

“Hearing the voices of the poor”: Assigning poverty lines on the basis of local perceptions of poverty; a quantitative analysis of qualitative data from participatory wealth ranking in rural South Africa

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Introduction

It is increasingly accepted that combining quantitative and qualitative techniques is essential in modern poverty appraisal (World Bank, 2001). Qualitative data can add context to quantitative data collected in surveys, while rapid and participatory appraisal techniques can meaningfully contribute to understandings of poverty (Chambers, 1994). Groups conducting poverty appraisal often use both techniques, yet there remains much to learn about ways to fully integrate the two methods.

Poverty appraisal has many goals and the combination of qualitative and quantitative techniques might be applied at many stages in the process. In this paper we focus on two specific goals of poverty appraisal; identifying how many poor households there are and assessing their level of poverty (Ravaillion, 1992). To achieve this we apply a quantitative analytic process to qualitative data collected by participatory wealth ranking.

Identifying the number of households that are poor involves at least two steps. Firstly, data on household economic status must be collected and analysed. A wide variety of conceptual and methodological approaches to this have been reported. Economic surveys have generally collected data on income and / or expenditure to capture economic status. Such data is difficult to collect, and does have limitations, but remains regarded by many as the gold standard method for the assessment of household economies (Henry, Sharma, Lapenu & Zeller, 2000). A variety of more rapid techniques have also been developed, many of which do not conceptualise economic status solely in terms of income. In recent years, measurements of household wealth based on relatively simple data on ownership of, or access to, “assets” have been combined using a variety of approaches to generate an economic status index (Schellenberg, Victora, Mushi, de Savigny, Schellenberg, Mshinda et al.

2003; Henry et al., 2000; Garenne & Hohmann-Garenne, 2003; Morris, Carletto, Hoddinott & Christiaensen, 2000; Filmer & Pritchett, 2001).

The second stage in identifying the number of poor households is the application of a poverty line, an area that has generated considerable conceptual and philosophical debate (Sen, 1983; Townsend, 1985). Poverty lines have usually been applied to income / expenditure data. Two types of poverty line are employed. To apply a relative poverty line, the income / expenditure of households in a survey is calculated and appropriately weighted on the basis of household composition. In its simplest form, the values are then ranked, and a proportion are deemed poor (e.g. the 10% lowest might be considered poor). Alternatively, an absolute poverty line might be employed. For this, the value of goods deemed necessary to support basic needs is calculated and this figure is applied to the weighted data collected in the survey. Households not meeting the required income / expenditure level are deemed poor (Ravaillion, 1992).

Recent health studies that have combined asset data to generate a wealth index have also sought to group households by economic status. Generally this has been done through the application of percentiles (usually terciles or quintiles) to the wealth index data (Schellenberg et al., 2003; Gwatkin, Rustein, Johnson, Pande & Wagstaff, 2000), a method equivalent to the relative poverty line approach.

The combination of data on economic status (however collected) with a poverty line (however decided upon) can be used to classify households as poor or not poor, and thus yield a measure of the prevalence of poverty. However, this measure does not describe the level of poverty experienced by poor households. Assessing how poor the poor are requires further data analysis. A number of measures, including the poverty gap index and several measures of poverty severity have been proposed (Sen, 1976; Foster, Greer & Thorbecke, 1984). These augment poverty prevalence

data with some measure of the gap between the income level of poor households and the poverty line level. Such data may be weighted in a variety of ways. There have been few attempts to formally calculate such measures when asset data has been used to generate the economic status index.

Participatory techniques to investigate poverty have been widely used in development research and practice for some time, but have been less used in other fields. However, there is an increasing interest in the role of “research using participatory methods” in generating statistics to influence policy (Barahona & Levy, 2002). Participatory wealth ranking (PWR) is one widely used tool and standardised methods for large-scale PWR are now available (Simanowitz & Nkuna, 1998). Recent work from our own group has shown a high level of internal consistency in the measure of economic status generated using PWR, but only moderate agreement with an asset based assessment generated from survey data (Hargreaves, Morison, Gear, Porter, Makhubele, Kim et al. 2004). PWR may be a useful and valid tool for the assessment of household economic status, and a rigorous examination of its strengths and weaknesses is warranted.

