexo==0 & edadni==11

* niños de 1 a 5 años
* reqerimientos caloricos

replace reqcal=1200 if sexo==1 & edad==1
replace reqcal=1140 if sexo==0 & edad==1
replace reqcal=1410 if sexo==1 & edad==2
replace reqcal=1310 if sexo==0 & edad==2
replace reqcal=1560 if sexo==1 & edad==3
replace reqcal=1440 if sexo==0 & edad==3
replace reqcal=1690 if sexo==1 & edad==4
replace reqcal=1540 if sexo==0 & edad==4
replace reqcal=1810 if sexo==1 & edad==5
replace reqcal=1630 if sexo==0 & edad==5

* niños de 6 a 9 años
* reqerimientos caloricos

replace reqcal=1900 if sexo==1 & edad==6
replace reqcal=1700 if sexo==0 & edad==6

replace reqcal=1990 if sexo==1 & edad==7
replace reqcal=1770 if sexo==0 & edad==7

replace reqcal=2070 if sexo==1 & edad==8
replace reqcal=1830 if sexo==0 & edad==8

replace reqcal=2150 if sexo==1 & edad==9
replace reqcal=1880 if sexo==0 & edad==9


*tasas de metabolismo basal por edades y sexo
gen tmb=(17.5*30.6)+651 if sexo==1 & edad==10
replace tmb=(12.2*31.7)+746 if sexo==0 & edad==10
replace tmb=(17.5*32.4)+651 if sexo==1 & edad==11
replace tmb=(12.2*35.7)+746 if sexo==0 & edad==11
replace tmb=(17.5*36.5)+651 if sexo==1 & edad==12
replace tmb=(12.2*40.0)+746 if sexo==0 & edad==12
replace tmb=(17.5*41.4)+651  if sexo==1 & edad==13
replace tmb=(12.2*41.6)+746  if sexo==0 & edad==13
replace tmb=(17.5*46.9)+651  if sexo==1 & edad==14
replace tmb=(12.2*47.8)+746  if sexo==0 & edad==14
replace tmb=(17.5*52.3)+651  if sexo==1 & edad==15
replace tmb=(12.2*48.1)+746  if sexo==0 & edad==15
replace tmb=(17.5*53.1)+651  if sexo==1 & edad==16
replace tmb=(12.2*49.8)+746  if sexo==0 & edad==16
replace tmb=(17.5*56.3)+651  if sexo==1 & edad==17
replace tmb=(12.2*50.4)+746  if sexo==0 & edad==17
```

```
replace tmb=(15.3*58.2)+679  if sexo==1 & edad>17 & edad<30
replace tmb=(14.7*51.0)+496  if sexo==0 & edad>17 & edad<30

replace tmb=(11.6*58.2)+879  if sexo==1 & edad>29 & edad<60
replace tmb=(8.7*51.0)+829  if sexo==0 & edad>29 & edad<60

replace tmb=(13.5*58.2)+487  if sexo==1 & edad>59 & edad!=.
replace tmb=(10.5*51.0)+596  if sexo==0 & edad>59 & edad!=.

label var tmb "tasa metabolica basal"

*tasas de metabolismo basal corregidos por tipo de actividad
*fuente de los coeficientes de correccion por niveles de actividad:José Maria
Bengoa, Benjamin Torùn, Moisés Bahar y Nevin Scrimshaw: Food nutrition
Bulletin, vol 11, n°1. p.8 cuadro 1. The United Nations University))
*tmbam= actividad moderada
*tmbai= actividad intensa

*tmbal= actividad ligera

gen tmbal=tmb*1.75 if sexo==1 & edad>9 & edad<13
replace tmbal=tmb*1.64 if sexo==0 & edad>9 & edad<13

replace tmbal=tmb*1.68 if sexo==1 & edad>12 & edad<15
replace tmbal=tmb*1.59 if sexo==0 & edad>12 & edad<15

replace tmbal=tmb*1.62 if sexo==1 & edad>14 & edad<18
replace tmbal=tmb*1.55 if sexo==0 & edad>14 & edad<18

replace tmbal=tmb*1.55 if sexo==1 & edad>17 & edad<66
replace tmbal=tmb*1.55 if sexo==0 & edad>17 & edad<66

replace tmbal=tmb*1.40 if sexo==1 & edad>65 & edad!=.
replace tmbal=tmb*1.40 if sexo==0 & edad>65 & edad!=.
label var tmbal "tmb con actividad ligera"

*tmbam= actividad moderada

gen tmbam=tmb*1.75 if sexo==1 & edad>9 & edad<13
replace tmbam=tmb*1.64 if sexo==0 & edad>9 & edad<13
replace tmbam=tmb*1.68 if sexo==1 & edad>12 & edad<15
replace tmbam=tmb*1.59 if sexo==0 & edad>12 & edad<15

replace tmbam=tmb*1.80 if sexo==1 & edad>14 & edad<18
replace tmbam=tmb*1.65 if sexo==0 & edad>14 & edad<18

replace tmbam=tmb*1.80 if sexo==1 & edad>17 & edad<66
replace tmbam=tmb*1.65 if sexo==0 & edad>17 & edad<66

replace tmbam=tmb*1.60 if sexo==1 & edad>65 & edad!=.
replace tmbam=tmb*1.60 if sexo==0 & edad>65 & edad!=.

label var tmbam "tmb con actividad moderada"

*tmbai= actividad intensa

gen tmbai=tmb*1.75 if sexo==1 & edad>9 & edad<13
```

```
replace tmbai=tmb*1.64 if sexo==0 & edad>9 & edad<13

replace tmbai=tmb*1.68 if sexo==1 & edad>12 & edad<15
replace tmbai=tmb*1.59 if sexo==0 & edad>12 & edad<15

replace tmbai=tmb*2.10 if sexo==1 & edad>14 & edad<18
replace tmbai=tmb*1.80 if sexo==0 & edad>14 & edad<18

replace tmbai=tmb*2.10 if sexo==1 & edad>17 & edad<66
replace tmbai=tmb*1.80 if sexo==0 & edad>17 & edad<66

replace tmbai=tmb*1.90 if sexo==1 & edad>65 & edad!=.
replace tmbai=tmb*1.80 if sexo==0 & edad>65 & edad!=.

label var tmbai "tmb con actividad intensa"

*requerimientos calóricos individuales con actividad moderada
gen reqcalam=reqcal
replace reqcalam=tmbam if edad>9 & edad!=.

*requerimientos calóricos individuales con actividad moderada en las areas
urbanas e intensa en las areas rurales
gen reqcalad=reqcalam
replace reqcalad=tmbai if area97==0 & edad>9 & edad!=.

*correccion por lactancia
* si el bebe no es hijo del conyuge, estamos en problemas
*replace tmbal=tmbal+500 if edad<49 & ((p201==2 & sexo==0) | (p201==1 &
sexo==0))
*el tiempo promedio de latancia segun la ENDES 2000 es de 22.8 meses para los
ninios menores de 3 anios.
*egen bebe=1 if edadni<22
*gen lactan=1 if bebe==1
* mejor no corregir entonces

*test de diferencias en los requerimientos caloricos

* con actividad moderada en area urbana y en area rural

* diferencias urbano - rural
gen area=area97
svymean reqcalam, by(area97)
svylc  [reqcalam]1-[reqcalam]0

* por dominios respecto a Lima
gen dominio97=domin97
svymean reqcalam, by( dominio97)
svylc  [reqcalam]7-[reqcalam]1
svylc  [reqcalam]7-[reqcalam]2
svylc  [reqcalam]7-[reqcalam]3
svylc  [reqcalam]7-[reqcalam]4
svylc  [reqcalam]7-[reqcalam]5
svylc  [reqcalam]7-[reqcalam]6

*costa urbana con el resto
svylc  [reqcalam]1-[reqcalam]2
svylc  [reqcalam]1-[reqcalam]3
```

```
svylc  [reqcalam]1-[reqcalam]4
svylc  [reqcalam]1-[reqcalam]5
svylc  [reqcalam]1-[reqcalam]6

*costa rural con el resto
svylc  [reqcalam]2-[reqcalam]3
svylc  [reqcalam]2-[reqcalam]4
svylc  [reqcalam]2-[reqcalam]5
svylc  [reqcalam]2-[reqcalam]6

*sierra urbana con el resto
svylc  [reqcalam]3-[reqcalam]4
svylc  [reqcalam]3-[reqcalam]5
svylc  [reqcalam]3-[reqcalam]6

*sierra rural con el resto
svylc  [reqcalam]4-[reqcalam]5
svylc  [reqcalam]4-[reqcalam]6

*selva urbana con el resto
svylc  [reqcalam]5-[reqcalam]6

* por region natural respecto a la Costa
gen regnat=regnat97
svymean reqcalam, by(regnat)
svylc  [reqcalam]1-[reqcalam]2
svylc  [reqcalam]1-[reqcalam]3

* entre sierra y selva
svylc  [reqcalam]2-[reqcalam]3
```

ANEXO II

Estimación de la población de referencia

Programa en STATA (M. Pradahn)

```
#delimit;
capture set trace off;
capture set more off;

capture log close;
global foodnr "
002 003 005 008 011 012 016 017 022 025 026 027 054 057 058 059
068 072 074 080 081 086 091 092 093 096 103 108 110 112 116 122
123 129 135 137 140 152 155 159 160 161 162 168 169 175 182 185
193 194 195 224";
global provnr "11 12 13 14 15 16 17 18 31 32 33 34 35 51 52 53 54 61 62 63
  64 71 72 73 74 81 82";

capture program drop demo;
program define demo;
gene mcal=0;
local j=1;                                                    * loop through
products;
while "``j''" ~= "" {
 replace q``j''=q``j''/30;                                    * q is per day;
 replace v``j''=v``j''/30;                                      * v is per day;
 regress q``j'' pcconsr [aweight=wpddk] if pcconsr > .8 & pcconsr < 1.2;
*quantity regression;
 matrix temp1=get(_b);                                        *get estimates;
 matrix temp2=temp1["y1","_cons"]+temp1["y1","pcconsr"]; *calculate at poverty
line;
 gene mq``j''=temp2[1,1]  ;                                   * quantity of
reference group;
 gene cunit=c``j''/q``j'';                                    * calorie value per
unit;
 egen mcunit=mean(cunit);
 replace mcal=mcal+(mq``j''*mcunit);                           *mcal is calorie
value of basket;
 drop cunit mcunit;
 local j=`j'+1;
};
end;

capture program drop scaleup;
program define scaleup;
local j=1;                          * loop through food items;
while "``j''" ~= "" {
 replace mq``j''=mq``j''*conv;      * scale up food basket to 2100 calories
for all items;
 local j=`j'+1;
};
end;
```

```
capture program drop foodpr;
program define foodpr;
local j=1;
while `j' < 53 {
 tokenize $foodnr;                    * loop over food items;
 local product="``j''";               * product is food item;
 gene unitp=v`product'/q`product';    * unit price;
 gene p`product'=.;                   * set price in region to missing;
 local pr=1;                          * loop over provinces;
  while `pr' < 28 {
  tokenize $provnr;
  local provin="``pr''";              * provnr is province number;
  local da=1;                         * starting value for loop daerah;
  local little=0;                     * local for nr of obs;
  while `da' < 3 {                    * loop over region;
   if "`provin'"=="31" & `da'==2 {}; * if not rural jakarta;
   else {
   quietly sum unitp if prop=="`provin'" & daer=="`da'";
   di "prod " "`product'" " prov " "`provin'" " daer " "`da'" " nrobs " r(N);
   if r(N) > 25 {                          * only if more than 25 observations
at region level;
   quietly capture qreg unitp pcconsr if prop =="`provin'" & daer=="`da'" ;
   if _rc ~=0 {local little=1; di "estimation problem in region";};
                                       * quantile regression on real pc cons,
surpress return;
   if `little'==0 {                    * if enough observations and succesful
estimation;
   matrix temp1=get(_b);               * get the estimates into matrix;
   matrix temp2=temp1["y1","_cons"]+temp1["y1","pcconsr"];
                                       * predicted unit price at poverty line;
   quietly replace p`product'=temp2[1,1] if daer=="`da'" & prop =="`provin'" ;
   matrix drop temp1 temp2;            * replace unit price;
                 };
                 };
   else {local little=1;};              * too few observations within region
set little=1;
     };
        local da=`da'+1;
      };                                 * end of loop over region; if
`little'==1 {                          * if less than 25 obs calculate province
specific price;
 quietly sum unitp if prop=="`provin'" ;
 if r(N) > 25 {                          * only if more than 25 observations at
province level;
 quietly qreg unitp pcconsr if prop =="`provin'" ;
 matrix temp1=get(_b);
 matrix temp2=temp1["y1","_cons"]+temp1["y1","pcconsr"];
 quietly replace p`product'=temp2[1,1] if  prop =="`provin'" ;
 matrix drop temp1 temp2;
 }; };
 local pr=`pr'+1;
};                                       * end of province loop;
quietly sum p`product';
di "For product nr " "`product'" " , " _N-r(N) " changes were made to the
national urban/rural median price";
quietly qreg unitp pcconsr if daer=="1";
matrix temp1=get(_b);
```

```
matrix temp2=temp1["y1","_cons"]+temp1["y1","pcconsr"];
replace p`product'=temp2[1,1] if p`product'==. & daer=="1" ;    * replace by
urban national average if missing;
matrix drop temp1 temp2;

quietly qreg unitp pcconsr if daer=="2";
matrix temp1=get(_b);
matrix temp2=temp1["y1","_cons"]+temp1["y1","pcconsr"];
replace p`product'=temp2[1,1] if p`product'==. & daer=="2" ;    * replace by
national rural average if missing;
matrix drop temp1 temp2;

drop unitp;
local j=`j'+1;
};                                              * end of product loop;
end;


capture program drop foodpl;
program define foodpl;
local j=1;
  while "``j''" ~= "" {
  replace foodpl=foodpl+mq``j''*p``j'';         * add up differet items in food
poverty line;
 local j=`j'+1;};
end;


* End of programs - start first iteration;

log using pov199full,replace;

use data99full, clear;

gen wpddk=weind;

* Prior on poverty lines iterate from below;
*gene plp=84000; * yields a head count of .2383259    ;

gene plp=97155 if daer=="1";
replace plp=85140 if daer=="2";

* generate real consumption;
gene hhsize=real(jart);
gene pcconsr=exp/plp;

demo $foodnr;
* make per day;
sum mcal;
scalar conv=2100/r(mean);

display "reference food basket contains " `r(mean)' " calories";



scaleup $foodnr;
```

```
foodpr;                                          * run program above;

sort prop daer;

save data99fpr,replace;

use data99fpr,clear;

collapse (mean) mq* p0* p1* p2*,by(prop daer);
gene foodpl=0;


foodpl $foodnr;
save foodpl99f, replace;


use foodpl99f, clear;

gene mfpl=foodpl*30;                    * monthly food poverty line per capita;
keep prop daer mfpl foodpl;
sort prop daer;
merge prop daer using data99fpr;
gene foodsh=food/(food+nfood);
gene xvar=ln(exp/mfpl);
gene ivar=real(prop)*10+real(daer);
xtreg foodsh xvar,fe i(ivar);
predict const,u;
matrix bb=get(_b);
matrix temp=bb["y1","_cons"];
replace const=const+temp[1,1];

matrix temp1=bb["y1","xvar"];
scalar beta=temp1[1,1];
gene mpl=mfpl*(2-const);
gene hc=exp<mpl;
gene gap=(mpl-exp)/mpl if exp<mpl;
replace gap=0 if exp>=mpl;

sum hc gap [aweight=wpddk];

sort prop daer;
by prop daer: sum mpl hc;

keep mpl prop daer;

sort prop daer;
save povl99f,replace;

* second and later iteration;

capture program drop iter;
program define iter;

* Merge in mpl variable;
use data99full, clear;
sort prop daer;
merge prop daer using povl99f;
```

```
drop _merge;

gen wpddk=weind;

* generate real consumption;
gene hhsize=real(jart);
gene plp=mpl;
gene pcconsr=exp/plp;

quietly demo $foodnr;
* make per day;
sum mcal;
scalar conv=2100/r(mean);
display "reference food basket contains " `r(mean)' " calories";

quietly scaleup $foodnr;

foodpr;

collapse (mean) mq* p0* p1* p2*,by(prop daer);
gene foodpl=0;

quietly foodpl $foodnr;
save foodpl99f,replace;

quietly use foodpl99f,clear;

gene mfpl=foodpl*30;                    * monthly food poverty line per capita;
keep prop daer mfpl foodpl;
sort prop daer;
merge prop daer using data99fpr;
gene foodsh=food/(food+nfood);
gene xvar=ln(exp/mfpl);
gene ivar=real(prop)*10+real(daer);
xtreg foodsh xvar,fe i(ivar);
predict const,u;
matrix bb=get(_b);
matrix temp=bb["y1","_cons"];
replace const=const+temp[1,1];

matrix temp1=bb["y1","xvar"];
scalar beta=temp1[1,1];
gene mpl=mfpl*(2-const);
gene hc=exp<mpl;
gene gap=(mpl-exp)/mpl if exp<mpl;
replace gap=0 if exp>=mpl;

quietly sum hc  [aweight=wpddk];

global headc=r(mean);


sum hc gap mpl [aweight=wpddk];

collapse mpl hc gap [aweight=wpddk],by(prop daer);  * added;
sort prop daer;
list;
```

```
*by prop daer: sum mpl hc;

keep mpl prop daer;
*sort prop daer;
save povl99f,replace;                                    * povl99f is now
collapsed;
end;



* this program performs an iteration only updating the poverty basket, not the
prices;
* Included to speed up operation;
capture program drop iter2;
program define iter2;

* Merge in mpl variable;
use data99full, clear;
sort prop daer;
merge prop daer using povl99f;


drop _merge;

gen wpddk=weind;
di "previous poverty lines";
sum mpl [aweight=wpddk];

* generate real consumption;
gene hhsize=real(jart);
gene plp=mpl;
gene pcconsr=exp/plp;

quietly demo $foodnr;

* make per day;
sum mcal;
scalar conv=2100/r(mean);
display "reference food basket contains " `r(mean)' " calories";

quietly scaleup $foodnr;

*foodpr;  * No updating of food prices;

collapse (mean) mq* ,by(prop daer);
sort prop daer;
save temp,replace;

use data99fpr,clear;          * Prices are taken from the old file;
collapse (mean) p0* p1* p2* ,by(prop daer);
sort prop daer;
merge prop daer using temp;
tabul _merge;
drop _merge;

gene foodpl=0;
```

```
quietly foodpl $foodnr;
save foodpl99f,replace;

quietly use foodpl99f,clear;

gene mfpl=foodpl*30;                    * monthly food poverty line per capita;
keep prop daer mfpl foodpl;
sort prop daer;
merge prop daer using data99fpr;
drop plp;
gene foodsh=food/(food+nfood);
gene xvar=ln(exp/mfpl);
gene ivar=real(prop)*10+real(daer);
xtreg foodsh xvar,fe i(ivar);
predict const,u;
egen mconst=mean(const),by(ivar);    * a way to avoid missing values in
poverty line;
replace const=mconst if const==.;
drop mconst;

matrix bb=get(_b);
matrix temp=bb["y1","_cons"];
replace const=const+temp[1,1];

matrix temp1=bb["y1","xvar"];
scalar beta=temp1[1,1];
gene mpl=mfpl*(2-const);

gene hc=exp<mpl;
gene gap=(mpl-exp)/mpl if exp<mpl;
replace gap=0 if exp>=mpl;

* mpl is poverty line;

quietly sum hc  [aweight=wpddk];
global headc=r(mean);

sum hc gap mpl [aweight=wpddk];

collapse mpl hc gap [aweight=wpddk],by(prop daer);  * added;
sort prop daer;
list;

*by prop daer: sum mpl hc;

keep mpl prop daer;
*sort prop daer;
save povl99f,replace;                          * povl99f is now
collapsed;
end;

capture program drop iterate;
program define iterate;
iter2;
local hcco2=100;
while abs($headc-`hcco2') > 0.0001 {
```

```
      local hcco2=$headc;
      iter2;
      di " convergence on head count? Difference= " abs($headc-`hcco2');
};
iter;
iter;
iter;
iter;
iter;
iter;
iter;
iter;
iter;
iter;
iter;
iter;
iter;
end;