Our aim in this work was to generate a thorough appraisal of poverty from data collected in a large-scale application of PWR in rural South Africa. Our specific objectives were;

- i) to generate a quantitative household economic status index that was directly linked to qualitative statements about economic well-being collected during participatory wealth ranking,
- ii) to use participants’ descriptions of what constituted poverty in their setting to apply poverty lines to our index,

- iii) to report the results of the analysis and discuss the utility of this approach compared to poverty appraisals generated using more established data collection and analysis techniques.

Methods

Study Context

The study was conducted in 8 rural villages of Limpopo Province, South Africa. While the political landscape of the area has changed substantially during the past decade, many of the realities of life have steadfastly remained constant. The province is among the most deprived in the country (McIntyre, Muirhead & Gilson, 2002). Nearly 50% of the population is under 15 years old (Udjo & Lestrade-Jefferis, 2000). Unemployment runs in excess of 40% (Lestrade-Jefferis, 2000), and there are very high levels of labour migration among both sexes (Tollman, Herbst & Garenne, 1992). While ploughing the land remains a survival tactic for many families, few have land or livestock sufficient to completely support their livelihoods.

The participatory wealth ranking discussed here was conducted as part of the baseline evaluations for the IMAGE Study (Intervention with Microfinance for AIDS and Gender Equity). This is an ongoing community randomised trial of the impact of a combined poverty-alleviation / gender-empowerment programme on sexual behaviour, gender based violence and HIV infection rates (RADAR, 2002b; RADAR, 2002a).

Field Methods

PWR was conducted by specialised staff of the Small Enterprise Foundation (SEF), Tzaneen, South Africa according to clear standardised guidelines (Simanowitz & Nkuna, 1998). The usual operational aim of the PWR process is to identify the poorest households within communities in order to target their inclusion in a microfinance programme. In the IMAGE study, PWR was also conducted in villages

where no microfinance services were to become available. All of the stages of PWR are facilitated by a trained SEF staff member.

Community members are invited to an open meeting in the village. After introduction of the project, groups of individuals residing in defined village sections get together and draw a map of their residential area. Typically this area might hold 50 – 200 households. The participants number all households on the map and provide a list of household head names or other dwelling identifiers. This process takes approximately one day.

The following day smaller meetings are held with 4-6 residential area members at a time. These are usually predominantly women from poorer households, although any adults from the village section may participate. This group is first led in a facilitated discussion on aspects of poverty in the village. Participants are asked by the facilitator to characterise households that are “very poor”, those that are “poor, but a bit better off” and those that are “doing OK”. These questions are posed in turn to participants and the proceedings of the ensuing discussion are captured by the facilitator in the form of short statements.

Households in a given section are then ranked from the poorest to the most well off according to the definitions provided. Households from the map are randomly selected and the group is asked to compare them with the other households in the area. As the process proceeds, a number of piles of similarly ranking households are generated from the poorest to the wealthiest. At the end of this process, participants are asked to describe the characteristics of the households in each ranking pile. Each pile is discussed in turn and these discussions are also recorded by the facilitator in the form of short statements. Neither the number of ranking groups nor the number of households that are to be put in each group is determined in advance, although at least four separate rankings are required to make the process valid.

The ranking process is then repeated twice more with different groups of 4-6 community members, so that each household is ranked on three separate occasions.

Data Manipulation

The field methodology described above has been employed by the Small Enterprise Foundation for many years, has been standardised across the organisation and its results have been well documented (Simanowitz, Nkuna & Kasim, 2000). In our work, we saw this as a strength of the procedure and did not wish to change the established field methodology. Rather, we wished to interrogate the data generated from PWR with greater intensity than is normal in operational work. This process involved a number of stages of data manipulation and analysis which are described below.