iterate;
```

IBGE
Instituto Brasileiro de Geografia e Estatística

Comisión Económica para América Latina y el Caribe

Fourth Meeting of the
EXPERT GROUP ON POVERTY STATISTICS
(RIO GROUP)
Rio de Janeiro, Brazil, 15 - 17 October, 2001

FOOD REQUIREMENTS AND DEFICITS, PERU 1997-2000

Javier Herrera
IRD-INEI

"Food requirements and deficits, Peru 1997-2000"

Expert group on poverty statistics

(Rio Group), october 2001

Javier Herrera
IRD-INEI

Plan de presentacion

- ◆Pobreza extrema, déficit calórico y desnutrición
- ◆Estimacion de requerimientos calóricos a nivel individual
- ◆La definición de la población de referencia

Las normas calóricas en el Peru

Cuadro n°3

Norma calórica según el INEI y según Cuánto, 1997
(calorías percapita diarias)

	Cuánto	INEI	% Cuánto /INEI
Lima Metrop., Costa urbana y rural	2371	2318	2.3%
Sierra urbana y rural	2648		14.2%
Selva urbana y rural	2385		2.9%

Problema: Los requerimientos corresponden a una familia "ideal" que sería la misma en todas las regiones del país. Dicha familia está compuesta de 5 miembros, dos adultos, un adolecente y dos niños

Opción adoptada: estimar los requerimientos para cada uno de los hogares, individuo por individuo y solo luego agregar por regiones. Finalmente se prueba si los niveles promedio son diferentes y se agrupan las regiones que no difieren.

Requerimientos calóricos (intensidad de actividad moderada), 1997

Mean Subpop.	Estimate	Std. Err.	[95% Conf.	Interval]
Regiones naturales				
Costa	2219	4.63	2210	2228
Sierra	2160	4.38	2151	2168
Selva	2158	6.68	2145	2172
Dominios geograficos				
Costa urbana	2206	6.76	2193	2220
Costa rural	2186	11.74	2163	2209
Sierra urbana	2199	6.58	2186	2212
Sierra rural	2138	5.39	2127	2148
Selva urbana	2181	8.84	2164	2199
Selva rural	2139	9.27	2121	2157
Lima Metropolitana	2232	6.79	2219	2246
Promedio Nacional	**2190**	**3.06**	**2184**	**2196**

Fuente: nuestras estimaciones en base de la ENAHO 97-4

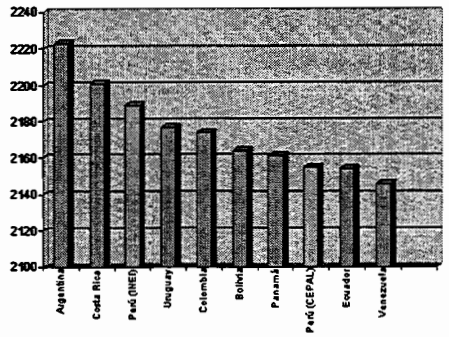
Nuevos requerimientos calóricos

Nuevas Normas Calóricas (Calorías percapitas diarias)

		Costa urbana, Costa rural, Sierra urbana, y Selva urbana	Sierra rural, Selva rural
	Calorías promedio	T-statistic	
Lima Metrop.	2232	4.34***	11.43***
Costa urbana, Costa rural, Sierra urbana, y Selva urbana	2194		9.69***
Sierra rural, Selva rural	2133		

Comparación con otros países

Gráfico nº 1: Requerimientos calóricos promedio estimaciones CEPAL y INEI



Estimación de la incidencia de la deficiencia calórica en el Perú, 1997

	Estimate	[95% Conf. interval]	
Nacional	31.9%	30.0%	33.9%
Areas			
Rural	50.2%	46.4%	54.0%
Urbana	21.8%	19.8%	23.8%
Regiones naturales			
Costa	20.0%	17.6%	22.4%
Sierra	47.3%	43.7%	51.0%
Selva	35.6%	30.8%	40.3%
Dominios geográficos			
Costa urbana	18.8%	15.4%	22.2%
Costa rural	38.6%	31.8%	45.4%
Sierra urbana	34.5%	30.6%	38.3%
Sierra rural	54.4%	49.2%	59.5%
Selva urbana	24.7%	19.4%	30.0%
Selva rural	44.7%	37.6%	51.8%
Lima Metropolitana	17.4%	14.0%	20.8%

Fuente: nuestras estimaciones en base de la ENAHO 97-4
Nota: con intensidad moderada en las áreas urbanas y en áreas rurales.

Incidencia, brecha y severidad de la deficiencia calórica

Dominios geográficos	FGT=0	FGT=1	FGT=2	Subgroup poverty 'share'	Subgroup population share
Costa urbana	20.1%	5.4%	2.6%	10.9%	17.8%
Costa rural	39.1%	9.7%	3.8%	6.0%	5.1%
Sierra urbana	35.8%	10.2%	5.1%	14.0%	12.9%
Sierra rural	**54.4%**	**18.8%**	**9.0%**	**38.3%**	**23.2%**
Selva urbana	25.5%	6.4%	2.8%	4.5%	5.8%
Selva rural	45.1%	12.9%	5.7%	9.3%	6.8%
Lima Metropolitana	19.7%	6.2%	3.6%	17.0%	**28.5%**

Fuente: nuestras estimaciones en base de la ENAHO 97-4
Nota: con intensidad moderada en las áreas urbanas y en áreas rurales

Pobreza extrema y deficiencia calórica (actividad moderada urbana y rural)

	Sin déficit calórico	Con déficit calórico	
No pobre extremo	64.88	16.96	81.84
Pobre extremo	3.20	14.95	18.16
Total	68.08	31.92	100.00

Fuente: Nuestras estimaciones, ENAHO97

	Sin déficit calórico	Con déficit calórico	
No pobre extremo	79.28	20.72	100.00
Pobre extremo	17.64	82.36	100.00
Total	68.08	31.92	100.00

Fuente: Nuestras estimaciones, ENAHO97

	Sin déficit calórico	Con déficit calórico	
No pobre extremo	95.30	53.14	81.84
Pobre extremo	4.70	46.86	18.16
Total	100.00	100.00	100.00

Fuente: Nuestras estimaciones, ENAHO97

Pobreza monetaria y desnutricion crónica

Cuadro n°1
Desnutrición crónica y extrema pobreza

	No sufren desnutrición crónica	Sufren desnutrición crónica	Total
No pobre	30.1	6.4	36.5
Pobre	39.6	24.0	63.5
Total	69.7	30.4	100.0

N=2054
Pearson chi2(1)=92.3037 Pr=0.000
Fuente : (Ruggeri, 2000:27) en base de la ENNIV 1994

Cuadro n°2
Desnutrición crónica y extrema pobreza

	No sufren desnutrición crónica	Sufren desnutrición crónica	Total
No pobre extremo	51.4	14.9	66.4
Pobre extremo	18.2	15.4	33.6
Total	69.7	30.3	100.0

Pearson chi2(1)=118.8428 Pr=0.000
Fuente : (Ruggeri, 2000:27) en base de la ENNIV 1994

La composición de la canasta básica de consumo alimentario

La definición de los productos que componen la canasta de alimentos se determino en base a la Encuesta Nacional de Propósitos Múltiples de 1993-1994 ejecutada por el INEI. Los productos con mayor frecuencia de gasto dentro de la población de cada una de las tres regiones naturales fueron seleccionados (se retuvo como criterio de inclusión cuan frecuente era su consumo entre los hogares). La canasta considerada por el INEI es una canasta "real" en el sentido que tiene en cuenta los hábitos de consumo de la población así como la disponibilidad efectiva de los alimentos y los precios relativos. La canasta de alimentos del INEI incluye 48 items de los cuales 10 corresponden a los alimentos consumidos fuera del hogar o obtenidos en los comedores populares o clubes de madres.

La identificación de la estructura de consumo que satisface las normas calóricas

El INEI opta por su considerar la estructura de consumo ***observada*** para las tres poblaciones de referencia, una para cada una de las tres regiones naturales. Se determinaron las poblaciones de referencia cruzando la información de gasto percapita (no ajustado por diferencias espaciales de precios) y el consumo percapita de calorías. La población de referencia comprende un intervalo de 30% por encima del nivel de gastos percapita asociado a los requerimientos calóricos mínimos (mas adelante discutiremos en detalle los problemas asociados a la definición de la población de referencia). Enseguida se normalizan las cantidades de las canastas para ajustarlas al consumo de 2318 calorías.

La valorización de la canasta básica de alimentos

En el caso del INEI, las canastas básicas alimentarias definidas en las etapas anteriores se valorizan utilizando los precios implícitos (medianos) de cada uno de los siete dominios geográficos de las respectivas poblaciones de referencia. Este procedimiento tiene la ventaja de poder considerar los precios prevalecientes en cada uno de los dominios y de ser adaptados a las variedades del producto que se consumen en cada uno de los dominios geográfico (mas adelante discutiremos el problema de la disparidad espacial de precios).

La población de referencia según el INEI

"Se especificaron las ingestas calóricas de la población clasificada en percentiles de consumo percápita para cada una de las regiones del país, (b) se identificó el decil móvil, para cada región, cuyo consumo diario de kilocalorías por persona fuese cercano al mínimo, y (c) asumiendo que el percentil que ingiere el mínimo es el que se encuentra en el lugar medio de dichos deciles, se seleccionó como población de referencia al 30 % contenida en los percentiles 11 al 40 para la Costa, 42 al 71 para la Sierra y 27 al 56 para la Selva . Es decir, se eligió a los estratos que por lo menos ingieren el mínimo calórico, excluyéndose de este modo a la población de mas bajos recursos (para así no considerar consumos restringidos) y a la de mas altos ingresos (para así no considerar consumos con alto contenido suntuario)..." (Informe Marcos Robles, INEI).

La población de referencia: observaciones criticas

1) No se hizo ajustes en el gasto para corregir las diferencias espaciales de precios. De ello resulta que el cálculos de los percentiles del gasto utilizados para definir la población de referencia se encuentra distorsionado mas aun habiéndose confundido en un mismo dominio las áreas urbanas y rurales que son las que presentan mayores disparidades en los niveles de precios.

2) Dicha separación por dominios se justificaba inicialmente para examinar la hipótesis según la cual los patrones de consumo entre las diversas regiones naturales presentaban divergencias importantes. Sin embargo,

3) Dado que los niveles promedio del gasto son menores en los dominios rurales respecto a los urbanos e inferiores a los de Lima metropolitana, tenemos el hecho que los hogares rurales tienen, en promedio, un costo por caloría inferior al de los hogares urbanos y ello ha implicado que se considere que dicho hogares podrían satisfacerse con una canasta cuyo costo es inferior al de los dominios urbanos.

4) Si comparamos el costo por caloría para hogares con niveles comparables de gasto en diferentes dominios observamos que son bastante similares. Los hogares rurales tienen una CBA "menos costosa" no solamente porqué la alimentación es mas barata o por preferencias culturales sino también (y probablemente principalmente) porque son mas pobres y esto les lleva a consumir calorías mas baratas.

Población de referencia:

coeficientes de Engel y costos de la calorias

Cuadro n°8

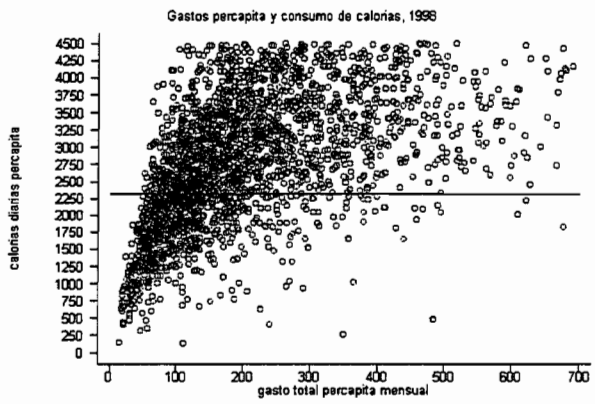
1997	Coeficientes de Engel (% gasto en alimentos/gasto total)		Población de referencia (deciles y percentiles)	
	Cuánto	INEI	Cuánto	INEI
Dominios				
Costa urbana	46.18	54.61	7	13-50
Costa rural	65.84	62.87	6	41-84
Sierra urbana	44.49	50.91	5	14-42
Sierra rural	64.81	67.33	5	57-88
Selva urbana	52.51	56.32	8	11-37
Selva rural	66.35	68.93	5	40-73
Lima Metropolitana	46.67	51.07	7	4-27

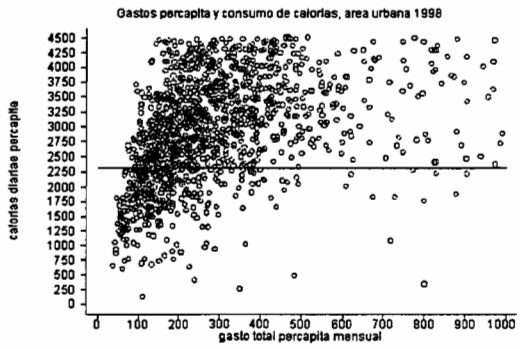
Fuente: Nuestras estimaciones para la ENAHO y Cuánto 1997: Informe metodológico.

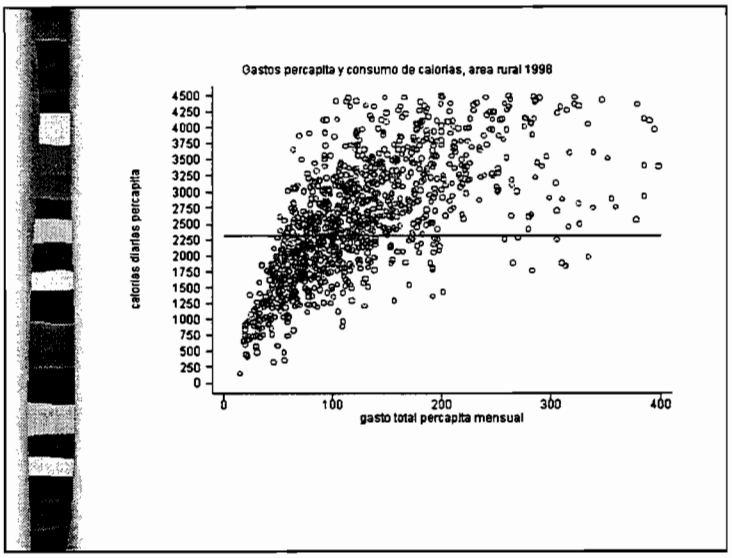
Cuadro n°6

Costo de calorías, gastos percapita promedio por deciles y sector, 1998

	Costo de 1000 cal por deciles			Indice relativo a Lima		Gastos percapita 1998	
Deciles	urbano	rural	Lima	urbano	rural	urbano	rural
1	3,12	2,47	3,72	1,1928	1,5068	93,98	34,05
2	3,58	2,72	4,13	1,1647	1,6172	142,33	63,36
3	3,82	2,71	4,69	1,2263	1,7321	175,26	67,66
4	4,10	2,83	4,84	1,1334	1,6409	209,97	81,71
5	4,46	2,99	5,24	1,1755	1,7523	247,43	97,42
6	4,56	3,21	5,53	1,2134	1,7207	295,29	114,21
7	5,31	3,36	5,92	1,1140	1,7629	369,32	134,90
8	5,58	3,56	5,98	1,0724	1,6807	439,49	164,51
9	6,10	3,79	8,46	1,3849	2,2280	598,99	204,78
10	8,55	4,64	8,66	1,0129	1,8653	1306,08	365,30
Nacional	4,92	3,23	5,69	1,16	1,76	386,62	131,69







Nuevas y antiguas líneas de pobreza extrema del INEI

Cuadro nº6

Líneas de pobreza extrema	1997		1998		1999		2000	
	Antes	Ahora	Antes	Ahora	Antes	Ahora	Antes	Ahora
Costa urbana 1/	88.79	90.12	98.67	99.07	97.20	96.39	98.15	97.72
Costa rural	85.18	84.88	94.90	93.16	93.42	90.57	94.42	91.81
Sierra urbana	81.85	90.17	89.61	97.10	88.66	95.35	95.54	97.37
Sierra rural	73.04	82.39	79.88	89.82	78.59	87.88	85.81	90.15
Selva urbana	85.47	93.98	93.76	101.68	94.63	99.98	94.49	102.81
Selva rural	83.33	84.16	91.04	91.64	91.97	89.64	91.80	91.96
Lima Metropolitana	109.10	117.52	115.45	124.28	116.43	123.61	118.37	125.91

1/ No incluye a Lima Metropolitana

Evolución de la Pobreza Extrema

Dominio de pobres	Tasa de Incidencia de la Pobreza Extrema		Variación número de pobres extremos 1997/2000	Variación % número de pobres extremos 1997-200	Pobres Extremos por regiones 2000
	1997	2000			
Costa urbana 1/	4.1%	7.0%	80.2%	143,417	8.2%
Costa rural	20.8%	12.5%	-35.9%	-93,984	4.3%
Sierra urbana	11.2%	3.9%	64.1%	-225,061	3.2%
Sierra rural	48.7%	40.6%	-15.3%	-429,284	60.8%
Selva urbana	10.2%	7.9%	-13.9%	-20,056	3.2%
Selva rural	32.4%	36.6%	23.9%	130,406	17.3%
Lima Metrop.	2.3%	1.6%	-26.6%	-42,763	3.0%
Urbana	5.3%	4.1%	-17.3%	-144,463	17.6%
Rural	41.5%	35.6%	-10.9%	-392,862	82.4%
Costa	4.8%	4.5%	1.1%	6,671	15.5%
Sierra	35.4%	27.5%	-20.7%	-654,345	64.0%
Selva	22.2%	23.4%	16.0%	110,350	20.5%
Total	**18.2%**	**15.0%**	**-12.1%**	**-537,324**	**100%**

1/ No incluye a Lima Metropolitana

Cambios en las dimensiones de la pobreza extrema en el Perú. 1997-2000

Dominio de estudio	Tasa de incidencia de la pobreza extrema (%)		Variación en número de pobres extremos 1997-200 (miles)	% de Variación en el número de pobres extremos 1997/2000	Pobres extremos por regiones 2000 (%)
	1997	2000			
Total	18,2	15,0	-537.3	-12.1	100.0
Area					
Urbana total *	5,3	4,1	-144.5	-17.3	17.6
Rural total	41,5	35,6	-392.9	-10.9	82.4
Región natural					
Costa *	4,8	4,5	6.7	1.1	15.5
Sierra	35,4	27,5	-654.3	-20.7	64.0
Selva	22,2	23,4	110,4	16.0	20.5

* Incluye a Lima Metropolitana

Nota: La muestra no ha sido suficiente para dar estimaciones confiables al nivel de dominios.

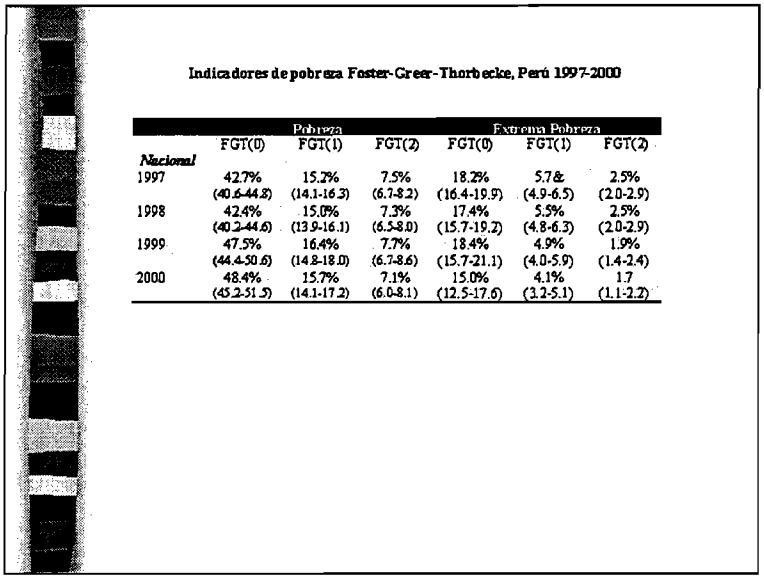
FIN

Resultados de las nuevas estimaciones de pobreza 1997-2000

La evolución de la pobreza en el Perú entre 1997 y 2000

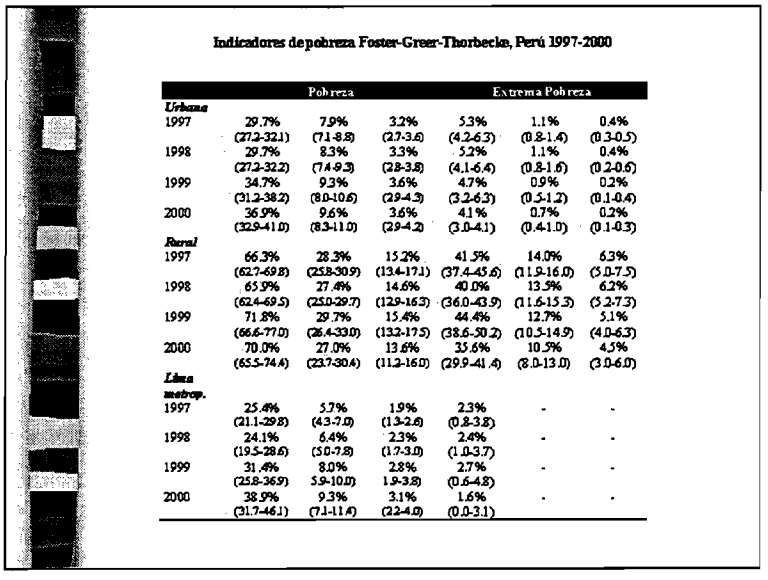
# de pobres	Incidencia de la pobreza		var % incidencia de la pobreza 1997/2000	var número de pobres 1997-200	var número de pobres% 1997/2000	%pobres por regiones 2000	estructura "nuevos pobres"
	1997	2000					
Costa urbana 1/	27.7%	36.1%	30%	455,291	38%	13%	21%
Costa rural	51.8%	50.7%	-2%	27,595	4%	5%	1%
Sierra urbana	38.3%	33.1%	-14%	-130,371	-11%	9%	-6%
Sierra rural	72.5%	73.3%	1%	109,997	3%	34%	5%
Selva urbana	37.0%	37.8%	2%	69,714	13%	5%	3%
Selva rural	55.7%	73.2%	31%	412,223	44%	11%	19%
Lima Metrop.	25.4%	38.9%	53%	1,183,735	68%	23%	56%
Area Rural Total	66.3%	70.0%	6%	549,815	10%	50%	26%
Area Urbana Total	29.7%	36.9%	24%	1,578,368	34%	50%	74%
Costa	28.9%	39.1%	35%	1,666,621	46%	42%	78%
Sierra	60.4%	59.0%	-2%	-20,374	0%	43%	-1%
Selva	47.1%	56.9%	21%	481,937	33%	15%	23%
Total	42.7%	48.4%	13%	2,128,185	20%	100%	100%

1/ No incluye a Lima Metropolitana



Indicadores de pobreza Foster-Greer-Thorbecke, Perú 1997-2000

	Pobreza			Extrema Pobreza		
	FGT(0)	FGT(1)	FGT(2)	FGT(0)	FGT(1)	FGT(2)
Nacional						
1997	42.7% (40.6-44.8)	15.2% (14.1-16.3)	7.5% (6.7-8.2)	18.2% (16.4-19.9)	5.7& (4.9-6.5)	2.5% (2.0-2.9)
1998	42.4% (40.2-44.6)	15.0% (13.9-16.1)	7.3% (6.5-8.0)	17.4% (15.7-19.2)	5.5% (4.8-6.3)	2.5% (2.0-2.9)
1999	47.5% (44.4-50.6)	16.4% (14.8-18.0)	7.7% (6.7-8.6)	18.4% (15.7-21.1)	4.9% (4.0-5.9)	1.9% (1.4-2.4)
2000	48.4% (45.2-51.5)	15.7% (14.1-17.2)	7.1% (6.0-8.1)	15.0% (12.5-17.6)	4.1% (3.2-5.1)	1.7 (1.1-2.2)



Indicadores de pobreza Foster-Greer-Thorbecke, Perú 1997-2000

	Pobreza			Extrema Pobreza		
Urbana						
1997	29.7% (27.2-32.1)	7.9% (7.1-8.8)	3.2% (2.7-3.6)	5.3% (4.2-6.3)	1.1% (0.8-1.4)	0.4% (0.3-0.5)
1998	29.7% (27.2-32.2)	8.3% (7.4-9.3)	3.3% (2.8-3.8)	5.2% (4.1-6.4)	1.1% (0.8-1.6)	0.4% (0.2-0.6)
1999	34.7% (31.2-38.2)	9.3% (8.0-10.6)	3.6% (2.9-4.3)	4.7% (3.2-6.3)	0.9% (0.5-1.2)	0.2% (0.1-0.4)
2000	36.9% (32.9-41.0)	9.6% (8.3-11.0)	3.6% (2.9-4.2)	4.1% (3.0-4.1)	0.7% (0.4-1.0)	0.2% (0.1-0.3)
Rural						
1997	66.3% (62.7-69.8)	28.3% (25.8-30.9)	15.2% (13.4-17.1)	41.5% (37.4-45.6)	14.0% (11.9-16.0)	6.3% (5.0-7.5)
1998	65.9% (62.4-69.5)	27.4% (25.0-29.7)	14.6% (12.9-16.3)	40.0% (36.0-43.9)	13.5% (11.6-15.3)	6.2% (5.2-7.3)
1999	71.8% (66.6-77.0)	29.7% (26.4-33.0)	15.4% (13.2-17.5)	44.4% (38.6-50.2)	12.7% (10.5-14.9)	5.1% (4.0-6.3)
2000	70.0% (65.5-74.4)	27.0% (23.7-30.4)	13.6% (11.2-16.0)	35.6% (29.9-41.4)	10.5% (8.0-13.0)	4.5% (3.0-6.0)
Lima metrop.						
1997	25.4% (21.1-29.8)	5.7% (4.3-7.0)	1.9% (1.3-2.6)	2.3% (0.8-3.8)	-	-
1998	24.1% (19.5-28.6)	6.4% (5.0-7.8)	2.3% (1.7-3.0)	2.4% (1.0-3.7)	-	-
1999	31.4% (25.8-36.9)	8.0% 5.9-10.0)	2.8% 1.9-3.8)	2.7% (0.6-4.8)	-	-
2000	38.9% (31.7-46.1)	9.3% (7.1-11.4)	3.1% (2.2-4.0)	1.6% (0.0-3.1)	-	-

Innovations in Measurement in the United States Official Poverty Lines

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This paper reports the results of research and analysis undertaken by Census Bureau staff. It has undergone a Census Bureau review more limited in scope than that given to official Census Bureau publications. This report is released to inform interested parties of ongoing research and to encourage discussions of work in progress.

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This is the fourth meeting of the Expert Group on Poverty Statistics, and at each of the previous three meetings, a representative from the Census Bureau has presented an update of the Census Bureau's latest work on experimental poverty measures. So the focus here will be to provide a short background on the Census Bureau's experimental poverty measures, summarize our latest research, and discuss some future research issues, with an emphasis on poverty threshold issues, since that is the topic of this session. The starting point for the Bureau's research is a report released by the National Academy of Sciences (NAS), based on the work of a panel convened to examine the U.S. poverty measure (Citro and Michael 1995). The Census Bureau's latest experimental poverty report was just released (Short 2001). This paper is largely a summary of this latest research report.

I. Poverty Thresholds:

A. Official (Current) Definition: The official poverty thresholds now in use were developed in the mid-1960's, and were based on the cost of a minimally adequate food budget for families with different characteristics. The multiplier (to include the costs of non-food needs) was set at 3, based on data that showed that families at that time spent around one-third of their income on food. Each year, thresholds are updated based on changes in consumer prices. With few other changes, the original food-based thresholds, updated for changes in prices, are still in use today.

B. NAS Recommendations: The NAS panel recommended that poverty thresholds should represent a dollar amount for a basic set of goods that includes food, shelter (including utilities), and clothing, and a small additional amount for other needs (such as household supplies, personal care items, and nonwork-related transportation expenses). They recommended that the threshold should be developed for a two-adult, two-child family and that a two-parameter equivalence scale (that differentiates between the marginal costs of additional adults and children) should be used to reflect the needs of different families. They also recommended that geographic location should be reflected in poverty thresholds by using geographic differences in housing costs. Finally, they recommended that adjustments to thresholds over time should reflect real growth in expenditures for the basic bundle of goods (food, shelter, and clothing).

C. Recent Census Bureau Research: The basic method used to calculate poverty thresholds for the Census Bureau's experimental measures remains very close to the NAS panel's original recommendations, though some aspects of the Panel's threshold recommendations have been changed to reflect the findings of significant research.

The basic premise of the Panel's recommended threshold calculation was that median spending for necessities (food, shelter, and clothing) should be the threshold base. Medical care was specifically excluded. Percentages of median expenditures that reflect the 30th and 35th percentiles were selected as a reasonable range from which to base a poverty threshold. This translates to 78 to 83 percent of the median. Expenses for other needs were accounted through the use of a multiplier that had a lower and upper bound of 1.15 and 1.25. All of the Census Bureau research thus far has used as its base the midpoint of the Panel's recommended upper and lower values for both the percentage of median expenditures and the multiplier. The formula for this calculation is (0.5*(1.15*0.78 + 1.25*0.83). The result is about 97 percent of the median expenditures on food, shelter, and clothing. So median expenditures on necessities is actually a very close approximation of poverty thresholds under this methodology.

Census Bureau research on thresholds has focused on three areas: the equivalence scale, geographic adjustments, and the means for updated threshold over time.

- **Equivalence scales**: The NAS panel recommended a two-parameter scale, where the formula was: (number of adults + P * number of children), raised to the power of F, with P=.07 and F ranging between 0.65 and 0.75. However, over time, this two-parameter scale has been criticized, as it might not be appropriate for childless families. In response, a three-parameter scale has been

proposed that attempts to reconcile the differences between singles and childless couples, couples, single-parent and two-parent families, and the cost-of-children literature. Compared to the two-parameter scale, the three-parameter scale provides more economies of scale between singles and childless couples and more similarities between the scales for families with one parent and two children and families with two parents and one child. Specifically, the three-parameter scale fixes the ratio between two adults and one adult to a constant value (1.41). For single parents, the formula is (number of adults + 0.8 + (0.5* number of children-1)), raised to the power of 0.7. For all other families, the formula is (number of adults + (0.5* number of children)), raised to the power of 0.7. All of the experimental measures in the Census Bureau's latest report use this three-parameter equivalence scale.

- **Geographic adjustments**: The NAS panel recommended a method of adjusting thresholds for different areas of the country based on variations in shelter costs, based on the 45th percentile of the cost of rental housing. Two geographic variables were used: census division, which is a group of the 50 U.S. states and the District of Columbia, and size of metropolitan area. These variations were computed as index values (where the U.S. average equals 1.0). The index values were applied to the estimated fraction of poverty budgets accounted for by shelter costs (which was estimated at 44 percent).

  A problem with this method was that it implied that housing costs were similar in states within the same census division, which is not always the case. For the latest report, a new method was used, which utilized smaller geographic units. Specifically, indexes were used that varied by state and metropolitan/nonmetropolitan status, and were based on rental levels used for housing assistance programs.

- **Updating thresholds over time:** Two methods were used in the latest report for updating thresholds. The first was based on changes in median spending on food, shelter, and clothing (based on rolling 3-year averages to stabilize the changes, since these changes are based on a survey that has large standard errors), and the other based on changes in prices over time, based on the Consumer Price Index (CPI). Over time, thresholds based on spending have increased faster than thresholds based on price changes, probably to be expected in a time of economic expansion.

II. Definition of Resources

A. Official (Current) Definition: Currently, to determine poverty status, a family's total money income is compared to the official threshold. Near-cash benefits, such as food stamps and housing subsidies, are not included, nor is the effect of taxes or other mandatory expenditures included in determining poverty status under the current definition.

B. NAS Recommendations: The NAS panel recommended a much broader definition of resources than money income alone. The recommended including the value of near-cash benefits, such as food stamps, school lunches, and the value of subsidized housing. They also recommended including the effect of taxes (federal taxes, including tax credits, state income taxes, and payroll taxes) in determining resources for poverty purposes. In addition, they recommended that other necessary expenses should be deducted from income, including work-related expenses, child care expenses, child support paid, and out-of-pocket medical expenses.

C. Recent Census Bureau Research: With the exception of the treatment of medical expenses/needs, most of the Census Bureau research on resources has focused on improving and updating the methods for calculating/modeling the components of resources not explicitly collected in the survey that has been the basis thus far of the Census Bureau's poverty measurement research. The official source of U.S. poverty statistics is this survey, the Current Population Survey. This summary paper does not go into the details,

but the major resource measurement improvements in the recently released experimental poverty report are updated and improved methods of modeling child care expenses and the value of rent subsidies (for more information, see Short 2001).

- **Medical Out-Of-Pocket Expenses**: The NAS panel recognized that health expenditures are a significant portion of family budgets and over time have become a significantly larger budget item. They considered including health care in the thresholds along with the other necessities (food, shelter, and clothing), but decided against making this recommendation. The argument against doing so was that medical needs differ from the other needs in that not every family requires medical care in a given year, but sometimes the costs associated with medical care can be extraordinarily large. Thus, it would be impossible to capture the actual variation in medical needs, and to do so might lead to erroneous poverty classifications for some families. Instead, they recommended computing the actual medical costs of a family in a given year, and subtracting these expenses, just as they recommended subtracting other necessary expenses like taxes and work expenses. This was the method used in the first Census Bureau poverty research report, released in 1999 (Short et al. 1999).

  However, this approach has run into criticism. Perhaps the most serious one is that for surveys to use this approach, they must collect or model out-of-pocket medical expenses (the 1999 study used a model to impute these costs, as the Current Population Survey does not collect any information on these expenses). Also, there is a conceptual issue of whether or not the needs measured by poverty thresholds should be complete–and if medical needs are just as important as housing and food, shouldn't these needs be included in the computation of thresholds?

  In light of the practical and conceptual issues brought about by the original panel proposal, the Census Bureau included two alternative poverty measure in its latest report. Under the first measure, a set of "expected" medical expenses was computed for families, based on broad characteristics (health insurance coverage, health status, presence of elderly members, and family size). These "expected" medical expenses (based on another U.S. survey that collects this information) ware added to each family's poverty threshold. The effect of this method compared to the other method described above was to raise poverty rates, since these "average" expected expenses are often significantly higher than the actual expenses of many families–so the addition to poverty thresholds often exceeds the subtraction from resources, thus resulting in a higher poverty rate.

  A third basic approach was also used in this report. Basically, it combined the two approaches described above into a single measure. This measure adds "expected" medical expenses to the threshold, as described above. Then, the difference between the amount of medical expenses for this family, also as described above, and the "expected" medical expenses is subtracted from family income. This method has the advantage of including medical needs in poverty thresholds (thus allowing thresholds to cover a broader range of needs), while preserving the significant variation in actual medical expenses (perhaps the biggest criticism of the "expected" expenses method is that if fails to preserve this variation). This method results in a slightly higher poverty rate than the "expected" expenses method, which suggests that individuals experience slightly higher than expected medical costs, on average.

III. Results of the Experimental Poverty Measure Research

In general, the Census Bureau's experimental poverty estimates tend to present a picture of the poverty population that looks more like the total population in terms of the types of individuals who are indicated as poor. Another way to portray the results of the Census Bureau's poverty research is that under the experimental results, the large gaps that exist under the official measure between groups with traditionally

high poverty rates and those with low poverty rates (such as the poverty rate differences between married couple and female householder families or between Whites and African Americans) are reduced.

For example, families with a female householder, no husband present, are over-represented in the poverty population. People in these families accounted for 23 percent of the U.S. population in 1999 and 53 percent of the poverty population under the official poverty definition. Under the experimental measures included in the most recently released report these families accounted for between 46 and 48 percent of the poverty population. For people in married-couple families, the opposite is true. They accounted for 66 percent of the total population and 32 percent of the poverty population under the official definition. Under the experimental measures, they accounted for between 37 and 40 percent of the poverty population.

A look at the differences in poverty rates between the official and experimental measures explains why this happens. Using experimental rates that have been standardized to the official overall rate, people in female-householder families have lower poverty rates, caused at least in part because these families are more likely to receive near-cash benefits such as food stamps that are counted in the experimental measure resource definition but not counted under the official definition. Married couples, on the other hand, have higher poverty rates under the experimental measures, caused at least in part by the fact that these families are more likely to contain workers, and are as a result more likely to be affected by the work-related deductions to income such as taxes (wages are taxed in the U.S., but most transfer payments are not), work-related expenses, and child care expenses.

IV. Future Research:

While the most recent Census Bureau experimental poverty report improved many calculation methods and should be considered a major step forward, there remain several areas that require more research. These areas include the unit of analysis and the flow or services from owner-occupied housing.

On the unit of analysis, the official poverty definition uses family units for poverty calculation purposes. The NAS panel recommended broadening the definition of "families" for poverty measurement purposes to include cohabiting couples and their children, and that research should be conducted on the extent of resource sharing among roommates and those in other living arrangements to ascertain whether the unit of analysis should be examined further. The first experimental poverty report (short et al. 1999) contained alternative unit of analysis comparisons, and the Census Bureau has done some more research in this area, but at this point it is safe to say that there is no consensus in the poverty research community on the ideal unit of analysis for poverty measurement purposes.

On the flow of services from owner-occupied housing, while the panel recommended out-of-pocket shelter expenses as the basis for the shelter component of the poverty threshold, it recognized that such a measure was far from perfect, because, for example, it essentially treats families high or no mortgage payments exactly the same, when in reality the shelter costs differ dramatically for those two groups. The NAS panel recommended that a preferred shelter cost method would calculate the amount that homeowners would pay if they were renting their homes. This would replace the out-of-pocket calculation for homeowners on the threshold side. Then on the income side, the implicit income of homeownership would be added to the income of homeowners. This is obviously a much more complex calculation, and while the first experimental poverty report contained a measure that followed the panel's preferred method, it is clear that further refinements and more research is needed.

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An Update on the Development of Canada's Market Basket Measure

CATHY COTTON

STATISTICS CANADA

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History of the Market Basket Measure (MBM)

Canada has no official measure of poverty. One of the main reasons for this is the lack of consensus on just what poverty means and on how to measure it. Statistics Canada has been producing Low Income Cut Offs (LICOs) since the late 1960's. They convey the income level at which a family may be in difficult circumstances because it has to spend a greater proportion of its income on necessities than the average family of similar size. Many Canadian groups use these cutoffs as a measure of poverty, even though Statistics Canada has consistently maintained that they measure those who are substantially worse off than the average, which is quite different from poverty.

In 1998 the Canadian Federal, Provincial and Territorial Ministers of Social Services asked a working group to develop an alternative to the LICOs. Part of the motivation for this came from the desire to evaluate the effectiveness of various programs, including the National Child Benefit. Such a measure should be: credible in its approach to poverty measurement, easy to understand, sensitive to geographic cost differences, and reflect changes in costs rather than changes in income. The last point implies that the measure should be absolute rather than relative.

Human Resources Development Canada and the Working Group on Social Development Research and Information have developed a measure of poverty based on the ability to purchase a basket of goods and services that would provide a "creditable" standard of living. To purchase the basket, a family must have sufficient income to:

- eat a nutritious diet
- buy clothing for work and social occasions
- house themselves in their community
- satisfy basic transportation needs for work, school, shopping and participation in community activities
- pay for other necessary expenses.

How to Calculate the MBM

The food component is based on the composition and amounts of foods specified in Health Canada's "National Nutritious Food Basket" for a reference family of two adults and two children.

The clothing component is based on the Acceptable Living Level clothing list developed by the Social Planning Council of Winnipeg.

In urban areas, the transportation component of the MBM is set at the annual cost of two monthly bus passes, plus 12 taxi trips per year. In rural areas the transportation component consists of the cost of a used vehicle, amortized over several years, 1,500 litres of gasoline and the cost of maintaining the vehicle (drivers' license, registration, insurance, two vehicle checkups).

The MBM definition of shelter includes what a family must spend on rent, utilities and basic appliances. The general approach is to average the median cost of a two bedroom rental unit and the median cost of a three bedroom unit. The Census of Population provides the basic cost of rent, electricity, heat and water for very detailed geographic areas. In order to ensure a certain standard of accommodation, only rental units that are not in need of major repairs are used to calculate the basic costs.

The practice of including appliances varies considerably across the country, so an adjustment must be made to allow for the extra expense that some renters will incur in supplying themselves with a refrigerator, stove, washer and dryer. This adjustment is made up of two parts: the cost of the appliance (averaged over its lifetime), multiplied by the percentage of renters who do not have that appliance included as part of their rent.

Combining these three factors produces an amount for rental accommodation that includes electricity, heat, water, refrigerator, stove, washer and dryer.

Of course there are other expenses such as basic telephone service, school supplies, personal care items and modest levels of recreation and entertainment that a family needs to achieve a reasonable standard of living. In theory, these additional items could be specified and priced in various areas of the country. To avoid this detailed and costly task, a "multiplier" approach is used for these other expenses. The actual expenditures on these items by two adult, two children families in the second income decile is expressed as a fraction of expenditures by the same families on food, clothing and transportation. Then the MBM values for food, clothing and transportation are increased by this fraction in each province and size of area of residence.

Equivalence scales provide a means of quantifying the economies of scale that are achieved by several persons living together. The specifications for the components of the Market Basket Measure are based on a family of two adults and two children, so an equivalence scale is used to convert to amounts suitable for families of other sizes. The Market Basket Measure uses the same equivalence scale that is already in use at Statistics Canada in the calculation of the 50% of the median low income measure. This scale counts an unattached individual as 1.0, and adds 0.4 for the second person (regardless of age), 0.4 for additional adults, and 0.3 for additional children. Therefore, the line for a single parent with one child would be 0.7 times the line for the reference family of four, and the line for a single person would be 0.5 time the line for the reference family of four.

Income concept: MBM disposable income

Once the cost of a basket has been established, a family will be above the MBM line if it has enough income to purchase the basket and will be below the line if it does not. Non-discretionary expenditures are subtracted from total income to determine how much money is actually available for purchase of the basket. The following amounts are subtracted from total family income to reach "MBM disposable income":

- federal, provincial and territorial income taxes
- employee portion of payroll taxes
- union and professional dues
- child care costs incurred to enable both parents (or a lone parent) to work
- child support payments made by non-custodial parents
- out-of-pocket costs of medically prescribed drugs, dental and vision care

Updating the MBM

There are two aspects to updating the MBM: annual price changes and changes in composition of the basket itself. In the case of the food, clothing and transportation components, annual price changes are accounted for automatically because pricing is carried out on a continuous basis. This leaves the basic cost of rental accommodation, which is available on a five year cycle from the Census. In between census years, the basic cost of shelter is updated using the CPI for provincial rental accommodation.

Society's idea of a reasonable standard of living changes over time. As this happens contents of the basket may become outdated. The contents of the basket will be reviewed on an approximately five year cycle, though this time frame would be modified if the Market Basket Measure exhibited unexpected or unusual trends compared to other low income measures.