1. Statement Coding

As described in the previous section, data in the form of text statements were collected at two stages of each ranking process. The first of these is before wealth ranking is performed, in response to three general questions about characteristics of households in different wealth bands (“very poor”, “poor, but a bit better off” and “doing OK”). We shall refer to these descriptions as *general statements*. The second collection of text data occurs after the wealth ranking process is completed, when respondents are asked to describe the characteristics of households in each ranking pile. We shall refer to these descriptions as *pile statements*. The same statements may have been (and often were) made during both of these processes.

Statements of both types were entered into a database. *General statements* and *pile statements* were coded using the same technique. We adopted a method in which the coding scheme was devised as coding progressed. Codes were grouped in themes, sub-themes and specific statement codes. Statement codes were kept as

specific as possible. An example is the following; “Have food”, “Able to buy food”, and “Able only to buy food” were each coded under the *Theme* “Food” and the *sub-theme* “Presence of food”, but were each given separate *statement codes* since each has a slightly different meaning. Conversely, the statements “no food”, “they have no food” and “no food available” were all given the same *statement code* since there is no discernable difference between their meaning. Statements of both types could be assigned up to three separate codes.

2. Assigning a score to the ranking piles

As described in the field methodology section, households in a given village section were ranked by three independent groups of PWR participants. Within each of these three ranking processes a number of “ranking piles” of households are generated. We assigned each pile a score such that the poorest pile (pile 1) receives a score of 100 and the wealthiest pile (pile N) receives a score of 0. The scores for the remaining piles are calculated as $Score\ for\ pile\ n = 100 * ((N-n)/(N-1))$, where n is the pile number and N is the total number of ranking piles. For example, in a situation where five ranking piles are formed (N=5), pile 1 (poorest) is given a score of 100, the next pile a score of 75, then 50, 25 and finally 0 for pile 5 (the wealthiest pile)¹.

3. Pile statement scoring

Coded *pile statements* made in relation to each of the ranking piles generated during the three ranking processes conducted in each village section were assigned the numeric score allocated to the pile (as described above). An average score was then calculated for each coded *pile statement*. The average *pile statement* score was calculated as the mean of the pile scores to which that statement was associated,

¹ This is a slight variation on the pile scoring system used in operational work by the Small Enterprise Foundation.

covering the full PWR process in all 8 villages. For example, suppose the statement “able only to buy food” was made 10 times during all the ranking sessions that occurred. Suppose further that the statement was made 8 times in relation to the poorest pile in given rankings (scoring 100), and twice in relation to piles that were ranked second in ranking sessions that generated 5 wealth ranks (scoring 75 each time). In this case, the average pile statement score for this statement would be $((100*8)+(75*2)/(8)) = 95$.

A *pile statement* score was only generated for coded statements made more than three times during the entire PWR process covering all villages.

4. *Generating a household wealth index*

As a result of the three ranking processes for each village section, each household was included in three piles. Each of these three piles had *pile statements* associated with it, and each pile statement will have been allocated an average *pile statement* score (as described above). A household wealth index for each household was then calculated as the mean of the *pile statement* scores of all the pile statements made in relation to the three piles into which that household was ranked. This technique ensures that there is a direct link between the household wealth index and the score each statement receives.

5. *Generating poverty lines*

In order to generate poverty lines a list of all the pile statements was made in descending order of their average *pile statement* scores. Alongside each *pile statement* we included a count of the number of occasions each statement was mentioned in the three *general statement* categories “very poor”, “poor but a bit better off” and “doing OK”. We then sought to apply a visual assessment to see if

obvious cut-off scores could be applied to group the *pile statement* scores into categories corresponding to “very poor”, “poor, but a bit better off” and “doing OK”.

As the household wealth index is composed of an average of *pile statement* scores we judged it appropriate to apply the same numeric cut-off scores identified in the visual assessment to the household wealth index. The final stage of our analysis was to apply these cut-off scores to the household wealth index to group households into wealth bands on the basis of these local perceptions of poverty.