Status of the MBM

Statistics Canada has done an initial investigation into the feasibility of producing the MBM. The results have been mixed.

The estimation of the shelter component is mainly based on the "long form" of the Census of Population, covering about 20% of the Canada. With this sample size and geographic detail, the shelter component seems quite feasible, in spite of the complexity involved in combining data from three different surveys.

Pricing of food and many of the transportation items is done regularly as part of the Consumer Price Index program. It was possible to find good correspondences for most of the items in these components, and preliminary estimates of these components have been encouraging. There are still some challenges in geographic coverage.

The specification of the clothing and footwear items was not sufficiently precise to allow a good preliminary estimate of the cost of this component. More work is needed to develop a usable clothing basket.

Data have been collected to allow the estimation of the disposable income concept that is to be compared to the total cost of the basket. Some work remains to be done on the out-of-pocket medical expenses. This information is collected in an expenditure survey, and will be imputed for families in the more detailed income and labour survey.

No firm date has been set for publication of a set of MBM lines and their associated poverty rates.

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EXPERT GROUP ON POVERTY STATISTICS
(RIO GROUP)
Rio de Janeiro, Brazil, 15 - 17 October, 2001

AN UPDATE ON THE DEVELOPMENT OF CANADA'S MARKET BASKET MEASURE

October 2001

STATISTICS CANADA STATISTIQUE CANADA

Background

- Canada has no official measure of poverty
- The Canadian Federal, Provincial and Territorial Ministers of Social Services asked a working group to develop an alternative to commonly used measures
- Such a measure should be:
  - » credible in its approach to poverty measurement
  - » easy to understand
  - » sensitive to geographic cost differences
  - » reflect changes in costs rather than changes in income

General Approach

- The basket is composed of goods and services to allow a family to
  - » eat a nutritious diet
  - » buy clothing for work and social occasions
  - » house themselves in their community
  - » satisfy basic transportation needs for work, school, shopping and participation in community activities
  - » pay for other necessary expenses
- Prices are based on a reference family of 2 adults and 2 children, and adjusted for other family sizes
- The cost of the basket is compared to an MBM disposable income, i.e. income after tax minus "non-discretionary" expenditures

Food component

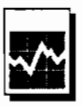
Construction of the food component

- Items and quantities were taken from Health Canada's Nutritious Food Basket for a reference family of 2 adults and 2 children
- Monthly pricing of food is already carried out for calculation of the Consumer Price Index
- Preliminary estimates have been developed for 40 cities

Clothing component

Construction of the food component

- Items and quantities from the Acceptable Living Level list of clothing and footwear prepared by the Winnipeg Social Planning Council
- Monthly pricing of clothing and footwear is already carried out for calculation of the Consumer Price Index
- Preliminary estimates have been developed for 16 cities



Shelter component

- Rent: average of median 2 bedroom unit and median 3 bedroom unit
- utilities
- other amenities

Sources of data

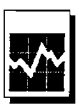
- Census of Population gives rent, as well as heat, electricity and water costs for very detailed geographic areas. Only units *not* in need of major repairs will be used
- Inclusion of fridge, stove, washer, dryer varies across the country
  - » LFS rent supplement provides provincial rates
  - » The cost of purchasing the appliance comes from 2nd income decile spending, amoritized over the lifetime of the appliance

Transportation component

- This covers basic transportation needs for work, school, shopping, and participation in community activities
- There are two independent procedures for pricing transportation component:
  - » Urban areas served by public transit - annual price of two adult monthly passes
  - » All other areas - the amortized cost of a used vehicle, plus the annual cost of operating the vehicle

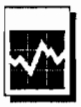
Other Expenses

- A multiplier approach is used for other expenses
- Actual expenditures by the 2nd income decile families
  - » Express expenditues on other expenses as a fraction of expenditures on food, clothing and transportation
  - » Cost of other expenses is that fraction times the basket cost of food, clothing and transportation



MBM Disposable Income

- Income that families actually have to purchase MBM commodities
- Subtract from total income
  - » federal, provincial and territorial income taxes
  - » employee portion of payroll taxes
  - » union and professional dues
  - » child care costs to allow both parents (or a lone parent) to work
  - » child support payments made by non-custodial parents
  - » out-of-pocket costs of medically prescribed drugs, dental and vision care
- Total cost of MBM basket is compared with MBM disposable income to determine MBM low income status



Equivalence Scale

- Components of the MBM are based on a reference family of 2 adults and 2 children
- Baskets for other family sizes could be specified and priced, but it is easier to use an equivalence scale
- MBM uses the same scale as Statistics Canada uses for the 0.5 median measure of low income
  - » 1.0 for the first person
  - » 0.4 for the second person, regardless of age
  - » 0.4 for additonal adults (16+)
  - » 0.3 for additional children

Updating the contents of the basket

- Society's idea of a reasonable standard of living evolves over time
- Contents of the MBM should be reviewed on a five year cycle
- MBM components and rates would be monitored
  - » unusual behaviour could trigger an earlier review

Status of the MBM

- Attempts have been made at estimating MBM components
- Comparison with actual spending patterns
- Food, shelter and transportation components look promising
- Clothing basket specification needs more work
- Some outstanding issues
  - » geographic coverage
  - » subsidized rent
  - » CPI sample is designed to measure change, not level
- Ongoing contact to refine specifications
- No firm date for publication of results

Latin America Experience on Income Statistics at the Light of Canberra Group Recommendations

PASCUAL GERSTENFELD

ECLAC

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Economic and Social Increasing Phenomena and Their Impact on Income Estimations for Poverty Analysis 264

1. The income concept and the practical definition for international comparisons
2. The accounting period: one year
3. The basic statistical unit: the household
4. Income adjustements:
   i). For household size: equivalence scales
   ii). For cross-country comparisons of real incomes: purchasing power parities should be used in preference to exchange rates
5. Time series data and improvements in the availability of data and metadata be given priority
6. Robustness assessment reports of income distribution statistics, so that users may judge their fitness for purpose
7. Periodical review of guidelines to ensure up-to-date with developments in the practice of income distribution compilation and in *the economic and social contexts in which the statistics are used*

Components of Disposable Income for International Comparisons: Similarities and *differences* with LA uses for income and poverty analysis

1. Employee income

1.1 Cash wages and salaries
[Tips, bonuses, profit sharing, termination pay, location allowances]
[Cash value of in kind employment package]

2. Income from self-employment

2.1 Profit/loss from unincorporated enterprise

Imputed income from self-employment

2.3 Goods and services produced for barter, less cost of inputs*

2.4 Goods produced for home consumption, less cost of inputs*
[Income less expenses from owner-occupied dwellings]

3. Income *less expenses* from rentals, except rent of land**

4. Property income

4.1 Interest received *less interest paid*

4.2 Dividends

5. Current transfers received

5.1 Social insurance benefits from employers' schemes

5.2 Social insurance benefits in cash from government schemes

* Not included in LIS DPI
** Included in poverty income in LIS DPI

5.3 Universal social assistance benefits in cash from government

5.4 Means-tested social assistance benefits in cash from government

5.5 Regular inter-household cash transfers received
[Regular support received from non-profit institutions]

6. *Total income (sum of 1 to 5)*

7. Current transfers paid

7.2 Employees' social insurance contributions

7.3 Taxes on income
[Regular cash transfers paid to households, or charities institutions]

8. *Disposable income (6 less 7)*

[9 Social transfers in kind (STIK) received]

[10 Adjusted disposable income (8 plus 9)]

Economic and Social Increasing Phenomena and Their Impact on Income Estimations for Poverty Analysis

1. Labor market changes:
   - increase of informal sector and self-employment *(estimation difficulties, reference period, temporal income oscillations)*
   - increase of unemployment *(occasional income, unemployment assurance)*
   - increase of labor migration *(urban-rural and abroad transfers)*
   - multiple receivers of income in the household *(the informer(s) problem)*

2. Social Public Expenditure Changes:
   - increase and targeting *(more government transfers to low income households)*
   - diversification *(new cash and in kind transfers from government and NGOs)*

3. Family Composition Changes:
   - increase of one-parent (woman) headed families *(increase of inter-household and government transfers)*

4. Urbanization of Poverty:
   - Owner-occupied dwellings income imputations *(new estimation problems)*
   - Publicly provided goods and services imputations *(new estimation problems)*

Household Income Statistics for Poverty Measurement: Recent Evidence for Latin America

JUAN CARLOS FERES

ECLAC

IBGE

Comisión Económica para América Latina y el Caribe

Fourth Meeting of the
EXPERT GROUP ON POVERTY STATISTICS
(RIO GROUP)

Rio de Janeiro, Brazil, 15 - 17 October, 2001

HOUSEHOLD INCOME STATISTICS FOR POVERTY MEASUREMENT:

Recent evidence for Latin America

Juan Carlos Feres
ECLAC

- **Reliability of income measurement in household surveys**
- **Operational alternatives**
- **Conclusions and future**

Reliability of income measurement in Latin America HSs

- Conceptual coverage
- Missing responses
- Underestimation

Conceptual coverage

¿What are we trying to measure?

LATIN AMERICA (16 COUNTRIES): INCOME CONCEPT MEASURED BY HOUSEHOLD SURVEYS a/

COUNTRY AND YEAR	INCOME CONCEPT b/	TIPO DE INGRESO					REFERENCE PERIOD OF INCOMES
		WAGES AND SALARIES	INCOME FROM SELF-EMPLOYMENT	TRANSFERS	PROPERTY INCOME (in cash)	IMPUTED RENT (for use of own home)	
ARGENTINA							
1990	ITB	X	X	X	X	-	Previous month
1994	ITB	X	X	X	X	-	Previous month
1997	ITB	X	X	X	X	-	Previous month
1999	ITB	X	X	X	X	-	Previous month
BOLIVIA							
1989	IPB/ITB	X	X	X	X	-	Previous month
1994	IPB+T	X	X	X	-	-	Previous month
1997	IPB+T	X	X	X	X	-	Previous month
1999	IT+AI	X	X	X	X	-	Variable
BRAZIL							
1990	IT-A	X	X	X	X	-	September
1995	IT	X	X	X	X	-	September
1996	IT	X	X	X	X	-	September
1999	IT	X	X	X	X	-	September
CHILE							
1990	IT+AI	X	X	X	X	X	Previous month
1994	IT+AI	X	X	X	X	X	Previous month
1996	IT+AI	X	X	X	X	X	Previous month
1998	IT+AI	X	X	X	X	X	Previous month
COLOMBIA							
1990	IP+T	X	X	X	-	-	Previous month
1994	IP-T of	X	X	X	-	-	Previous month
1997	IP-T of	X	X	X	-	-	Previous month
1999	IT-A	X	X	X	X	-	Previous month
COSTA RICA							
1990	IPB+T	X	X	X	-	-	Previous month
1994	IPB+T	X	X	X	-	-	Previous month
1997	IPB+T	X	X	X	-	-	Previous month
1999	IPB+T	X	X	X	-	-	Previous month

LATIN AMERICA (16 COUNTRIES): INCOME CONCEPT MEASURED BY HOUSEHOLD SURVEYS a/

COUNTRY AND YEAR	INCOME CONCEPT b/	TIPO DE INGRESO					REFERENCE PERIOD OF INCOMES
		WAGES AND SALARIES	INCOME FROM SELF-EMPLOYMENT	TRANSFERS	PROPERTY INCOME (in cash)	IMPUTED RENT (for use of own home)	
ECUADOR							
1990	IT	X	X	X	X	-	Previous month
1994	IT	X	X	X	X	-	Previous month
1997	IT	X	X	X	X	-	Previous month
1999	IT	X	X	X	X	-	Previous month
EL SALVADOR							
1990	IT	X	X	X	X	-	Variable
1995	IT+AI	X	X	X	X	X	Variable
1997	IT+AI	X	X	X	X	X	Variable
1999	IT+AI	X	X	X	X	X	Variable
HONDURAS							
1990	IPM	X	X	-	-	-	Previous month
1994	ITB	X	X	X	X	-	Previous month
1997	IT	X	X	X	X	-	Previous month
1999	IT	X	X	X	X	-	Previous month
MEXICO							
1989	IT+AI	X	X	X	X	X	Variable
1994	IT+AI	X	X	X	X	X	Variable
1996	IT+AI	X	X	X	X	X	Variable
1998	IT+AI	X	X	X	X	X	Variable
NICARAGUA							
1993	IP/IT	X	X	X	X	-	Variable
1998	IP/IT+AI	X	X	X	X	X	Variable
PANAMA							
1989	ITM-OA	X	X	X	X	-	Previous month
1994	ITB	X	X	X	X	-	Previous month
1997	ITM-OA	X	X	X	X	-	Previous month
1999	ITM-OA	X	X	X	X	-	Previous month

LATIN AMERICA (16 COUNTRIES): INCOME CONCEPT MEASURED BY HOUSEHOLD SURVEYS a/

COUNTRY AND YEAR	INCOME CONCEPT b/	TIPO DE INGRESO					REFERENCE PERIOD OF INCOMES
		WAGES AND SALARIES	INCOME FROM SELF-EMPLOYMENT	TRANSFERS	PROPERTY INCOME (in cash)	IMPUTED RENT (for use on own home)	
PARAGUAY							
1990	IT	X	X	X	X	-	Previous month
1994	IT	X	X	X	X	-	Previous month
1996	IT	X	X	X	X	-	Previous month
1999	IT+AI	X	X	X	X	X	Previous month
DOMINICAN REPUBLIC							
1992	SYSM+OM	X	X	-	-	X	Week
1995	SYSM+OM	X	X	-	-	X	Week
1997	IT	X	X	X	X	X	Variable
URUGUAY							
1990	IT+AI	X	X	X	X	X	Previous month
1994	IT+AI	X	X	X	X	X	Previous month
1997	IT+AI	X	X	X	X	X	Previous month
1999	IT+AI	X	X	X	X	X	Previous month
VENEZUELA							
1990	IPM	X	X	-	-	-	Previous month
1994	IPM+T	X	X	X	-	-	Previous month
1997	IPM+T	X	X	X	-	-	Previous month
1999	IPM+T	X	X	X	-	-	Previous month

a/ "X" shows that the income component was measured in the survey.

b/

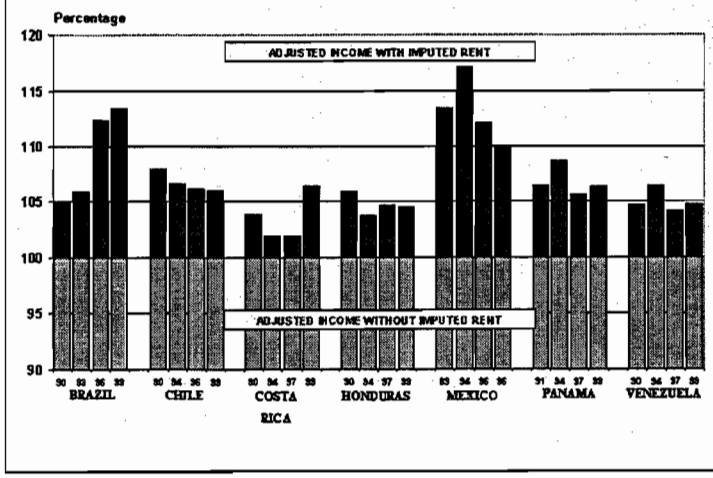
1.- ITM = Total monetary income.
2.- IPM = Primary monetary income.
3.- IPM+T = Primary monetary income plus transfers
4.- IT-A= Total income without self-consumption.
5.- IT+AI = Total income plus imputed rent.
6.- ITco-A= Total income without self-consumption for the occupied population.
7.- IP-AsT = Primary monetary income without self-consumption plus transfers.
8.- IP+T = Primary monetary income plus transfers..
9.- SYSM = Monetary wages.
10.- ITM-GA = Total monetary income without agriculture net income.
11.- SYSM+ OM = Monetary wages and net income.

LATIN AMERICA (10 COUNTRIES): INCOME COMPONENTS MEASURED IN HOUSEHOLD SURVEYS

	Argentina	Brasil	Chile	Colombia	Costa Rica	El Salvador	Honduras	Mexico	Panama	Peru
1. Employee Income										
1.1 Cash wages and salaries	X	X	X	X	X	X	X	X	X	X
1.2 Tips and bonuses	X		X	X	X	X		X		X
1.3 Profit-sharing			X					X		X
1.4 Severance pay	X		X			X		X		X
1.5 Allowances (payable to military families, etc.)			X					X		
1.6 Employers' social insurance contributions								X		
1.7 Goods and services provided to employee as part of employment package			X	X		X	X	X		X
2. Income from Self-Employment										
2.1 Net income from unincorporated enterprise	X	X	X	X	X	X	X	X	X	X
2.2 Royalties								X		
2.3 Net income from home production for barter transactions								X		
2.4 Net income from home prod. for home use		X	X		X	X	X	X		X
2.5 Imputed rent			X			X		X		X
3. Net Rents (Excluding Land)	X	X	X	X	X	X	X	X	X	X
4. Property Income										
4.1 Net interests	X	X	X	X	X	X		X	X	X
4.2 Dividends	X	X	X	X	X	X		X	X	X
4.3 Rent from land			X			X		X		X
5. Current Transfers Received										
5.1 Social insurance benefits (employer's schemes)	X	X	X	X	X	X	X	X	X	X
5.2 Social security benefits (government schemes)	P	X	X		X		X	X	X	P
5.3 Income from universal government schemes			X					P		
5.4 Income from means-tested government schemes			X					P		P
5.5 Regular inter-household cash transfers received	X	X	X	X	X	X	X	X	X	X
5.6 Regular support received from non-profit institutions	P		X			X		X		P
7. Deductions of Current Transfers Paid								X		
9. Social Transfers in Kind										
12. Net Irregular Transfers			X			X		X	X	X
17. Inheritance						X		X		X
20. Unrealized Capital Gains										

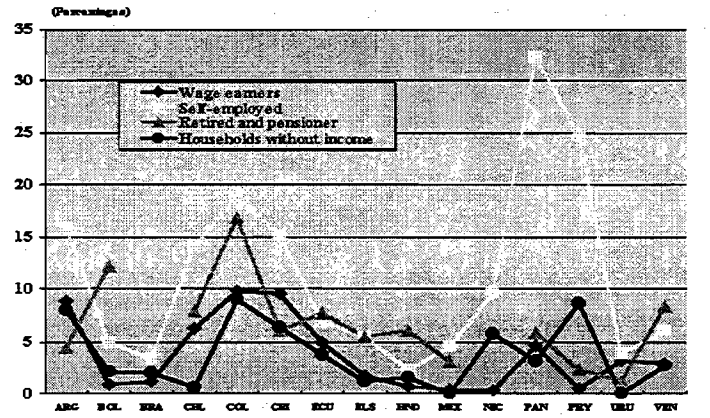
LATIN AMERICA (7 COUNTRIES): CHANGES IN INCOME WHEN ADDING IMPUTED RENT, 1990 - 1999

(Adjusted income without imputed rent = 100)

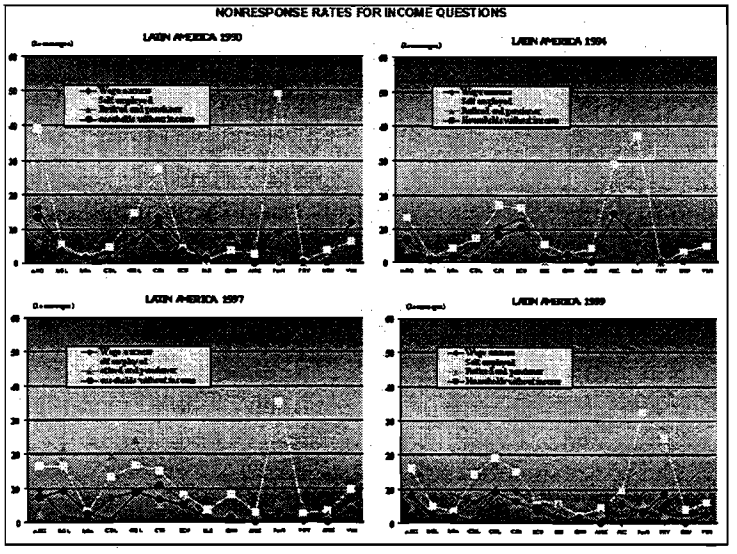


Missing responses to income questions

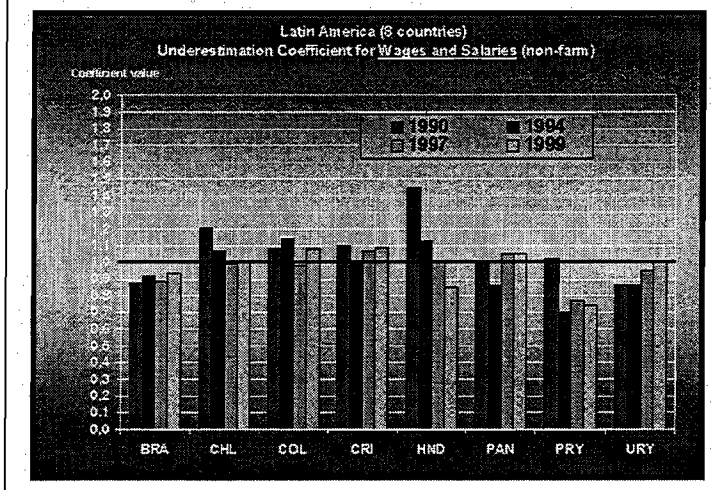
LATIN AMERICA, 1999
NONRESPONSE RATE FOR INCOME QUESTIONS

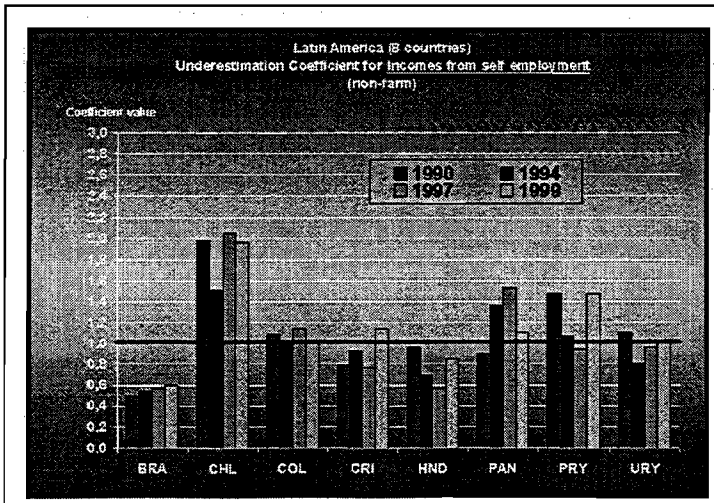


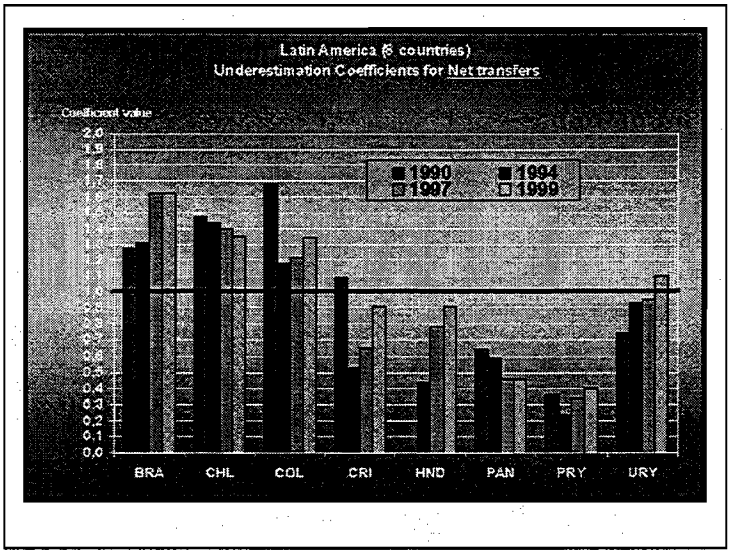
NONRESPONSE RATES FOR INCOME QUESTIONS

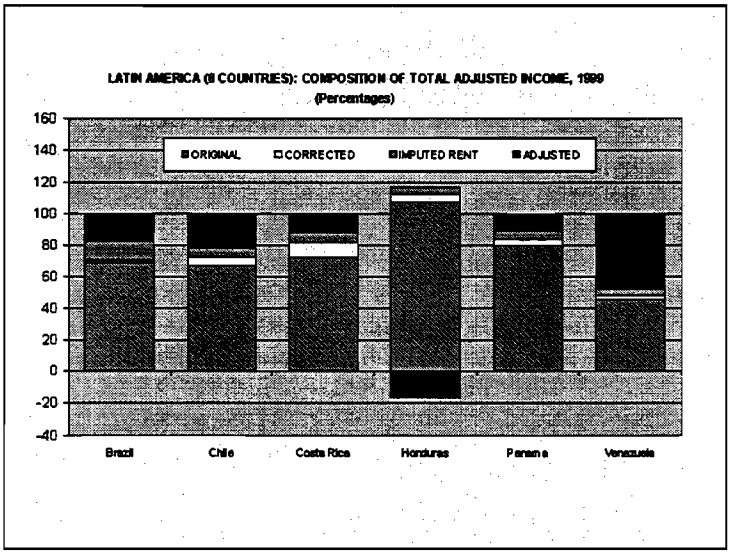


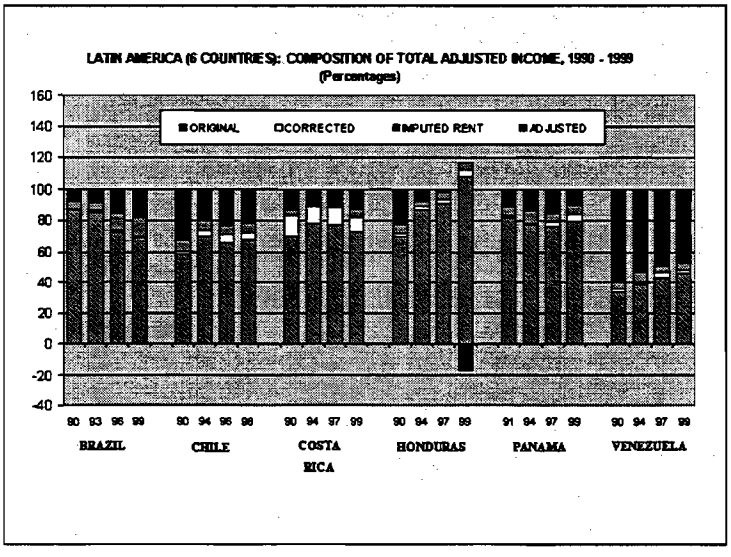
Income underestimation






Latin America (6 countries)
Underestimation Coefficients for Net transfers
Coefficient value
1990
1994
1997
1999
BRA
CHL
COL
CRI
HND
PAN
PRY
URY

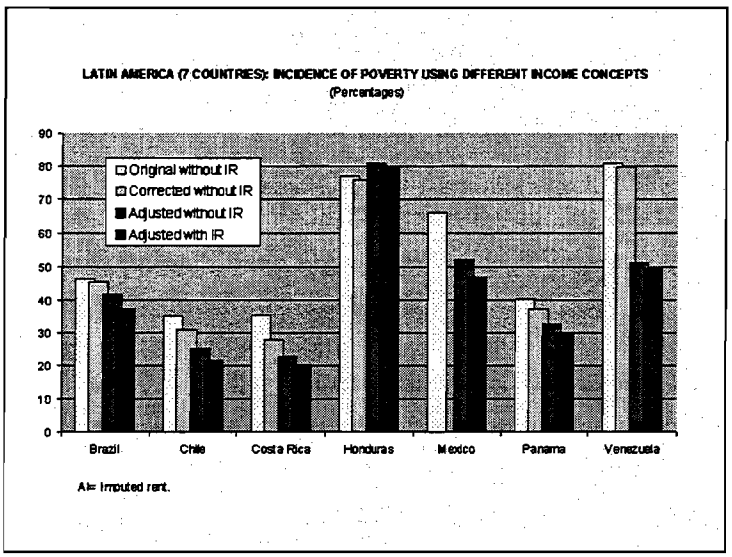

LATIN AMERICA (6 COUNTRIES): COMPOSITION OF TOTAL ADJUSTED INCOME, 1999
(Percentages)
ORIGINAL
CORRECTED
IMPUTED RENT
ADJUSTED
Brazil
Chile
Costa Rica
Honduras
Panama
Venezuela

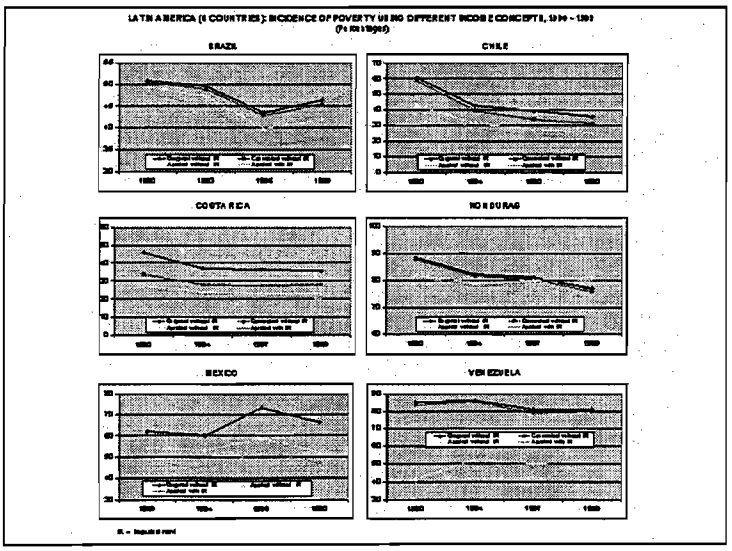

LATIN AMERICA (6 COUNTRIES): COMPOSITION OF TOTAL ADJUSTED INCOME, 1990 - 1999
(Percentages)
ORIGINAL
CORRECTED
IMPUTED RENT
ADJUSTED
BRAZIL
CHILE
COSTA RICA
HONDURAS
PANAMA
VENEZUELA

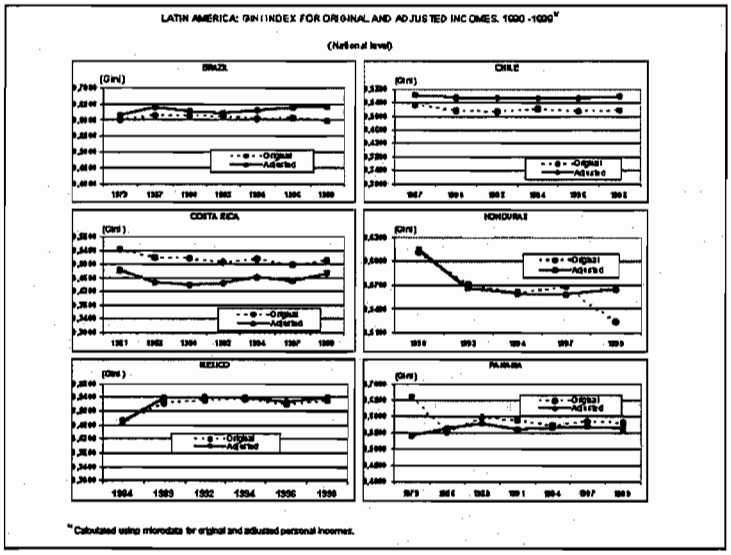
Operational alternatives and their effects on poverty measurement and income distribution

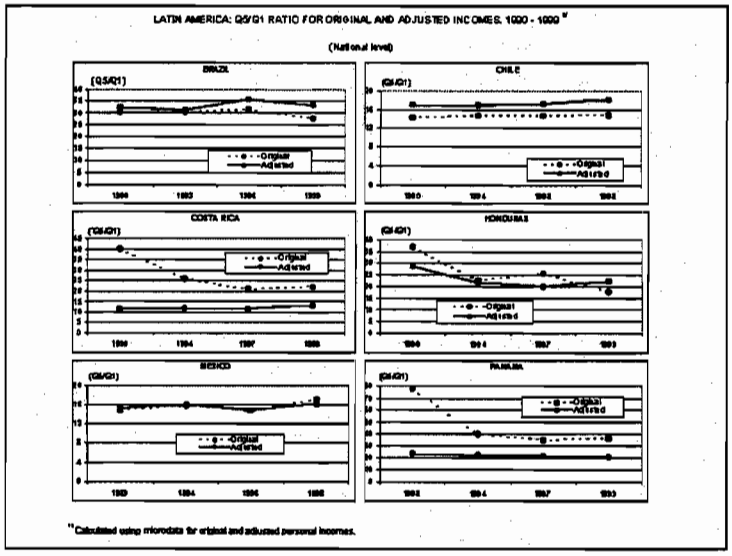
Should we correct original data?

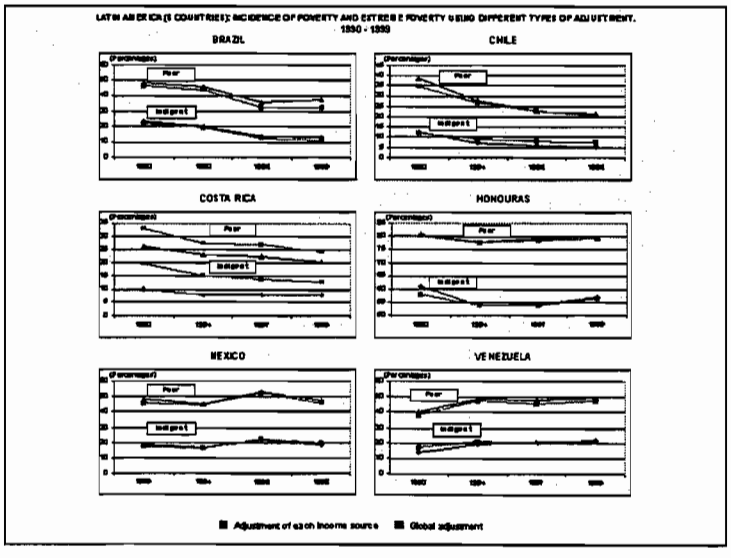
- No, use data as it comes
- Correct non-response cases
- Adjust for understatement
- Add imputed income from other sources (eg: imputed rent)





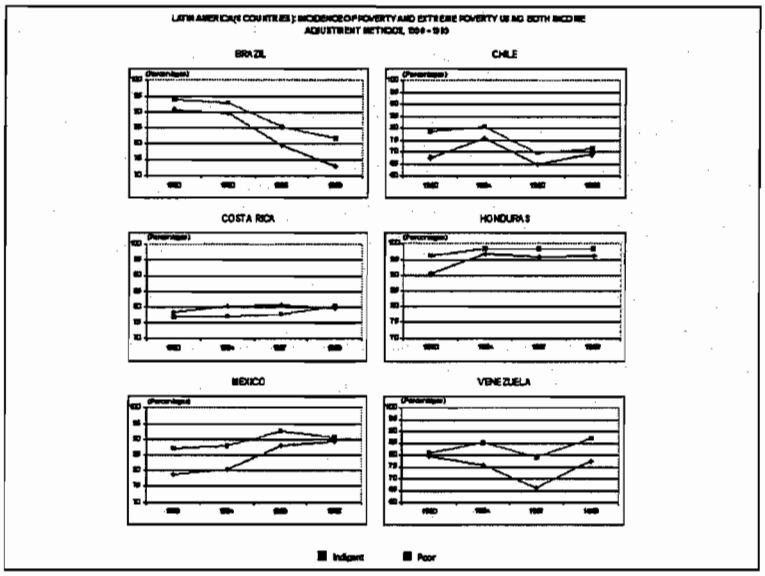

LATIN AMERICA: GINI INDEX FOR ORIGINAL AND ADJUSTED INCOMES, 1990 -1999[a]
(National level)
BRAZIL
CHILE
COSTA RICA
HONDURAS
MEXICO
PANAMA
(Gini)
Original
Adjusted
1990
1992
1994
1996
1998
[a] Calculated using microdata for original and adjusted personal incomes.


LATIN AMERICA: Q5/Q1 RATIO FOR ORIGINAL AND ADJUSTED INCOMES, 1990 - 1999[a]
(National level)
BRAZIL
CHILE
COSTA RICA
HONDURAS
MEXICO
PANAMA
(Q5/Q1)
Original
Adjusted
[a] Calculated using microdata for original and adjusted personal incomes.


LATIN AMERICA (6 COUNTRIES): INCIDENCE OF POVERTY AND EXTREME POVERTY USING DIFFERENT TYPES OF ADJUSTMENT, 1990 - 1999
BRAZIL
CHILE
COSTA RICA
HONDURAS
MEXICO
VENEZUELA
(Percentages)
Poor
Indigent
Adjustment of each income source
Global adjustment

LATIN AMERICA (6 COUNTRIES): INCIDENCE OF POVERTY AND EXTREME POVERTY USING BOTH INCOME ADJUSTMENT METHODS

Country and year		Indigent	Poor non indigent	Poor
Brazil	1990	90,8	86,3	94,0
	1993	89,7	83,3	93,0
	1996	79,3	71,3	85,2
	1999	72,8	68,8	81,7
Chile	1990	67,5	59,8	78,6
	1994	75,9	66,2	80,6
	1996	54,9	49,9	69,6
	1998	68,9	53,4	71,2
Costa Rica	1990	78,4	48,9	76,9
	1994	80,2	51,8	77,0
	1997	80,8	59,2	77,7
	1999	79,6	59,7	80,5
Honduras	1990	90,4	74,9	96,3
	1994	96,8	87,4	98,3
	1997	95,8	88,1	98,3
	1999	96,2	87,4	98,3
Mexico	1989	78,8	69,8	87,2
	1994	80,4	71,1	87,9
	1996	88,2	76,4	92,6
	1998	89,3	73,2	90,5
Venezuela	1990	79,5	58,3	81,1
	1994	75,4	61,7	85,3
	1997	65,7	51,0	79,0
	1999	77,2	67,3	86,9



CONCLUSIONS

Generals:

- In most surveys large underestimation gaps can be detected
- Gaps vary with the type of income selected and among countries. They also change in time even for the same survey program
- Therefore, it is difficult to specify a model and estimate parameters that make an "automatic adjustment" possible
- Moreover, gaps make the adjustment at income essential, at least for some kinds of analysis
- The methodology employed for evaluation and correction must be explicit and, if possible, follow common guidelines, but at the same time flexible enough to adapt to specific situations. Case by case application is a must
- Some criterions and procedures used could change if more detailed information were available for the external framework

CONCLUSIONS

Specific:

- Underestimation affects mainly poverty levels and, to a lesser extent, poverty trends. Nevertheless, there are periods for which trends show significant variations
- The type of adjustment –detailed or global- has a small effect on poverty levels, although not always in the same direction
- Nevertheless, the composition of poverty is altered. Between 5% and 30% of poor households change their classification depending on the adjustment procedure used. At the same time these percentages vary in time with an irregular pattern

LIMITATIONS TO OVERCOME

Surveys:

- Extend the concept and detail of income under analysis
- Systematic evaluation of non-response:
  - Identify affected categories
  - Measure the extension of the problem
  - Detect possible biases, useful for data analysis and for improving design and control activities in field work
  - Depending on the nature of the research, convenience of applying ex-post imputation criteria for missing data. Improvement of imputation methods
- Evaluation of sampling and non-sampling errors. Robustness analysis for income estimations

LIMITATIONS TO OVERCOME

National Accounts:

- Regular estimation of the Household Account in each country (lags)
- Level of disaggregations: Conceptual
  Regional
  Sectorial
  Temporal (intra-annual)
  By socio-economic categories
  By income level
- Identification of the population that receive some kind of income : Of each type of income
  By level of income
- Have complementary information
- Reliability of own Accounts

LIMITATIONS TO OVERCOME

Adjustment method:

- Determine the conditions under which adjustments should be performed
- Provide empirical support for the criteria on which the adjustment method is based, considering the difference between countries
- Gather information and perform analysis to improve adjustment criteria
- Further research on the impacts of adjustment on poverty measurement for each individual case, and also on the statistical limitations of these practices

Estimando la Distribución de Bienestar: Notas Sobre los Principales Problemas Presentes en su Aproximación por la Distribución del Ingreso

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1. Introducción

En principio, "lo que realmente importa" para los individuos es la maximización del nivel de bienestar y no la maximización del nivel de consumo o del ingreso. Sin embargo, como el nivel de bienestar es dificil o, según algunos, imposible de ser medido directamente, se opta sistemáticamente por investigar la distribución de uno de sus determinantes más próximos: la disponibilidad de recursos. La disponibilidad de recursos a su vez puede ser medida o por el nivel de ingreso o por el nivel de consumo.

El objetivo de estas notas es tratar de algunos de los principales problemas conceptuales en estimar la distribución del ingreso y en utilizarla como una aproximación para la distribución de recursos y bienestar. En función de este objetivo estas notas se encuentran organizadas en cuatro partes. La primera busca investigar cual es la relevancia del análisis de la distribución del ingreso para la comprensión de la distribución del bienestar. Esta cuestión es tratada en dos pasos. En la subsección 2.1 presentamos una discusión de la relación entre la distribución del bienestar y la distribución de recursos, es decir se investiga en que situaciones la disponibilidad de recursos puede, de hecho, "adecuadamente" representar el nivel de bienestar. Enseguida, en la subsección 2.2 discutimos las ventajas y desventajas de utilizar el ingreso en vez del consumo como medida de la disponibilidad de recursos.

Una vez que se decidió por la distribución del ingreso, aún resta definir qué distribución de ingreso se debe utilizar para evaluar, de la forma más adecuada, el bienestar de las personas. Por lo menos tres dilemas surgen en esta selección que merecen algunas aclaraciones. El primero de ellos, es sí el análisis debe utilizar el ingreso personal o el ingreso familiar. En segundo lugar, y una vez que se optó por el ingreso familiar, sí debemos escoger el ingreso familiar per capita o el ingreso familiar total. Finalmente, son realizados algunos comentarios sobre nuestra elección del individuo en vez de la familia como unidad de análisis. Una discusión de cada uno de estos tres dilemas se constituye en la segunda parte de estas notas y es tratada en las subsecciones 3.1 a 3.3.

La tercera parte de esta nota pretende contrastar estimativas para la distribución del ingreso y estimativas para la distribución de consumo, con el propósito de verificar en que medida estas dos distribuciones difieren empíricamente en los hechos.

Finalmente, la cuarta parte busca definir teóricamente el concepto de ingreso e ilustrar las dificultades en su aplicación y compatibilización. En las dos últimas partes los argumentos son ilustrados con estimativas obtenidas a partir de un par de encuestas domiciliares sobre condiciones de vida colectadas en la Nicaragua en 1993 y 1997. La riqueza de las informaciones colectadas por estas dos encuestas y las diferencias entre ellas las hacen particularmente útiles para ilustrar las dificultades de definir y compatibilizar definiciones de ingreso en encuestas domiciliares.

2. Aspectos conceptuales de la distribución del ingreso

Una vez que "lo que realmente importa" es la distribución de bienestar, la cuestión, por tanto, es cuán limitados quedamos al restringirnos al análisis de la distribución del ingreso. Esta cuestión puede ser abordada de mejor forma cuando la descomponemos en dos partes. En primer lugar, debemos discutir cuáles son las limitaciones de analizar la distribución de recursos como una proxy para la distribución de bienestar. En segundo lugar, debemos discutir cuál es la mejor medida de recursos: el ingreso corriente o el gasto total con consumo.

2.1. La relación entre bienestar y el acceso a recursos monetarios

La opción por el análisis de la distribución de recursos, como una proxy para la distribución del bienestar, se justifica tanto por el lado operacional, una vez que la medición del nivel de bienestar es mucho más compleja que la medición de la disponibilidad de recursos, como por el lado conceptual, una vez que existe una fuerte relación entre las dos distribuciones, en particular en algunas situaciones de interés práctico. En esta subsección, buscamos explicitar esta relación existente entre la distribución de

bienestar y la distribución de recursos y, en particular, identificar las situaciones donde esta asociación es más próxima. Para explicitar esta relación, debemos iniciar analizando los determinantes del bienestar.

En principio, el bienestar de una persona[1] depende de los bienes que consume y de sus propias características, es decir, $U(x, w, z)$ donde x representa el nivel de consumo de los bienes que pueden ser intercambiados a un precio p; w representa una serie de bienes recibidos gratuitamente u obtenidos compulsoriamente y que no pueden ser intercambiados a ningún precio como por ejemplo educación, salud y orden pública (estos bienes pueden ser públicos o privados); y z representa un conjunto de características personales que influencian el bienestar personal.

Sí denotamos por r la disponibilidad de recursos de la persona (su ingreso corriente o el total de gastos con consumo) –y suponiendo que la persona tiene las informaciones necesarias–, esta persona deberá escoger su padrón de consumo x, dentro de aquellos que satisfacen su restricción presupuestaria, dada por $p.x = r$, con el objetivo de alcanzar su mayor nivel de bienestar posible.

El mayor nivel de bienestar que una persona puede alcanzar, $V(r, w, z)$, será, por tanto, determinado por su disponibilidad de recursos, r; por su acceso a los bienes no intercambiables, w; y por sus características personales, z. De esta forma, la distribución del bienestar es determinada por la distribución conjunta de estas tres variables (r, w, z), en la cual la distribución de recursos es uno de sus componentes.

Bajo ciertas circunstancias, la relación entre la distribución de recursos y la de bienestar puede ser más estrecha. A seguir, consideramos dos situaciones de este tipo, para ello iniciamos asumiendo que las diferencias en las características personales son limitadas. Para simplificar, vamos a suponer que todas las personas tienen características idénticas, de tal forma que diferencias de bienestar se derivan exclusivamente de diferencias en la disponibilidad de recursos, r, o en el acceso a bienes no intercambiables, w.

En dos circunstancias la distribución de bienestar pasa a depender solamente de la distribución de recursos. Por un lado, tenemos que sí todos los bienes pudieran ser intercambiados, la distribución de bienestar será completamente determinada por la distribución de recursos. Se debe notar que, en este caso, no se excluye la posibilidad de transferencias monetarias o, inclusive, en especie del gobierno para algunos segmentos de la sociedad, desde que los beneficios recibidos puedan ser intercambiados de forma que el consumo final resulta de una decisión personal. En este caso, todas las transferencias recibidas deberán ser contabilizadas como parte de la disponibilidad de recursos individual.

Por otro lado, aún en la presencia de bienes no comerciables, la distribución de bienestar puede ser completamente determinada por la distribución de recursos en el caso que exista una relación monotónica perfecta entre el consumo de estos bienes, w, y la disponibilidad de recursos, r. En este caso, la disponibilidad de recursos de una persona determina completamente su bienestar, una vez que, por un lado, determina, mediante el mercado, su acceso a los bienes comerciables; y, por otro lado, la regla existente para distribución de los bienes no comerciables garantiza que personas con mayor disponibilidad de recursos tengan mejor acceso, es decir, $w = f(r)$. Así, $V(r, w) = V(r, f(r)) = U(r)$. En consecuencia, el bienestar de cada persona crece con su disponibilidad de recursos. Por consiguiente, la distribución de bienestar será una función de la distribución de recursos.

Se debe resaltar que aunque en ambos casos la distribución de bienestar sea completamente determinada por la distribución de recursos, las dos distribuciones no serán iguales. La distribución de bienestar será una transformación de la distribución de recursos –que no siendo una transformación lineal– no irá compartir determinadas características de la distribución de recursos, por ejemplo su grado de desigualdad. De esta manera, aunque un mayor grado de desigualdad en la distribución de recursos lleve a un mayor grado de desigualdad en la distribución de bienestar, el grado de desigualdad de los recursos y del bienestar no serán necesariamente los mismos, ni siquiera en estos dos casos particulares.

[1] El análisis de los determinantes del bienestar individual, tomando en cuenta la familia, nos lleva esencialmente a los mismos resultados.

2.2. Ingreso versus consumo

En cualquier análisis sobre la distribución de recursos, existe siempre un dilema entre privilegiar el ingreso o el consumo como medida de volumen de recursos disponibles. Sí el objetivo es solamente una medición rigurosa del grado de privación por el que pasan ciertos segmentos de la población, sin lugar a dudas, las medidas de consumo serán de mayor utilidad que las de ingreso.

En ese caso, la ventaja de utilizar medidas de consumo reside en que el bienestar de las personas está estrechamente vinculado a su nivel de consumo corriente y, en menor grado, a su nivel de consumo en el pasado o en el futuro. Además –como el nivel de consumo tiene un bajo grado de volatilidad con relación al ingreso– el consumo corriente funciona mejor que el ingreso como *proxy* ya sea para el consumo pasado o para el consumo futuro.

Sin embargo, en última instancia, el consumo está determinado por el ingreso y, en consecuencia, el ingreso indirectamente determina el nivel de bienestar individual. En una economía estática –que se repite a cada año– y sin bienes durables, los gastos con consumo se confunden con el ingreso y, por tanto, la discusión sobre cual de las dos nociones estaría más próxima al nivel de bienestar pierde sentido.

Por otra parte, en una economía dinámica, donde ocurren fluctuaciones significativas en el ingreso, los diversos agentes económicos tienen incentivos para proteger sus niveles de consumo de dichas fluctuaciones, puede ser a través de la utilización de formas de ahorro o del mercado de crédito, o a través de diversas formas de seguro. En estos casos, las variaciones del ingreso pueden no reflejar fluctuaciones en consumo y, por tanto, en el bienestar.

Sin embargo, la utilización del ingreso tiene dos grandes ventajas. Por un lado, las informaciones son más fáciles de obtenerse y, por tanto, son más baratas, aunque exista un debate sobre sí tienen una confiabilidad menor en relación con las informaciones sobre consumo. Por ser más baratas de obtener, existe una mayor disponibilidad de informaciones sobre ingreso que sobre consumo, llevando a que sea más fácil realizar comparaciones internacionales con base en distribuciones de ingreso que de distribuciones de consumo.

Por otro lado, y de mayor importancia, es el hecho de que la única forma estructural de alterar el consumo y, por tanto, el bienestar de las personas es alterar su ingreso. Ciertamente, es imposible elevar el nivel de consumo de una familia permanentemente sin alterar su nivel de ingreso. De esta manera, el ingreso se convierte en la variable central para toda política que pretende mejorar la distribución de bienestar y, en particular, que quiere combatir la pobreza. En último caso, el consumo es una decisión individual que, ciertamente, determina el nivel de bienestar de las personas, pero que indudablemente está restricto y determinado por el nivel de ingreso corriente, pasado y por las expectativas futuras del ingreso de los individuos. En síntesis, todo análisis sobre los determinantes de la distribución de bienestar y sobre el diseño de políticas públicas que buscan mejorar esta distribución, debe imprescindiblemente tomar en cuenta cómo la distribución del ingreso puede ser mejorada.

3. ¿Cuál distribución del ingreso?

Aunque sea común referimos a la distribución del ingreso como si existiese sólo una distribución, en verdad existen varias dependiendo de la elección de la noción de ingreso, y de la unidad y universo de análisis. En esta sección presentamos argumentos a favor de la opción por la distribución de las personas según el ingreso familiar per capita. Sin embargo, antes es necesario aclarar la distinción entre los conceptos de distribución y de desigualdad.

3.1. El concepto de distribución del ingreso

Dado que el concepto de distribución del ingreso ha sido utilizado de las formas más variadas en la literatura, conviene, a esta altura, precisar el concepto que utilizaremos. A veces, el concepto de distribución del ingreso ha sido identificado con el de desigualdad de ingresos. Así, es común encontrar referencias a situaciones donde el grado de desigualdad es elevado como siendo situaciones donde persiste una mala distribución de ingreso.

Sin embargo, cuando la distribución del ingreso es entendida en su sentido más amplio, el grado de desigualdad pasa a ser sólo una de las dimensiones de la distribución del ingreso. En este sentido más amplio, la distribución del ingreso es caracterizada por el *volumen* de recursos y no solamente por la *fracción* de los recursos totales apropiados por cada segmento de la sociedad. En este sentido más amplio, la distribución del ingreso de un país puede ser mejor, aún cuando el grado de desigualdad sea mayor, desde que el volumen de recursos disponibles sea suficientemente mayor. Así, es concebible que la distribución del ingreso en Brasil, por ejemplo, sea mejor que en Nicaragua, a pesar del mayor grado de desigualdad en Brasil, desde que el ingreso per capita brasileño sea suficientemente mayor que el nicaragüense.

De acuerdo con este sentido amplio de distribución del ingreso, los grados de desigualdad, pobreza y polarización son sólo aspectos de la distribución, de la misma forma como lo es el ingreso per capita, el ingreso promedio de los 40% más pobres o de los 10% más ricos. El grado de pobreza es únicamente una característica de la cola inferior de la distribución. A su vez, la desigualdad es un indicador de dispersión neutro con relación a la escala o volumen de recursos, por tanto, mide la *fracción* del ingreso apropiada por cada segmento de la sociedad. Finalmente, el grado de polarización mide la extensión o el tamaño de las colas de la distribución y, por tanto, la importancia de la clase media. Una distribución típicamente polarizada sería aquella que tiene una densidad bimodal.

3.2. El papel de la familia

En la medida en que reconocemos la existencia de las familias, surge inmediatamente la cuestión de lo que es más relevante para el bienestar de una persona: su propio ingreso personal o el ingreso de su familia. Esta elección depende del grado en que los miembros de una misma familia comparten sus ingresos. Si el ingreso de la mayoría es en gran medida compartida, entonces el bienestar estará más relacionado con el ingreso familiar que con el ingreso individual.

Finalmente, si se opta por el ingreso familiar, surge la cuestión si es más relevante para el bienestar de la persona el ingreso familiar total o el ingreso familiar ajustado de alguna forma por el tamaño de la familia, como por ejemplo el ingreso familiar per capita. En este caso, todo depende de la proporción de los bienes públicos con relación al total de bienes que posee la familia. Ejemplos de bienes públicos familiares son una televisión o un equipo de sonido, cuya característica principal es generar economías de escala al interior de las familias. Cuanto menor el peso relativo de los bienes públicos, en el ámbito familiar, o las economías de escala, más adecuado es adoptar el ingreso familiar per capita como medida de bienestar. En el presente trabajo optamos por investigar la distribución del ingreso familiar per capita.

3.3. Individuos versus familias

Toda distribución trata de repartir alguna cosa entre los elementos que pertenecen a un cierto conjunto. Así, en la elección de una distribución de recursos se debe siempre especificar (a) el concepto de recursos que va a utilizarse y (b) la unidad de análisis que será empleada. Por ejemplo, se puede investigar tanto la distribución de personas (unidad de análisis) según el ingreso familiar per capita (noción de recursos), como la distribución de familias (unidad de análisis), según los gastos familiares totales con consumo (noción de recursos), entre centenas de otras posibilidades existentes.

Encima observamos que el concepto de recurso a ser utilizado será el de ingreso familiar per capita, por tanto resta definir cual será la unidad de análisis. La elección debe ser entre dos opciones: personas o familias. Elegimos utilizar las personas como unidad de análisis, a pesar de utilizar el ingreso familiar per capita como medida de recursos disponibles. Por ejemplo, al decir que el grado de pobreza es de 50% estamos afirmando que 50% de las *personas* viven en familias con un ingreso familiar per capita inferior a la línea de pobreza y no estamos diciendo que 50% de las *familias* tienen un ingreso familiar per capita inferior a la línea de pobreza.

Esta opción descansa en el principio que el bienestar es siempre individual. De esta forma, no son los países, las comunidades o las familias, sino que son los individuos los que disfrutan de un determinado nivel de bienestar, aunque este bienestar individual pueda depender no sólo de los recursos individuales mas también, y en gran medida, de los recursos del país, de la comunidad o de la familia a la cual pertenece.

4. Contrastando la distribución de ingresos con la distribución de consumo

En la subsección 2.2, analizamos las ventajas y desventajas de concentrar la atención en la distribución de ingresos y no en la distribución de consumo. En particular, reconocemos que la distribución de consumo tiende a describir con mayor fidelidad –en relación con la distribución de ingresos– la distribución de bienestar.

En esta nota buscamos contrastar la distribución de ingresos y la de consumo a partir de la Encuesta Nacional de Hogares sobre Medición de Niveles de Vida de 1998 de Nicaragua. Este análisis nos permitirá medir, al menos parcialmente, cuál la robustez de los resultados que se obtendría utilizándose ingreso o consumo.

Los Cuadros 1 y 2 presentan estimativas para las distribuciones de ingreso y consumo referentes a 1998. Estos cuadros revelan que a pesar del ingreso per capita ser cerca de 10% mayor que el consumo, esta diferencia se concentra enteramente en la cola superior de la distribución. En los décimos más pobres el consumo medio es entre 50 y 300% más elevado que el ingreso promedio. No obstante, entre los tres décimos más ricos, el consumo es inferior al ingreso promedio.

Estas diferencias indican que el grado de desigualdad en la distribución del ingreso es muy superior al de la distribución del consumo. De hecho, mientras que el índice de Gini de la distribución de ingresos es 0,56, en el caso del índice correspondiente para el consumo el valor es de solamente 0,45 (ver Cuadro 1). De la misma forma, se tiene que la proporción del ingreso apropiada por los 50% más pobres es 6 puntos porcentuales más elevada en términos del consumo (21%) que en términos del ingreso (15%), al paso que la proporción del ingreso apropiada por el 1% más rico es también 6 puntos porcentuales más elevada en términos del ingreso (16%) que en términos del consumo (10%).

Como el ingreso promedio de cada uno de los siete décimos más pobres es siempre más elevado en la distribución de consumo que en la distribución de ingresos, al menos para líneas de pobreza inferiores a C$. 500 al mes, el grado de pobreza será siempre menor, cuando es medido a partir de la distribución de consumo que cuando es medido a partir de la distribución de ingresos. Este hecho es corroborado por la evidencia presentada en el Cuadro 2, que revela que los grados de pobreza y extrema pobreza son, respectivamente, 4 y 8 puntos porcentuales inferiores cuando estos indicadores son medidos a partir de las informaciones sobre consumo.

El hecho que la diferencia entre las distribuciones de consumo e ingreso se encuentre concentrada en los décimos más pobres, explica por qué la diferencia en el grado de extrema pobreza es dos veces mayor que la diferencia en el grado de pobreza. Cómo las diferencias entre las dos distribuciones

disminuyen en la medida en que caminamos hacia los décimos más ricos, cuanto mayor sea la línea de pobreza, menor será la diferencia en el grado de pobreza estimado con las dos distribuciones[2].

Finalmente, se debe resaltar que, aunque la proporción de pobres fuese la misma utilizando las dos distribuciones, no necesariamente las familias clasificadas como pobres serían las mismas. Así, aún cuando las magnitudes de la pobreza –medidas a partir del consumo y del ingreso– coincide, el perfil de la población puede diferir. Con el propósito de evaluar esta cuestión, estimamos la matriz de transición relacionando la clasificación de extremamente pobres, pobres y no pobres según el consumo y el ingreso. Esta matriz –en la medida en que permite estimar no sólo los flujos líquidos, sino también los flujos brutos– revela que cuando se clasifica las personas en (a) extremamente pobres, (b) pobres pero no extremamente pobres, y (c) no pobres, se tiene que en un poco más de 60% de los casos la clasificación según el ingreso y el consumo coinciden, en cerca de 25% de los casos las personas son clasificadas por el consumo en categorías más elevadas, y en 15% de los casos la clasificación de las personas según el ingreso es que lleva a una posición jerárquicamente superior. Sin embargo, si limitamos la división de la población en pobres y no pobres o entre extremamente pobres y no extremamente pobres, esta matriz revela que en más de 75% de los casos las dos clasificaciones convergen. Esta matriz también permite visualizar la concordancia mayor de la clasificación de pobres que la de extremamente pobres, percibiendo que mientras 57% de aquellos clasificados como extremamente pobres por el ingreso no lo son por el consumo[3], solamente 37% de los clasificados como pobres por el ingreso no lo son por el consumo[4]. Estos resultados confirman el hecho de que el grado de pobreza es menor y el de extrema pobreza mucho menor aún cuando se utiliza el consumo en vez del ingreso, revelando que en la cola inferior de la distribución, por ejemplo en los dos primeros décimos más pobres, el ingreso tiende a subestimar acentuadamente el consumo. En los demás décimos las diferencias son mucho menores.

5. La noción de ingreso

En las secciones anteriores, presentamos la racionalidad que guió la elección de la distribución de personas según el ingreso familiar per capita para representar la distribución de recursos y comparamos los resultados obtenidos con el de la distribución de personas según el consumo per capita. Sin embargo, resta aún describir con precisión el concepto de ingreso y consumo que deben ser utilizados.

En esta sección, tratamos del concepto de ingreso. Iniciamos presentando, desde una perspectiva teórica, como este concepto debería ser definida, y presentamos también algunas dificultades prácticas que surgen de forma constante. Enseguida, a manera de ilustración, presentamos una descripción detallada de la forma como fue construido el agregado de ingreso en las dos encuestas Nicaragüenses sobre medición de nivel de vida referentes a 1993 y 1998. Debido a que las informaciones disponibles son distintas en las dos encuestas, se optó por construir dos agregados de ingreso referente a 1998: (i) el primer agregado representaría la mejor utilización posible de la información disponible en 1998 pero que no necesariamente permitiría obtener una medida comparable con base en la encuesta de 1993, (ii) el segundo agregado representaría el mejor compromiso entre su alcance y su comparabilidad, pudiendo en principio ser estimado con base en ambas encuestas. En que medida esta segunda metodología genera medidas de ingreso que son efectivamente comparables es una cuestión empírica sobre la cual presentaremos alguna evidencia.

5.1. Una perspectiva teórica

De manera general, en este estudio se entiende por ingreso de una familia, el nivel más elevado de consumo que una familia puede tener sin que este hecho lleve a una reducción de su stock inicial de

[2] Esta reducción en el diferencial de pobreza, con aumentos en la línea de pobreza, vale hasta la línea de pobreza alcanzar C$. 490 cuando la proporción de pobres medida por el consumo o el ingreso es igual. A partir de este punto, el grado de pobreza con base en el consumo pasa a ser menor.

[3] Este porcentaje se obtiene a partir del Cuadro 2, donde sumamos: [(10,3+4,4)/25,5]x100=57%.

[4] Este porcentaje se obtiene a partir del Cuadro 2, donde sumamos: [(4,4+9,8/25,5+26,7]x100=37%.

riqueza. Así, si una familia posee un stock de capital humano *H*, un stock de capital fisico *F*, y un monto de activos financieros *A*, su ingreso estará definido como:

$$\Delta H + w.H + \Delta F + v.F + \Delta A + r.A + T$$

donde ΔH, ΔF y ΔA representan variaciones exógenas (positivas o negativas) de capital humano, capital fisico y activos financieros, respectivamente. Por otro lado, *w.H*, *v.F*, y *r.A* representan los retornos netos corrientes de los activos que poseen. Finalmente, *T* representa las transferencias líquidas recibidas que incluyen transferencias de/para el gobierno y de/para otras familias e instituciones filantrópicas. En otras palabras, el ingreso de una familia está dado por la variación exógena de su riqueza durante el período $(\Delta H + \Delta F + \Delta A)$, más los retornos asociados a su stock de activos $(w.H + v.F + r.A)$ más las transferencias líquidas recibidas, *T*.

5.2. Algunas cuestiones adicionales

Aunque la definición de ingreso presentada en las páginas anteriores *–el nivel más elevado de consumo que una familia puede tener, sin que esto lleve a una reducción del stock inicial de riqueza–* sea teóricamente completa, su operacionalización es dificultada en la medida en que depende de precisar otros conceptos, por ejemplo el concepto de consumo. Así, algunas dificultades encontradas en la operacionalización de este concepto deben ser subrayadas. Veamos cuatro de esas dificultades.

a) *Consumo productivo:* ¿cómo deben ser tratados los beneficios recibidos por los empleados para transporte y uniformes de trabajo? Estos beneficios deben ser incluidos como parte del ingreso de los individuos? Esta inclusión es discutible, en la medida en que no queda claro que los gastos con transporte –de y hacia el trabajo– y con el uniforme deban ser tratados como gastos con consumo de los trabajadores. En verdad, se puede argumentar que estos gastos deben ser clasificados –de forma más adecuada– como gastos de producción. En este caso, en vez de incluir estos beneficios a la remuneración del trabajador, deberíamos substraerlos de la remuneración de aquellos que no reciben estos beneficios.

b) *Multas e indemnizaciones:* en el caso de las indemnizaciones dos cuestiones deben ser mencionadas. Por un lado, tenemos que una indemnización por despido puede significar solamente que el trabajador pasa a tener acceso a un activo que anteriormente no tenía liquidez. Este será el caso cuando, debido a la legislación, el empleador es obligado a contribuir para un fondo al cual el trabajador sólo tiene acceso cuando es despedido o se jubila. En verdad, en este caso, no existiría una multa por despido y la única ganancia para el trabajador, al ser despedido, es el aumento de liquidez de su fondo.

   Por otro lado, tenemos el problema de cómo interpretar el caso donde existe una verdadera multa por rescisión de contrato. ¿Esta multa deberá ser incluida como parte del ingreso del trabajador? ¿Este ingreso debe ser considerado como alguna forma de transferencia, o se trata de la remuneración de algún tipo de activo? La respuesta no es tan nítida. En principio, la razón para la existencia de la multa adviene del hecho que el rompimiento del contrato –de forma unilateral por el patrón– tiene como consecuencia que el trabajador quede, por algún tiempo, sin utilizar plenamente su capital humano y, por tanto, sin remunerarlo adecuadamente. Con el propósito de compensar el trabajador por este daño potencial, el empleador debería pagar una multa. Así, por un lado, esta multa tiene la forma de una transferencia, sin embargo –como es la contrapartida de un daño causado por el empleador sobre la capacidad del trabajador de utilizar su capital humano– puede ser también interpretada como la remuneración del capital humano. De hecho, cuanto más alto es el salario previamente pagado y, por tanto, su capital humano, mayor deberá ser la multa.

c) *Seguros:* en términos generales, el recibir un seguro cumple el objetivo de cubrir la pérdida de un activo. Así, en la medida que el objetivo del seguro es sólo substituir el activo perdido, el seguro debe ser considerado como una variación exógena de riqueza y, por tanto, parte del ingreso únicamente cuando la pérdida original del activo fue también tratada como una variación exógena del activo y, en consecuencia, como una reducción en el ingreso. De esta forma, si en un dado instante una persona tiene su casa destruida y, al mismo tiempo, recibe una nueva casa de su compañía de seguros por el mismo valor, ni su ingreso ni su riqueza sufrirán cualquier alteración. De la misma manera, un seguro de salud que compensa completamente un trabajador, debido a una disminución en el rendimiento ocurrida por un accidente de trabajo, no debe alterar ni el ingreso ni la riqueza del trabajador, aunque en este caso altere la composición de su riqueza y ésta pase a ser más financiera que humana. No obstante, en este caso, cómo la reducción del salario queda inmediatamente considerada, también se debe incluir explicitamente el valor del seguro o pensión que está siendo recibida.

d) *Imputando el alquiler de la casa propia:* en la construcción del ingreso debemos siempre incluir, para aquellos que viven en casa propia, el valor del alquiler al que tendría que pagar en el caso en que esa casa no fuese propia y, por tanto, tuviese que ser alquilada. Se debe notar que si este procedimiento no fuese adoptado, una familia que por cualquier motivo alquila su casa propia y cambia para un domicilio alquilado del mismo valor, tendría su ingreso –y también su consumo– súbitamente elevado por el valor del alquiler recibido, sin que este hecho represente ninguna mejoría en su bienestar.

5.3. Una perspectiva operacional

Debido a las diferencias metodológicas entre las dos encuestas, la mejor medida de ingreso que puede ser construida con la EMNV-98 no es compatible con la mejor medida del ingreso que se puede construir con la EMNV-93, ni siquiera es compatible con cualquier medida de ingreso que se pueda construir a partir de la encuesta de 1993. En función de estas diferencias metodológicas optamos por utilizar dos medidas de ingreso referentes a 1998:

a) la primera medida que juzgamos que hace el mejor uso posible de la información disponible y que, por tanto sirve para ilustrar mejor la aplicación del concepto de ingreso presentado encima;

b) la segunda medida permite que una estimativa comparable pueda ser realizada para 1993 y, de esta forma, permite ilustrar las dificultades y limitaciones envueltas en la búsqueda de comparabilidad entre distribuciones de ingreso.

En consecuencia, esta subsección se encuentra dividida en dos partes. En la primera, presentamos una descripción del ingreso más amplia que fue construida con base en la EMNV-98. La segunda parte presenta una descripción de cómo fueron construidas estimativas de ingreso con base en las EMNV-93 y EMNV-98 de tal forma que estas estimativas sean comparables.

5.3.1. Estimación del ingreso para 1998

Como muestra el Cuadro 3a, desde una perspectiva conceptual y operacional, podemos dividir el agregado del ingreso en cinco componentes. El primer componente consiste del ingreso proveniente del trabajo, es decir el ingreso proveniente de la remuneración del capital humano. Esta información se encuentra disponible para todas las personas con 6 o más años de edad. La remuneración del trabajo es la remuneración neta –tanto en el trabajo principal como en el secundario[5]– recibida por el trabajador e incluye tanto el ingreso monetario (sueldos y salarios, comisiones, horas extras, viáticos, aguinaldo y

[5] En la EMNV-98 no existe información sobre el ingreso en los demás trabajos fuera de la ocupación principal y de la secundaria. Esta información fue colectada de la EMNV-93 y revela que la remuneración en estos otros trabajos representaba menos de 1% del ingreso total del trabajo.

otros) y el ingreso en especie (como los subsidios para alimentación, transporte, vivienda y vestuario, además de la producción para el consumo propio y auto suministro).

El Cuadro 3a, revela que 80% del ingreso familiar proviene del ingreso del trabajo de sus miembros, siendo que 64% del ingreso familiar y 80% del ingreso del trabajo se derivan del ingreso monetario del trabajo principal, siendo que los salarios representan 95% del ingreso monetario en el trabajo principal (el valor del ítem Sueldo/salario del trabajo principal dividido entre el ingreso monetario del trabajo principal, ver tercera columna del Cuadro 3a). El ingreso no monetario en la ocupación principal representa 6% del ingreso familiar y 8% del ingreso proveniente del trabajo, con el ingreso en la ocupación secundaria representando 4% del ingreso familiar y 5% del ingreso proveniente del trabajo. El ingreso proveniente de la producción para el consumo propio (auto suministro) representa 6% del ingreso familiar total y 7% del ingreso del trabajo.

El segundo componente capta el ingreso proveniente del alquiler de bienes durables. Este componente incluye los ingresos de alquileres de tierras, casas, maquinarias y vehículos de propiedad de familiares, además del alquiler imputado para aquellos que viven en casa propia. Este componente representa 11% del ingreso familiar, siendo que la mayor parte de este rendimiento (87%) está representada por el alquiler imputado. De hecho, excluyendo el alquiler imputado estos rendimientos representan sólo 1% del ingreso familiar.

El tercer componente se refiere a los rendimientos de los activos financieros, incluyendo los intereses provenientes del ahorro, por préstamos otorgados y dividendos de acciones, bonos y repartición de utilidades. Este componente representa una parte insignificante del ingreso familiar.

El cuarto componente trata de recibimientos eventuales a título de indemnización o seguros, como también de ingresos provenientes de juegos de azar. Este componente representa también menos de 1% del ingreso familiar.

Finalmente, el quinto componente se refiere a las transferencias que pueden ser divididas, dependiendo (a) de si se trata de transferencias de o para el gobierno, o entre personas o entidades privadas, y (b) de si se trata de transferencias recibidas o enviadas por la familia. Entre las transferencias gubernamentales para las familias están las pensiones por jubilación y cesantía; entre las transferencias de las familias para el gobierno se tiene los impuestos directos, como el impuesto de ingreso y el impuesto sobre la propiedad. Entre las transferencias entre familias tenemos las pensiones alimenticias por divorcio y para el sustento de hijos, herencias, además, evidentemente, de las remesas enviadas y recibidas para familiares viviendo fuera del hogar y alimentos donados. Por fin, tenemos las transferencias en moneda y en bienes de instituciones sin fines lucrativos de y para las familias. En total, el valor de las transferencias recibidas por la familia representa 9% del ingreso familiar, siendo que las transferencias gubernamentales representan 8% de este total, mientras que las transferencias de familiares más de 90%. En ténninos líquidos las transferencias representan 9% del ingreso familiar (ver Cuadro 3a), una vez que las transferencias de las familias para el gobierno u otras familias son de magnitud despreciable.

5.3.2. Obteniendo estimativas comparables para 1993 y 1998

La construcción de estimativas comparables para el ingreso familiar con base en la EMNV-93 y la EMNV-98 siguió un procedimiento similar, aunque debemos mencionar tres excepciones importantes debido a la inexistencia de informaciones correspondientes en la EMNV-93: (a) el alquiler imputado, (b) el ingreso proveniente del arriendo de tierras, y (c) el aguinaldo en la ocupación secundaria (ver Cuadro 3b). Como consecuencia de estas exclusiones el ingreso promedio en 1998 cayó en 10%, fundamentalmente debido a la exclusión del alquiler imputado.

El Cuadro 3b presenta estimativas de la composición de este ingreso "comparable" referente a 1993 y 1998. Algunas diferencias importantes en la composición de este ingreso entre los dos años, indican o que ocurrieron importantes transformaciones en la composición del ingreso en el periodo bajo

análisis, o que –inclusive con todos los ajustes realizados– persisten importantes diferencias metodológicas. Aún admitiendo la posibilidad de diferencias metodológicas, en lo que resta del presente trabajo estaremos implícitamente suponiendo que estos dos agregados de ingreso son comparables.

Además de todos los ajustes realizados, un ajuste final sobre el nivel medio del ingreso en 1993 se hizo necesario. De hecho, sin cualquier ajuste adicional una comparación entre las estimativas de la EMNV-93 y EMNV-98 indicaría un crecimiento de 101 % en el ingreso familiar nominal per capita, como la inflación en el periodo fue del orden del 60% (ver Banco Central de Nicaragua, 2000), tendríamos un crecimiento real del orden del 25% que, definitivamente, no refleja el crecimiento real del ingreso nacional per capita según las cuentas nacionales, las cuales indican un crecimiento acumulado de 7,3% en el periodo. Esta diferencia de crecimiento tiene profundas consecuencias sobre la evolución de la pobreza. Si de hecho el ingreso per capita real hubiese crecido 25%, la pobreza habría declinado cerca de tres veces más que en el caso en que el ingreso hubiese crecido sólo 7,3% como indican las cuentas nacionales (ver Banco Central de Nicaragua, 2000).

Dadas las incertidumbres sobre la comparabilidad de las encuestas, ajustamos el nivel del ingreso en 1993 en 17%, de forma que el crecimiento del ingreso per capita en el periodo fuese de exactamente 7,2%, reflejando así un crecimiento anual del ingreso nacional de 4,3% y de 2,8% en la población, conforme las cuentas nacionales (ver Banco Central de Nicaragua, 2000). En otras palabras, asumimos que el aparente crecimiento acelerado del ingreso per capita en el periodo se debió a una subestimación del ingreso en 1993 del orden de 17%. Vale resaltar que si esta hipótesis fuera incorrecta la reducción en la pobreza durante el quinquenio 1993-98 sería muy superior (dos a tres veces mayor) a la presentada en este estudio.

También, se debe subrayar que el ajuste proporcional realizado en el ingreso presupone que las comparaciones del grado de desigualdad y, en consecuencia, de pobreza entre 1993 y 1998, pueden no reflejar enteramente los cambios ocurridos, inclusive después de la corrección introducida para la subestimación del ingreso.

Cuadro 1: Ingreso y consumo medio em cada décimo de la distribución Nicaragua - 1998

	Ingreso Medio	Consumo Medio	Consumo medio con base en la distribución del ingreso	Tasa de crecimiento	Proporción del ingreso	Proporción del consumo
Décimos						
Primero	55,4	111,2	207,7	275,1	0,9	2,1
Segundo	124,1	176,0	276,0	122,5	2,1	3,3
Tercero	182,8	225,5	295,8	61,8	3,1	4,2
Cuarto	238,0	279,7	323,1	35,8	4,1	5,2
Quinto	300,3	338,5	359,0	19,5	5,1	6,3
Sexto	380,1	401,1	446,2	17,4	6,5	7,5
Séptimo	480,7	483,0	501,5	4,3	8,2	9,1
Octavo	628,9	604,1	603,5	-4,0	10,7	11,3
Noveno	902,0	815,2	743,0	-17,6	15,4	15,3
Décimo	2571,5	1899,1	1577,6	-38,7	43,9	35,6
1 % más rico	9135,6	5471,0	4275,9	-53,2	15,6	10,3
Coeficiente de Gini	**0,55**	**0,45**				

Fuente: Encuesta Nacional de Hogares sobre Medición de Niveles de Vida 1998.

Cuadro 2: Distribución de la población según el ingreso familiar per capita y el consumo familiar per capita

Consumo	Ingreso			Total
	Extremamente pobre	Pobre pero no extremamente pobre	No pobre	
Extremamente pobre	10,9	4,6	1,8	17,2
Pobre pero no extremamente pobre	10,3	12,3	8,0	30,6
No pobre	4,4	9,8	38,1	52,2
Total	25,5	26,7	47,8	100,0

Fuente: Encuesta Nacional de Hogares sobre Medición de Niveles de Vida (Nicaragua) de 1998.

Cuadro 3a: Estructura del ingreso familiar per capita - 1998

Tipo de ingreso	Porcentaje de hogares que reciben este	En C$.	% en relación al ingreso total	% dentro del grupo inmediato
INGRESO DOMICILIAR PER CAPITA	99,7	586,4	100,0	
INGRESOS LABORALES	***95,5***	***468,7***	***79,9***	***100,0***
Trabajo principal	87,9	412,4	70,3	88,0
Monetarios	87,9	375,7	64,1	80,2
Sueldo / salario	87,7	355,7	60,7	75,9
Comisiones, horas extras	11,3	12,0	2,1	2,6
Aguinaldo	29,6	8,0	1,4	1,7
No monetarios	39,0	36,7	6,3	7,8
Alimentos y transporte	34,1	30,9	5,3	6,6
Alimento	29,1	26,9	4,6	5,7
Transporte	11,5	4,0	0,7	0,8
Uniformes	13,1	1,2	0,2	0,3
Vivienda	8,5	4,6	0,8	1,0
Trabajo secundario	10,6	22,6	3,9	4,8
Monetarios	10,6	22,5	3,8	4,8
Sueldo / salario	10,6	22,4	3,8	4,8
Comisiones, horas extras	0,1	0,1	0,0	0,0
Aguinaldo	0,6	0,1	0,0	0,0
No monetarios	1.0	0,1	0,0	0,0
Autosuministro/Autoconsumo	50,9	33,7	5,7	7,2
INGRESOS DE LA PROPIEDAD	***76,3***	***63,2***	***10,8***	***100,0***
Casa propia (alquiler imputado)	75,9	54,9	9,4	86,8
Casas alquiladas	0,9	7,7	1,3	12,2
Vehículos y maquinarias alquiladas	0,1	0,5	0,1	0,9
Tierras alquiladas a terceros	0,7	0,1	0,0	0,1
INGRESOS POR ACTIVOS FINANCIEROS	***1,8***	***0,4***	***0,1***	***100,0***
Intereses ·	1,7	0,4	0,1	97,9
Cuentas de ahorro	1,6	0,3	0,1	77,5
Préstamos concedidos	0,2	0,1	0,0	20,4
Dividendos por acciones	0,1	0,0	0,0	2,1
INGRESOS EXTRAORDINARIOS	***3,9***	***1,6***	***0,3***	***100,0***
Indemnizaciones	0,3	0,2	0,0	12,0
Seguros de vida	0,2	0,2	0,0	11,3
Accidentes	0,1	0,0	0,0	0,7
Loterías	1,4	0,1	0,0	7,5
Otros recibimientos	2,2	1,3	0,2	80,5
TRANSFERENCIAS	***53,3***	***52,4***	***8,9***	
Para la familia	52,4	53,6	9,1	100,0
Gobierno	3,6	4,1	0,7	7,6
Pensión de jubilación	2,1	3,1	0,5	5,8
Pensión de cesantía	0,2	0,2	0,0	0,4
Pensión de orfandad o viudez	0,7	0,3	0,1	0,6
Becas de estudio	0,6	0,4	0,1	0,8
Instituciones	0,8	0,1	0,0	0,1
Familiares	50,9	49,4	8,4	92,3
Pensión de alimentación	1,3	1,7	0,3	3,1
Ayuda de amigos o familiares	18,7	32,3	5,5	60,3
Herencias	0,3	0,6	0,1	1,2
Donaciones de alimentos	33,8	10,6	1,8	19,7
Vivienda cedida o prestada	11,0	4,3	0,7	8,0
De la familia	4,6	-1,2	-0,2	100,0
Gobierno	2,3	-0,3	0,0	22,3
Instituciones	1,4	-0,2	0,0	19,0
Familiares	1,4	-0,7	-0,1	58,8
Pensión de alimentación	0,4	-0,2	0,0	19,8
Envíos de dinero	2,3	-0,5	-0,1	38,9

Fuente: Encuesta Nacional de Hogares sobre Medición de Niveles de Vida (Nicaragua) de 1998.

Cuadro 3b: Estructura del ingreso familiar per cápita comparable entre 1993 y 1998

Tipo de ingreso	Porcentaje de hogares que tienen ingreso familiar		Ingreso promedio 1993				Ingreso promedio 1998	
	1993	1998	Nominal (en C$)	Nominal ajustado	Real (a precios de 1998)	% en relación al ingreso total	En C$	% en relación al ingreso total
INGRESO DOMICILIAR PER CAPITA	96,0	98,3	263,5	308,2	494,5	100,0	530,5	100,0
INGRESOS LABORALES	91,5	95,5	234,6	274,4	440,2	89,0	471,2	88,8
Trabajo principal	78,2	87,7	212,8	248,9	399,3	80,8	414,4	78,1
Monetarios	77,9	87,7	197,5	231,0	370,6	75,0	377,8	71,2
Sueldo / salario	77,7	87,5	192,9	225,6	361,9	73,2	357,6	67,4
Comisiones, horas extras *	-	11,3	-	-	-	-	12,2	2,3
Aguinaldo	29,0	29,5	4,7	5,5	8,8	1,8	8,1	1,5
No monetarios	25,1	38,8	15,3	17,9	28,6	5,8	36,6	6,9
Alimentos y transporte	21,4	33,8	14,0	16,4	26,3	5,3	30,8	5,8
Alimento	6,0	28,8	1,8	2,1	3,4	0,7	26,8	5,1
Transporte	19,3	11,5	12,2	14,2	22,8	4,6	4,0	0,8
Uniformes	10,7	13,1	0,4	0,4	0,7	0,1	1,2	0,2
Vivienda	1,9	8,3	0,9	1,0	1,6	0,3	4,5	0,9
Trabajo secundario	4,5	10,6	6,9	8,1	13,0	2,6	22,7	4,3
Monetarios	4,4	10,6	6,9	8,0	12,9	2,6	22,7	4,3
Sueldo / salario	4,4	10,5	6,9	8,0	12,9	2,6	22,6	4,3
Comisiones, horas extras *	-	0,1	-	-	-	-	0,1	0,0
Aguinaldo	-	-	-	-	-	-	-	-
No monetarios	0,4	1,0	0,0	0,0	0,0	0,0	0,1	0,0
Autoconsumo/Autoconsumo	45,6	51,0	14,9	17,5	28,0	5,7	34,1	6,4
INGRESOS DE LA PROPIEDAD	9,8	1,1	0,9	1,1	1,7	0,4	8,3	1,6
Casa propia (alquiler imputado)	-	-	-	-	-	-	-	-
Casas alquiladas	0,8	0,9	0,9	1,1	1,7	0,4	7,8	1,5
Vehículos y maquinarias alquiladas	-	0,1	-	-	-	-	0,5	0,1
Tierras alquiladas a terceros	-	-	-	-	-	-	-	-
INGRESOS POR ACTIVOS FINANCIEROS	8,8	1,8	0,5	0,6	1,0	0,2	0,5	0,1
Intereses	0,4	1,7	0,2	0,2	0,4	0,1	0,4	0,1
Cuentas de ahorro	0,4	1,6	0,2	0,2	0,4	0,1	0,4	0,1
Préstamos concedidos	-	0,2	-	-	-	-	0,1	0,0
Dividendos por acciones	0,4	0,1	0,3	0,4	0,6	0,1	0,0	0,0
INGRESOS EXTRAORDINARIOS	1,4	2,9	0,9	1,0	1,6	0,3	1,7	0,3
Indemnizaciones	1,1	0,3	0,8	0,9	1,5	0,3	0,2	0,0
Seguros de vida	0,4	0,2	0,6	0,7	1,2	0,2	0,2	0,0
Accidentes	0,7	0,1	0,2	0,2	0,3	0,1	0,0	0,0
Otros	-	-	-	-	-	-	-	-
Loterías y juegos de azar	0,3	1,5	0,1	0,1	0,1	0,0	0,1	0,0
Otros recibimientos	-	-	-	-	-	-	1,4	0,3
TRANSFERENCIAS	-	47,9	26,2	30,7	49,2	10,0	48,8	9,2
Para la familia	28,9	47,1	32,4	37,9	60,8	12,3	50,0	9,4
Gobierno	5,8	3,5	3,0	3,6	5,7	1,2	4,3	0,8
Pensión de jubilación	4,1	2,1	2,8	3,2	5,2	1,0	3,3	0,6
Pensión de cesantía	-	0,2	-	-	-	-	0,2	0,0
Pensión de orfandad o viudez	-	0,7	-	-	-	-	0,3	0,1
Becas de estudio	1,8	0,6	0,3	0,3	0,6	0,1	0,4	0,1
Instituciones	0,5	0,8	0,0	0,0	0,1	0,0	0,1	0,0
Familiares	25,0	45,6	29,3	34,3	55,0	11,1	45,6	8,6
Pensión de alimentación	3,8	1,4	4,0	4,7	7,5	1,5	1,7	0,3
Ayuda de amigos o familiares	-	18,6	22,4	26,2	42,1	8,5	32,6	6,1
Externa	5,9	-	6,6	7,7	12,4	2,5	-	-
Interna	7,2	-	15,8	18,5	29,7	6,0	-	-
Herencias	0,2	0,3	0,1	0,2	0,2	0,1	0,7	0,1
Donaciones de alimentos	12,4	-	2,7	3,2	5,1	1,0	10,7	2,0
Vivienda cedida o prestada	-	-	-	-	-	-	-	-
De la familia	-	4,6	-6,2	-7,2	-11,5	-2,3	-1,2	-0,2
Gobierno	17,2	2,3	-2,6	-3,1	-4,9	-1,0	-0,3	0,0
Instituciones	3,7	1,4	-0,6	-0,7	-1,0	-0,2	-0,2	0,0
Familiares	4,9	1,4	-3,0	-3,5	-5,6	-1,1	-0,7	-0,1
Pensión de alimentación	2,1	0,4	-1,2	-1,4	-2,3	-0,5	-0,2	0,0
Envíos de dinero	-	2,3	-1,8	-2,1	-3,3	-0,7	-0,5	-0,1
Amigos	2,1	-	-0,9	-1,0	-1,7	-0,3	-	-
Hijos	1,2	-	-0,9	-1,0	-1,7	-0,3	-	-

Fuente: Encuesta Nacional de Hogares sobre Medición de Niveles de Vida (Nicaragua) de 1993 y 1998.

* Para 1993 este ingreso se encuentra incluido en sueldos o salarios

Income Measurement in Statistics Canada's Survey of Labour and Oncome Dynamics

CATHY COTTON

STATISTICS CANADA

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The Survey of Labour and Income Dynamics (SLID)

The Survey of Labour and Income Dynamics (SLID) is a longitudinal survey designed to provide information on labour market and income flows, their determinants of change and the impact of the family. Labour and income data are captured together, along with a wide range of explanatory variables.

SLID began with 1993 data with a sample size of about 15,000 families, making up the first panel. Three years later, the second panel (also of 15,000 families) began, bringing SLID to full sample size. This pattern of rotating, overlapping panels continues. Each panel is in the survey for six years, so estimates of work patterns, transitions from school to work or from work to retirement, movement into and out of low income, etc., can be obtained for periods spanning up to six years. It is also possible to obtain estimates for any single year by combining the data from two panels.

SLID has now replaced the Survey of Consumer Finances as Statistics Canada's main source of cross-sectional income information. This provided an opportunity for a complete revision of the existing series of publications, resulting in a streamlined paper publication that was introduced for reference year 1998. In addition to the key cross-sectional tables, the new publication contains tables and analysis on the longitudinal aspect of low income. (Classification of families in or out of low income is based on Statistics Canada's low income cutoffs, reflecting the level at which a family is likely to spend significantly more of its income on food, shelter and clothing than the average family.) The analytical portion of the publication discussed transitions into and out of low income, pointing out that, at least for some, low income was not a persistent state. However, this level of turnover also means that, over a longer period, the number of people experiencing low income in greater than one might conclude based on annual low income rates.

Liberal arts degrees and the labour market

Phil Giles (Statistics Canada) and Torben Drewes (Trent University) have examined the labour market experiences of graduates of bachelor's level programs in the humanities, versus those whose highest level of education was a bachelor's level degree in an applied program. Students who graduate from an applied program learn skills that are required by an identifiable occupation and are prepared for immediate entry into these occupations. On the other hand, graduates from the social sciences may possess the problem solving, interpersonal, communications, and learning skills that employers claim are needed in the emerging economy.

The study included individuals of all ages who had obtained their degree prior to 1993. Those who went on to obtain graduate or professional degrees were *not* included in the study.

Wage rates for applied program graduates were about 6% higher for both men and women. This wage advantage was highest among the younger groups (a 27% advantage for men under 25) and declined with age. In the 45+ age group, humanities graduates enjoyed a modest 4% advantage in their wage rate. This is consistent with the hypothesis that skills acquired in the humanities allowed a relatively greater accumulation of human capital after formal schooling. Because they get a head start in earnings, the long term return on their investment in education is probably higher for those with applied degrees.

The authors also examined the transition from school to work by comparing the weeks of unemployment experienced by the two groups. Young humanities graduates had more than twice as many weeks of unemployment, but the differences decreased for as people became more established in the job market. After age 45 humanities graduates faced fewer average weeks of unemployment than did those of the applied group, reinforcing the suggestion of labour market advantages in the longer term.

Return to work after childbirth

Katherine Marshall (Statistics Canada) examined the work patterns of employed women who gave birth in 1993 or 1994. She examined the timing of their return to paid work following a birth, and considered the characteristics of those who returned and those who did not.

As do most other industrialized countries, Canada offers paid maternity and parental leave programs with the birth or adoption of a child. The Employment Insurance program replaces 55% of previous earnings, up to a maximum of $413 per week, for a maximum of 25 weeks of combined maternity and parental leave. About 87% of paid workers in the survey received Employment Insurance benefits, compared with 15% of self-employed women.

About 21% of women were back to work in less than two months – 15% of paid workers and 76% of the self-employed. The percentage of mothers who had returned to work increased strongly until the eighth month, after which it leveled off considerably. Within a year's time, 86% of mothers had returned to work, and by two years a full 93% were back to paid work.

The Employment Insurance program played a major role in determining the average return date, since the 25 weeks coincides well with the overall average of 6.4 months taken off work by the women in the sample. The vast majority (83%) of these women returned to the same employer.

Substantial amounts of income may be involved in the decision when to return to work. Women who did not receive maternity benefits, and those who were self-employed, returned more quickly than those who received benefits or who were paid workers. In addition, those who returned to work early had worked less time at their last job and were less likely to be unionized.

Women who had not returned to work two years after the birth of their child had lower median earnings than those who returned sometime during their child's first two years. With day-care costs subtracted from modest earnings, these women would have had little financial incentive to return to work. Also, they were less likely to have left a professional job, were younger, had fewer children under six at home and were more likely to be unmarried.

Current Research

The following are a sample of research projects that are currently underway on SLID data:

- Examine how divorce affects the economic situation of children, and investigate the impact of including wealth in the determination of child support payments.
- Compare major sources of income between persons with disabilities and the rest of the population. Track trends towards and away from earnings and government transfers.
- Identify the socio-economic groups most at risk of being socially and economically marginalized. Examine these populations with respect to their exposure to "low income", their patterns of family formation and dissolution, and the dynamics of their participation in paid work.
- Explore wage differentials between groups of immigrants, and identify determinants of the success of immigrants over time.

STATISTICS CANADA STATISTIQUE CANADA

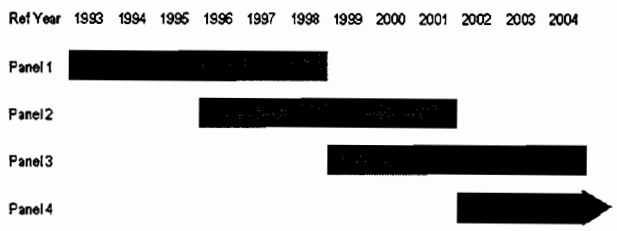
Income Measurement in Statistics Canada's Survey of Labour and Income Dynamics

October 2001

The Survey of Labour and Income Dynamics (SLID)

- Information on longitudinal labour market and income flows, their determinants of change and the impact on the family
  - » Labour and income data together
  - » A wide variety of additional "explanatory" variables
  - » Family make-up and changes are key
- SLID is now the main source for cross-sectional income data

Design of the Survey of Labour and Income Dynamics

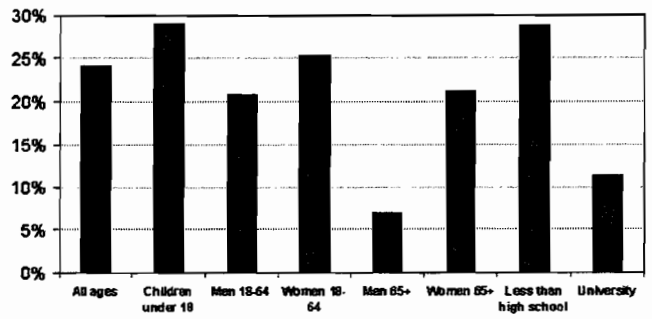


The dynamic nature of low income

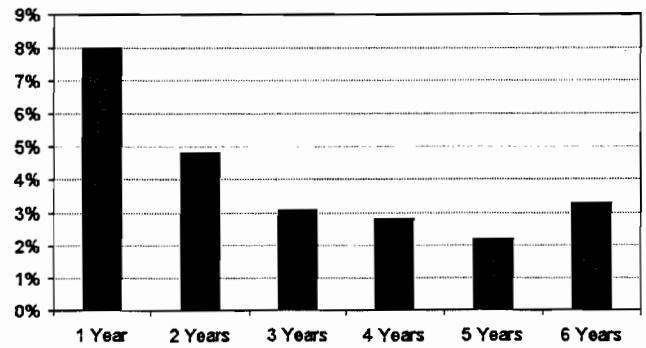
Of 1000 Canadians in 1998

- 84 were in low income in both 1998 and 1997
- 31 were not in low income in 1997, but fell below the low income cutoff in 1998
- 44 had been in low income in 1997, but rose above the low income cutoff in 1998
- 842 were above the low income line both 1997 and 1998

Low income at some time from 1993 to 1998



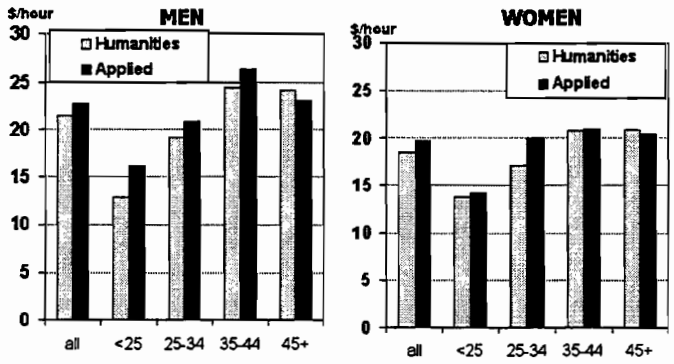
Low income persistence Canada



Liberal arts degrees and the labour market

- Phil Giles (Statistics Canada) and Torben Drewes (Trent University)
- Examined labour market experiences of graduates of bachelor's programs in the humanities and in the applied sciences.
- Those with advanced degrees (Masters, PhD, medical, etc) were excluded.

Wage advantage for applied programs reversed for 45+

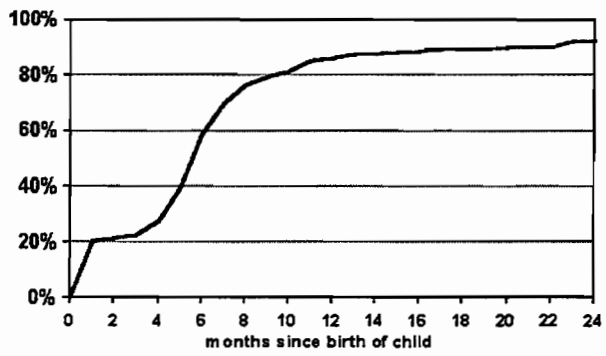


Men in humanities tended to be unemployed longer

Return to work after childbirth

- Katherine Marshall (Statistics Canada) examined work patterns of women who gave birth in 1993 or 1994
- Canada's Employment Insurance program provides 55% of earnings up to $413 per week, for a maximum of 25 weeks around the birth of a child

The percentage of mothers who return to work rises rapidly for the first 8 months after a birth



Early return to work versus later returns

- Women who returned to work in less than two months
  - » more likely to be self-employed (76% of self-employed vs 15% of paid workers)
  - » less likely to receive Employment Insurance benefits (60% of early returners received no benefits)
  - » worked less time at their last job (42 months vs 52)
  - » less unionized (15% vs 38%)
  - » more part time (43% vs 24%)
- No significant differences in age, occupation, income, marital status, education, usual hours of work, number of children under six years

Those who had not returned two years later

- Those who had *not* returned two years later
  - » had a lower income (median of $16,700 vs $25,600)
  - » spent less time at their last job (26 months vs 49 months)
  - » were less likely to have a professional job (30% vs 43%)
  - » were younger
  - » were more likely to be living without a partner (30% vs 4%)

Current research

- Examine how divorce affects the economic situation of children, and investigate the impact of including wealth in the determination of child support payments.
- Compare major sources of income between persons with disabilities and the rest of the population. Track trends towards and away from earnings and government transfers.