Results

The PWR process

This was a large scale application of PWR. PWR was conducted between June and October 2001, with a small, specialised staff working part time over that period. 9824 dwellings were identified in a total of 79 village sections in 8 villages. Validation exercises suggested that a small number of households remained unmapped in each village.

Three ranking sessions occurred in each of the 79 village sections, thus giving 237 ranking sessions that occurred in total. Across all of these ranking sessions a total of 3556 *general statements* were coded describing the general properties of households seen as “very poor” (1240), “poor, but a bit better off” (1097) or “doing OK” (1216). A further 8856 *pile statements* were coded, describing specific groups of households within the piles assembled by the wealth ranking process. In total, the statements were coded under 33 themes, and 880 statement codes. Some 81.1% of statements were assigned only one code.

In the later parts of the analysis described here the data is restricted to statements made on multiple occasions. 319 *pile statement* codes were used on more than three occasions and final *pile statement* scores were assessed for these. 168 *general statement* codes were used more than three times. In the final part of this analysis 131 statement codes, under 23 themes, that were made more than three times in both stages were used to generate the table used to assess poverty lines.

A final wealth index is available for 9671 dwellings (98.4%). Between 4 and 11 ranking piles were formed in each process, with 6 being the most common. In most

ranking sessions the number of households ranked in the poorest piles was higher than those in the wealthiest piles.

Poverty themes

The themes delineated during PWR, and the frequency with which they were raised among all statements made in the two stages are given in Table 1. As can be seen, employment was the theme most regularly raised by participants in describing relative wealth characteristics. The schooling of children, housing conditions and food security were also regularly mentioned. Alternative ways in which income may be generated are also mentioned regularly, including self employment, begging, pensions (or grants) and societies / stokvels², as well as direct mentions of money or income. A variety of non-financial topics were also listed, for example, dirtiness, health, fighting, planning and happiness. Of interest in this rural, but densely populated, former bantustan of South Africa is the infrequency with which livestock, land and agriculture are raised in these discussions.

It is important to note in interpreting Table 1 that the way in which the questions are asked is to delineate households within villages that are doing better or worse. This does not encourage the consideration of hugely important factors that affect whole communities. Our experience in the area suggests that better water supply, roads and schools, complete electrification, general economic development, job creation and a reduction in crime are widely seen as developments that would improve the lot of all. What the descriptions given here relate to is how people in the area, all of whom live in this society with relatively basic infrastructure, rate their own well being in comparison with their neighbours.

² A stokvel is an informal savings group

Poverty statements

Table 2 shows the 131 statements made more than three times in both the *pile statements* and the *general statements* phases of the wealth ranking. This table requires discussion under a number of headings.

Pile statements

In the left hand two columns of the table are given the number of times each statement was made in total during the *pile statement* phase of the ranking procedure and the associated average *pile statement* score. The statements in the table are listed in descending order of their *pile statement* scores, such that those statements made most often made about piles of the poorest households appear at the top of the table.

Ordering the statements in this way is illustrative on a number of points. Looking at the table from top to bottom gives some idea of the range of well-being described for residents of the area. PWR participants give a strong sense that households ranked among the poorest piles are struggling to survive. Such households are struggling to feed themselves and to clothe or educate their children. They have little or no access to jobs or housing. Further down the table are descriptions that relate to households that have access to relatively low paid jobs and a basic ability to meet basic human rights (food, education). It is interesting that simply having water in the home, appears in the last quarter of the table, suggesting that water remains a key, limited resource for most households in the study area. This is also illustrative of the generalised extent of poverty in the area; even at the top end of the well being scale relatively basic services and opportunities are seen as important.

The distribution of themes is also interesting. Statements relating to food, schooling and housing were often made along the whole scale. For example, those with “no

food”, or who “beg for food” appear at the top of the table, those who “eat mealie meal only”³ or “have little food” appear some way down, while participants suggested that the wealthiest eat “delicious food”. Conversely, some themes were only mentioned with relation to specific wealth ranks. For example, while the presence of cars was often used to describe the wealthiest households, their absence was rarely used to describe lower groups in the ranking.

Finally, it can be illustrative to examine specific statements relating to a single theme throughout the length of the table. For example, the table provides information on the range of employment opportunities in the area, and the way they are perceived by wealth ranking participants. As might be expected, statements relating to the absolute absence of jobs are associated with scores near 100. Further down the table, working on farms, domestic work and building all appear as relatively low income pursuits, while towards the bottom of the table it can be seen that mine workers, teachers, the police and government workers are perceived to be employment types associated with the most well off households.

Assigning poverty lines

On the right hand side of Table 2 are tallies of how often each of the statements listed were mentioned in relation to each of the three questions asked during the *general statements* phase of wealth ranking. As might be expected, there is a pattern such that those statements with the highest scores were almost always said in relation to “very poor” households, and conversely those with the lowest scores were most often said about those who were “doing OK”. A small number of statements appear as outliers, such as, “sleep without food” which is largely surrounded by statements made exclusively in relation to the “very poor category”, but which itself was also said in relation to the central category. A larger group of statements appear

³ Mielie meal, or maize meal, is the local staple food

between bands of statements made in response to particular wealth groups. Some of these were distributed relatively evenly between two of the wealth groups asked about. For example, “has cattle”, “has [school] uniform” and “got jobs/employed” are grouped together, and were all stated a number of times in relation to enquiries both about “poor, but a bit better off”, and “doing OK” households.

There was strong agreement between statement scores and the wealth groups the statements were made about. Consequently, we judged that it was safe to apply poverty lines on the basis of this. The shaded bands in the table show this. We have applied poverty lines only on the basis of qualitative judgement, without using mathematical or a-priori decided formula. In doing so we have identified five groups of statements, and consequently five bands of statement scores. Three of these groups relate directly to the posed questions about households that were “very poor”, “poor, but a bit better off” and those “doing OK”, while the remaining two are smaller bands in between the three main categories.

Applying the poverty lines to household data

The final stage in the analysis was to apply the poverty line scores delineated in the process above to the household wealth index calculated on the basis of the statement scores. We applied cut lines to the household data that were midway between the scores of the two statements at the edge of each band. For example a poverty line has been drawn between the two statements “mud housing” and “shacks”, whose statement scores were, respectively, 86.7 and 85.6. A cut off line was applied of 86.2 to the household wealth index data to identify between households that were “very poor” (scores above this) and those that were in a group between “very poor” and “poor, but a bit better off” households (scores below this, we have termed this group “poor”). In this way we identified five groups of households of differing wealth.

As shown in Table 3, using these poverty lines it appeared that of all households mapped in the 8 villages, 24.4% were deemed “very poor” by PWR participants. A further 7.8% might simply be described as “poor”, covering the scores relating to statement scores split between “very poor” and “poor, but a bit better off”. We suggest in this analysis that both of these groups of households should be considered below the poverty line. Following this comes a large group of households (48.2%) who are described as “poor, but a bit better off”. This is followed in turn by another small marginal group (termed “a bit better off” here, and encompassing 7.8% of all households), before a final group of households that are “doing OK” (14.1%). Figure 1 presents a histogram of the household wealth index with the shaded bands from Table 3 applied to it. This gives a clearer picture of the distribution of the index across the full range.

The values of the household wealth index can also be used in conjunction with Table 2. For example, a household with a wealth index score of 88 is clearly regarded as being “very poor” by local PWR participants (Table 3 and Figure 1). Table 2 additionally gives a sense of the actual experienced well-being of such a household. Around the score of 88 are the statements “tattered clothes”, “cannot afford school fees” and “mud housing”. The presence of these statements around this score does not indicate that the given household necessarily has any of these specific characteristics (i.e. the household wealth score is not defined by any of these), but rather that PWR participants rate the poverty level of this household similarly to households that exhibit these characteristics.