- Identify the socio-economic groups most at risk of being socially and economically marginalized. Examine these populations with respect to their exposure to "low income", their patterns of family formation and dissolution, and the dynamics of their participation in paid work.
- Explore wage differentials between groups of immigrants, and identify determinants of the success of immigrants over time.

Algunas Limitaciones del Ajuste a Cuentas Nacionales

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Fourth Meeting of the
EXPERT GROUP ON POVERTY STATISTICS
(RIO GROUP)
Rio de Janeiro, Brazil, 15 - 17 October, 2001

ALGUNAS LIMITACIONES DEL AJUSTE A CUENTAS NACIONALES

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Octubre, 2001

EL PROBLEMA :

- En general, las encuestas de presupuestos de los hogares tienen la característica de que el agregado de los ingresos corrientes de los hogares resulta notablemente inferior a los que se obtienen de las cuentas nacionales.
- Esto supone:

  a) Que los conceptos de ingreso que se manejan en la encuesta son empatables con los de la cuenta institucional del sector de hogares del Sistema de Cuentas Nacionales.

  b) Que las cuentas nacionales son un punto de referencia válido.

LAS CUENTAS NACIONALES:

- Las Cuentas Nacionales se utilizan generalmente como punto de referencia, en virtud de que:

  a) Abrevan de una amplia variedad de fuentes de información de los sectores público y privado, así como de empresas y hogares.
  b) Integran un sistema de registros que deben ser necesariamente consistentes entre sí.

- En general, la información del agregado de los ingresos de los hogares que ofrece el SCN se percibe como "más confiable" que la que se obtiene de las encuestas de presupuestos de los hogares.

FUENTES DE LAS DISCREPANCIAS:

- Las discrepancias entre los ingresos de los hogares captados en las encuestas y los que reporta el SCN resultan fundamentalmente del efecto combinado de dos causales, que son:

  a) Truncamiento
  b) Subregistro

EL PROBLEMA DEL TRUNCAMIENTO:

- El problema del truncamiento proviene a su vez de las dificultades operativas que se tienen para que la muestra de la encuesta resulte también representativa de los hogares en los extremos superior e inferior de la distribución del ingreso.
- El truncamiento por arriba es un problema para la medición de la desigualdad pero no lo es necesariamente para la medición de la pobreza (axioma de enfoque)
- El truncamiento por abajo sí constituye una limitante importante para la medición de la pobreza, especialmente si ésta se hace a partir de criterios de agregación sensibles a la distancia entre la línea de pobreza y el ingreso disponible de los hogares pobres.

EL PROBLEMA DE LA SUBDECLARACIÓN:

- La segunda fuente de discrepancias entre los ingresos reportados por la encuesta y los reportados por cuentas nacionales es la subdeclaración

Subdeclaración por:

a) Falseo consciente de la información.
b) Tendencia de los hogares a reportar su ingreso líquido y no su ingreso efectivo.
c) Otras formas de ignorancia del encuestado respecto del ingreso total de hogar.

MAGNITUD DE LAS DISCREPANCIAS:

- Ejercicio de ajuste de la ENIGH 1998 a las Cuentas del Sector Institucional de los Hogares del Sistema de Cuentas Nacionales de México.

Concepto	$ENIGH_{tot}$	$ENIGH_{tot}$ Ajustada	Factor de Ajuste	Diferencias en porcentajes
Ingreso Corriente Total	**351,727,967**	**726,280,635**	**2.2353**	**123.53**
Ingreso Corriente Monetario	**275,971,754**	**638,632,377**	**2.3141**	**131.41**
Remuner. actores al Trabajo	155,822,912	268,177,227	1.6173	61.73
Renta Empresarial (incluye cooperativas de producción)	74,402,591	187,430,524	2.5191	151.91
Renta de la Propiedad	5,524,925	143,891,456	25.0441	2,504.41
Transferencias (incluye otros ingresos corrientes)	30,222,225	39,132,770	1.2948	29.48
Ingreso Corriente no Monetario	**75,756,213**	**147,597,658**	**1.9483**	**94.83**
Autoconsumo	4,306,726	60,337,215	14.1261	1,312.61
Pago en Especie	7,351,646	7,351,646	1.0000	0.00
Regalos	29,101,702	20,101,702	1.0000	0.00
Estimación del Alquiler de la Vivienda	43,996,159	59,307,095	1.3480	34.80

Fuente: Cuadro elaborado con base en información proporcionada por la Coordinación de Cuentas Institucionales

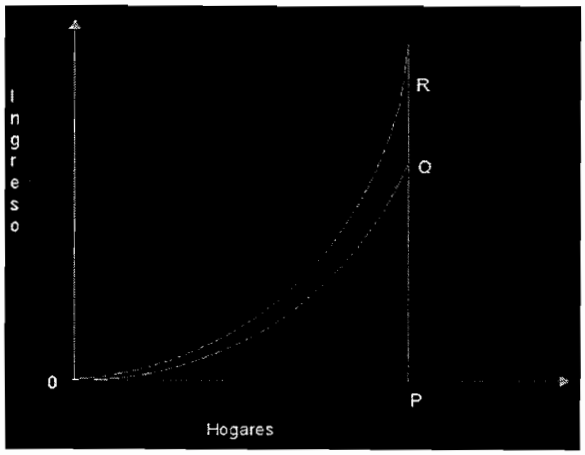
CORREGIR EL DEFECTO:

- Alrededor del mundo este tipo de discrepancias son más la regla que la excepción
- Algunos autores consideran importante ajustar los resultados de las encuestas de presupuestos familiares a efecto de que la suma de los ingresos de los hogares coincida con los totales de cuentas nacionales.
- El ajuste se puede hacer da varias maneras:
  - Reescalando la curva de Lorenz.
  - Ajustando por rubro según la estructura de ingresos de los hogares.

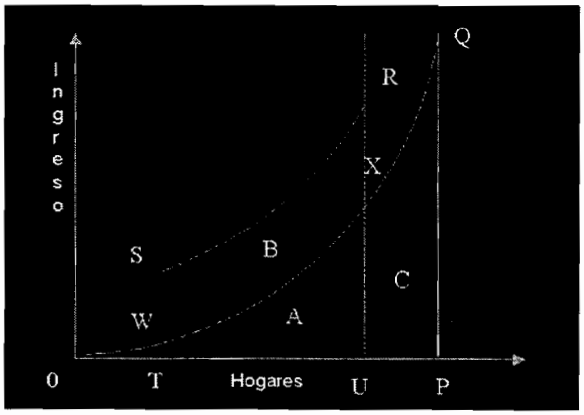
AJUSTE Y TRUNCAMIENTO:

- El ajuste trata como inexistente el problema del truncamiento en la parte alta de la distribución con lo que se inflan artificialmente los ingresos de los hogares en los estratos medios y bajos.
- Es decir, se estarían distribuyendo estadísticamente ingresos de hogares que son tan ricos que es altamente improbable que aparezcan en la encuesta (los más ricos) hacia el resto de la población, incluyendo a algunos de los hogares más pobres que sí aparecen en la encuesta.
- Esta corrección estadística a las cifras, sin contrapartida en el ingreso que realmente perciben los hogares, puede conducir a graves subestimaciones en las mediciones de pobreza.

GRAFICA 1: AJUSTE SIN TRUNCAMIENTO



GRAFICA 2: AJUSTE CON TRUNCAMIENTO



Esto último revela la importancia de realizar esfuerzos por distinguir entre las diferencias atribuibles exclusivamente a la subdeclaración y las que corresponden solamente al truncamiento.

- De esta manera, una opción metodológica adicional para realizar el ajuste a cuentas nacionales consiste reasignar entre los hogares únicamente la parte de la discrepancia entre el agregado de la encuesta y cuentas nacionales que se debe exclusivamente a la subdeclaración.
- Debe decirse, sin embargo, que la distinción entre el monto de la subdeclaración y el monto de la diferencia por truncamiento no es trivial.

PREGUNTAS:

- ¿Qué opciones existen para eliminar o al menos reducir el problema del truncamiento?
- ¿Estamos en condiciones de hacer recomendaciones para distinguir entre la parte del sesgo (déficit con CN) que corresponde al problema del subreporte (subdeclaración) de la que aparece a causa del truncamiento?
- ¿Vale la pena hacer ajuste a cuentas nacionales?
- ¿Puede el ajuste a cuentas nacionales ser considerados como una" mejor práctica"?

The Use of Poverty Lines in Brazil

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Poverty studies using the income approach have been developed in Brazil since the early eighties. This was possible because the basic statistical information for drawing poverty lines from observed consumption and for establishing a comprehensive measure of family income were available. These two data bases are the National Survey on Family Budget (Estudo Nacional da Despesa Familiar – IBGE/ENDEF) and the National Sampling Survey (Pesquisa Nacional por Amostra de Domicílios – IBGE/PNAD).1

The ENDEF, conducted in 1974-75, is a benchmark among household surveys in Brazil because of both its thematic and territorial coverage. It was specially detailed in terms of food expenditure and consumption, but it also investigated a large set of non-food expenditures, as well as a large number of personal and household characteristics. The information is statistically robust by income bracket for 8 regions, considering for each one the urban, rural and metropolitan breakdown. The survey provided statistically significant information for 23 Brazilian sub-areas, thus allowing for the establishment of a set of poverty lines, and not just one single one, as is generally the practice in other countries due to data restrictions. In a large and heterogeneous country like Brazil, this spatial breakdown is especially important because of well-known regional and urban/rural differences in consumption patterns and consumer prices affecting the cost of living of the poor across the nation. After the ENDEF data was made available, the first income-based studies of poverty in Brazil came out: they used both poverty lines and family income from the survey (World Bank, 1979; Thomas, 1982; Fava, 1983). A very rich poverty profile emerged for 1974-1975, which was specially detailed with regard to nutritional and anthropometrical measures.

The sampling model used in ENDEF was largely based on PNAD`s, a yearly household survey held since 19712 and that investigates a wide range of personal and household characteristics, from demographic and educational ones, to those related to labor market engagement and income. Information on the household and on individual revenue (labor income, transfers, rentals) from PNAD allows for adopting the family as an income and consumption unit, as desirable in poverty studies-, and to estimate family income, on per capita or adult equivalent basis. This means taking into account both the sum of all kinds of individual revenue received by all members of the family, as well as family composition and other household characteristics.

Information available from PNAD made it possible for researchers to go beyond the benchmark studies based entirely on ENDEF and anchored in 1974-1975, thus satisfying the widespread interest in following up on how poverty actually evolved in Brazil in the eighties. The solution was to use the poverty lines derived from ENDEF, updated for local price changes, in conjunction with yearly information on income from PNAD. Yearly income-based poverty estimates were first generated for the 1981-1986 period (Rocha, 1988), and, from then on, every year new estimates came out soon after the PNAD micro-data were made available (Rocha, 2000).

As the consumption patterns investigated by ENDEF became outdated, new poverty lines derived from the more recent expenditure surveys – POF3 - seemed necessary. Nevertheless, these surveys are limited to eleven metropolitan areas and, ENFEF excluded, there is no other source of information available on consumption patterns and on consumer prices for non-metropolitan areas, encompassing around 70% of the Brazilian population. As a result, poverty lines for these non-metropolitan areas are estimated indirectly and appreciatively, combining new metropolitan poverty line values from POF and cost relationships from ENDEF (Rocha, 1993; World Bank, 1995; Barros, 1997). Despite the time lag, ENDEF remains an essential source when deriving poverty lines for Brazil, since it still is the only national data base on consumption patterns and prices in non-metropolitan areas.

[1] The Instituto Brasileiro de Geografia e Estatística (IBGE) is the federal agency that, besides coordinating the statistical system, is also in charge of most national surveys, specifically all those mentioned above.
[2] The PNAD was originally a quarterly survey when created in the sixties.
[3] The Household Expenditure Surveys (Pesquisa de Orçamentos Familiares – POF/IBGE) 1987-1988 and 1995-1996 had as its main objective to update the product weights in the Consumer Price System.

Although deriving poverty lines and using the income-based poverty approach in Brazil is relatively less subject to data restrictions than in most countries, there is one important data need that has yet to be fulfilled. Hopefully family-expenditure data for non-metropolitan areas will soon be collected by the new Household Expenditure Survey.4 The information will be representative of urban areas at the State level and of rural areas at the regional level, which will allow for deriving poverty lines from direct information at a more detailed level than the previous 23.

Once this data gap is filled, there will be two main conceptual/methodological questions to be faced when using poverty lines in Brazil.

The first concerns the need to adopt income imputations more extensively, since it is well known that PNAD significantly underestimates income. Resorting to some imputation that is routinely used in national accounting could both reduce the underestimation of income and improve the precision of the income distribution obtained as a result. As far as poverty studies are concerned, the imputation of rent from owner-occupied dwellings as well as of certain labor benefits (food tickets, transportation vouchers), which, among low-income workers, often have values equivalent or higher than the wages per se, will certainly guarantee a better delimitation of the poor subpopulation.

The second question refers to the use of observed consumption as a basis for deriving poverty lines. As a result of acute levels of income inequality and a strong demonstration effect, low income families have increasingly emulated consumption patterns well beyond their means, thus leading to growing unbalance in observed consumption. As a consequence, nutritionally adequate diets, which are the basis for deriving poverty lines, are only attained at relatively high costs, thus influencing the value of poverty parameters upward. The use of these parameters results in levels of poverty incidence, which are too high for practical social policy purposes. While it would not only be a waste to abandon observed consumption as a basis for drawing poverty lines– given the data available – as well as a methodological retrogression, adopting the food cost (the so-called indigence line) as the income parameter seems an adequate way-out, both technically and politically.

[4] The survey, which was planned to begin in October 2001, was postponed because of the energy crisis and the resulting restriction to eletricity comsumption.

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La Sensibilidad de las Medidas de Pobreza al Uso de Economías de Escala y Equivalencias: Evidencia Empírica para México 1984 – 1998

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IBGE

Comisión Económica para América Latina y el Caribe

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POVERTY STATISTICS
(RIO GROUP)

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LA SENSIBILIDAD DE LAS MEDIDAS DE POBREZA AL USO DE ECONOMÍAS DE ESCALA Y EQUIVALENCIAS: *EVIDENCIA EMPÍRICA PARA MÉXICO 1984-1998*

(RESULTADOS PRELIMINARES)

Fernando Medina H.

CEPAL

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I. Justificación

* La necesidad de monitorear la evolución de la pobreza al interior de los países y su vinculación con la dinámica demográfica

☒ El interés por conocer cómo está cambiando el perfil de la población en extrema pobreza ante los procesos de urbanización y los cambios en las tasas de fecundidad, mortalidad, etc.

☒ Efectuar análisis sobre la magnitud de la pobreza entre países con una misma base de comparación

☒ Entregar elementos relevantes para el diseño y evaluación de políticas

Temas de interés y preguntas a responder

* Determinar si es relevante incorporar en la medición de la pobreza las diferencias que existen entre las necesidades de los adultos y de los niños

- ¿Cuál es el costo de un niño respecto a un adulto y de un segundo adulto en los hogares?
- ¿Cómo han evolucionado esas relaciones en los últimos años?
- ¿Cuál es el efecto de introducir las equivalencias niño-adulto y 2º adulto-adulto en la medición de la pobreza?
- ¿Es necesario incorporar economías de escala además de las equivalencias?

* ¿Cómo se afectan las tendencias en la evolución de la pobreza debido a la utilización de escalas y equivalencias?

- ¿Cambian los perfiles de los pobres bajo otra métrica monetaria?
- ¿Cómo se comparan las escalas y equivalencias obtenidas con otras existentes?
- ¿Es recomendable el uso de escalas y equivalencias en los estudios de pobreza para comparar países de América Latina?

Información disponible

* Pocos países cuentan con información reciente acerca de la formación del ingreso y los hábitos de consumo de los hogares

- La metodología de las encuestas de presupuestos familiares no se mantiene en aquellos países que tienen más de una encuesta
- México es la excepción, y en ese sentido se considera relevante utilizarlo como estudio de caso para evaluar tendencias
- A partir de 1984 se inició un programa de encuestas de ingresos y gastos que a la fecha se mantiene vigente
- El marco conceptual y metodológico permanece sin alteraciones importantes, por lo que se dispone de 7 encuestas comparables para analizar los cambios ocurridos en los últimos 16 años

II. Factores asociados a la medición de la pobreza

a) Medición absoluta o relativa: necesidades alimentarias

b) Métrica monetaria apropiada: gasto o ingreso

c) Unidad de análisis: Hogar o el individuo

d) Valor de la línea de pobreza extrema z

$$z = f(y_{pc},\ kcal.,\ p_r{}^*q_r,\ p)$$

$$\bar{kcal} = f\ (sexo,\ edad,\ actividad\ física)$$

$$\bar{kcal}.\ (promedio\ ponderado\ para\ la\ población)$$

- Esta manera de estimar los requerimientos de energía considera diferencias geográficas en la estructura por edad y sexo de la población y la actividad física, por lo que introducen algún tipo de escalas de equivalencia

e) Indices de Pobreza de la familia FGT (1984)

$$P_\alpha = (z\ ,\ \pi\ ,\ y_{pc});\ \alpha = 0{,}1\ y\ 2$$

d) Desigualdad: Medidas de entropía generalizada

[redacted]

III. Conceptos Generales

a) Escalas Econométricas:

- *Engel* (el nivel de vida del hogar está determinado por el % del gasto destinado a la compra de alimentos),
- *Rothbart* (un razonamiento similar al anterior pero con bienes adulto)
- SLEG, *Barten, Gorman, Prais y Houtakker*

b) Escalas paramétricas

- *Buhmann* et. al.: el tamaño del hogar reescalado se calcula por medio de th^{θ}, con $0 \leq \theta \leq 1$ (economías absolutas e ingreso per cápita respectivamente -sin economías-)

- De esta manera, el ingreso por adulto equivalente se determina por medio de: y / th^{θ}

- Los estudios para los países europeos utilizan $\theta = .5$:

  ingreso por adulto equivalente = $y / (th)^{.5}$

- Otras opciones que se han manejado son las denominadas escalas paramétricas:

$[1 + p_a*(A-1) + p_n*N]$ (*OECD* con equivalencias)

A ≈ Número de adultos en el hogar
N ≈ Número de niños en el hogar
p_a ≈ equivalencia del segundo adulto respecto al primero
p_n ≈ equivalencia de un niño respecto a un adulto

$[A + p_n*N]^f$ (USA con equivalencias (.7) y factor de economías de escala (.7)) *(Citro y Michael,1995)*

f ≈ factor de economías de escala en el hogar $(0 \leq f \leq 1)$

- La determinación del valor óptimo de f se logra a partir del siguiente razonamiento:

Sea *e (A, N)* la escala de referencia y $(A + pN)^f$ la escala deseada. Dado un valor de *p* obtenido, por ejemplo a partir del método de Engel, se busca el valor de *f* que satisfaga la siguiente expresión:

$$mín \sum_A \sum_N [\, e(A,N) - (A + pN)^f \,]^2$$

- Es decir, se minimiza la distancia al cuadrado entre las dos escalas de equivalencia, lo cual genera el valor óptimo de *p* y *f* y que corresponde con el mínimo observado entre las diferencias analizadas

IV. Resultados Obtenidos

a) Forma funcional estimada (*Working-Leser*)

$$w_a = \alpha + \beta^* \ln(g^* / th) + \gamma_1^* n_a + \gamma_2^* n_n$$

$th \approx$ tamaño del hogar
$g^* \approx$ gasto en alimentos y bebidas no alcohólicas
$n_a \approx$ número de adultos (personas de 15 y más años)
$n_n \approx$ número de niños

Se espera que γ_1 y $\gamma_2 < 0$, en el caso de que existan economías de escala en el hogar

b) Método de estimación utilizado:

- Mínimos cuadrados ponderados (MCP)
- $W_a > 0$ (% del gasto en alimentos y bebidas no alcohólicas)

El gasto necesario (x*) para que el hogar h tenga el mismo nivel de utilidad que el hogar de referencia (x_0), se determina por medio de:

$$\alpha + \beta \ln\left(\frac{x^*}{n_h}\right) + \sum_{i=1}^{n} \gamma_i n_{hi} = \alpha_1 + \alpha_2 \ln\left(\frac{x_0}{n_0}\right) + \sum_{i=1}^{n} \gamma_i n_{0i}$$

Por lo que la escala de equivalencia es:

$$e(g_{pc}, n, z) = \frac{x^*}{x_0} = \frac{n_h}{n_0} \exp \sum_{i=1}^{n} \left[\left(\frac{\gamma_i}{\beta} \right) (n_{0i} - n_{hi}) \right]$$

Algunas cifras de Contexto

- En el 2000 se estimaba que en México existían 22.6 millones de hogares (97 millones de pesonas)
- 3 de cada cuatro personas residían en las zonas urbanas del país (en las cinco principales ciudades se concentra el 29% de la población total del país)
- La población crece a una tasa anual del 1.4%
- La vida media de la población es de 74 años
- El nivel educativo de las personas de 15 y más es 7.6 años

¿Cómo ha evolucionado el tamaño de los hogares?

Tamaño Medio del Hogar

año	Nacional	Urbano	Rural
1984	5.09	4.97	5.31
1989	4.94	4.73	5.33
1992	5.06	4.74	5.31
1994	4.59	4.36	4.97
1996	4.52	4.27	4.95
1998	4.31	4.11	4.61

Cambios observados en el tamaño medio de los hogares 1984-1998:

Absolutos: Nacional (- 0.78) Relativos: Nacional (- 15.3%)
Urbano (- 0.86) Urbano (- 17.3%)
Rural (- 0.70) Rural (- 13.2%)

¿Qué ha pasado con la composición de los hogares?

México: Tamaño medio del hogar y su estructura por grupos de edad

año	contexto	1984	1989	1992	1994	1996	1998
Tamaño	Nacional	5.09	4.94	5.06	4.59	4.52	4.30
del hogar	Urbano	4.97	4.73	4.74	4.36	4.27	4.10
(promedio)	Rural	5.31	5.33	5.31	4.97	4.95	4.61
<=14 años	Nacional	2.19	1.92	2.09	1.69	1.64	1.52
	Urbano	2.02	1.67	1.74	1.46	1.40	1.31
(promedio)	Rural	2.49	2.37	2.36	2.07	2.04	1.84
>14 años	Nacional	2.95	3.07	3.01	2.95	2.93	2.83
	Urbano	2.99	3.11	3.02	2.95	2.91	2.83
(promedio)	Rural	2.88	3.01	3.01	2.95	2.96	2.83

1984-1998	Cambio absoluto en niños	Cambio absoluto en adultos
Nacional	0.67	0.12
Urbano	0.71	0.16
Rural	0.65	0.05

Algunas constataciones

- Los hogares rurales continúan registrando un mayor número de personas que los urbanos
- En su interior se advierte una mayor presencia de niños
- Lo anterior incide en altas tasas de dependencia demográfica y en ingreso per cápita del hogar
- Los factores señalados están directamente relacionados con las mayores tasas de pobreza extrema y las brechas de ingresos que se observan en la zonas rurales

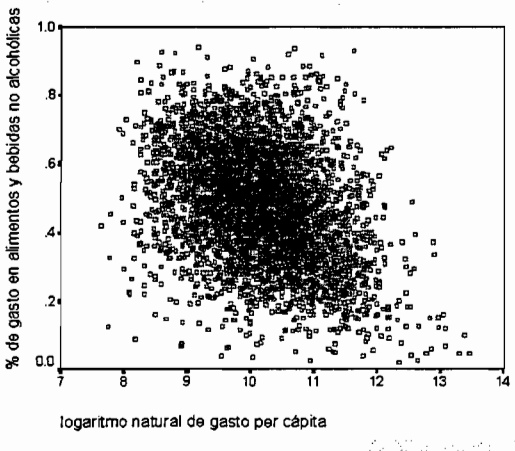
¿Cómo ha evolucionado el coeficiente de Engel?

Gasto monetario en alimentos y bebidas no alcohólicas
México:1984-1998

Año	1984	1989	1992	1994	1996	1998
Ambito	%	%	%	%	%	%
Nacional	46.1	42.14	39.15	37.05	39.15	34.67
Urbano	44.35	39.1	35.01	32.96	35.65	30.08
Rural	49.27	47.84	46.04	43.45	46.61	40.12

- Entre 1984 y 1998 el promedio nacional se ha reducido 11.4 puntos, observándose los cambios más notables en las zonas urbanas

México, 1984



México: Estimadores de los parámetros

Parámetro	Ambito	1984	1989	1992	1994	1996	1998
α	Nacional	1.781	2.044	2.059	1.095	1.264	1.24
	Urbano	1.963	2.017	1.967	1.032	1.208	1.25
	Rural	1.494	1.494	1.863	0.972	1.155	1.05
β	Nacional	-0.133	-0.124	-0.123	-0.108	-0.12	-0.113
ln(gpc)	Urbano	-0.15	-0.123	-0.118	-0.101	-0.114	-0.115
	Rural	-0.11	-0.105	-0.108	-0.088	-0.103	-0.0884
γ_1	Nacional	-1.60E-03	-5.00E-03	-5.60E-03	-3.20E-03	-4.90E-03	-3.80E-03
número	Urbano	-4.40E-03	-5.70E-03	-3.90E-03	-4.00E-03	-5.80E-03	-4.20E-03
de adultos	Rural	-1.80E-03	-1.80E-03	-5.60E-03	-2.10E-03	-1.60E-03	-1.10E-03
γ_2	Nacional	-1.70E-03	-6.80E-03	-7.40E-03	-1.90E-03	-4.20E-03	-5.90E-03
número	Urbano	-1.00E-03	-3.10E-03	-9.30E-03	-4.40E-03	-3.20E-03	-4.70E-03
de niños	Rural	-1.30E-03	-1.30E-03	-3.60E-03	-4.10E-03	-4.10E-03	-4.70E-03

Nota: Estimadores obtenidos por mínimos cuadrados ponderados considerando los hogares con porcentaje de gasto alimentario mayor que cero

Los parámetros γ_i tienen el signo esperado y $\beta < 0$, indica que el porcentaje destinado a la compra de alimentos disminuye cuando aumenta el gasto per cápita del hogar

* Los valores de β dependenden de la unidades monetarias de cada año, por lo que para analizar su variación intertemporal se transformaron en elasticidades-gasto a partir de la siguiente expresión:

$$e_{tj} = 1 + \beta_{tj} / wa_{tj}$$

t= 1984-1998 y j= urbana y rural

México : Elasticidades de Gasto

Año	1984	1989	1992	1994	1996	1998
Nacional	0.71	0.71	0.69	0.71	0.69	0.67
Urbano	0.66	0.69	0.66	0.69	0.68	0.62
Rural	0.78	0.78	0.77	0.80	0.78	0.78

- Los coeficientes de elasticidad muestran un comportamiento bastante regular

México 1984: Escalas de Equivalencia por el método de Engel

Niños / Adultos		0	1	2	3	4	5
1	Nacional	0.60	0.99	1.46	1.92	2.38	2.81
	Urbano	0.50	0.99	1.41	1.87	2.33	2.77
	Rural	0.50	0.99	1.46	1.93	2.38	2.83
2	Nacional	1.00	1.46	1.93	2.38	2.82	3.24
	Urbano	1.00	1.45	1.92	2.38	2.84	3.29
	Rural	1.00	1.46	1.92	2.37	2.82	3.25
3	Nacional	1.46	1.93	2.38	2.82	3.25	3.66
	Urbano	1.41	1.87	2.33	2.77	3.21	3.65
	Rural	1.45	1.91	2.36	2.81	3.23	3.65
4	Nacional	1.93	2.38	2.82	3.25	3.67	4.07
	Urbano	1.83	2.27	2.71	3.14	3.57	3.99
	Rural	1.90	2.35	2.79	3.22	3.63	4.04
5	Nacional	2.38	2.82	3.25	3.67	4.07	4.47
	Urbano	2.22	2.65	3.07	3.49	3.91	4.31
	Rural	2.34	2.78	3.21	3.62	4.02	4.41

Nota: Se consideran como adultos las personas de 15 y más años
El hogar de referencia está formado por dos adultos.

México 1998: Escalas de Equivalencia por el método de Engel

Niños / Adultos	0	1	2	3	4	5
1 Nacional	0.50	0.95	1.35	1.71	2.03	2.31
Urbano	0.50	0.96	1.39	1.78	2.14	2.47
Rural	0.50	0.95	1.35	1.71	2.02	2.30
2 Nacional	1.00	1.38	1.74	2.07	2.35	2.61
Urbano	1.00	1.39	1.78	2.13	2.46	2.75
Rural	1.00	1.40	1.78	2.11	2.41	2.65
3 Nacional	1.41	1.77	2.11	2.41	2.66	2.88
Urbano	1.39	1.78	2.14	2.47	2.76	3.03
Rural	1.46	1.85	2.19	2.51	2.76	2.99
4 Nacional	1.81	2.15	2.44	2.71	2.93	3.13
Urbano	1.79	2.15	2.48	2.77	3.04	3.29
Rural	1.93	2.28	2.61	2.88	3.12	3.32
5 Nacional	2.19	2.49	2.76	2.99	3.19	3.37
Urbano	2.16	2.49	2.79	3.06	3.31	3.52
Rural	2.38	2.71	2.99	3.25	3.46	3.65

Nota: Se consideran como adultos las personas de 15 y más años
El hogar de referencia está formado por dos adultos.

¿Cuánto representa el costo de un niño respecto al adulto?

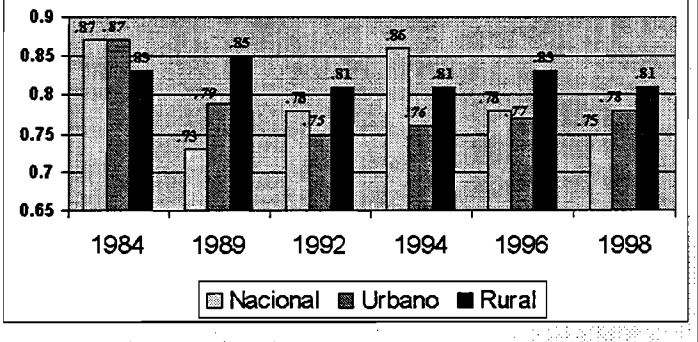
México: Equivalencias de niños y adultos

año	1984	1989	1992	1994	1996	1998
Costo de un niño con respecto a un adulto						
Nacional	0.87	0.73	0.78	0.86	0.78	0.75
Urbano	0.87	0.79	0.75	0.76	0.77	0.78
Rural	0.83	0.85	0.81	0.81	0.83	0.81
Costo del un adulto adicional						
Nacional	0.92	0.76	0.74	0.82	0.76	0.82
Urbano	0.82	0.74	0.82	0.78	0.70	0.78
Rural	0.90	0.90	0.86	0.86	0.90	0.92

Nota: El hogar de referencia está compuesto por dos adultos

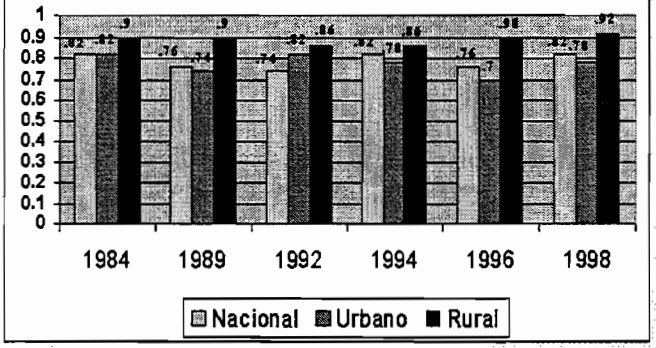
- A partir de 1989, se advierte cierta estabilidad en los valores de los coeficientes de niños y adultos tanto en las áreas urbanas como en las rurales

México: Equivalencia de un niño respecto a un adulto (proporciones)



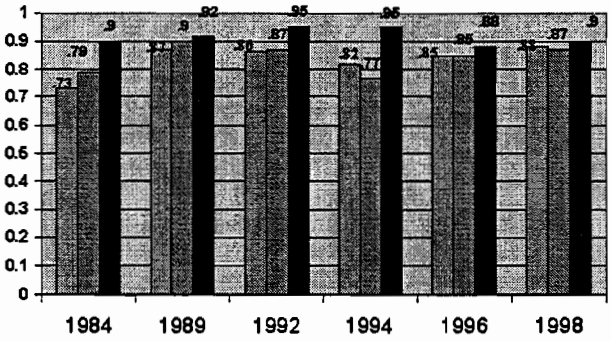
- Las equivalencias en las zonas urbanas son mayores que en la rurales, tanto para los niños como para los adultos

México: Equivalencia de un segundo adulto respecto al primer adulto (proporciones)



- Se aprecian diferencias notables entre los valores urbanos y rurales
- Se percibe mayor variabilidad del factor de escala en el área urbana

México: Evolución de los factores de economías de escala 1984-1998



- Se generan mayores economías de escala en los hogares urbanos
- También se percibe mayor variabilidad en los factores

Aplicación de escalas y equivalencias:Alternativas de cálculo

a) Ingreso per cápita : sin escalas y sin "equivalencias"

$$y_{pc} = (y/th)$$

b) Buhmann et. al.: ingreso por adulto equivalente = $[y_{tot} / (th)^{.5}]$ OCDE

c) Se aplican equivalencias de niño-adulto y 2º adulto-adulto con los resultados estimados para México

$$th_{tj}^* = [1+(A-1)*p_{atj} + p_{ntj}*N]; t= 1984 -1998 \text{ y } j=1,2$$

p_{atj} ≈ proporción del segundo adulto respecto al primero para el año t y el área geográfica j

p_{ntj} ≈ proporción de un niño respecto a un adulto para el año t y el área geográfica j

d) Escala paramétrica con valores generados para las áreas urbanas y rurales del país:

$$(A + p_{ntj}*N)^{ftj}; t=1984-1998 \text{ y } j=1,2$$

p_{ntj} ≈ proporción de un niño respecto a un adulto para el año t y el área geográfica j

e) Escala paramétrica USA: $(A + .7*N)^{.7}$:

$p_n = 0.7$ y $f = 0.7$ factores fijos por año y área para todo el país

* En los casos en que se aplicaron, el tamaño del hogar se ajustó y se calculó un ingreso por adulto-equivalente

☒ La línea de pobreza extrema (z), para un individuo promedio, se ajustó para que representara a un adulto-tipo: persona entre 30 y 59 años con actividad física moderada

☒ A consecuencia de los anterior, el valor de la línea de pobreza extrema se reescaló 26%: $z^* = z*1.26$

☒ El factor anterior se obtuvo al promediar el requerimiento de un hombre adulto-tipo (2,890 kcal.) con los de una mujer (2,400 kcal.) en ese rango de edades y el mismo nivel de actividad

☒ El requerimiento calórico de un individuo adulto-tipo (hombre), es 33% mayor que el promedio estimado para la población en su conjunto

* Aplicar esta relación hubiera significado encarecer un 33% el costo de la canasta básica alimentaria (CBA) que se utiliza para determinar el valor de la línea de pobreza extrema

- El ajuste de línea de pobreza extrema, ajustada por unidad adulto-equivalente, puede significar un tema de análisis y reflexión ya que los ajustes hechos al tamaño del hogar con los diferentes factores de escala y equivalencias, muestran que los cambios en el ingreso adulto-equivalentes fueron de menor magnitud (para algunas de las simulaciones efectuadas)

- Lo anterior tiene implicaciones en los valores de los indicadores de pobreza

Tamaño del hogar con distintas equivalencias economías de escala

Año	Per cápita	OCDE	Equivalencia	par. Méx.	par. USA
1984					
Nacional	5.1	2.2	4.4	3.6	2.8
Urbano	5.0	2.1	4.2	3.4	2.7
Rural	5.3	2.2	4.7	4.2	2.8
1989					
Nacional	4.9	2.1	4.0	3.8	2.8
Urbano	4.7	2.1	3.6	3.5	2.7
Rural	5.3	2.2	4.7	4.4	2.9
1992					
Nacional	4.7	2.1	4.0	3.7	2.7
Urbano	4.6	2.1	3.8	3.4	2.6
Rural	5.1	2.2	4.5	4.4	2.8
1994					
Nacional	4.6	2.1	3.7	3.4	2.6
Urbano	4.4	2.0	3.4	2.9	2.5
Rural	4.7	2.2	4.2	4.2	2.7
1996					
Nacional	4.5	2.1	3.6	4.1	2.6
Urbano	4.3	2.0	3.1	4.0	2.5
Rural	4.9	2.1	4.4	4.4	2.7
1998					
Nacional	4.3	2.0	3.6	3.4	2.5
Urbano	4.1	2.0	3.3	3.2	2.5
Rural	4.6	2.1	4.1	3.7	2.6

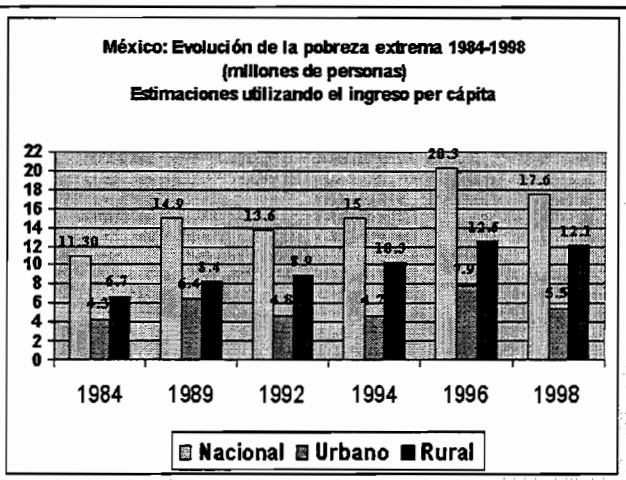
Ingreso con distintas equivalencias y escalas

Año	Per cápita	OCDE	Equivalencia	par. Méx.	par. USA
1984					
Nacional	19516	37683	22446	25145	30296
Urbano	23103	44492	26857	30859	35748
Rural	12995	25303	14426	15247	20382
1989					
Nacional	350069	666318	426578	397576	527176
Urbano	438615	822537	546209	496760	649282
Rural	189069	382272	209059	217234	305155
1992					
Nacional	717517	1337975	807479	852488	1079868
Urbano	919478	1761817	1039986	1111983	1374264
Rural	381689	732965	420857	420988	590332
1994					
Nacional	889	1624	1069	1139	1306
Urbano	1173	2124	1427	1554	1706
Rural	444	840	509	490	681
1996					
Nacional	1393	2543	1617	1680	1719
Urbano	1788	3213	2158	2158	2143
Rural	733	1420	814	880	1010
1998					
Nacional	2199	3845	2579	2498	3094
Urbano	2877	4945	3424	3246	3968
Rural	1096	2057	1203	1280	1672

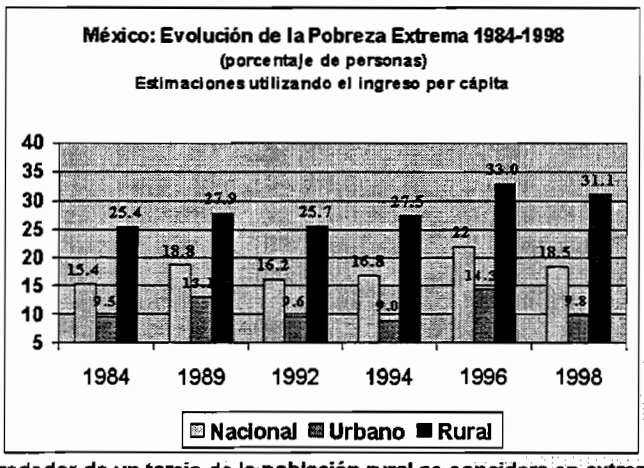
Nota: Valores mensuales a precios corrientes de cada año.
A partir de 1994 las cifras están en nuevos pesos.

Incremento en el ingreso disponible del hogar con distintas equivalencias y escalas

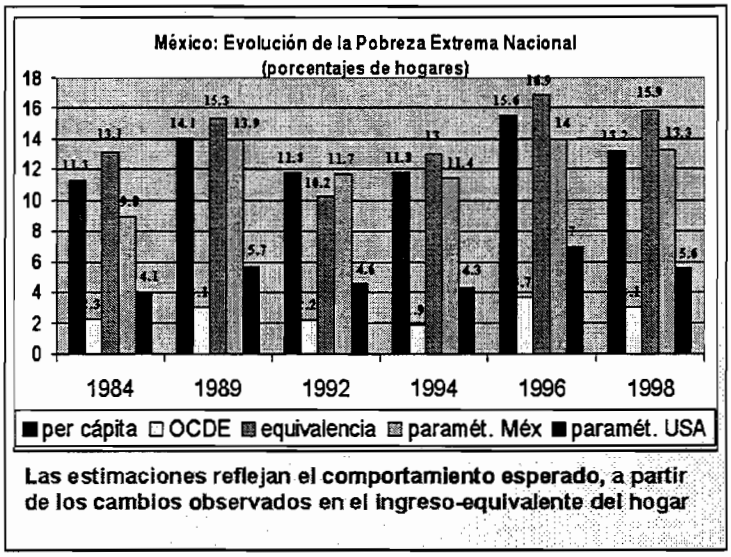
Año	Per cápita	OCDE	Equivalencia	par. Méx.	par. USA
1984					
Nacional	1.00	1.93	1.15	1.29	1.55
Urbano	1.00	1.93	1.16	1.34	1.55
Rural	1.00	1.95	1.11	1.17	1.57
1989					
Nacional	1.00	1.90	1.22	1.14	1.51
Urbano	1.00	1.88	1.25	1.13	1.48
Rural	1.00	2.02	1.11	1.15	1.61
1992					
Nacional	1.00	1.86	1.13	1.19	1.51
Urbano	1.00	1.85	1.13	1.21	1.49
Rural	1.00	1.92	1.10	1.10	1.55
1994					
Nacional	1.00	1.83	1.20	1.28	1.47
Urbano	1.00	1.81	1.22	1.32	1.45
Rural	1.00	1.89	1.15	1.10	1.53
1996					
Nacional	1.00	1.83	1.16	1.21	1.23
Urbano	1.00	1.80	1.18	1.21	1.20
Rural	1.00	1.94	1.11	1.20	1.38
1998					
Nacional	1.00	1.75	1.17	1.14	1.41
Urbano	1.00	1.72	1.19	1.13	1.38
Rural	1.00	1.88	1.10	1.17	1.53



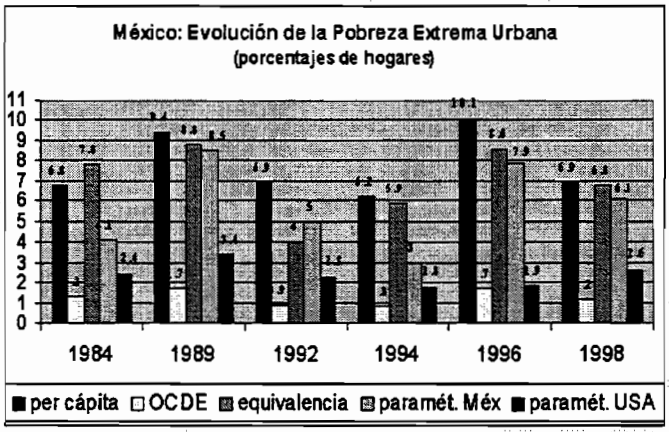
Se observa un comportamiento errático que muestra mayor magnitud de la pobreza extrema en las zonas rurales

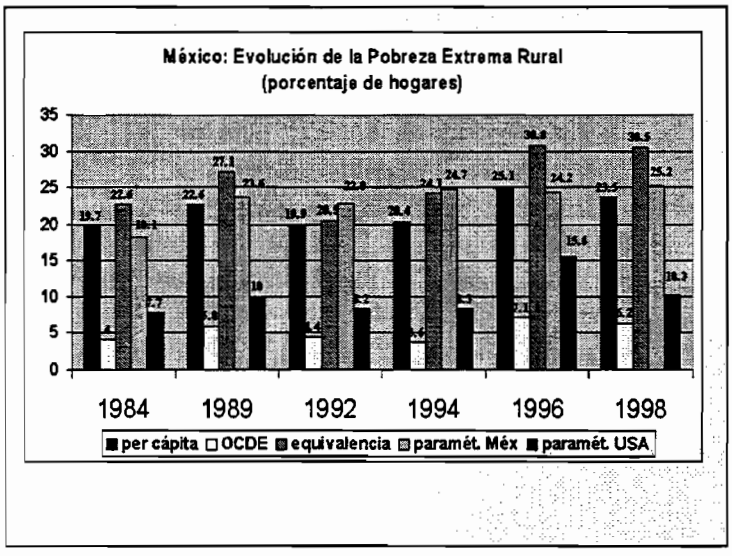


Alrededor de un tercio de la población rural se considera en extrema pobreza, lo cual representa 22.4% más de lo reportado en 1984



Las estimaciones reflejan el comportamiento esperado, a partir de los cambios observados en el ingreso-equivalente del hogar





México: Equivalencias de niños y adultos

año	1984	1989	1992	1994	1996	1998	promedio
Costo de un niño con respecto a un adulto							
Nacional	0.87	0.73	0.78	0.86	0.78	0.75	0.80
Urbano	0.87	0.79	0.75	0.76	0.77	0.78	0.79
Rural	0.83	0.85	0.81	0.81	0.83	0.81	0.82
promedio	0.86	0.79	0.78	0.81	0.79	0.78	0.80
Costo del un adulto adicional							promedio
Nacional	0.92	0.76	0.74	0.82	0.76	0.82	0.80
Urbano	0.82	0.74	0.82	0.78	0.7	0.78	0.77
Rural	0.9	0.9	0.86	0.86	0.9	0.92	0.89
promedio	0.88	0.8	0.81	0.82	0.79	0.84	0.82

Los valores de los parámetros indican cierta estabilidad intertemporal y sugieren que el promedio es un buen estimador de las relaciones estudiadas

i) Se decidió adoptar los promedios de equivalencias y escala por área geográfica como alternativa de cálculo

"Equivalencias y escalas promedio"

$$[1 + (A-1)*p_{aj} + N*p_{nj}]^{fj}$$

Zona	Adulto	Niño	Escala
Urbana	0.77	0.79	0.84
Rural	0.89	0.82	0.92

ii) Lo anterior se compara con una simulación adicional que se genera al aplicar los promedios nacionales, de escalas y equivalencias, a todos los hogares del país

"Equivalencias y escalas constantes"

$[1 + (A-1)*pa + N\ pn]^f$; $p_n = 0.8$; $p_a = 0.80$ y $f_e = 0.84$

Tamaño del hogar con distintas opciones

variable	1984	1989	1992	1994	1996	1998
Nacional						
promedio	5.08	4.94	4.72	4.60	4.52	4.30
factores						
promedio	3.56	3.49	3.37	3.31	3.26	3.12
constante	3.36	3.25	3.13	3.06	3.02	2.91
Urbano						
promedio	4.97	4.73	4.46	4.35	4.28	4.10
factores						
promedio	3.24	3.13	2.98	2.93	2.88	2.79
constante	3.29	3.14	2.99	2.94	2.89	2.80
Rural						
promedio	5.31	5.33	5.15	4.97	4.95	4.61
factores						
promedio	4.16	4.14	4.02	3.90	3.89	3.66
constante	3.48	3.45	3.35	3.25	3.25	3.07

México: Ingreso con distintas equivalenci
y escalas

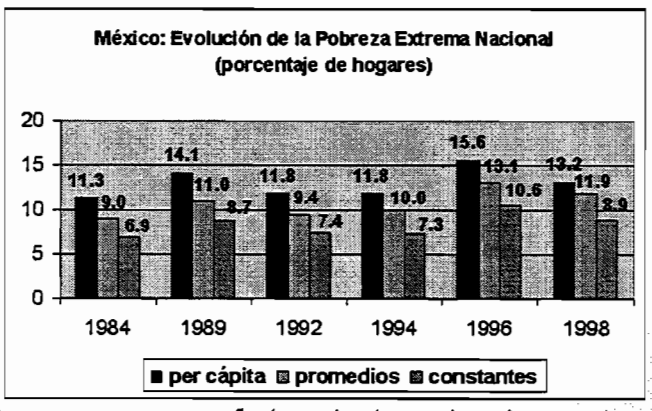
Año	Per cápita	promedio	constante
1984			
Nacional	19516	26090	26604
Urbano	23103	31844	31455
Rural	12995	15628	17786
1989			
Nacional	350069	460296	472941
Urbano	438615	587768	586380
Rural	189069	228517	266679
1992			
Nacional	717617	951974	977395
Urbano	919478	1251041	1248177
Rural	381689	454673	527128
1994			
Nacional	889	1159	1189
Urbano	1173	1563	1560
Rural	444	527	608
1996			
Nacional	1393	1821	1870
Urbano	1788	2384	2379
Rural	733	876	1017
1998			
Nacional	2199	2764	2836
Urbano	2877	3665	3658
Rural	1096	1299	1498

Nota: Valores mensuales a precios corrientes de cada año.
A partir de 1994, nuevos pesos

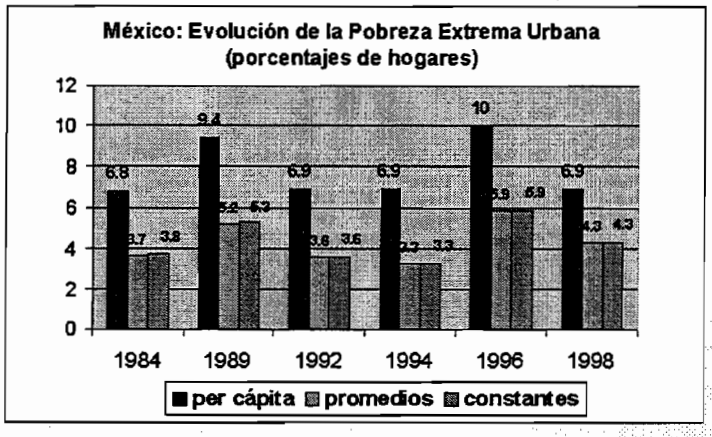
México: Ingreso con distintas equivalenci
y escalas

Año	Per cápita	promedio	constante
1984			
Nacional	1.00	1.34	1.36
Urbano	1.00	1.38	1.36
Rural	1.00	1.20	1.37
1989			
Nacional	1.00	1.31	1.35
Urbano	1.00	1.34	1.34
Rural	1.00	1.21	1.41
1992			
Nacional	1.00	1.33	1.36
Urbano	1.00	1.36	1.36
Rural	1.00	1.19	1.38
1994			
Nacional	1.00	1.30	1.34
Urbano	1.00	1.33	1.33
Rural	1.00	1.19	1.37
1996			
Nacional	1.00	1.31	1.34
Urbano	1.00	1.33	1.33
Rural	1.00	1.20	1.39
1998			
Nacional	1.00	1.26	1.29
Urbano	1.00	1.27	1.27
Rural	1.00	1.19	1.37

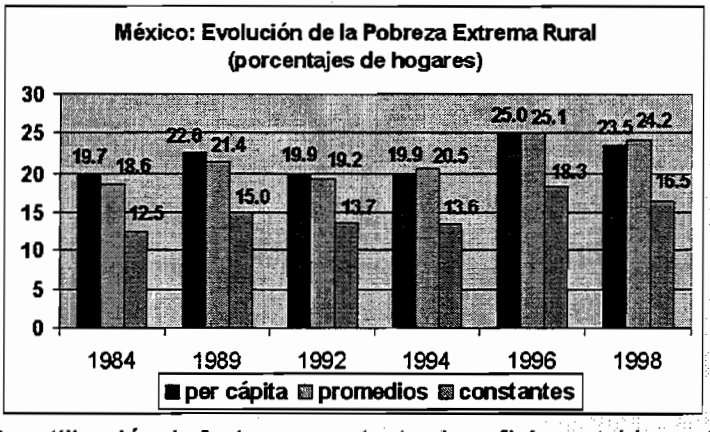
Nota: Valores mensuales a precios corrientes de cada año



Se genera un mayor efecto en las tasas de pobreza extrema, ante la aplicación de factores de escala y equivalencias constantes



No existen diferencias entre las estimaciones generadas por las propuestas metodológicas que se comparan



La utilización de factores constantes beneficia notablemente a las zonas rurales

A modo de conclusión

- Los cambios en el tamaño y composición no han tenido repercusiones importantes en los factores de escala y equivalencia
- Cualquier modificación al ingreso de los hogares debiera considerar la aplicación conjunta de factores de escala y equivalencia
- Si se decidiera corregir el ingreso del hogar, la opción que parece más apropiada sugiere la utilización de factores promedio,de escalas y equivalencias, por área geográfica

V. Líneas de Trabajo Futuro

a) Incorporar otros países en el análisis: Chile (Gran Santiago), Uruguay (Montevideo), Guatemala y Honduras

b) Verificar la sensibilidad de los parámetros al:

- método de estimación: modelos truncados
- otras formas funcionales (acentuar la curvatura)
- a la desagregación de variables por edades y sexo

c) Revalorar el ajuste de la línea de pobreza extrema

- Identificación del estrato de referencia

- Ordenamiento de los hogares con el nuevo ingreso del hogar ¿deciles de ingreso adulto-equivalente?
- Nueva estructura de consumo, nueva CBA y nuevo valor de z
- ¿Nuevo coeficiente de Orshansky?

d) Contrastar los resultados del método de Engel y Rothbart y decidir los valores finales que se pueden utilizar

e) Analizar los posibles cambios en los perfiles de pobreza

f) Profundizar en el análisis de los indicadores de pobreza y desigualdad ante las distintas opciones

Un Enfoque Desagregado para Considerar las Escalas de Equivalencias

LUIS BECCARIA

SIEMPRO - ARGENTINA

ÍNDICE

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El tratamiento de las equivalencias y las economías de escala en Argentina

En las estimaciones de las líneas de pobreza en América Latina resulta usual considerar que las equivalencias en los requerimientos no alimenticios entre diferentes personas son similares a las de los alimenticios. Estas últimas se definen, a su vez, a partir de las diferencias en las demandas calóricas normativas de distintos grupos de individuos, definidos en función del género, la edad y el tipo de tarea que realizan. De esta manera, para estimar el valor de los no alimentos de las líneas se considera un único coeficiente *gasto total/gasto en alimentos* que se aplica a las diferentes canastas básicas de alimentos correspondiente a esos diversos grupos. Este procedimiento tampoco toma en cuenta las economías de escala en el consumo. Si bien éstas podrían no ser importantes en el gasto alimenticio[1] no cabe duda que en ciertos otros ítems —alquiler, los servicios asociados a la vivienda, por ejemplo— resultan significativas.

Esta descripción refleja también la situación de Argentina por lo que, como parte de las tareas de actualización de la línea en la que están involucrados diferentes organismos públicos nacionales, se consideró necesario evaluar hasta qué punto resultaba posible superar las limitaciones comentadas. Una de las alternativas planteadas fue el enfoque tipo OECD, utilizado en varios países industrializados, y que consiste en recurrir a una función con parámetros que den cuenta de uno y otro fenómeno —equivalencias y economías de escala— la cual permite adecuar el valor de la línea total (alimentos más no alimentos) a la situación de cada hogar tomando en cuenta su tamaño y composición.

Otra alternativa fue también considerada. La misma recurre a un enfoque desagregado, en el que se aplican equivalencias diferentes según tipo de bien. Las demandas normativas relativas de calorías continuarían empleándose para el caso de la canasta básica de alimentos para la que, por otra parte, se supone que no existen economías de escala. A continuación, se presenta brevemente la propuesta referente a los componentes no alimenticios.

Un enfoque desagregado