Discussion

In this paper we present the results of a poverty appraisal conducted in rural South Africa. The appraisal was generated through combining qualitative and quantitative approaches to the analysis of data collected during participatory wealth ranking. We generated a measure of household wealth, applied poverty lines to this measure to identify groups of households including those that were “very poor” and “poor”, and describe the characteristics of those households.

Through this technique we have identified a group of 24.4% of households that were categorised as “very poor” by local PWR participants. A further 7.8% of households were classified as “poor” by the authors of this paper. Households that were “poor” and “very poor” were characterised by descriptions of well-being indicating a genuine struggle to survive including a need to beg, limited access to food and housing and almost no access to formal employment. Some “poor” households were engaged in poorly remunerated activities such as digging toilets, selling firewood or having small businesses. We conclude, firstly, that the villages in the study area, located in the Tubatse municipality of South Africa’s Limpopo Province are suffering severe, endemic poverty in urgent need of redress. Our study was not intended to be representative of any wider population than the eight study villages, but this pattern of deprivation may be matched in other rural areas in the province. Other recent reports have also suggested high rates of poverty, unemployment and food insecurity in Limpopo Province (Leroy, van Rooyen, D’Haese & de Winter, 2001; Rose & Charlton, 2003; McIntyre et al., 2002).

Our second conclusion is that our analysis of PWR data has generated a rich appraisal of the prevalence and depth of poverty in this region. We suggest that such data could be used or refined for use by policy makers. The approach described in this paper is novel, representing a significant departure from classical survey based

techniques employed in poverty appraisal and a refinement in the use of participatory wealth ranking data. The remainder of this discussion concentrates on methodological issues relating to our approach.

Methodological issues (i) : Field methodology

Recent literature has highlighted the importance of standardised methodology and statistical sampling techniques in generating statistics from participatory methodologies that might be used to influence policy. We were fortunate in this study to work with a well established, standardised PWR procedure implemented by experienced practitioners. We cannot overemphasise the importance of this in contributing to our confidence in the results we report here.

The study in which this data was collected focuses on eight villages that are the site of a community randomised trial of a developmental HIV prevention intervention trial. As such, our aim in this work was to use wealth ranking to generate a list of households and a measure of wealth for all households in these villages. A small number of households remained unmapped and unranked, yet our results can be confidently generalised to this study area. We would concur with other authors that careful sampling of sites in which to conduct PWR could generate poverty appraisals generalisable to district, province or even national level (Barahona & Levy, 2002).

Methodological issues (ii) : Statement coding, statement and household wealth scores

In assigning codes and generating scores for statements and households we have made a number of assumptions and arbitrary decisions that are worthy of documentation here. In doing this, our intention is to highlight that the choices we made were choices and alternative ways of proceeding may have been possible. With no pre-existing literature to guide us, we made decisions in this work that we felt

most closely took us towards our intended goal. Those wishing to repeat the work are likely to be faced with similar decisions and a description of some of them is useful here.

The coding system we developed did not have an explicit pre-defined framework to guide it, but our intention was to capture themes of relevance in an analysis of wealth and poverty. We aimed to assign the same statement code only to statements with precisely comparable meaning. As such it is unlikely that an alternative coding system could have been developed at this level. However, the choice of themes under which to group statements is much more subjective and alternative theme-coding schema might be developed.

Our decision to use a statement scoring scale of 0 to 100 within each ranking was also arbitrary, but it seemed sensible to us to ensure that ranking piles ranked in the top and bottom ranks within each ranking received the same score. In our analysis, by calculating household wealth scores on the basis of statement scores we hoped to improve on one major limitation of PWR, that of its lack of comparability across different contexts (time or place). To illustrate this limitation, we can conceive of two PWR processes, one conducted in a wealthy suburb of Johannesburg and another in a rural village with widespread unemployment. Within each ranking process, households will be ranked from poorest to wealthiest generating a number of wealth ranking piles. However, until now no formal methodology for linking these ranks to actual descriptions of well-being has been available, and thus it would not be possible to differentiate between households of the lowest (or highest) rank across contexts, whereas common sense suggests that differences are likely to exist. The methodology we describe here, however, intrinsically links the household wealth index to a reference table (Table 2) that describes characteristics of households deemed to be of comparable wealth within a given context. Extending this further to

allow full comparability across time or place would require significant further work, but we suggest this could well be a fruitful area for further empirical study.