Este enfoque alternativo continúa computando el valor de la línea de pobreza a aplicar a un hogar dado a partir de las relaciones efectivamente observadas entre el gasto en no alimentos y el correspondiente a alimentos de la población de referencia. Sin embargo, se computan relaciones específicas por componente (ejemplo: vestimenta). En el caso de alguno de ellos, el gasto está claramente relacionado con la cantidad de miembros del hogar o incluso con la cantidad de determinados miembros de los hogares —por ejemplo, los gastos en educación con los asistentes a establecimientos educativos—. En tales casos, se computan relaciones entre gastos "per cápita" pero donde las "cápitas" son las relevantes en cada caso. Por ejemplo, para estimar los requerimientos de gastos en bienes y servicios educativos se computa —para la población de referencia— un coeficiente que relaciona el gasto en educación por alumno con el gasto en alimentos por adulto equivalente (y no meramente el cociente entre el gasto total en educación y el gasto en alimentos).

En el caso de otros componentes, donde existen economías de escala en el consumo se están calculando relaciones *gasto total por hogar en un componente (por ejemplo, electricidad) /gasto en alimentos por adulto equivalente*. Se computan relaciones diferentes según el tamaño del hogar.

[1] Aún cuando esta afirmación es debatible.

A continuación se describe el procedimiento seguido.

a) Componentes con economía de escala:

Se consideró que debería contemplarse la existencia de economías de escala para el agregado de "gastos de la vivienda", compuesto por:

- Gastos comunes de la vivienda
- Gastos en combustibles, agua, impuestos y electricidad para la vivienda
- Gasto en equipamiento y mantenimiento del hogar

El valor de este componente se calcularía aplicando al valor de la canasta alimentaria normativa del hogar un coeficiente específico que varía según el tamaño del hogar. Esto significa que

$$G^{i}_{v,h} = CBA^{i}_{h} * alfa_{h} \qquad [1]$$

Donde $G^{i}_{v,h}$ es el gasto normativo relacionado con la vivienda correspondiente al hogar "i" de tamaño "h", CBA^{i}_{h} es el gasto total en alimentos de ese hogar "i" de tamaño "h" y

$alfa_{h}$ = [Gasto en equipamiento de hogares de tamaño "h" en la población de referencia / Gastos en alimentos de los hogares de tamaño "h" en la población de referencia]

Este último se computa con los datos provenientes de Encuestas de Gastos a los Hogares.

b) Vivienda

Se considera un valor de alquiler que se adicionaría a la línea de aquellos hogares que declaran ser inquilinos. Este monto variaría según el tamaño del hogar y corresponde al promedio del efectivamente abonado en cada región por los hogares de cada tamaño.

c) Componentes sin economías de escala y con equivalencias

La idea general es la de considerar coeficientes específicos para aquellos componentes que se diferencian por el tipo de miembros que consumirían los bienes y servicios. Así, el gasto normativo en el componente "j", del hogar "i",

$$G^{i}_{j:}\ CBA_{ae} * alfa_{j} * n^{i}_{j} \qquad [2]$$

Donde CBA_{ae} es la canasta básica de alimentos por adulto equivalente y n^{i}_{j} es la cantidad de miembros del hogar "i" que consumirían los bienes y servicios del componente "j".

El cálculo de los alfas también se efectúa con los datos de la ENGHO

$alfa_{j}$ = [gasto en componente "j" de la población de referencia / cantidad de miembros de los hogares de la población de referencia que consumirían los bienes y servicios del componente "j"] / [gasto en alimentos en la población de referencia / cantidad de adultos equivalentes en la población de referencia]

A continuación se detalla a los miembros que serían los que consumirían los bienes de cada componente identificado.

Componente	Miembros
Vestimenta hombres	Hombres mayores de 10 años
Vestimenta mujeres	Mujeres mayores de 10 años
Vestimenta niños	Varones y mujeres de hasta 10 años
Transporte público	Personas de 13 años y más
Esparcimiento	Personas entre 10 y 65 años
Tabaco	Personas de 18 años y más
Educación	Número de personas entre 5 y 17 años

Para el cálculo del valor normativo del componente educacional, el alfa debería ser aplicado a la totalidad de miembros entre 5 y 17 años del hogar, y no sólo a los que asisten a establecimientos educaativos. Esto es

$G^{i}_{educación} = CBA_{ae} * alfa_{educación} *$ cantidad de miembros entre 5 y 15 años del hogar "i"

d) Componentes sin economía de escala ni equivalencias

En el caso de salud y de bienes y servicios varios, vale la expresión [2] donde n^{i}_{j} es igual al total de personas de hogar "i". Por tanto, para éste último caso, entonces,

Alfa $_{j}$ = [gasto en bienes y servicios varios de la población de referencia / cantidad total de miembros de los hogares de la población de referencia] / [gasto en alimentos en la población de referencia / cantidad de adultos equivalentes en la población de referencia]

El componente salud en la línea se considerará por separado a los hogares que no tengan cobertura de seguridad social.

SESSION 4:

NEW APPROACHES TO MULTI-DIMENSIONAL POVERTY

Health Considerations in Poverty Estimates: Current Research and New Approaches in Latin America and the Caribbean

RUBÉN M. SUAREZ - BERENGUELA

PAHO

IBGE

Comisión Económica para América Latina y el Caribe

Fourth Meeting of the
EXPERT GROUP ON POVERTY STATISTICS
(RIO GROUP)
Rio de Janeiro, Brazil, 15 - 17 October, 2001

HEALTH CONSIDERATIONS IN POVERTY ESTIMATES: CURRENT RESEARCH AND NEW APPROACHES IN LATIN AMERICA AND THE CARIBBEAN

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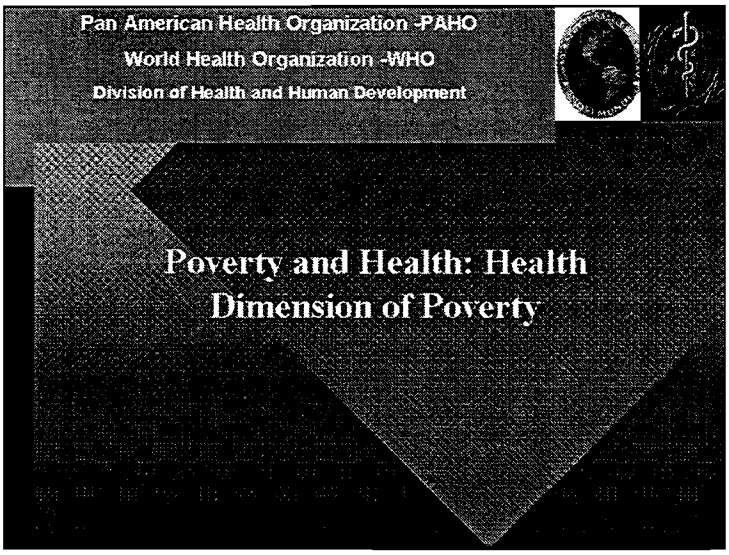
Division of Health and Human Development

Pan American Health Organization -PAHO
World Health Organization -WHO
Division of Health and Human Development

Research:

•From Poverty and Health, to

•Health and Poverty


Pan American Health Organization -PAHO
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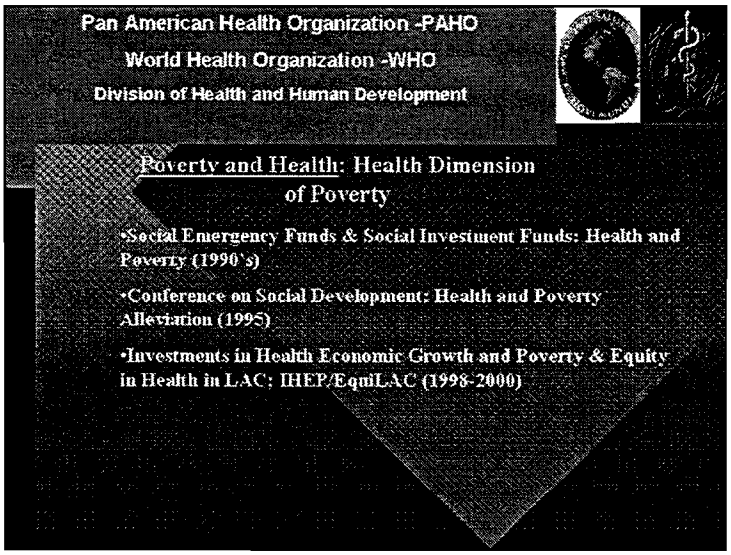
Division of Health and Human Development
Poverty and Health: Health Dimension of Poverty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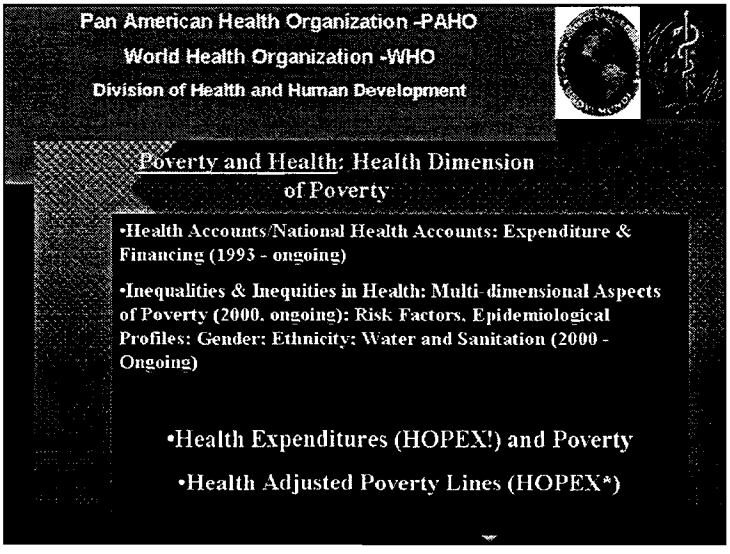
Division of Health and Human Development
Poverty and Health: Health Dimension of Poverty
•Social Emergency Funds & Social Investment Funds: Health and Poverty (1990's)
•Conference on Social Development: Health and Poverty Alleviation (1995)
•Investments in Health Economic Growth and Poverty & Equity in Health in LAC; IHEP/EqmLAC (1998-2000)


Pan American Health Organization -PAHO
World Health Organization -WHO
Division of Health and Human Development
Poverty and Health: Health Dimension of Poverty
•Health Accounts/National Health Accounts: Expenditure & Financing (1993 - ongoing)
•Inequalities & Inequities in Health: Multi-dimensional Aspects of Poverty (2000. ongoing): Risk Factors. Epidemiological Profiles: Gender: Ethnicity: Water and Sanitation (2000 - Ongoing)
•Health Expenditures (HOPEX!) and Poverty
•Health Adjusted Poverty Lines (HOPEX*)

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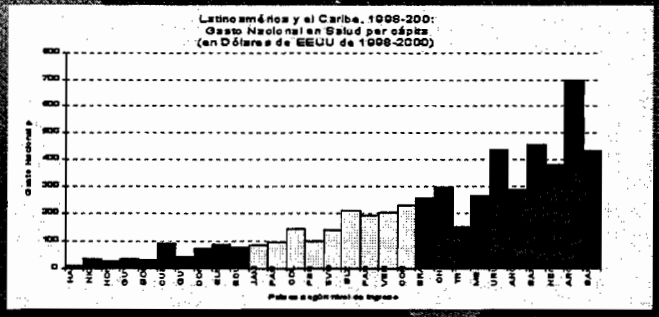
Poverty and Health: Health Dimension of Poverty



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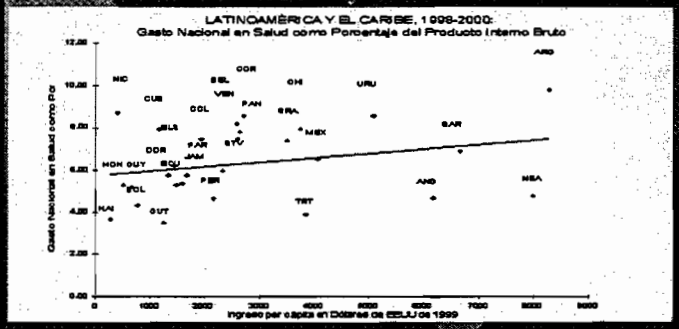
Poverty and Health: Health Dimension of Poverty



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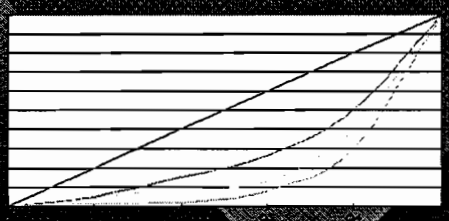
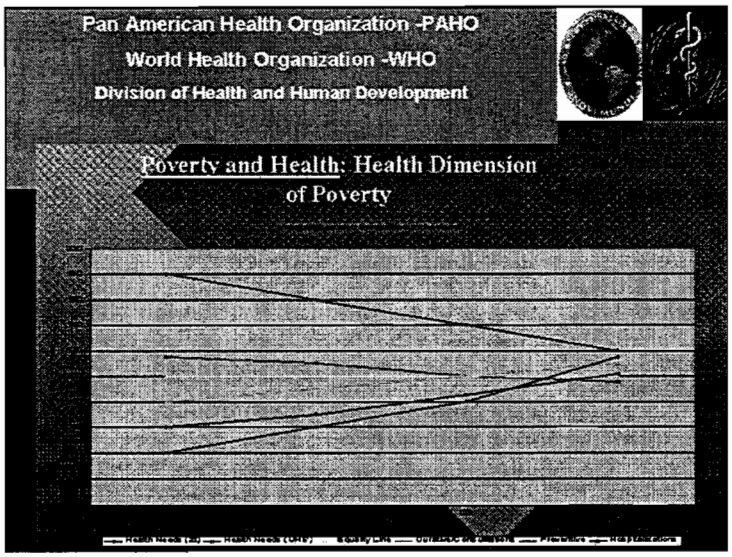
Poverty and Health: Health Dimension of Poverty

Desigualdades en el gasto privado en salud por niveles de ingreso de la poblacion

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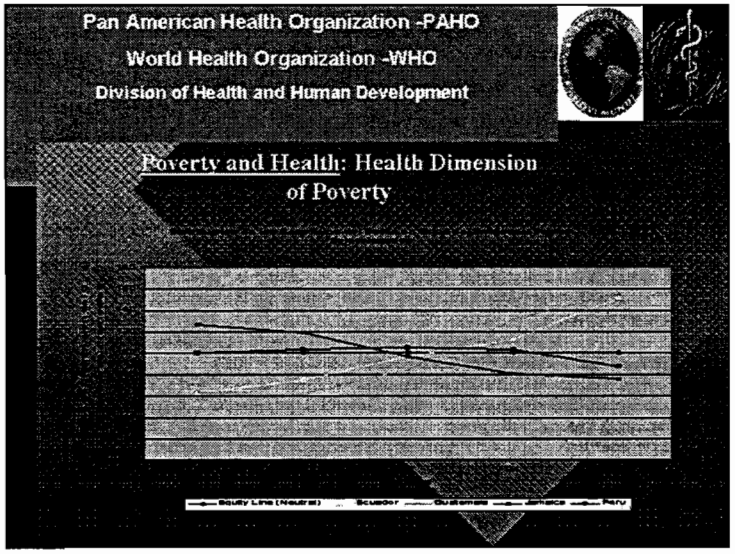
Poverty and Health: Health Dimension of Poverty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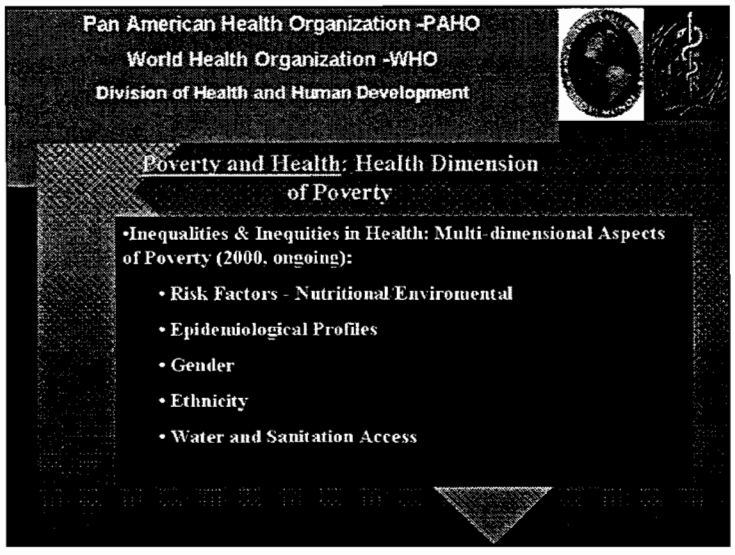
Pan American Health Organization -PAHO
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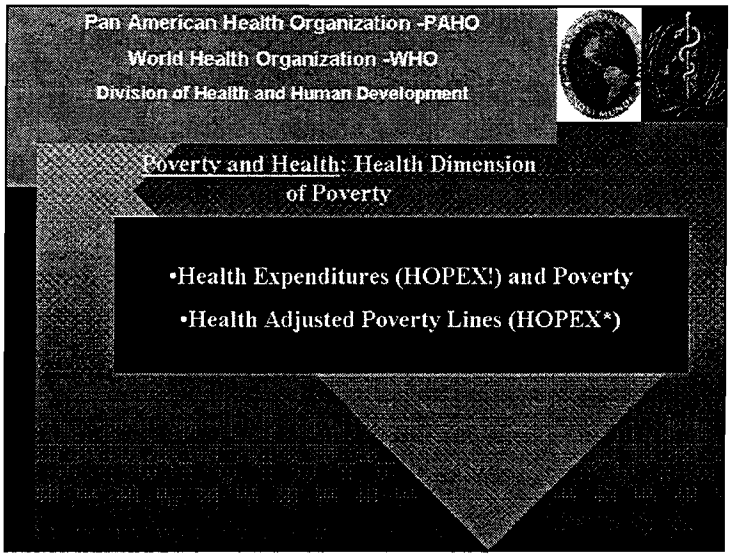
Poverty and Health: Health Dimension of Poverty
•Inequalities & Inequities in Health: Multi-dimensional Aspects of Poverty (2000, ongoing):
• Risk Factors - Nutritional/Enviromental
• Epidemiological Profiles
• Gender
• Ethnicity
• Water and Sanitation Access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Poverty and Health: Health Dimension of Poverty
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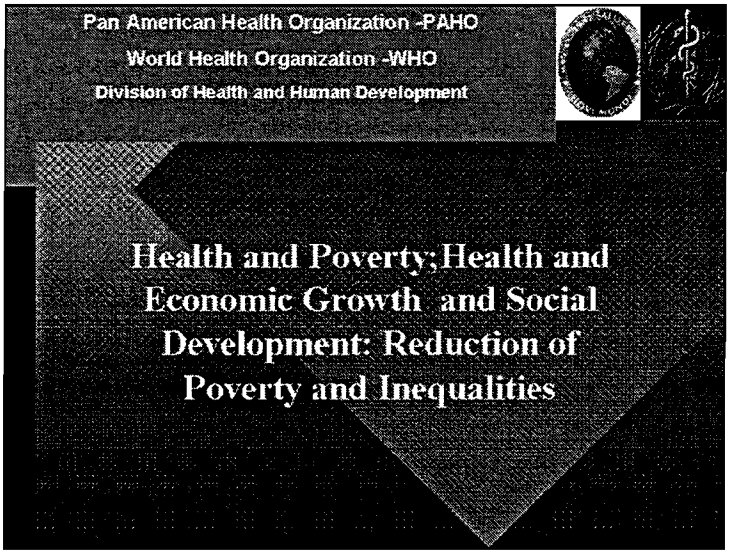
•Health Adjusted Poverty Lines (HOPEX*)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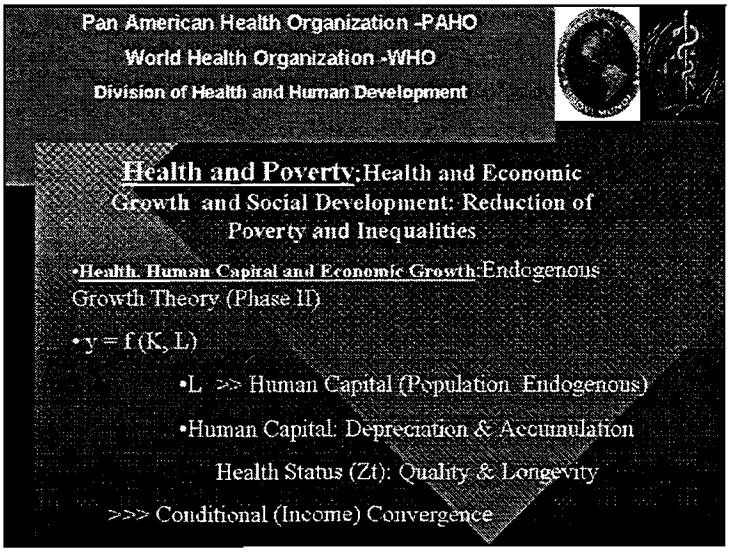
Health and Poverty;Health and Economic Growth and Social Development: Reduction of Poverty and Inequalities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World Health Organization -WHO
Division of Health and Human Development
Health and Poverty:Health and Economic Growth and Social Development: Reduction of Poverty and Inequalities
•Health, Human Capital and Economic Growth:Endogenous Growth Theory (Phase II)
•y = f (K, L)
•L >> Human Capital (Population Endogenous)
•Human Capital: Depreciation & Accumulation
Health Status (Zt): Quality & Longevity
>>> Conditional (Income) Convergence

Pan American Health Organization -PAHO

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Division of Health and Human Development

Health and Poverty;Health and Economic Growth and Social Development: Reduction of Poverty and Inequalities

- **Health Status Indicators (A vulgar metric of health)** for Measuring Quality and Longevity of Human Capital over the Life Cycle (Potential Well Being & Productivity)
- Nutritional Status
- Health Status
  - •Body-Mass Index (BMI) ?
  - •Human Capital: Quality and Longevity

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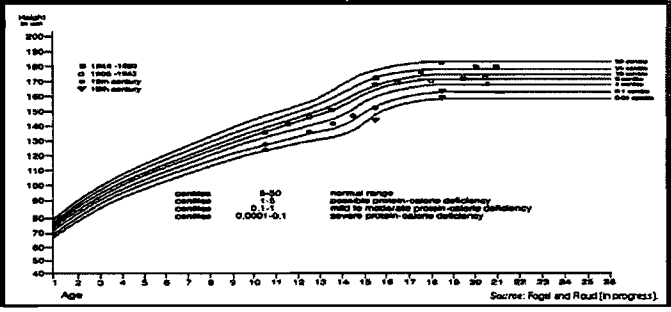
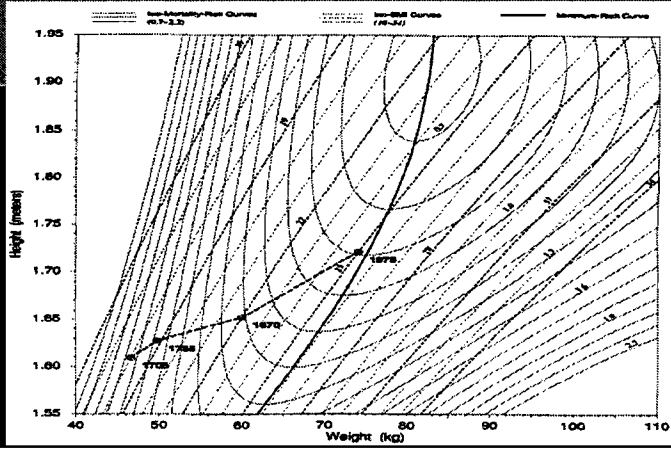
Poverty and Health: Fogel Fig. 1

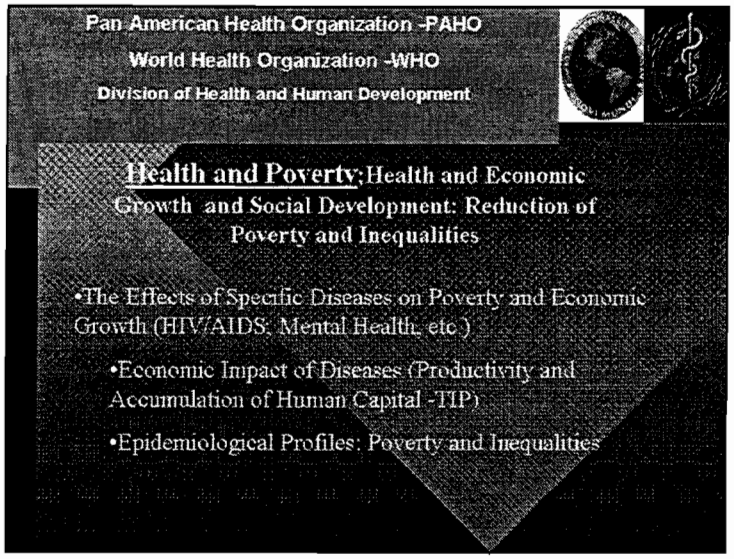
Secular Trends in the Average Heights of Male Adolescents in Great Britain, 1748-1993



Health and Poverty: Fogel 3

Iso-Mortality Curves of Relative Risk for Height and Weight among Norwegian Males Aged 50-64, with a Plot of the Estimated French Height and Weight at Four Dates

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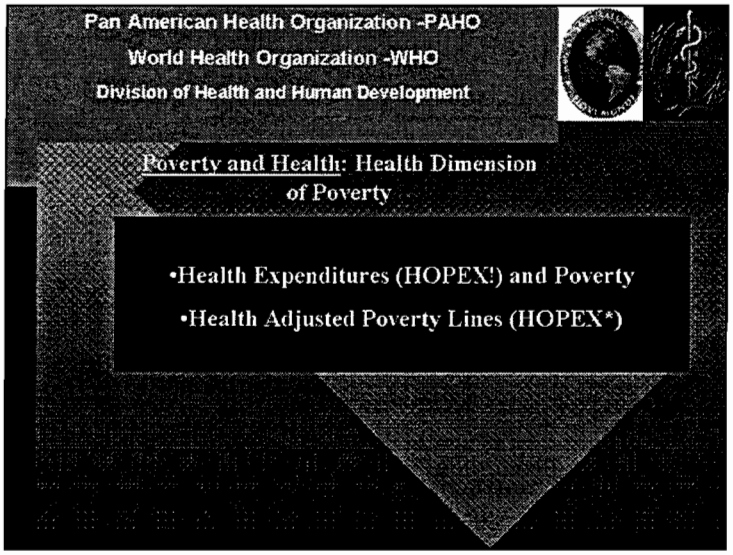
Health and Poverty: Health and Economic Growth and Social Development: Reduction of Poverty and Inequalities
•The Effects of Specific Diseases on Poverty and Economic Growth (HIV/AIDS; Mental Health, etc.)
•Economic Impact of Diseases (Productivity and Accumulation of Human Capital -TIP)
•Epidemiological Profiles: Poverty and Inequalities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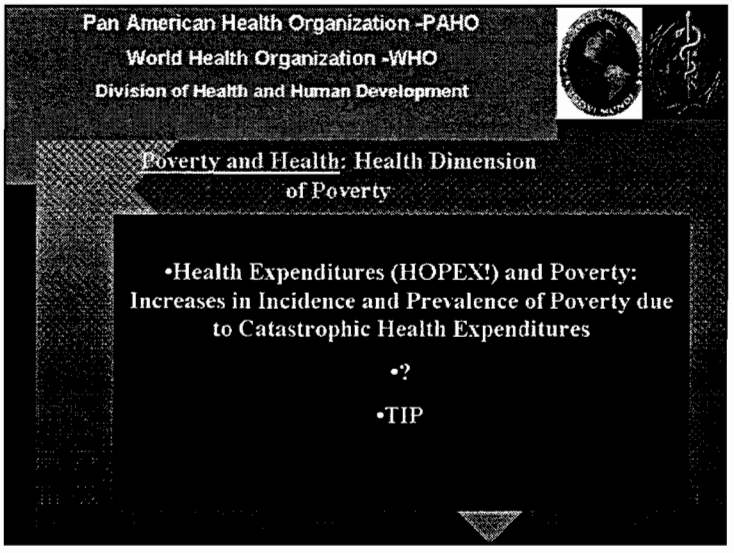
Poverty and Health: Health Dimension of Poverty
•Health Expenditures (HOPEX!) and Poverty
•Health Adjusted Poverty Lines (HOPEX*)


Pan American Health Organization -PAHO
World Health Organization -WHO
Division of Health and Human Development
Poverty and Health: Health Dimension of Poverty
•Health Expenditures (HOPEX!) and Poverty: Increases in Incidence and Prevalence of Poverty due to Catastrophic Health Expenditures
•?
•TIP

Pan American Health Organization -PAHO
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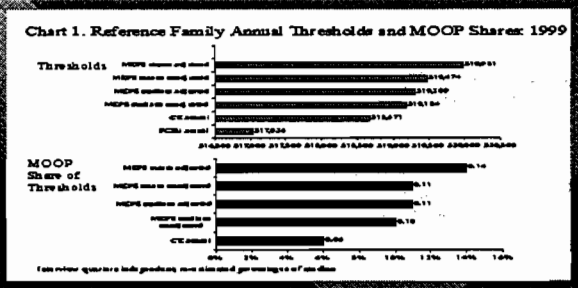
•Health Adjusted Poverty Lines (PL-HOPEX*)



Banthin, J.; Gardner & Short (2000)

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Poverty and Health

•Health Expenditures (HOPEX!) and Poverty

•Health Adjusted Poverty Lines (HOPEX*)

Policy Advocacy

Pan American Health Organization -PAHO
World Health Organization -WHO
Division of Health and Human Development

Health and Poverty:

•Nutrition, Health and Human Capital (Quality and Longevity): Accumulation of Human Capital & TIP

•Nutrition, Health & Biological Efficiency: BMI* ?

•Human Capital differences and Non-convergence: Persistent Inequalities and Recurrence of Poverty

Caracterización de la Pobreza Persistente en España: Estudio Basado en los Datos del Panel de Hogares de la Unión Europea

CARMEN UREÑA

INE - ESPAÑA

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1. Introducción

La pobreza es un fenómeno social y una realidad humana que afecta a un elevado número de personas. Constituye un problema cuando su carácter es transitorio, pero lo realmente preocupante es su persistencia, es decir, la pobreza de larga duración o la permanencia en la pobreza de determinados hogares y personas.

Para conseguir erradicar esta situación, o al menos reducirla, es importante identificar a los grupos más vulnerables. Este trabajo pretende ser una aportación para el análisis de la realidad de los pobres, y en su elaboración hemos utilizado los datos disponibles del Panel de Hogares de la Unión Europea (1994-1997), a partir de los cuales describimos las características de la población española que ha permanecido en situación desfavorecida a lo largo del mencionado periodo.

2. Antecedentes

La tradición del estudio de la pobreza en España es relativamente joven: si bien pueden encontrarse antecedentes de las estimaciones contemporáneas, incluso antes de la década de los sesenta, se trataba de estimaciones con metodologías muy dispares y fundamentalmente de tipo cualitativo.

A la escasez de fuentes oficiales que ofrecieran información sobre el bienestar en los hogares españoles se añadían los problemas para definir marcos teóricos. A estas realidades se unía la práctica ausencia de un debate generalizado sobre el problema de la pobreza.

Fue a mediados de la época de los ochenta, cuando en España se empezó a contar con una batería de estimaciones y resultados comparable a la de otros países con nivel de desarrollo económico similar. Únicamente a partir de estas fechas fue, cuando adquirió una intensidad suficientemente perceptible el debate sobre la extensión de la pobreza, los grupos más vulnerables o los efectos de las medidas políticas adoptadas.

Centrándonos en el marco estadístico, podemos decir que en la década de los noventa ha tenido lugar un incremento notorio de las necesidades estadísticas en el ámbito de la distribución personal de la renta y del gasto y, muy especialmente, para el análisis y seguimiento de las situaciones de desigualdad, pobreza y exclusión social.

Actualmente, existe una fuerte demanda de la información disponible en el INE, siendo los principales usuarios: los servicios gubernamentales encargados de elaborar políticas activas para corregir las desigualdades; los departamentos gubernamentales encargados de políticas sectoriales (educación, salud, vivienda, seguridad); Instituciones públicas (Congreso de los Diputados, Consejo Económico y Social); Organizaciones no gubernamentales (ONG), algunas de las cuales desarrollan por su cuenta operaciones de captura de datos, aunque normalmente en ámbitos restringidos y más orientados a medir la pobreza extrema o la exclusión social.

También el mundo académico, principalmente el especializado en diversas ramas de las ciencias sociales y de la estadística, genera una fuerte demanda de información estadística, cuyos análisis utiliza en seminarios, tesis doctorales y publicaciones en revistas especializadas.

Uno de los aspectos que ha sido objeto de mayor acuerdo entre los diferentes usuarios y analistas de estas estadísticas es el carácter multidimensional de la pobreza y la exclusión social, que exige la disponibilidad de una diversidad de variables económicas y sociodemográficas, constituyendo las encuestas de hogares el principal instrumento que permite realizar estudios de este tipo, ya que en ellas se asocia a un solo registro de la unidad de observación las diferentes características investigadas.

3. Fuentes estadísticas para el estudio de la pobreza y desigualdad en España

En España, las principales fuentes utilizadas en los estudios de pobreza, desigualdad y exclusión social son las Encuestas Básicas de Presupuestos Familiares (EBPF), la Encuesta Continua de Presupuestos Familiares (ECPF) y el Panel de Hogares de la Unión Europea (PHOGUE). Estas encuestas las realiza el INE, y las tres permiten estudiar la pobreza desde las diferentes perspectivas bajo las que puede ser tratado el fenómeno, es decir: la pobreza objetiva, la pobreza subjetiva y la basada en indicadores físicos (pobreza carencial).

La pobreza permanente sólo puede ser estudiada a partir de los datos del PHOGUE, aunque en la EBPF 1990-91 se incluyó un módulo que relacionaba la situación actual del hogar con la de épocas anteriores y que ha permitido algunos intentos de aproximación a la pobreza permanente.

LAS ENCUESTAS DE PRESUPUESTOS FAMILIARES

Estas encuestas han constituido el instrumento tradicional de los estudios relacionados con la pobreza desde los años setenta, a través de una política de difusión del microdato por parte del INE. Fundamentalmente, han sido las Encuestas Básicas de Presupuestos Familiares (la última realizada en 1990-91) las que más han contribuido al desarrollo de la investigación sobre la medida de la pobreza y la desigualdad en su aproximación empírica y aplicada.

La Encuesta Continua de Presupuestos Familiares (ECPF), trimestral desde 1985, también ha sido utilizada, aunque con menos intensidad, para estos estudios.

En general, estas encuestas, cuyo principal objetivo es estudiar los gastos de los hogares, ofrecen una gran riqueza de información. Recogen datos sobre variables geográficas, demográficas y sociodemográficas de los hogares y de cada uno de sus miembros; sobre indicadores monetarios del nivel de vida; datos sobre la vivienda en que reside el hogar, y sobre la disposición y disfrute de determinados bienes, servicios y equipamiento del hogar; también contienen información sobre percepciones subjetivas del hogar en relación a determinadas situaciones.

EL PANEL DE HOGARES DE LA UNIÓN EUROPEA

Es una encuesta de rentas y condiciones de vida, armonizada a nivel europeo. Esta encuesta va más allá de las tradicionales encuestas transversales, ya que no sólo describe la situación de la población en un momento determinado, sino que además permite obtener información longitudinal, es decir, referida a los mismos hogares y personas en diferentes momentos del tiempo.

La encuesta se inició en 1994 y finaliza en 2001, es decir, los hogares y personas de la muestra inicial han sido seguidos a lo largo de ocho años consecutivos.

Uno de los principales objetivos de esta encuesta es el estudio de la pobreza y desigualdad de rentas y condiciones de vida, dentro de cada país y entre países, y las primeras publicaciones aparecidas hasta ahora, tanto las producidas por el INE como las de Eurostat, presentan un volumen considerable de tablas sobre pobreza y desigualdad.

Tanto el PHOGUE como las EPF son encuestas dirigidas a hogares que residen en viviendas familiares, quedando excluidos por tanto de la investigación los 'sin techo' y las personas que residen en hogares colectivos.

El PHOGUE, al seguir a las personas a lo largo del tiempo, permite estudiar la permanencia en la pobreza, siendo la única fuente disponible en el INE para realizar un estudio completo de este fenómeno. No obstante, esta encuesta presenta como desventaja que sólo proporciona información sobre renta monetaria, no investigando la componente no monetaria, que como ha quedado demostrado en algunos estudios, incide en la estimación del porcentaje de pobres.

OTRAS FUENTES ADMINISTRATIVAS

En el ámbito de los estudios sobre pobreza, algunas fuentes administrativas ajenas al INE podrían jugar un importante papel de apoyo a las investigaciones por procedimientos de encuestas.

Así, en el caso de la Administración Tributaria, destacan para este fin el Impuesto sobre la Renta de las Personas Físicas y otros ficheros derivados de la recaudación de impuestos, como el IVA (para las rentas mixtas).

Las Administraciones de la Seguridad Social disponen de una batería de fuentes interesantes, especialmente las que registran pagos e ingresos a personas u hogares.

Los ficheros de asistencia social del Ministerio de Trabajo y Asuntos Sociales ocupan también un lugar destacado para el estudio de la exclusión social.

No obstante, el uso de estas fuentes con fines estadísticos a nivel de microdato ha supuesto hasta ahora un obstáculo debido a dificultades de tipo legal y metodológico.

En estos momentos, el INE está dedicando esfuerzos con la finalidad de poder aprovechar la información administrativa, bien a nivel de microdato, bien como marco de encuestas por muestreo o bien como información complementaria para la estratificación, imputación y ajustes a posteriori.

4. Productos de difusión

La información estadística que el INE ofrece a los usuarios interesados en el fenómeno de la pobreza y la exclusión social está disponible en varias modalidades:

- Diversas síntesis de estadísticas sociales (Panorámica Social, Indicadores Sociales...) que en algunas de sus secciones recogen indicadores sobre las desigualdades de la población respecto a los ingresos, gastos, formación, equipamiento, salud incluyendo indicadores de desigualdad (Gini, líneas de pobreza) obtenidos de las dos fuentes principales mencionadas en el apartado anterior.
- Monografías de estadísticas descriptivas procedentes de encuestas de hogares: las publicaciones de resultados de las EPF y del PHOGUE incluyen algunos capítulos con presentación de líneas de pobreza relativa, distribución del ingreso o del gasto por decilas, etc. Estas estadísticas sirven fundamentalmente para orientar al usuario sobre las posibilidades que cada fuente ofrece para la profundización en el estudio del fenómeno.
- Ficheros microdato anonimizados de encuestas de hogares: este producto es, sin duda, el que mayor parte de la demanda satisface, siendo a su vez un producto estadístico muy útil para el desarrollo metodológico de la medida de la pobreza y su caracterización.
- Monografías de estudios y análisis, como el trabajo sobre *Desigualdad y Pobreza en España*, dirigido por Mª Pilar Martín-Guzmán, o el *Estudio de los hogares menos favorecidos según la Encuesta de Presupuestos Familiares 1990-1991*, elaborado por Jorge Saralegui.

5. LA PERSISTENCIA EN LA POBREZA

5.1. PLANTEAMIENTO GENERAL

Un fenómeno especialmente preocupante es el de la pobreza de larga duración o permanencia en la pobreza de los hogares o personas detectados en un momento determinado como pobres. Si la pobreza fuera un fenómeno transitorio en el cual los hogares pobres de hoy dejaran de serlo mañana, no sería objeto de preocupación, ya que aunque en un momento dado pueda haber hogares con ciertas dificultades, estos hogares no forman una clase permanente. Sin embargo, sabemos que esto no es cierto y que existen

subgrupos de pobreza persistente, y caracterizar estos subgrupos es fundamental en un estudio como el que nos ocupa.

Para identificar a los hogares (personas) que permanecen en la pobreza sería necesario seguirlos a lo largo del tiempo, o bien solicitar a los entrevistados en un momento determinado su historia o valoración sobre su situación actual frente a épocas anteriores.

El PHOGUE, como ya se ha mencionado anteriormente, constituye de momento la mejor fuente de información para el estudio de la pobreza persistente ya que permite detectar en un momento dado la población situada por debajo del umbral de pobreza, la duración de la permanencia en la misma, la incidencia de las medidas de protección social en la salida de esta situación y, en definitiva, cuáles son las entradas y salidas de la pobreza y las causas que las originan.

Los datos disponibles hasta el momento del PHOGUE permiten realizar estudios de permanencia durante cuatro años. No obstante, el estudio será mucho más rico cuando estén disponibles los ocho años de los que consta la investigación completa.

Este estudio está basado en el concepto de pobreza objetiva y, dentro de éste, en el de pobreza desde el punto de vista del ingreso. No obstante, un estudio completo sobre pobreza debe incluir información sobre cómo perciben los propios hogares o personas su situación, así como información sobre indicadores no monetarios.

5.2. METODOLOGÍA Y CONCEPTOS

En lo referente a Ingresos, Pobreza y Exclusión Social, el INE sigue básicamente las recomendaciones de Eurostat, que en relación con el tema que nos ocupa son las siguientes:

Ingresos

Como variable de partida para determinar el porcentaje de pobres se ha elegido el Ingreso total neto del hogar en el año anterior al de la realización de la encuesta. Estos ingresos incluyen: ingresos del trabajo (cuenta ajena y cuenta propia), rentas privadas (del capital y la propiedad, y transferencias de otros hogares), pensiones y otras prestaciones sociales directamente recibidas por los hogares.

No se han considerado ingresos no monetarios (salario en especie, alquileres imputados...), ni transferencias sociales indirectas.

Escala de equivalencia

Para tener en cuenta, a la hora de realizar comparaciones entre hogares, el tamaño y la composición de los mismos, se ha utilizado como variable el ingreso por adulto equivalente, usando la escala de la OCDE modificada.

Ésta asigna peso 1 al primer adulto del hogar, 0,5 a las restantes personas de 14 ó más años y 0,3 a cada niño menor de 14 años.

Debe tenerse en cuenta que el ingreso equivalente se define a nivel de hogar, de modo que a cada miembro de un hogar (adulto o niño) se le asigna el mismo valor.

Línea de pobreza en relación a ingresos

La línea de pobreza o umbral de pobreza utilizada en este estudio está basada, siguiendo las recomendaciones de Eurostat, en la distribución individual del ingreso equivalente, habiendo adoptado como umbral el 60% del ingreso mediano equivalente.

El ingreso mediano es una medida robusta que no se ve afectada por valores extremos de la distribución, y está menos influenciada que otras medidas por fluctuaciones muestrales.

Aunque en este estudio hemos elegido el umbral del 60% de la mediana como punto principal de referencia, Eurostat aconseja también utilizar otros umbrales para contrastar la robustez de los resultados que se analizan.

Una vez determinado el umbral de pobreza, el indicador se obtiene como el porcentaje de la población cuyo ingreso total neto equivalente es menor que dicho umbral.

Pobreza persistente

Eurostat calcula actualmente la tasa de pobres persistentes como el porcentaje de personas del año N que durante tres años consecutivos (N-2, N-1 y N) eran pobres.

No obstante, el subgrupo de indicadores del Comité de Protección Social está actualmente trabajando en la mejora y desarrollo de Indicadores de Cohesión Social. En relación al indicador de pobreza persistente dicho subgrupo está considerando definir a los pobres persistentes como aquellas personas que están situadas durante al menos tres años por debajo del umbral de pobreza, sobre un total de cuatro años.

En base a estas consideraciones y teniendo en cuenta que en estos momentos se dispone de la información de cuatro años del PHOGUE, en este trabajo vamos a plantear el segundo enfoque, es decir, partiendo de la población de 1997 vamos a calcular el porcentaje de pobres durante al menos tres de los cuatro años para los que se dispone de información (1994, 1995, 1996 y 1997).

En el estudio hemos partido de la muestra común de personas en los cuatro años de investigación. Las variables de clasificación utilizadas en las tablas se refieren a 1997.

5.3. PRESENTACIÓN Y ANÁLISIS DE RESULTADOS

Uno de los objetivos de este estudio es analizar la pobreza persistente, es decir, estudiar la distribución de los clasificados como pobres persistentes, según diversas variables:

- edad y sexo
- tipo de hogar
- tamaño de municipio
- estado civil
- nivel de estudios
- estado de salud
- situación con respecto a la actividad.

Pero nuestro objetivo principal es estudiar la incidencia de la pobreza persistente en las diversas categorías asociadas a cada una de las variables anteriores, es decir, estimar el porcentaje de pobres persistentes dentro de cada grupo.

5.3.1. POBREZA PERSISTENTE EN RELACIÓN CON LA EDAD Y EL SEXO

La tabla 1 nos describe, por edad y sexo, a las personas que durante el periodo 1994-1997 han permanecido al menos tres años por debajo del umbral de pobreza. Como puede apreciarse en la segunda columna, el mayor porcentaje de pobres permanentes corresponde al grupo 16-29 años, y en él se encuentran casi el 27% de los pobres permanentes en el periodo considerado. Por otra parte, el problema afecta, en términos absolutos, ligeramente más a mujeres que a hombres.

Tabla 1. Personas pobres persistentes por edad y sexo. Años 1994-1997

	Tasa de pobreza persistente	Distribución de la pobreza persistente	Distribución de la población	Tasa de Pobreza 1997
Ambos sexos				
Total	**13.7**	**100.0**	**100.0**	**18.9**
Menos de 16 años	18.0	20.3	15.4	24.4
De 16 a 29 años	15.6	26.8	23.4	19.7
De 30 a 44 años	11.3	18.6	22.5	18.6
De 45 a 64 años	13.0	21.6	22.8	17.2
65 ó más	10.9	12.7	15.9	14.6
Varones				
Total	**13.7**	**49.0**	**48.8**	**18.5**
Menos de 16 años	17.5	10.1	7.9	22.2
De 16 a 29 años	15.6	13.6	11.8	19.4
De 30 a 44 años	10.6	8.8	11.3	17.8
De 45 a 64 años	12.8	10.4	11.1	17.4
65 ó más	12.5	6.1	6.7	15.0
Mujeres				
Total	**13.6**	**51.0**	**51.2**	**19.3**
Menos de 16 años	18.5	10.2	7.5	26.8
De 16 a 29 años	15.6	13.2	11.6	20.1
De 30 a 44 años	12.0	9.8	11.1	19.4
De 45 a 64 años	13.1	11.2	11.7	17.0
65 ó más	9.8	6.6	9.2	14.4

Ahora bien, en un estudio de este tipo, aparte de identificar a los grupos con mayor número de pobres interesa conocer la incidencia del fenómeno en cada grupo, es decir, interesa hacer comparaciones entre grupos en términos relativos, teniendo en cuenta la población en cada uno de ellos.

En este sentido, analizando la primera columna de la tabla 1 se observa que los más desfavorecidos son los menores de 16 años, ya que 18 de cada 100 han permanecido al menos durante tres años en situación de pobreza. Los menos afectados son las personas de 65 y más años.

Por otra parte, no se observan diferencias globales por sexo, y tanto en varones como en mujeres son los más jóvenes los grupos de mayor incidencia.

Donde sí se aprecia alguna diferencia es entre varones y mujeres de edades avanzadas, estando los hombres con una tasa de 12,5% peor situados que las mujeres en ese grupo de edad, de las que el 9,8% son pobres permanentes.

5.3.2. POBREZA PERSISTENTE EN RELACIÓN CON LA TIPOLOGÍA DE HOGARES

Atendiendo al tipo de hogar, en la tabla 2 observamos que el mayor número de personas pobres permanentes pertenece a hogares formados por pareja con hijos, aunque este resultado es evidente teniendo en cuenta la estructura de la población española por tipología de hogar.

Sin embargo, la columna referida a tasas de pobreza persistente por composición del hogar, nos indica que apenas hay diferencias significativas entre las tasas de personas pobres entre los grupos

hogares monoparentales con hijos, *pareja sin hijos* y *pareja con hijos*, siendo las personas que viven solas el grupo donde menor incidencia tiene la pobreza persistente.

Tabla 2. Personas pobres persistentes por tipo de hogar. Años 1994-1997

	Tasa de pobreza persistente	Distribución de la pobreza persistente	Distribución de la población	Tasa de Pobreza 1997
Total	**13.7**	**100.0**	**100.0**	**18.9**
H. con una persona	6.8	2.1	4.2	11.5
Monoparental con hijos	14.8	7.4	6.9	21.6
Pareja sin hijos	14.5	11.5	10.8	17.4
Pareja con hijos	14.6	63.5	59.6	19.6
Otros hogares	11.4	15.5	18.6	18.6

5.3.3. POBREZA PERSISTENTE POR TAMAÑO DEL MUNICIPIO DE RESIDENCIA

En la segunda columna de la tabla 3, observamos que en España casi el 38% de la población clasificada como pobres de larga duración reside en municipios de menos de 10.000 habitantes, mientras que sólo el 8,4% vive en los municipios que tienen entre 50.000 y 100.000 habitantes; pero estos resultados sólo nos indican en qué tipos de municipios residen en términos absolutos el mayor y menor número de pobres.

Haciendo la comparación en términos relativos, de la primera columna deducimos que los municipios con mayor propensión a la pobreza de larga duración son los pequeños, en los que el 21,8% de sus habitantes son pobres persistentes, situándose en el otro extremo las ciudades grandes, cuya tasa es de 6,6%.

Tabla 3. Personas pobres persistentes por tamaño de municipio. Años 1994-1997

	Tasa de pobreza persistente	Distribución de la pobreza persistente	Distribución de la población	Tasa de Pobreza 1997
Total	**13.7**	**100.0**	**100.0**	**18.9**
Hasta 10.000 habitantes	21.8	37.6	23.6	25.9
De 10.001 a 50.000 habitantes	13.2	22.5	23.3	20.9
De 50.001 a 100.000 habitantes	11.9	8.4	9.7	20.1
De 100.001 a 500.000 habitantes	12.6	22.0	23.8	17.4
Más de 500.000 habitantes	6.6	9.5	19.6	9.4

5.3.4. POBREZA PERSISTENTE EN RELACIÓN CON EL ESTADO CIVIL

En España casi el 64% de la población adulta es casada y, evidentemente, el mayor número de pobres permanentes lo encontramos en este grupo, siendo el 68,1% de los adultos pobres permanentes personas casadas.

Considerando el número de pobres en relación con la población que pertenece a cada categoría, observamos que del total de personas adultas cuyo estado civil es el de separados o divorciados el 18,6% ha permanecido en situación de pobreza al menos tres años durante 1994-1997, siendo éste el grupo con mayor propensión. En el extremo contrario se sitúan los viudos, de los que sólo el 6,2% son pobres persistentes.

Tabla 4. Adultos pobres persistentes por estado civil. Años 1994-1997

	Tasa de pobreza persistente	Distribución de la pobreza persistente	Distribución de la población	Tasa de Pobreza 1997
Total	**12.3**	**100.0**	**100.0**	**17.9**
Casados	13.1	68.1	63.9	18.3
Separados/Divorciados	18.6	3.2	2.1	25.9
Viudos	6.2	4.0	7.9	12.7
Solteros	11.7	24.8	26.1	18.0

5.3.5. POBREZA PERSISTENTE EN RELACIÓN CON EL NIVEL DE ESTUDIOS

Una variable que influye claramente sobre la incidencia en la pobreza es el nivel de estudios, observándose una relación inversa entre el nivel de educación o formación y el porcentaje de pobres permanentes.

Del análisis de la tabla 5 podemos deducir, como era de esperar, que son las personas sin estudios o con estudios primarios las que presentan mayor tasa de pobreza persistente.

Sin embargo, no escapa totalmente al fenómeno el grupo de titulados superiores, ya que de ellos el 2,5% han permanecido al menos tres años en situación de pobreza.

Tabla 5. Adultos pobres persistentes por nivel de estudios. Años 1994-1997

	Tasa de pobreza persistente	Distribución de la pobreza persistente	Distribución de la población	Tasa de Pobreza 1997
Total	**12.3**	**100.0**	**100.0**	**17.9**
Estudios primarios, sin estudios	16.6	70.2	51.8	22.3
Primer nivel enseñanza secundaria	11.0	13.9	15.4	20.5
F. P. De primer grado	10.5	4.4	5.1	14.9
F. P. superior	9.6	3.4	4.3	13.9
Segundo nivel enseñanza secundaria	6.0	5.8	11.9	11.4
Estudios universitarios	2.5	2.3	11.4	4.8

5.3.6. POBREZA PERSISTENTE Y ESTADO DE SALUD

Desafortunadamente, la persistencia en la pobreza afecta en mayor medida a las personas con estado de salud precario, ya que casi el 16% de los adultos que gozan de mal estado de salud se encuentran en el grupo de pobres persistentes. Por el contrario, el grupo donde la incidencia es menor es el de los que disfrutan de buen estado de salud.

Tabla 6. Adultos pobres persistentes por estado de salud. Años 1994-1997

	Tasa de pobreza persistente	Distribución de la pobreza persistente	Distribución de la población	Tasa de Pobreza 1997
Total	**12.3**	**100.0**	**100.0**	**17.9**
Bueno o muy bueno	11.3	59.6	64.8	16.8
Aceptable	13.5	24.2	22.0	18.4
Malo o muy malo	15.7	15.1	11.8	22.3

5.3.7. POBREZA PERSISTENTE Y SITUACIÓN CON RESPECTO A LA ACTIVIDAD

En la tabla 6 se nos ofrece información sobre adultos en situación de pobreza y su posición con respecto a la actividad.

Como era de esperar, el grupo de personas desempleadas es el que presenta mayor porcentaje de pobres persistentes; de cada cien personas desempleadas en 1997, veinticuatro permanecieron al menos tres años en situación de pobreza.

El siguiente porcentaje más alto corresponde al grupo de trabajadores por cuenta propia, con un 18,2% de pobres permanentes.

Los mejor situados, sin duda, son las personas asalariadas, y también cabe destacar en esta tabla que los jubilados no están peor situados que las personas de otros grupos.

Tabla 7. Adultos pobres persistentes por situación respecto a la actividad. Años 1994-1997

	Tasa de pobreza persistente	Distribución de la pobreza persistente	Distribución de la población	Tasa de Pobreza 1997
Total	**12.3**	**100.0**	**100.0**	**17.9**
Activos	**11.7**	**49.9**	**52.2**	**17.0**
Ocupados	8.9	30.6	42.4	13.6
Asalariados	6.0	15.9	32.5	10.2
Empresarios	18.2	14.7	9.9	25.2
Parados	24.0	19.2	9.8	30.0
Inactivos	**12.9**	**50.1**	**47.8**	**18.8**
Jubilados	10.0	11.3	13.9	12.7
Otros inactivos	14.0	38.8	33.9	20.9

Conclusiones

A la vista de los resultados presentados en este documento y atendiendo a las variables seleccionadas, podemos concluir que los grupos con mayor propensión a presentar el perfil de pobres persistentes son los siguientes:

- Personas jóvenes.
- Miembros de hogares monoparentales con hijos.
- Residentes en municipios pequeños.
- Separados y divorciados.
- Personas con nivel bajo de estudios.
- Personas desempleadas.

En este estudio se ha utilizado una definición de pobreza basada en la renta. No obstante, en los estudios comunitarios sobre pobreza se viene aceptando, cada vez más, que una sola medida de pobreza no es suficiente para analizar el fenómeno, y que la mejor vía para realizar un estudio completo sobre pobreza y exclusión social es plantear el enfoque desde el punto de vista multidimensional.

Por tanto, aunque las distribuciones marginales de estadísticas de pobreza son un punto de partida importante, no debe olvidarse que resultan insuficientes, y por este motivo, deben manejarse con precaución.

Poverty and Social Exclusion in Britain

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A new national survey reveals the extent of poverty and social exclusion in Britain. This study was undertaken by researchers at the Universities of Bristol, Loughborough, York and Heriot-Watt with fieldwork undertaken by the Office for National Statistics (ONS). It is the most comprehensive and scientifically rigorous survey of this type ever undertaken. It provides unparalleled detail about the material and social deprivation and exclusion among the British population at the close of the twentieth century. It employs a variety of measures of poverty in addition to income, including the lack of socially perceived 'necessities' and subjective measures. It is also the first national study to attempt to measure social exclusion.

- The survey confirms the picture, based on government low income data, that poverty rates have risen sharply. In 1983 14% of households lacked three or more necessities because they could not afford them. That proportion had increased to 21% in 1990 and to over 24% by 1999. (Items defined as necessities are those that more than 50% of the population believes 'all adults should be able to afford and which they should not have to do without'.)
- By the end of 1999 a quarter (26%) of the British population were living in poverty, measured in terms of low income and multiple deprivation of necessities.
- Roughly 9.5 million people in Britain today cannot afford adequate housing conditions. About 8 million cannot afford one or more essential household goods. Almost 7.5 million people are too poor to engage in common social activities considered necessary by the majority of the population. About 2 million British children go without at least two things they need. About 6.5 million adults go without essential clothing. Around 4 million are not properly fed by today's standards. Over 10.5 million suffer from financial insecurity.
- One in six people (17%) considered themselves and their families to be living in 'absolute poverty' as defined by the United Nations.
- Over 90% of the population think that beds and bedding for everyone, heating to warm living areas of the home, a damp-free home, the ability to visit family and friends in hospital, two meals a day, and medicines prescribed by the doctor are necessities which adults should not have to do without because they cannot afford them.
- Less than 10% of the population sees a dishwasher, a mobile phone, Internetaccess or satellite television as necessities.

Socially perceived necessities

Table 1 ranks the percentage of respondents identifying different adult items as 'necessary, which all adults should be able to afford and which they should not have to do without' in 1999. Out of 54 adult items and activities, 35 were thought necessary by more than 50% of the population.

Since goods introduced into the market often start as luxuries and, in later years, become necessities, the researchers were anxious to test opinion about certain items that today are still only accessed by a minority. It is clear from the results in Table 1 that the general public holds ideas about the necessities of life that are more wide-ranging, or multi-dimensional, than is ordinarily represented in expert or political assessments. People of all ages and walks of life do not restrict their interpretation of 'necessities' to the basic material needs of a subsistence diet, shelter, clothing and fuel. There are *social customs, obligations* and *activities* that substantial majorities of the population also identify as among the top necessities of life.

Among the *customs* are 'celebrations on special occasions such as Christmas' (83%) and 'attending weddings, funerals' (80%). There are 'presents for friends/family once a year' (56%). There are regular events to do with food, like a 'roast joint/vegetarian equivalent once a week' (56%) which extend our ideas of dietary needs well beyond the provision of the minimal calories required for

physiological efficiency. The expression of clothing needs extend ideas about basic cover to include a 'warm waterproof coat' (85%) and 'two pairs of all-weather shoes' (64%).

Among the *obligations* and *activities* described as necessary are not just those which seem on the face of it to satisfy individual physiological survival and individual occupation – like a 'hobby or leisure activity' (78%). They also include joint activities with friends and within families such as 'visits to friends or family' (84%), especially those in hospital (92%). They involve reciprocation and care of, or service for, others. People recognise the need to have 'friends or family round for a meal' (64%), for example.

Lacking socially perceived necessities

For those items that the majority of the population thought were necessities, the Poverty and Social Exclusion (PSE) survey identified how many people have them and how many cannot afford them. The results are summarised in the third and fourth columns of Table 1. It is to be expected that those items the population are less likely to nominate as necessities are those that respondents were most likely to say that they 'don't have, don't want' and 'don't have, can't afford'. But four items were each owned by at least 80% of respondents even though they were not considered necessities by the majority: 'new not second-hand clothes', a video cassette recorder, a dressing gown and a microwave oven. Clearly, even though these are not considered necessary, most people want and possess them.

Conversely, there were some items which at least three-quarters of people consider necessary, but significant numbers are unable to afford: 6% cannot afford a 'damp-free home', 12% to 'replace or repair broken electrical goods', 14% 'money to keep home in a decent state of decoration', or 8% contents insurance. However, of all the items considered a necessity by the majority of the population, the greatest proportion of people, 25%, cannot afford 'regular savings (of £10 per month) for rainy days or retirement', followed by 18% who cannot afford a 'holiday away from home once a year not with relatives'.

From the list of items, the researchers selected the 35 items considered by 50% or more respondents as necessary for an acceptable standard of living in Britain at the end of twentieth century.

- 58% of the population lacked none of these items;
- Overall 26% were 'poor' (lacking two or more items and having a low income) and 10% were 'vulnerable to poverty' (not lacking two or more items but having a low income).

The proportion of people in poverty is higher amongst:

- lone-parent households;
- households dependent on Income Support/Jobseeker's Allowance;
- households with no paid workers;
- local authority and housing association tenants;
- large families;
- separated/divorced households;
- families with a child under 11;
- adults living in one-person households, including single pensioners;
- children;
- young people;

- those who left school at 16 or under;
- women.

The poverty rate in terms of low income and multiple deprivation of necessities was 66% and 62% respectively for lone parents with one or two children. It was 77% for unemployed people, and 61% for disabled or long-term sick people, in households where no one was in paid work.

The survey allows poverty to be described not just as an aggregate statistic but also in terms of the real conditions that people face. For example, out of the population of Britain today:

- Roughly 17% of households cannot afford adequate housing conditions as perceived by the majority of the population. That is, they cannot afford to keep their home adequately heated, free from damp or in a decent state of decoration.
- About 13% cannot afford two or more essential household goods, like a refrigerator, a telephone or carpets for living areas, or to repair electrical goods or furniture when they break or wear out.
- Almost 14% are too poor to be able to engage in two or more common social activities considered necessary: visiting friends and family, attending weddings and funerals or having celebrations on special occasions.
- About 33% of British children go without at least one of the things they need, like three meals a day, toys, out of school activities or adequate clothing. Eighteen per cent of children go without two or more items or activities defined as necessities by the majority of the population.
- About 11% of adults go without essential clothing, such as a 'warm, waterproof coat', because of lack of money.
- Around 7% of the population are not properly fed by today's standards. They do not have enough money to afford fresh fruit and vegetables, or two meals a day, for example.
- Over 28% of people in households suffer from some financial insecurity. They cannot afford to save, or insure their house contents or spend money on themselves.

Poverty and children

Socially perceived necessities for children were determined by parents who took part in the Omnibus Survey. Of the 30 children's items and activities, all but three were thought to be necessities by over 50% of parents. Of the remaining items and activities, over half were thought to be necessities by at least 75% of parents. In general, items essential for the physical well-being of the child – food, clothing, and household items – were believed to be necessities by larger proportions than items for the child's social or educational development.

Only a small proportion of children were deprived of each necessity. Generally, the higher the proportion of parents who thought an item to be necessary, the smaller the number of children who went without it. Although nearly all parents thought that 'new, properly fitted shoes'; 'a warm, waterproof coat'; and 'fresh fruit and vegetables daily' were necessities, one in every 50 children went without them. Two deprivation thresholds were used to determine the extent of children's poverty, a lack of one or more item and two or more items. Using these thresholds, the proportions in poverty were 34% and 18% respectively.

The poverty rates of children, using either threshold, were higher amongst those:

- in households without any workers;
- in lone-parent families;

- with a larger number of siblings;
- with household members suffering a long-standing illness;
- of non-white ethnicity;
- living in local authority housing;
- in households in receipt of Jobseeker's Allowance or Income Support.

Poverty over time

The PSE survey was the third in the past two decades to measure how many people in Britain are unable to afford socially perceived necessities. Using the same criteria employed in the Breadline Britain Survey in 1983 the researchers found that between 1983 and 1990, the proportion of households which lacked at least three of these necessities because they could not afford them increased by half – from 14% to 21%. Poverty continued to increase during the 1990s and, by 1999, the proportion of households lacking at least three necessities because they could not afford them had again increased, to over 24%. This dramatic rise in poverty occurred while the majority of the British population became richer. Poverty appears to have become more widespread but not to have deepened over the 1990s. Between 1990 and 1999 the proportion of households living in chronic long-term poverty (lacking three or more necessities and classifying themselves as genuinely poor now 'all the time' and also having lived in poverty in the past either 'often' or 'most of the time') fell, from 4% of households to 2.5% of households.

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

	Omnibus Survey: Items considered		*Main stage survey: Items that respondents*	
	Necessary	Not necessary	Don't have don't want	Don't have can't afford
Beds and bedding for everyone	95	4	0.2	1
Heating to warm living areas of the home	94	5	0.4	1
Damp-free home	93	6	3	6
Visiting friends or family in hospital	92	7	8	3
Two meals a day	91	9	3	1
Medicines prescribed by doctor	90	9	5	1
Refrigerator	89	11	1	0.1
Fresh fruit and vegetables daily	86	13	7	4
Warm, waterproof coat	85	14	2	4
Replace or repair broken electrical goods	85	14	6	12
Visits to friends or family	84	15	3	2
Celebrations on special occasions such as Christmas	83	16	2	2
Money to keep home in a decent state of decoration	82	17	2	14
Visits to school, e.g. sports day	81	17	33	2
Attending weddings, funerals	80	19	3	3
Meat, fish or vegetarian equivalent every other day	79	19	4	3
Insurance of contents of dwelling	79	20	5	8
Hobby or leisure activity	78	20	12	7
Washing machine	76	22	3	1
Collect children from school	75	23	36	2
Telephone	71	28	1	1
Appropriate clothes for job interviews	69	28	13	4
Deep freezer/fridge freezer	68	30	3	2
Carpets in living rooms and bedrooms	67	31	2	3
Regular savings (of £10 per month) for rainy days or retirement	66	32	7	25
Two pairs of all-weather shoes	64	34	4	5
Friends or family round for a meal	64	34	10	6
A small amount of money to spend on self weekly not on family	59	39	3	13
Television	56	43	1	1
Roast joint/vegetarian equivalent once a week	56	41	11	3
Presents for friends/family once a year	56	42	1	3
A holiday away from home once a year not with relatives	55	43	14	18
Replace worn-out furniture	54	43	6	12
Dictionary	53	44	6	5
An outfit for social occasions	51	46	4	4
New, not second-hand, clothes	48	49	4	5
Attending place of worship	42	55	65	1
Car	38	59	12	10
Coach/train fares to visit friends/ family quarterly	38	58	49	16
An evening out once a fortnight	37	56	22	15
Dressing gown	34	63	12	6
Having a daily newspaper	30	66	37	4
A meal in a restaurant/pub monthly	26	71	20	18
Microwave oven	23	73	16	3
Tumble dryer	20	75	33	7
Going to the pub once a fortnight	20	76	42	10
Video cassette recorder	19	78	7	2
Holidays abroad once a year	19	77	25	27
CD player	12	84	19	7
Home computer	11	85	42	15
Dishwasher	7	88	57	11
Mobile phone	7	88	48	7
Access to the Internet	6	89	54	16
Satellite television	5	90	56	7

Absolute and overall poverty

This report also used subjective measures to estimate how many people consider themselves to be in 'absolute' and 'overall poverty' – according to definitions given by the UN. The result was 17% and 26% respectively. The definitions are included in a declaration and programme of action agreed by governments following the 1995 World Summit for Social Development in Copenhagen. This represents a first attempt to apply a definition that can compare poverty consistently across countries.

People themselves were invited to say what they meant by a poverty line and whether their incomes were above or below the level of income perceived as being the 'absolute' and 'overall' poverty line. The percentages of different types of households identifying themselves as in poverty by these measures were highest in the case of lone parents, and higher than average in the case of single pensioners and couples with one child.

Social exclusion

The PSE survey distinguishes four dimensions of exclusion: impoverishment, or exclusion from adequate income or resources; labour market exclusion; service exclusion; and exclusion from social relations. This analysis has concentrated on the three dimensions that are distinct from poverty itself, with particular emphasis on exclusion from social relations.

Labour market exclusion

We should be cautious about treating non-participation in paid work or living in a jobless household as constituting social exclusion because:

- 43% of adults have no paid work.
- Over one in three of the population lives in a household without paid work: in which all adults are either pensioners or jobless non-pensioners.

However, labour market exclusion remains an important risk factor for both service exclusion and some aspects of exclusion from social relations.

Service exclusion

- More than one in twenty people have been disconnected from water, gas, electricity or telephone and over one in ten have used less than they need because of cost.
- About one in fourteen are excluded from four or more of a list of essential public and private services and nearly one in four from two or more because the services are either unaffordable or unavailable.
- Non-availability of services ('collective exclusion') is a bigger barrier than non-affordability ('individual exclusion').
- Only about half the population has access to the full range of services.

Exclusion from social relations

- Of a list of common social activities, one in ten people in the survey is excluded by cost from five or more activities and one in five from three or more.
- Lack of time due to caring responsibilities, to paid work and to disability also excludes people from socially necessary activities.
- One in eight has neither a family member nor a friend outside their household with whom they are in contact on a daily basis.

- Economic inactivity and living in a jobless household do not necessarily increase social isolation and, in some cases, reduce it.
- Men living alone have a high risk of social isolation.
- Nearly 11% of the population have very poor personal support available in times of need and a further 12% have poor support.
- One in ten of the population has no civic engagement at all.

Conclusions

There is no doubt that lack of paid work is an important factor in causing both poverty and social exclusion. However, even if full employment were achieved, poverty and exclusion would not disappear. Earnings can be too low unless there are minimally adequate child benefit and other allowances to complement them and unless minimally adequate benefits are available for all pensioners and all disabled people. People who cannot work require adequate incomes to meet their needs. High quality, affordable services in every part of the country will also be needed if poverty and social exclusion are to be eliminated.

During the 1980s incomes substantially diverged and in the late 1990s there are signs that the income gap is again widening. Problems of dislocation, insecurity, multiple deprivation, conflict, divided loyalties and divided activities all result. Major questions are being posed for the future of social cohesion. High rates of poverty and social exclusion have the effects of worsening health, education, skills in the changing labour market, relationships within the family, between ethnic groups and in society generally. The structural problem has to be addressed with a concerted national strategy. The construction of a scientific consensus - to improve measurement, explain the severity and cause of poverty so that the right policies are selected, and show how the role of public and private services can be extended to underpin national life - is a key step in achieving the objectives set by the Government.

About the study

The study was undertaken by David Gordon, Peter Townsend, Ruth Levitas, Christina Pantazis, Sarah Payne and Demi Patsios at the University of Bristol, Sue Middleton, Karl Ashworth and Laura Adelman at the University of Loughborough, Jonathan Bradshaw and Julie Williams at the University of York and Glen Bramley at Heriot-Watt University. It used three sets of data from surveys carried out by Social Survey

Division of ONS:

1. The General Household Survey (GHS) for 1998-9 provided data on the socio-economic circumstances of the respondents, including their incomes.
2. The ONS Omnibus Survey in June 1999 included questions designed to establish from a sample of the general population what items and activities they consider to be necessities.
3. A follow-up survey of a sub-sample of respondents (weighted towards those with lower incomes) to the 1998-9 GHS were interviewed in September/October 1999 to establish how many lacked items identified as necessities and also to collect other information on poverty and social exclusion.

The full report gives details of how the measures of poverty were defined.

How to get further information

The full report, Poverty and social exclusion in Britain by David Gordon et al., is published by the Joseph Rowntree Foundation (ISBN 1 85935 059 3, price £15.95). It is available from York Publishing Services Ltd, 64 Hallfield Road, Layerthorpe, York YO31 7ZQ, Tel: 01904 430033, Fax: 01904 430868, email: orders@yps.ymn.co.uk. Please add £2.00 p&p per order.

Further information on this project including working papers is available on the project website (www.bristol.ac.uk/poverty/pse). A book based on the project will be published by The Policy Press in Spring 2001.

The following *Findings* look at related issues:

- The incomes of ethnic minorities, Nov 98 (Ref: N48)
- Monitoring poverty and social exclusion, Dec 98 (Ref: D48)
- Ethnic groups and low income distribution, Feb 99 (Ref: 249)
- Understanding and combating 'financial exclusion', Mar 99 (Ref: 369)
- The experiences and attitudes of children from low-income families towards money, Mar 99 (Ref: 379)
- Child poverty and its consequences, Mar 99 (Ref: 389)
- Income, wealth and the lifecycle, Jul 99 (Ref: 759)
- Monitoring poverty and social exclusion 1999, Dec 99 (Ref: D29)
- Planning for the future: the difficulties people face, May 00 (Ref: 570)

Quality Health and Welfare Data for Deprived and Socially Excluded Groups

JUSTIN GRIFFIN

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE - AUSTRALIA

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Introduction

Under Australia's federal political system, the Commonwealth and the State (and Territory) governments have joint responsibility for 'social services'. The funding by Commonwealth and State governments of social services is complex and differs from sector to sector. The Commonwealth collects tax from individuals and business. It also collects taxes on goods and services and custom duties. The States also collect some taxes, such as payroll tax, land tax and stamp duties. They also generate income through the provision of services, eg motor car registration. Under agreement, the Commonwealth provides funds to the States through general assistance grants and through tied grants. Tie grants are for the provision of specified services. The amount of funds transferred from the Commonwealth to the States is large, currently accounting for over 35% of State incomes. This percentage varies from State to State -- the highest being the Northern Territory (67%), and the lowest is New South Wales (31%). State governments have the flexibility to supplement tied grants using funds from the general assistance grants and/or State incomes to provide services.

This paper describes the information structures that have been established under this Federal system to enable and promote the development and use of nationally consistent health and welfare data. It illustrates how these agreements operate to assist with the collection of data on the major program response to homelessness, and it briefly describes some of the future statistical work to be undertaken in the health and welfare areas.

Measuring the success of social programs

In order to measure the success of social programs aimed at reducing social exclusion and poverty, there has been a clear demand for some time in Australia for better quality data produced as a by-product of their administrative systems. There have been numerous parliamentary reports on the need for better administrative data to inform the evaluation of social programs – for example the report of the Parliamentary Task Force on Co-ordination in Welfare and Health (1976), the Senate Standing Committee report on social welfare (1979) and the Senate report on employment of people with disabilities (1992). The requirements are for consistent time series data, State and Territory comparable data, data that can be used across health and welfare programs and data that describe the outcomes for clients of the programs.

There is a further requirement, ie the statistics produced from administrative sources and from surveys and censuses should be comparable so that they can are relatable to each other.

The development of administrative data is very much related to the goals of the programs and need for accountability in the use of government funds. This is true of all government agencies in all countries. In Australia, where large amounts are transferred from the Commonwealth to the States and from governments to non-government private agencies for the delivery of services, the effectiveness and efficiency of programs are seen to be important. In many social program areas (health, disability, home and community care, supported accommodation for the homeless, housing assistance etc), formal agreements are signed between the Commonwealth and the States governing the achievement of program goals and the provision and usage of funds. Reporting requirements such as client outcomes, quality, access, appropriateness and efficiency are clearly specified. Each year, under an agreement between the Commonwealth and the States, a report on the provision of government services is released containing performance indicator data that measure the progress made in the achievement of the objectives of the various government social service programs.

In addition to inter-government agreements between the Commonwealth and State/Territory governments, there are also agreements between government departments and non-government organisations that deliver the services aimed at reducing social exclusion and poverty. Reporting

requirements under these agreements also include data that measure their effectiveness and efficiency in providing services to socially excluded clients.

The national information agreements

To assist the development of data for reporting purposes (including the construction of performance indicators), the relevant policy agencies of the Commonwealth and States/Territories and the two statistical agencies (the Australian Bureau of Statistics and the Australian Institute of Health and Welfare) have signed four national information agreements.

These four agreements are:

- The National Health Information Agreement (1993)
- The National Community Services Information Agreement (1997)
- The National Housing Data Agreement (1999 - a subsidiary agreement of the Commonwealth State Housing Agreement), and
- The Agreement on National Indigenous Housing Information (1999).

The agreements provide a structure and consultative mechanism to ensure that statistics available nationally are relevant, accurate, reliable and timely. They provide a framework through which governments can work cooperatively, within a national perspective, to improve, maintain and share national health, community services and housing information. The Agreements also ensure that the collection, compilation, dissemination and interpretation of information are appropriate and efficiently carried out.

The agreements are high level agreements, signed by agency heads, under which national information management groups are formed. These management groups are headed by an agency chief executive officer or a second (deputy secretary) level officer of a policy agency and have members from all signatories. The Australian Institute of Health and Welfare provides the secretariat to these information management groups.

The management groups develop information strategy plans, set priorities and secure funds for information infra-structural work from all signatories. The information management groups fund core projects such as the development and compilation of information frameworks, models and data dictionaries. Program specific data development projects are often funded by program funds, but results of such work are brought to the management groups or their data committees for endorsement.

The health and the housing information management groups also approve program specific performance indicators and national minimum data sets developed and compiled by all agencies. Management groups establish various working groups to progress priority projects developed under the respective information strategies of the agreements.

The involvement of policy agencies in setting statistical priorities has meant that data collected are not only useful for general monitoring, but also essential for policy development and program assessment. The data are by-products derived from databases that are kept by policy agencies for administrative use. It means that policy agencies have ownership of the data and have immediate use of them.

National information development infrastructure and products

Structure	Product
Ministers' Conferences	Policy
Ministers' Advisory Councils	Information Agreements
National Information Management Groups	Information work program and funding
National Data Committees	National Data Dictionaries, data models (and minimum data sets)
Other Committees	Minimum data sets and ad hoc projects

The following committees or project groups exist under the national information management groups:

Health:

- National Health Data Committee
- National Indigenous Health Information Plan Implementation Committee
- Other ad hoc project groups

Community Services:

- National Community Services Data Committee
- National Child Protection and Support Services Working group
- Aged Care Data Development Group
- Children's Services Data Working Group
- Juvenile Justice Data Working Group
- Other ad hoc project groups

Housing

- National Housing Data Committee
- National Social Housing (client satisfaction) Survey Steering Group
- Finance Technical Working Group

Indigenous Housing

- National Minimum Data Set Committee

The main responsibility of the data committees is to compile and publish national data dictionaries that contain authoritative data definitions and classifications as well as a guide to use. The Australian Institute of Health and Welfare chairs the national data committees.

The Data Dictionaries

There is in existence a National Health Data Dictionary (10th edition) and the National Community Services Data Dictionary (2nd edition). These data dictionaries are complied by the Australian Institute of Health and Welfare. The first edition of the National Housing Data Dictionary has also been approved and is being printed. These national data dictionaries, using ISO standards for meta data representation (ISO 11179), are authoritative documents for all agencies to use. Minimum data sets established under the health and the housing agreements are obligatory for all to report on, and all signatories are obliged to use the relevant national data dictionaries.

The data dictionaries contain more than just the definition and classification of data items; they also contain a data models that provide the organising framework for the data dictionary. The data dictionaries provide information necessary to understand the meaning of the data items and ensure consistency in the application of the definitions and classifications. The information provided in the dictionary template includes:

- Definition (what it is to know)
- Context (who wants to know and why)
- Data domain (the range of possible answers)
- Guide for use (which answers to choose)
- Collection method (when and how to collect the information)
- Related data (other data items of relevance)
- Comments (other relevant information to understand the data item).

The AIHW Knowledgebase

The AIHW Knowledgebase is an electronic storage site for Australian health and community services and related data definitions and standards (www.aihw.gov.au). It is anticipated that housing data standards will also be included in the future. The Knowledgebase contains national information products such as information models, data dictionaries of data definitions and classifications, specifications of status and program performance indicators and data collection methods.

The national information management groups are responsible for the approval of the various data models, data dictionaries and indicators. These are included in the Knowedgebase upon approval by the information management groups. The desirability of including significant data standards that have not been approved by the information management groups is being examined.

The Knowledgebase has a search tool and contact points and email addresses for query and feedback.

Homelessness – A case study

One of the major manifestations of social exclusion and poverty in Australia is homelessness. Over the past twenty years, the Australian Commonwealth and State governments developed a number of program responses to combat homelessness. The major nationally coordinated initiative is the Supported Accommodation Assistance Program (SAAP). SAAP's overall aim is to provide transitional supported accommodation and related support services, in order to help people who are homeless achieve the maximum possible degree of self-reliance and independence.

SAAP was introduced in 1984. However, the program's effectiveness was not comprehensively measured until a national data collection was introduced in 1996. The (SAAP) National Data Collection

describes the men, women and children seeking substantial support from the program, their support needs, the services provided to them and their personal circumstances immediately after support. It also collects data on people turned away from the program, for whatever reason, and information on people seeking one-off assistance such as a meal, financial support or counselling.

A committee of SAAP program administrators sets the strategic directions of the SAAP national data collection. A representative of that committee also sits on the National Community Services Information Management Group meetings to ensure that SAAP is aligning with the general priorities and directions of collection and reporting of community services data. Considerable effort is also dedicated to ensure that the SAAP data are collected according to the data definitions described in the National Community Services Data Dictionary.

The aggregate data produced from the program are therefore comparable across geographic boundaries and with other programs where the same data are collected. The data are also comparable at small levels of aggregation pending confidentiality considerations. This has allowed analyses to be done by administrators of other programs as well as SAAP. For example, State housing departments analyse unit record SAAP data to assist them allocate low cost public housing in areas where there are relatively high levels of social disadvantage.

Examples of some of the interesting data produced from the SAAP national data collection include:

- The SAAP program is successful in providing support to a significant number of people who have "fallen through the cracks" of Australian society. The program assisted 90,000 adults, or 55 in every 10,000 Australians over 10 years old, in 1999-00.
- Some sections of Australian society suffer greater poverty or exclusion than others. For example, 14% of all clients of the program were indigenous. Indigenous Australians comprise about 2% of the Australian population.
- In spite of a comprehensive social security net, some Australians either don't qualify or miss out altogether. 10% of adult clients sought support from SAAP because they had no income.
- Australians predominantly living on social security payments comprise the vast majority of clients of this final safety net program. 82% of clients were being supported by a government payment on arrival at an agency.
- The reasons for becoming homeless are diverse. 23% of clients cited domestic violence as their reason for seeking support. 21% cited financial difficulty and eviction and 12 % cited relationship/family breakdown.
- Most clients who received support from the program had their needs met to some extent. 92% of services requested were provided or referred on to clients and 8% of requests could not be met by the service providers.
- The program cannot provide accommodation for everybody requesting it. Between 25% and 30% of all daily requests for accommodation could not be met.

It is generally agreed that the data collection was instrumental in not only saving SAAP (as it had its vocal critics) but increasing its funding. Since the inception of the data collection, funding has increased in real terms by 10%. The extra funds have not translated into a commensurate amount of extra capacity in the program although the data indicate that the quality of support and the outcomes achieved have improved.

Future Health and Welfare Data Developments

The AIHW is involved in a number of other projects that have the potential to contribute to the development of policies to alleviate poverty and social exclusion. Some of the work, like the case study described above, is dedicated to the development of national minimum data sets. Minimum data sets have already been developed for hospitals, general medical practice, drugs and alcohol services, home and community services, disability services, supported accommodation, child protection, and housing assistance. Development is also occurring in other areas, such as respite care, aged care assessment, children's services and juvenile justice. These nationally consistent data sets have allowed:

- Comparison between States and Territories,
- Some comparison between household survey results (measuring social conditions) and service data (measuring service provision and use) to assess met and unmet need,
- Time series analysis of key social indicators, and
- Benchmarking.

More recently, linkage key methodology and privacy considerations are being examined to enable linkage of data without identifying individuals for the development of longitudinal data from administrative sources and to link data between different programs and services. Data linkage will allow the development of more sophisticated outcomes data that could examine the impact of certain policies upon welfare programs (eg the effect of deinstitutionalisation of mental health establishments on welfare programs).

In addition, the AIHW has started investigating the development of a welfare indicator framework based on a range of data sources and references. It will include indicators of deprivation, disadvantage and social exclusion such as lack of access to food supply, homelessness and household income (50% below median equivalised income). Chapter 9 of the 2001 edition of AIHW's flagship welfare publication, Australia's Welfare, will discuss the use of framework indicators to measure welfare. It will be released in December 2001.

Conclusion

The implementation of the national information agreements has so far resulted in a better understanding of the gaps and overlaps in data in the health and community services fields. There is now much better coordination in data development and collection activities, reducing overlaps in effort and redundancies. Incremental progress is being made in statistical work and the problem of 're-inventing the wheel' is lessened. Exciting potential exists to progress the statistical work across health and welfare program boundaries.

Policy development and program evaluation and monitoring requirements are now driving data development; and there is now a better alignment between these requirements and data collection and output. This alignment of data usage and data collection is necessary if the collection of data by administrative agencies is not seen as an add-on to their work but rather as part and parcel of their duties.

It is hoped that the efforts described above may result in a more integrated system of health and welfare statistics in Australia.

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- SAAP National Data Collection Annual Report 1999-2000, Australia.

ANNEX

Table 9.1: A working table for the development of welfare indicators

Welfare sub-component	Indicator topics on which to measure average or level	Population subgroups among whom to measure distribution	Approach to measuring deprivation, disadvantage or exclusion	Source data or references
Food and water	Food supply: • adequacy • safety • accessibility/security	Age Income/Family type Indigenous status	Lack of access, e.g. people seeking assistance with meals or other emergency assistance data	The Total Diet Survey[1] Apparent Consumption of Foodstuffs[2] SAAP National Data[3]
	Food and nutrient intake	Age Sex Income/Family type Indigenous status		National Nutrition Survey[4,5] Time Use Survey(a) Household Expenditure Survey[6,7] Apparent Consumption of Foodstuffs (ABS)[2]
	Nutrition and health status	Age Sex Income/Family type Indigenous status	Underweight Overweight Obesity	National Health Survey[8]
	Access to potable and palatable water	Income/Family type Indigenous status Geographic area		ATSIC Community Housing and Infrastructure Needs Survey[9]
Shelter and housing	Housing affordability	Income/Family type Indigenous status Geographic area Tenure	'Very high' % of income spent on housing (in lowest income quintiles)	Australian Housing Survey[10] AIHW Commonwealth–State Housing Agreement Data[11] FaCS CRA data[12]
	Condition of housing stock (appropriateness)	Income/Family type Indigenous status Geographic area Tenure Country of birth	e.g. % living above specified ratio of persons per room See, e.g., Canadian Occupancy Standard	Australian Housing Survey[10] ATSIC Community Housing and Infrastructure Needs Survey[9]
	Accessibility: % in tenure types	Income/Family type Indigenous status Geographic area Tenure Country of birth	Homelessness Access to crisis accommodation: turnaway and unmet demand/need Access to housing assistance	Australian Housing Survey[10] SAAP National Data[3] AIHW Commonwealth–State Housing Agreement Data[11]
	Institutional living	Age Sex Indigenous status Disability Income group		See Chapter 4 for data sources

Table 9.1 ctd

Welfare sub-component	Indicator topics on which to measure level or average	Variables across which to measure distribution	Approach to indicating deprivation, disadvantage or exclusion	Source data or references
Safety and security	Feelings of safety	Age Sex Income/Family type Indigenous status Geographic area		
	Work injuries and deaths (rates)	Age Sex Occupation Industry		National Data Set Worker's Compensation [13] Work Related Injuries, Australia[14]
	Traffic injuries and deaths (rates)	Age Sex		Australian Transport Safety Bureau[15]
	Other injuries and deaths (rates)	Age Sex		
	Selected serious crime rates (as reported in victim surveys): • selected assaults • driving offences causing death • other selected crimes	Age Sex Income group Indigenous status Geographic area		International Crime Victim Survey[16] Crime and Safety Survey[17]
	Selected serious crime rates (as reported to police): • murder • driving offences causing death • selected assaults • other selected crimes	Age Sex Income group Indigenous status Geographic area		Recorded Crime, Australia[18]
	Level of pollutants above specified levels: • carbon monoxide • ozone • lead • particles as PM10	Geographic area		State Environment Protection Authorities[19–24]
Health	Life expectancy	Age Sex Income group Indigenous status Geographic area		Deaths, Australia[25]
	Years of life lived with severe activity limitation	Age Sex Income group Indigenous status Geographic area		Survey of Disability, Ageing and Carers[26]

Table 9.1 ctd

Welfare sub-component	Indicator topics on which to measure level or average	Variables across which to measure distribution	Approach to indicating deprivation, disadvantage or exclusion	Source data or references
Health ctd	Causes of death	Age Sex Income Group Indigenous status Geographic area	Key conditions, e.g.: • lung cancer • breast cancer	Causes of Death, Australia[27]
	Infant mortality	Age Sex Income group Indigenous status Geographic area		Deaths, Australia[25] AIHW National Mortality Database[28]
Economic resources and security	Earnings/income level: • main source	Age Sex Family type Indigenous status Geographic area Education group Employment group Occupation and industry Comparison of deciles e.g. income and expenditure groups?	People below 'poverty line' levels Time spent with low income	Survey of Employee Earnings and Hours[29] Survey of Income and Housing Costs[30] Poverty Lines, Australia[31] Household, Income and Labour Dynamics Survey(a)
	Household disposable income	Household income unit Household expenditure groups (e.g. deciles)	Households (rates) below: • 50% below MEI (Median Equivalised Income)	Survey of Income and Housing Costs(a) Household Expenditure Survey[32] Poverty Lines, Australia[31]
	Financial stress, hardship	Age Sex Family type Indigenous status		General Social Survey[33] Household Expenditure Survey(a)
	Accumulated savings, assets, liabilities, retirement income	Age Sex Family type Education group Employment group		General Social Survey[33] Survey of Retirement and Retirement Intentions[34,35] Household Expenditure Survey(a)
	People primarily dependent on government income support: • Age pension • Unemployment (Newstart) benefits • Disability Support Pension	Age Sex Family type Indigenous status Country of birth		Centrelink data(a) Survey of Income and Housing Costs(a)

Table 9.1 ctd

Welfare sub-component	Indicator topics on which to measure level or average	Variables across which to measure distribution	Approach to indicating deprivation, disadvantage or exclusion	Source data or references
Education and knowledge	Participation in primary, secondary, post-school and adult education: • retention to Year 12	Age Sex Income/Family type Indigenous status Geographic area Country of birth		Schools, Australia[36] Education and Training Experience[37] Labour Force Status and Other Characteristics of Migrants[38] Education and Training in Australia[39] Transition from Education to Work[40]
	Educational attainment: • literacy and numeracy • highest qualification	Age Sex Income/Family type Indigenous status Geographic area Country of birth Disability		National Report on Schooling in Australia[41] ABS Census of Population and Housing[42] Transition from Education to Work[40]
Employment and labour force participation	Participation in the labour force: • occupation type • hours worked • employment basis and conditions	Age Sex Income/Family type Indigenous status Geographic area Education group Disability		Labour Force Survey[43] Survey of Disabilities, Ageing and Carers[26] Survey of Employment Arrangements and Superannuation[29]
	Employment, unemployment and underemployment	Age Sex Income/Family type Indigenous status Geographic area Education group Disability	Longterm unemployment Households with no employed person	Labour Force Survey[43]
	Employment vacancies			Job Vacancies (ABS)[44]
	Shift to retirement	Age Sex Income/Family type Employment group		Survey of Retirement and Retirement Intentions[34]

Table 9.1 ctd

Welfare sub-component	Indicator topics on which to measure level or average	Variables across which to measure distribution	Approach to indicating deprivation, disadvantage or exclusion	Source data or references
Transport, mobility and communication	Car ownership	Age Sex Income/Family type Indigenous status Geographic area		Household Expenditure Survey[7] Time Use Survey(a) Survey of Motor Vehicle Use[45]
	Access to and use of transport	Age Sex Income/Family type Indigenous status Geographic area Disability		Environmental Issues[46] General Social Survey[33]
	Time and distance to: • work • services			Time Use Survey(a)
	Communication (e.g. access to telephone, Internet)			
Recreation and leisure	Amount and nature of leisure time	Age Sex Income/Family type Indigenous status Disability		Time Use Survey[47] Involvement in Sport[48]
	Recreation and vacations: • household expenditure and time • vacation trips	Age Sex Income/Family type Indigenous status Disability		Time Use Survey[47] Household Expenditure Survey[7] Travel by Australians[49]
Family and friends	Family formation: • marriage • fertility • living arrangements	Family structure and characteristics of members	Family dissolution, e.g. divorce	Family Characteristics Survey[50] Census of Population and Housing[42] Marriages and Divorces[51] Births, Australia[52] Labour Force Status and Other Characteristics of Families[53]

Table 9.1 ctd

Welfare sub-component	Indicator topics on which to measure level or average	Variables across which to measure distribution	Approach to indicating deprivation, disadvantage or exclusion	Source data or references
	Family functioning Quality of relations between family members, e.g. trust • time use including 'unpaid work' • family participation in the wider community e.g. employment • resilience and adaptability	Family structure and characteristics of members?	Domestic violence Child protection (abuse and neglect) Children in out-of-home care Children living in a family where no parent works	SAAP National Data[3] Longitudinal Survey of Australia's Children(a) Crime and Safety Survey[17] Family Characteristics Survey[50] Survey of Disability, Ageing and Carers[26] Household, Income and Labour Dynamics Survey(a) Time Use Survey[47] Labour Force Status and other Characteristics of Families[53] Labour Force, Australia[43] Reconnect data(a)
	Involvement as carer			Survey of Disability, Ageing and Carers[26]
	Availability and quality of friendship relations			Mental Health Survey[54]
Social and support networks	Access to help/support/information when needed (involving time and/or money)	Age Sex Family type Disability Country of birth		General Social Survey[33] Disability, Ageing and Carers Survey[26] Mental Health Survey[26]
	Provision of help/support/information when needed (involving time and/or money)	Age Sex Family type Disability Country of birth		Time Use Survey(a)
	Contact with family and friends outside the home	Age Sex Family type Disability Country of birth		General Social Survey[33] Time Use Survey[47]
	Social attachment	Age Sex Income/Family type Indigenous status Country of birth	Suicide Drug use Prisoners and deaths in custody (rates)	Causes of Death, Australia[27] Statistics on Drug Use in Australia[55] Prisoners in Australia[56] Australian Deaths in Custody[57,58]

Table 9.1 ctd

Welfare sub-component	Indicator topics on which to measure level or average	Variables across which to measure distribution	Approach to indicating deprivation, disadvantage or exclusion	Source data or references
Trust	Trust in institutions: • government • political system • trade unions • legal system • police	Age Sex Income/Family type Indigenous status		World Values Survey[59]
	Trust in community/people generally/strangers Acceptance of diversity	Age Income/Family type Indigenous status Country of birth		
Community involvement, civic engagement, bridging social capital	Participation in community/sporting groups and projects	Age Sex Income/Family type Disability Country of birth *Types of communities: geographically defined, COB, Indigenous etc*		Time Use Survey[47] General Social Survey[33] Involvement in Sport[48]
	Participation in: • political organisations (parties and unions) • professional organisations	Age Sex Income group Education group		
	Support for children outside household	Sex Income/Family type		General Social Survey[33]
Volunteering and philanthropy	Participation in volunteering	Age Sex Income group		Voluntary Work Survey[60] Time Use Survey[47] ANDP Data[61]
	% of income given to charities	Age Sex Income group		ANDP Data[61] Voluntary Work Survey[60]

Notes

(a) Relevant source data are not currently available in published form.

1. Sources listed contain some relevant data but not necessarily all data required for the suggested indicators (e.g. distributional indicators).The numbered reference list following this table identifies the references and data sources separately.

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Fourth Meeting of the
EXPERT GROUP ON POVERTY STATISTICS
(Rio Group)
Rio de Janeiro, Brazil, 15 - 17 October, 2001

QUALITY HEALTH AND WELFARE DATA FOR DEPRIVED AND SOCIALLY EXCLUDED GROUPS

Justin Griffin
Australian Institute of Health and Welfare

AIHW
AUSTRALIAN INSTITUTE OF HEALTH & WELFARE

WHAT DOES AIHW DO?

Mission

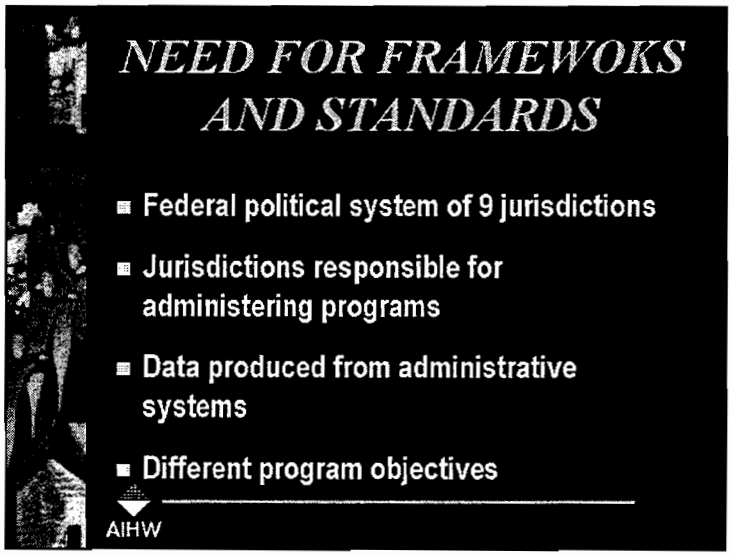
- To improve the health and welfare of Australians, we inform community discussion and decision making through national leadership in developing and providing health and welfare statistics and information.
- Predominantly works with administrative by product data

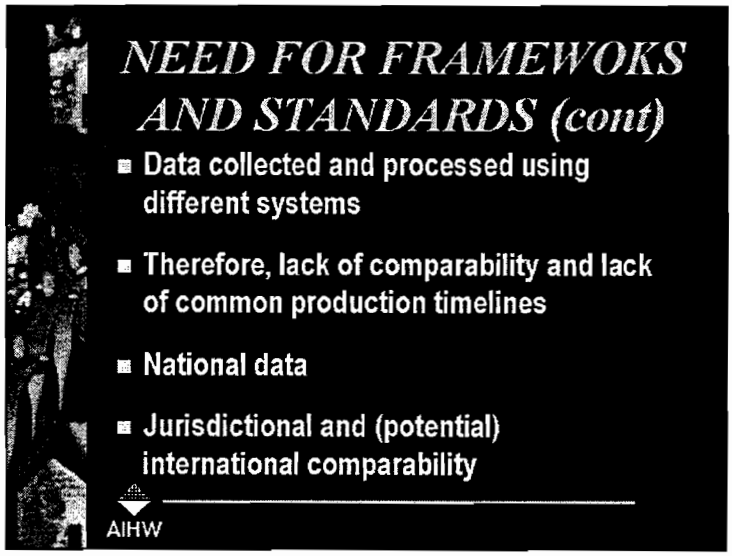
AIHW

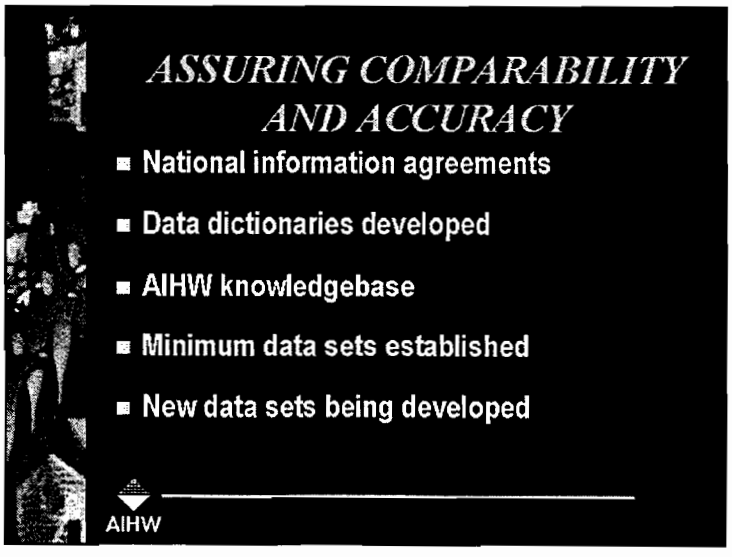
DATA DEVELOPMENT

- Information framework and standards
- Nationally agreed minimum data sets
- Cross program integration and data linkage
- Welfare indicators framework.

AIHW


NEED FOR FRAMEWOKS AND STANDARDS
Federal political system of 9 jurisdictions
Jurisdictions responsible for administering programs
Data produced from administrative systems
Different program objectives
AIHW


NEED FOR FRAMEWOKS AND STANDARDS (cont)
Data collected and processed using different systems
Therefore, lack of comparability and lack of common production timelines
National data
Jurisdictional and (potential) international comparability
AIHW


ASSURING COMPARABILITY AND ACCURACY
National information agreements
Data dictionaries developed
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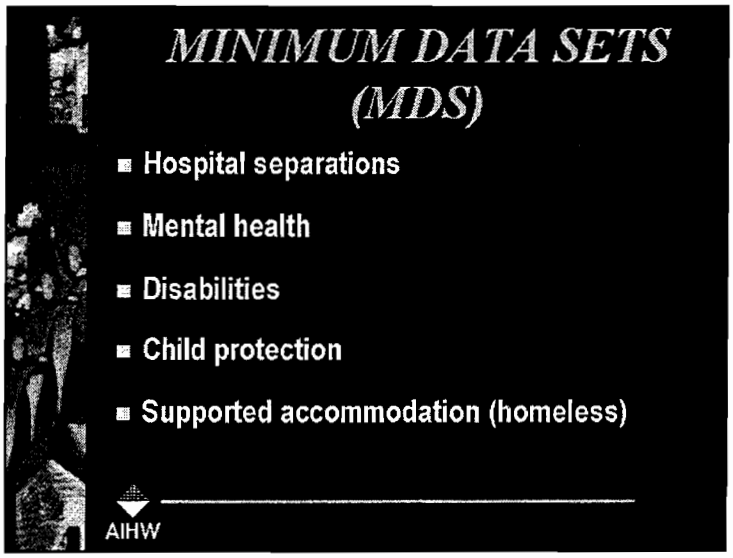
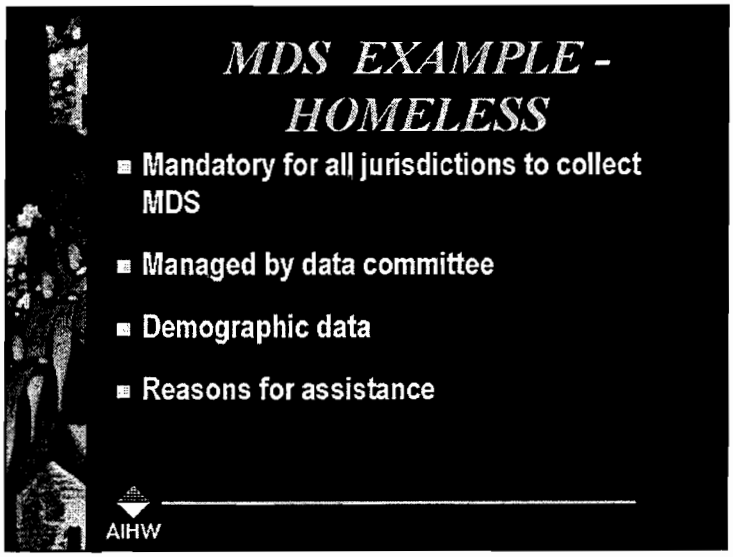
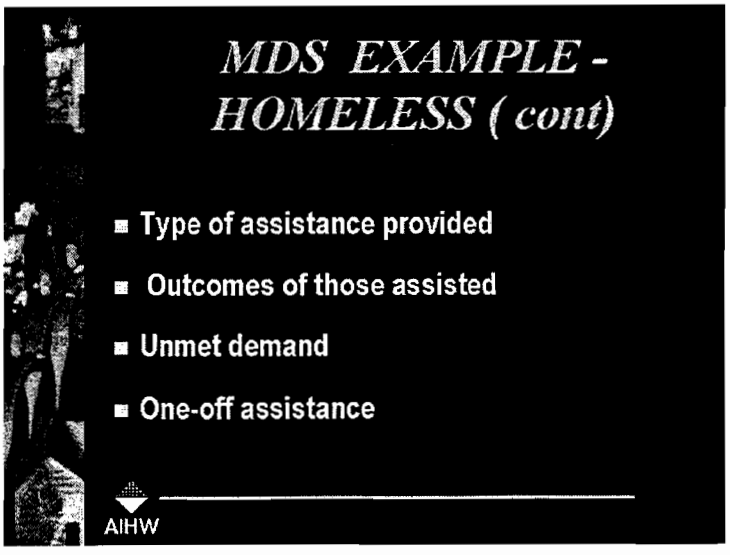
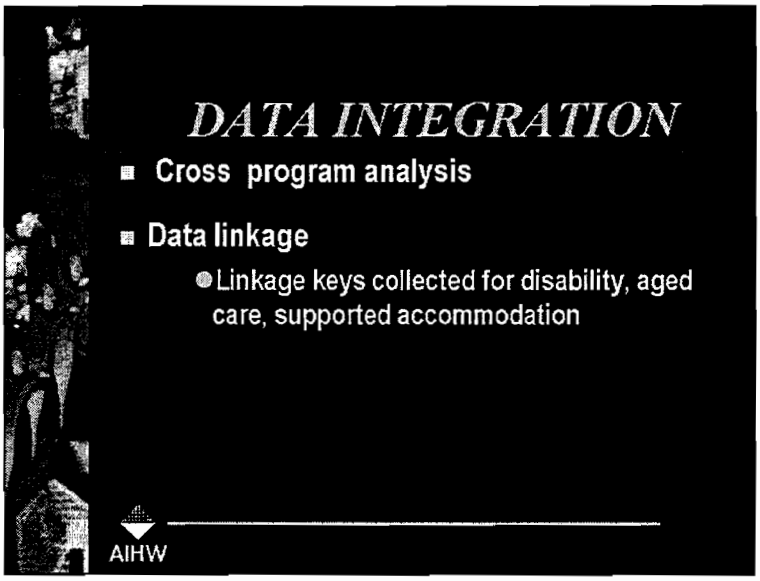
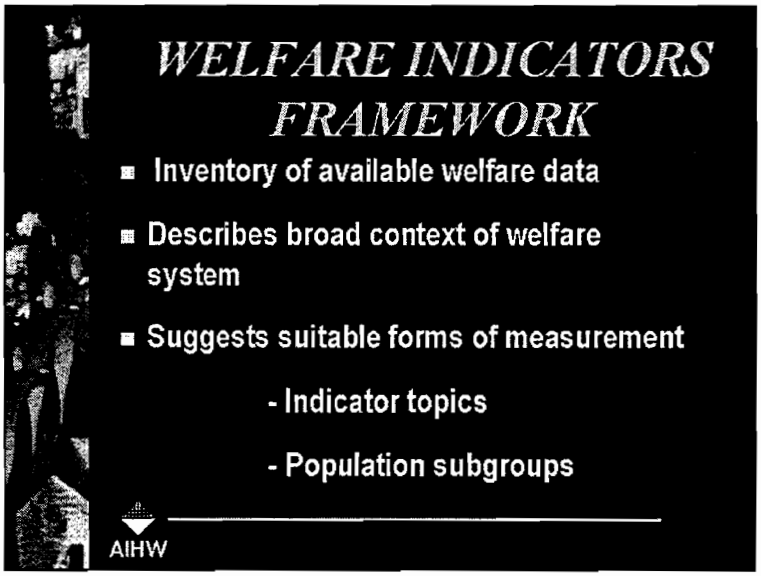
Minimum data sets established
New data sets being developed
AIHW

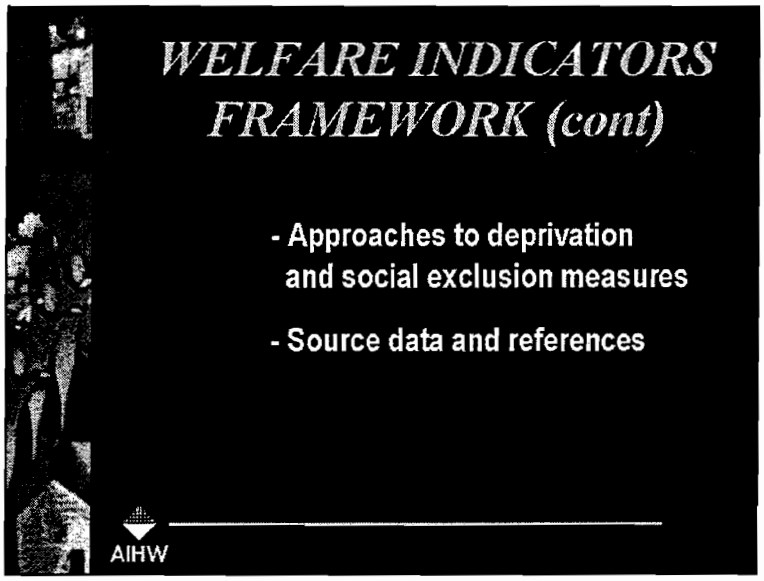

MINIMUM DATA SETS (MDS)
Hospital separations
Mental health
Disabilities
Child protection
Supported accommodation (homeless)
AIHW

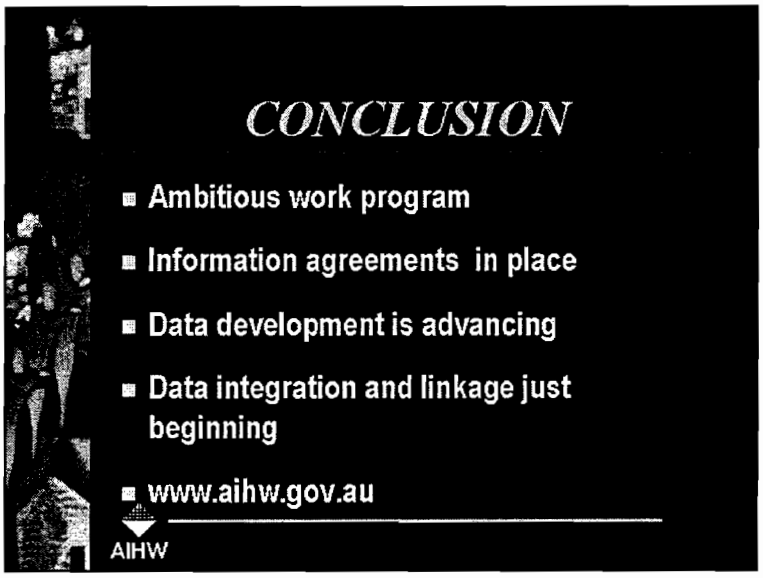

MDS EXAMPLE - HOMELESS
Mandatory for all jurisdictions to collect MDS
Managed by data committee
Demographic data
Reasons for assistance
AIHW


MDS EXAMPLE - HOMELESS (cont)
Type of assistance provided
Outcomes of those assisted
Unmet demand
One-off assistance
AIHW


DATA INTEGRATION
Cross program analysis
Data linkage
Linkage keys collected for disability, aged care, supported accommodation
AIHW


WELFARE INDICATORS FRAMEWORK
Inventory of available welfare data
Describes broad context of welfare system
Suggests suitable forms of measurement
- Indicator topics
- Population subgroups
AIHW


WELFARE INDICATORS FRAMEWORK (cont)
- Approaches to deprivation and social exclusion measures
- Source data and references
AIHW


CONCLUSION
Ambitious work program
Information agreements in place
Data development is advancing
Data integration and linkage just beginning
www.aihw.gov.au
AIHW

Poverty Dynamics in the Netherlands

LOURENS TRIMP*

STATISTICS NETHERLANDS - NETHERLANDS

* The views expressed in this paper are those of the author and do not necessarily reflect the views of Statistics Netherlands

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Introduction

In the Netherlands low incomes are found among 7 percent of the households with wages from labour as their main source of income, and 30 percent of the households with social benefits as their main income source. Finding a job would seem a very efficient way of getting out of poverty. Still, only one in five unemployed persons in low-income households find that getting a job means that the household is no longer on a low income.

Is this a paradox?

No, it means that unemployed people living on social assistance are likely to end up among the 7 percent households with a low wage income from labour when they find a job. And this it not amazing, because unemployed people tend to have lower qualifications and therefore more chance of finding low-paying jobs.

It also means that the static view of poverty statistics may give a very different picture from the dynamic view. This is why Statistics Netherlands pays much attention to the dynamics of poverty. Many of our results are published in the yearly Poverty Monitor, a co-production of Statistics Netherlands and the Social and Cultural Planning Bureau.

This paper presents some of the results of our research in recent years to give an idea of the possibilities of longitudinal poverty research.

Data

Most income statistics in the Netherlands are based on the Income Panel Survey (IPS). The IPS is a panel of approximately 75 thousand households, which have been followed since 1989. In fact, it is not the households but what we call the sample persons that are followed. The sample person basically is one person per household. Each year the emigrants and the deceased leave the panel and a sample of immigrants and newborn babies is added to the panel. In this way the IPS remains a representative sample of the Dutch population. Demographic and income information is collected for all members of the households of the sample persons. The information is based on registers. The demographic information is based on the population registration, wheras most income information comes from the tax authorities.

Statistics Netherlands uses a low income cut off for households based on equivalized, deflated disposable yearly income. The cut off point is selected in such a way that all households living on social assistance have an income below the low-income line. This has been the case for all years since 1977. As the level of social assistance is now lower in real terms than it was in 1977, the low income cut off for recent years has been quite a bit higher than the level of social assistance. For 1998 the low-income limit was approximately 9000 euro. Although Statistics Netherlands in general avoids calling the low-income limit a poverty line, it is often used as such. Also in this paper people in households with income below the low income boundary will be described as poor.

Unit of measurement

There has been some discussion on whether the individual or the household should be the unit of measurement in poverty statistics.

It is clear that in discussing poverty we should not look only at the income of the individual, because people often share income within families or households. It would be absurd to call child without income poor when he or she is growing up in a household where other members have high incomes. To determine whether a person is poor one should look at the income of the entire household. Therefore poverty can be considered a household characteristic. But this characteristic can also be attached to the persons in the household. A poor person is then by definition a person living in a poor household. See

also the final report of the Canberra Group (2001). For descriptions of poverty based on one period, both individuals and households are valid units of measurement.

For longitudinal descriptions there is an additional complication. Households are not static entities, they may change through birth, marriage, divorce, death, children leaving home. This makes comparisons over several years difficult. One would have to define under which conditions a household is the same in each year and then restrict the analysis to households that have not changed. This would result in a very restricted population, where marriage, divorce etc. do not occur. But as the changes in the poverty status are often connected to such events, this is not an acceptable approach. So for longitudinal analysis we can only use the individual as the unit of measurement. And this has become the standard practice at Statistics Netherlands.

Transition in and out of poverty

The slow change in the number of poor persons might suggest that not many people move in and out of poverty. The opposite is true, at least for the Netherlands. In each year, one third of the poor population was no longer poor by the next year. Approximately the same number of people became poor. Table 1 shows a relation between the economic situation and the dynamics of poverty in the Netherlands. During the dip of the economy in 1993 and 1994 the inflow of poor people increased while the outflow hardly changed. The result was an increase in the number of poor people. When the economy improved in 1995 the outflow increased and the inflow decreased, resulting in a decrease of the number of poor people.

Table 1. Persons staying and moving in and out of poverty

	preceding year	outflow	stayers	inflow	this year
	x 1 000				
1992	1758	555	1203	553	1756
1993	1756	543	1213	611	1823
1994	1823	567	1256	673	1930
1995	1930	632	1298	563	1860
1996	1860	598	1261	613	1874
1997	1874	638	1236	581	1817
1998	1817	593	1225	551	1775

One might think that moving in and out of poverty has much to do with changes in labour participation. The Dutch government has a slogan 'Work, work, work', assuming that finding work is the best way to get out of poverty. Our research does not support the idea that finding work is a fast route out of poverty. During the period 1990/1995 on average 400 thousand people living in poor households received social benefits, most of them social assistance. Each year 11 percent found a job, but only 2 percent got out of poverty. This low percentage is partly because the minimum wage in the Netherlands is not much higher than the social assistance for a couple. This means that having a job with minimum wage does not move people out of poverty.

Table 2. Poor benefit receivers finding work, average 1990/1995

	Total poor benefit receivers	Find work within one year	No longer poor through work
x 1000	405	44	8
%	100	11	2

Which events may be associated with getting out of poverty? We have done some research on this topic on the IPS 1989-1995. The most striking result of table 3 is that we do not know in 60 percent of the cases. One of the problems is that the IPS has much information on income, and some demographic information but not very much else. So we do not know if someone changes job, starts working more hours, etc. That is why many of the exits out of poverty remain unexplained, especially in situations where the head of the household is working.

Of the exits from poverty that can be associated with some demographic or labour event, about half have to do with demographic changes and the other half with changes in labour participation. In many cases the head of the household found a job, but nearly as often marriage was the cause of getting out of poverty.

Table 3. End events associated with getting out of poverty, 1991-1995

	labour participation head of household		
	active	not active	total
	%		
Changes in household composition	15	34	22
Child leaves home	5	5	5
Child returns home	1	3	2
Divorced/Widowed	1	1	1
Marriage	6	16	9
Other changes	2	6	4
Head turns 65 years of age	0	2	1
Changes in labour participation	8	36	18
Head finds work		29	11
Partner finds work	5	3	4
Child finds work	4	4	4
Other	77	30	60
Total persons getting out of poverty	100	100	100

Persons aged 18+ in households with head younger than 65
Gets away from a poverty period of at least two years, stays out of poverty at least one year
Hierarchical from top to bottom

Poverty period

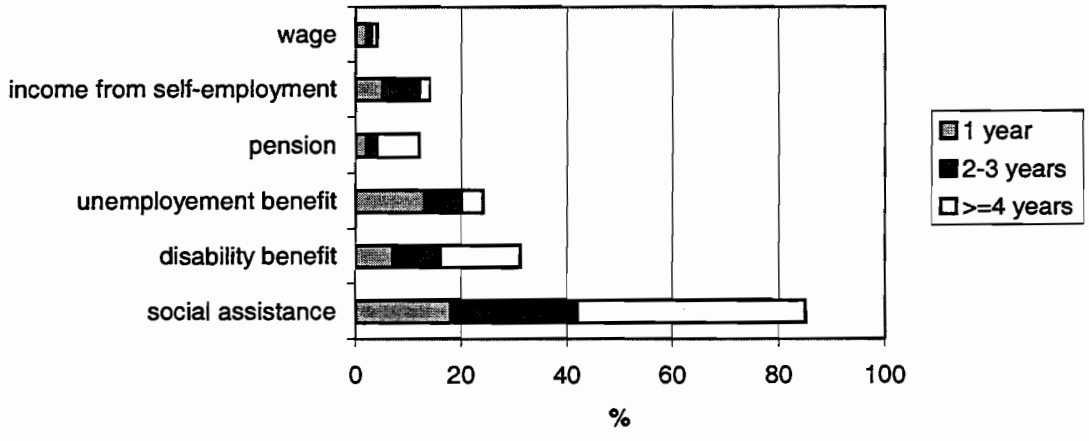
The longer a period of poverty becomes, the more serious the situation gets. A low income for one year might not be very serious. Some people have savings they can use, their clothing and other durables are probably in a rather good condition. But after some time the situation gets worse. People are running into debts and durables need replacing. This means that the length of the poverty period is an important variable. Table 4 gives a distribution of the poverty periods of people who were poor in 1998. One out of three poor persons in 1998 had been poor for at least 5 years. Another one out of three poor people had not been poor the year before.

Table 4. Persons in households with low income according to duration of poverty 1998

	total	1 year	2 years	3 years	4 years	5 years or longer
	x 1 000					
Number of persons (x 1000)	1776	551	327	195	136	567
Number of persons (%)	100	31	18	11	8	32
Stayers (%)	67	56	65	74	69	77

The probability that people stay poor for another year increases with the duration of their poverty. This is the result of two mechanisms. First, living in poverty long may make it difficult to exit. For example, employers may not want to employ a person who has been unemployed for a long time. The other mechanism is that the population of poor people changes with the length of the poverty period. The long-term poor consist of people for whom it is difficult to get out, for example the old and the disabled. Not because they have lived in poverty so long, but because people who can get out of poverty easily have done so. The distinction is important, because the line of action to improve the situation is different for the two groups. But it is not always easy to distinguish the groups.

Persons by length poverty period and income source of household, 1998



The length of the poverty period is closely related with the main source of household income. Households on social assistance are very often poor and about half of them is so for at least four years. Most of the poor pensioners have been poor for a long period. Self-employed people are often relatively poor, but hardly for a long period.

Poverty patterns

If the poverty situation is studied over a longer period, several poverty patterns emerge. For the years 1990-1998 we distinguished five patterns:

- persons who never were poor
- temporally poor persons: 1 or 2 poor periods, at most 4 poor years, not more than 2 non-poor periods
- alternatingly poor/non-poor persons: at least 3 poor periods and at least 3 non-poor periods
- mostly poor persons: one or two poor periods, at least 5 and at most 8 poor years, at most 2 non-poor periods
- always poor persons.

Table 5. Poverty patterns of persons 15 years or older, 1990-1998

	x 1000	%
Never poor	6891	79
Temporally poor	1059	12
of which one year poor	626	7
Alternating poor - non poor	229	3
Mostly poor	315	4
Always poor	204	2
Total	8698	100

The poverty patterns proved to be very diverse. One in five persons over 15 were poor at least once during the period 1990-1998. More than half of them was only temporally poor. Only one in ten was poor during the whole period. One in seven continually shifted in and out of poverty. The poverty pattern is strongly related to age. Young people were often temporally or alternatingly poor. Old people were often poor during the whole period.

Conclusion

A dynamic description of poverty can give important additional insights in the nature of poverty. But data collection for longitudinal analysis can be more difficult than data collection for transversal analysis. If good income information is available from registers, panel information need not be more costly than transversal information. In many cases income information will have to be collected though surveys. In such cases the extra costs must be weighed against the value of the extra information.

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Comisión Económica para América Latina y el Caribe

Fourth Meeting of the
EXPERT GROUP ON
POVERTY STATISTICS
(RIO GROUP)

Rio de Janeiro, Brazil, 15 - 17 October, 2001

POVERTY DYNAMICS

Lourens Trimp
Statistics Netherlands

Introduction

Dynamic information about poverty can give a different picture than static information.

Contents

- Data
- Unit of measurement
- Transitions
- Poverty period
- Poverty patterns
- Conclusion

Data

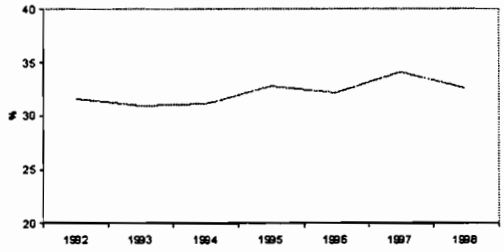
- Income Panel Survey
- 75 000 households
- Information on all household members
- Based on registrations

Unit of measurement

- Household
- Individual

Transitions

Percentage poor people getting out of poverty



Transitions

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Transitions

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Child leaves home	5	5	5
Child returns home	1	3	2
Divorce/Widowing	1	1	1
Mariage	6	16	9
Other changes	2	6	4
Head becomes 65 years old	0	2	1
Changes in labour participation	8	36	18
Head finds work		29	11
Partner finds work	5	3	4
Child finds work	4	4	4
Other	77	30	60
Total persons exiting poverty	100	100	100

Poverty period

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Proposals for International Comparison

MADIOR FALL

INSEE - FRANCE

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PROPOSALS FOR INTERNATIONAL COMPARISON

Madior Fall
INSEE– France

INSEE INRA

INSEE INRA

Objective : international comparison of standard of living versus poverty

- Two major recommandations:
  - 1. To take into account of the differences between the sociological realities
  - 2. To get a high degree of comparability ⇒ setting reasonnable correspondances

- Several kind of measures :
  - **comparison of average level of standard of living**
    - at a global level : GDP
    - Inequality and well being : income
  - **synthetic indicators :**
    - UNDP Human Development Index (HDI)
    - « Scoring » approach : standard of living ...
  - **Dominance criteria of income distribution .**
- Proposal of homogeouus indicators
- Reasonable solutions

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UNDP synthetic indicator of human development and Gross domestic product per capita

Synthetic indicator : life expectancy, child mortality, GDP .....

Rank 1998	Countries	GDP per capita (based on ppp - US$) 1995	Rank 1999
1	Canada	21916	1
2	France	21176	11
11	Spain	14789	21
12	Belgium	21548	5
21	Italy	20174	19
31	Chile	9930	34
33	Portugal	12674	28
39	Czech Republic	9775	36
42	Slovakia	7320	42
52	Poland	5542	44
62	Brazil	5928	79
72	Russia	4531	71
74	Romania	4431	68
105	Albania	2853	100
153	Madagascar	673	147
172	Burkina Faso	19	171
174	Sierra Leone	30	174

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Inequality and well being

- inequality measurement is done through income
- Relative indicators of inequality
  - invariance with multiplicative transformation
  - multiplicative neutrality assumption is debatable, particularly when one move from inequality concept to poverty
  - paradox : poverty can increase even the income per unit consumption of everybody increase

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- Restrictive character of inequality indexes
- To compare collective well being of two societies, we needs to consider both central trends and dispersions (Shorrocks - 1984)
- *Issue : How to do that ?*

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Defining standard of living variable

- Two important points
  - Choice of commun unit
  - Choice of unit consumption

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Commun unit

- The simple application of the exchange rate is not adequate for obtaining comparable values
- To take into account this differential of real price level in the two countries
- purchasing parity power is the conversion rate of values in national currency which allowed us to make comparison

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- Simple recommendation: comparison of the structure of consumption
- Exemple : France -Poland

Structure of monthly average expenditure per household	Poland	France
ALL	100	100
Food	33	12
Outside meal	1	4
Non alcoholic beverages	2	1
Alcoholic beverages	1	1
Tobacco	2	1
Clothes	8	4
Housing repair	17	30
Housing Equipment	6	6
Domestic Services	0	1
Animals	0	0
Health - Hygiene	6	5
Transport	8	12
Communication	2	2
Culture and leisure	5	6
Education	2	0
Others	7	15

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Choice of equivalent scales

- Remarks :
  - Theorical debate
    - Structure of consumption is link with the economie scale
    - the relatively high cost of goods allows people to meet their needs fairly easily in one country than another
- France : econometric estimations seem to be in favour of the modify OECD scale (cf. Hourriez-Olier 1997)
- Issue : in what extent the different structures of consumption in different countries, would require recourse to different scales ?

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- Simple recommendation: comparison of the structure of consumption
- Exemple : France -Poland

Structure of monthly average expenditure per household	Poland	France
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Health - Hygiene	6	5
Transport	8	12
Communication	2	2
Culture and leisure	5	6
Education	2	0
Others	7	15

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- Poland : the expenditures increase proportionally with the family size and according to the few part of housing expenditures, which have been an evident character of " public good " inside household, these two things can suggest that Oxford scale (original OECD scale) is more appropriate to Poland than modify OECD scale. The same optimal choice had adopted in the case of comparison between France and other countries(Slovakia, Hungaria, ...).
- Comparability needs homogenous concepts and procedures sometimes that can be translate into different choices of equivalent scale for each countr
- France : modify OECD scale
  - 1 pour le premier adulte
  - 0,5 pour les autres adultes du ménage
  - 0,3 pour chaque enfant âgé de moins de 15 ans
- Poland : former OECD scale (called Oxford scale)
  - 1 pour le premier adulte
  - 0,7 pour les autres adultes du ménage
  - 0,5 pour chaque enfant âgé de moins de 15 ans

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- **Sensitivity of income indexes according to choice of equivalent scale (Poland)**
  - Income per unit consumption corrected PPP (US$).

Scales	Gini	Theil	Kuznets	Decile 1	Median	Decile 9	Mean	D9/D1	Atkinson 0,25	Atkinson 0,5	Atkinson 0,75
Oxford	0.283	0.150	0.199	1948	3667	6875	4203	3.53	0.102	0.070	0.038
OECD	0.288	0.142	0.195	2468	4453	7792	5097	3.16	0.097	0.066	0.034
$\sqrt{N}$	0.333	0.177	0.220	1403	3078	5844	3459	4.17	0.122	0.083	0.043
Per capita	0.287	0.140	0.195	2590	4675	8548	5358	3.30	0.096	0.066	0.034

  - N : size of household
  - a little bit more inequality in Poland with Oxford equivalent scale
  - In the relative measures like the decile ratio (D9/D1) or the poverty rate, we observe a significative difference between the modify OECD scale and Oxford scale
    - Poverty rate (half a median) :
      - modify OECD : 9.2%
      - Oxford : 8.7%
      - difference : 0.5% ⇔ 625 000 households

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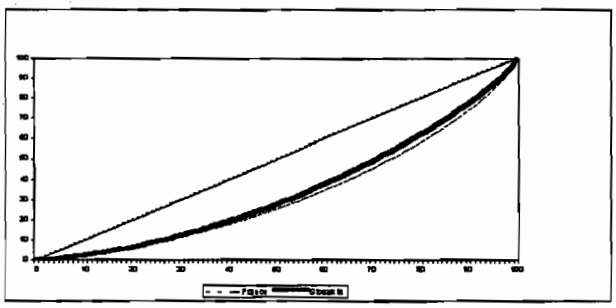
From Inequality to well being

- comparing inequalities in standard of living, Lorenz curves are generally used : For understanding the distribution of wealth among households we can use a model of a cake that is to be divided and shared



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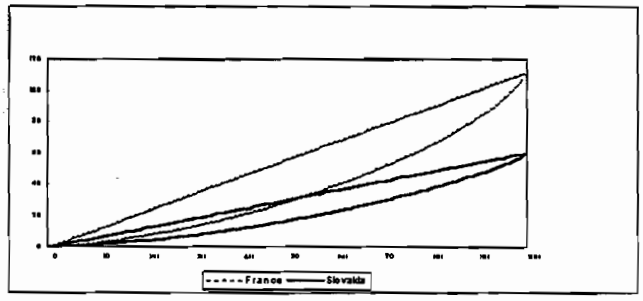
- Deducing well-being from inequality does not work in the same way. In general, it is not sufficient that the inequality be lesser in order to make the situation preferable: it is also necessary, if we continue to use the metaphor, to take into account of the size of the cake
- Generalized Lorenz Curve : Shorrocks (1984)



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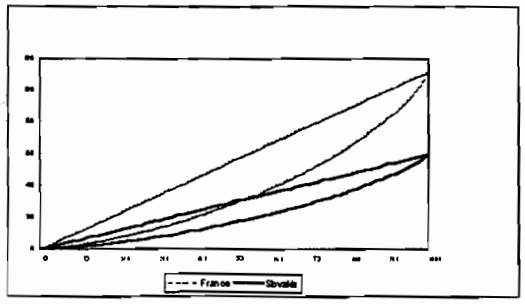
- To relative the importance of the average living standard by bringing in a weighted factor
- Tam and Zhang (1994) "Weighted" Curves (0.5)



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- comparison in terms poverty thresholds from comparison in terms of inequality : define poverty thresholds

- monetary poverty (relative) : depend on inequality levels different between countries
- According to threshold definition (half a median) ⇒ countries with less inequality would have the lowest monetary poverty
  - solution : define levels of thresholds which isolate the same proportion of poor households in each country ⇒ to retain different cutoff of the median
    - France : 50% of the median ⇒ 11.7% poor households
    - Slovakia : 60% of the median ⇒ 10.9% poor households
  - Need to calculate several poverty rates (cutoff : 40%, 50%,60% even 70% of the median) to compare poverty rate sensibility

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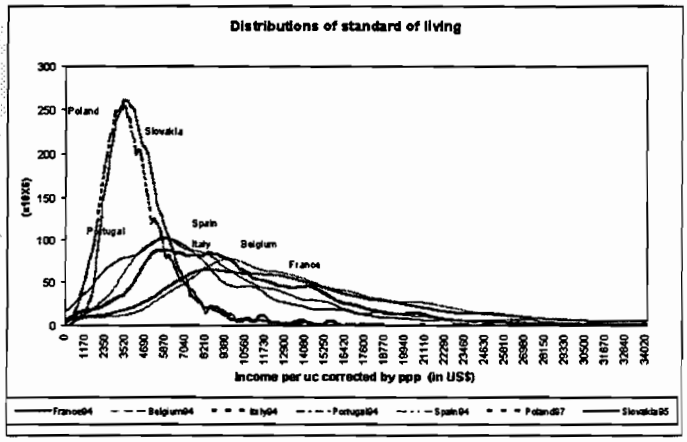

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Comparison of poverty on living condition and subjective poverty

- **Selection of the indicators of living condition**
  - The choice of items to build comparable poverty indicator in terms of living condition depend in one hand on common available data in surveys and in second hand on definition of common social minimum benefit
  - We have to notice that one of the Dickes axioms about the choice of items, is that each item must be judged necessary by all concerned people (debatable)

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Choice of items for subjective poverty

- **Point of view of the household on their situation**

- **The definition of the thresholds**
  - The comparability effort is resumed by a common axiom, which bring us to make effective choice of indicators marginally different –one item must not be taking into account in one of countries because in such country his diffusion is restricted in a minority and at the same time it is more common in a other country or it is missing in data for one country.
  - The statistical discretionary incline us for isolating the same part of households living the worse living conditions that mean households which cumulate the maximum of disadvantage (also valuable for defining subjective poverty)

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Multidimensional aspects of poverty

Distribution of households in the three forms of poverty (%)

	France	Poland	Slovakia
No symptom	74.8	77.2	72.7
Two and only two symptoms	6.3	4.6	6.2
Three symptoms	1.8	1.1	1.9

Pearson correlation coefficients between the three forms of poverty

	France	Poland	Slovakia
Living condition-monetary poverty	0.27	0.16	0.27
Living condition - existence	0.25	0.14	0.25
Monetary poverty - existence	0.22	0.24	0.22

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Sequential dominance approach on poverty

- Monetary poverty comparison using income distribution introduce an arbitrary statistic effect in the choice of equivalent scales and relative thresholds

- some analysts use sequential dominance to compare several countries following Atkinson et Bourguignon (1987) :
  - Jenkins and Lambert (1993)
  - Chambaz and Maurin (1997)

- **main principle of sequential dominance :**
  - looking in which conditions allow to make a clear diagnostic that poverty is most important in country A than in country B however retained conventional rules to identify poor people.

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Main principle of sequential dominance

- One distinguish a finite number of household sizes T1...Tk. Households with T1 size are the biggest one and their needs are the most important (huge family). Households with Tk size are the smallest one (i.e. single person).
- If a relative income threshold (called Z) exist such the proportion of poor households and with size greater than Tk is most important in country A than in country B for every poverty threshold smaller than Z and also for every k (k=1,...K), then the portion of national wealth to be moved for eradicating poverty is higher in country A than in country B, however retained equivalent scales and poverty thresholds lower than Z.

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- In practice to get diagnostic we have the following steps :
  - 1. We need to rank households according to their basic needs (according to their size).
  - 2. For every poverty threshold smaller than Z (we must begin with households with the most important size and basic needs) we have to verify that the weight of poor people in that population is higher in country A than in country B.
  - 3. With successive aggregation, from the biggest household's size to the smallest , we make the same control at the second step until including all the population.

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- Results

Countries	Dominates	Dominated by
Spain	France, Netherlands, United Kingdom (2)	France, Netherlands, United Kingdom (1)
France	Netherlands, United Kingdom, Spain(1)	Spain(2)
Netherlands	Spain(1)	France, United Kingdom
United Kingdom	Netherlands, Spain(1)	France

- (1) : Considering only households with big size, concentration in the bottom of the distribution of income is stronger in Spain than in other countries
- (2) it the opposite for households with small size
- For these authors France dominate Netherlands and United Kingdom without ambiguity but they don't get clear result between France and Spain.

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SESSION 5:

FUTURE WORK PROGRAM OF THE RIO GROUP

Topics to Explore on Established Best Practices and Research Underway

ABSOLUTE POVERTY LINES (Including income measurement topics)	ARGENTINA CANADA INDIA MEXICO USA ECLAC PAHO/WHO
UNMET BASIC NEEDS	ARGENTINA BRAZIL SOUTH AFRICA
POVERTY, DEPRIVATION AND SOCIAL EXCLUSION (Relative and subjective poverty)	BRAZIL CHILE FRANCE UK EUROSTAT PAHO/WHO
POVERTY DYNAMICS	ARGENTINA CANADA NETHERLANDS SPAIN
EQUIVALENCE SCALES	USA ECLAC EUROSTAT
STRATEGIES FOR IMPROVEMENT OF INFORMATION	AUSTRALIA UK ECLAC – MECOVI
INTERNATIONAL STRATEGIES FOR POVERTY ALLEVIATION	MONTREUX PARIS 21 UNSD WORLD BANK
INTERNATIONAL COMPARISONS	FRANCE ECLAC EUROSTAT UNSD

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