Finally, the decision to limit our analysis to include only statements made more than three times was also arbitrary. We wished to limit the weight of statements made infrequently (and thus intrinsically tied to one or two ranking sessions) in generating the household wealth score. However, we also wished to allow as many statements as possible, reflecting a wide range of themes, to contribute to the analysis. Finally, we wished to be able to generate a household wealth score for as many households as possible. In this large scale application of PWR, when limiting to over three statements we were still able to generate a household wealth score for all households that were ranked on two or more occasions. In smaller applications it may be necessary to include statements made less than three times to ensure this.

Methodological issues (iii) : Applying poverty lines

In this field methodology of PWR, questions were asked about households that were “very poor”, “poor, but a bit better off” and those “doing OK”. These questions have been designed to facilitate a discussion of poverty among PWR participants, and it is unlikely that they are interpreted by participants in precise terms. However, the use of these questions does not allow easy delineation between the “poor” and the “non poor” as has been set out as a goal of this poverty appraisal.

In this analysis, we have identified two *marginal* groups of households, that we have termed “poor” and “a bit better off”. This decision is also arbitrary – one might also, for example, decide to concentrate only on the original three questions and identify only three strata of households. In this method, poverty lines might be assessed as midway between the three major groupings (“very poor”, “poor but a bit better off”, and “doing OK”).

Finally, in our analysis we have suggested grouping together the “very poor” and “poor” households to count as those identified as being below the locally relevant poverty line. This decision is also subjective. We do not know how sensitive the lines would be to slight changes in the wording of the questions asked of PWR participants, nor how they would correspond to an absolute poverty line generated on the basis of basic needs and applied to expenditure data. In fact, we do not know whether our wealth score would rank households similarly to a ranking based on income / expenditure data, and even if they were perfectly matched we do not know if poverty lines applied to the two techniques would classify the same households as “poor”.

Comparing the results of poverty appraisal with other approaches

An extensive discussion of the validity of the PWR technique described here is beyond the scope of this paper. However, we do wish to discuss the utility of this method in generating an appraisal of poverty. In order to meaningfully do this it is necessary to briefly review the validity of PWR methods for household wealth estimation.

Previous studies have reported that wealth ranking techniques generally *correlate* significantly with standard economic status indicators collected in surveys (Adams, Evans, Mohammed & Farnsworth, 1997; Scoones, 1995; Temu & Due, 2000). In these studies it is often unclear whether the author’s believe that PWR will simply correlate with or should be expected to *agree* with such measures in ranking households on their economic status. Our group has formally assessed both the *correlation* and the *agreement* between a PWR household wealth index and an index of wealth based on a multi-indicator survey approach incorporating a principal components analysis (Hargreaves et al., 2004). We again found significant correlation between the PWR score and markers of economic status from the survey.

However, we found only limited *agreement* between the two measures (intra-cluster correlation coefficient = 0.32). The reasons for this are likely to include inaccuracies in household wealth estimation from both techniques as well as the potential that they are ultimately measuring different things. However, in the same analysis we found a high level of agreement between the three independent groups that rank each household's wealth within PWR (intra-cluster correlation coefficient=0.82). This finding makes it unlikely that participants either did not know the wealth of households in their own village, or that small groups of participants were able to bias the wealth ranking. PWR produces a highly internally consistent (*reproducible*) measure of household wealth. Multi-indicator methodologies for the assessment of household wealth are themselves relatively novel and may have limitations. Such measures may suffer from inaccuracies in the reporting of sensitive issues such as ownership of goods. Additionally, the choices of indicators to include in such measures, and the ways in which they are combined are likely to be both important and complex. We are not aware of any studies that have compared the results of PWR with income / expenditure data. Such data is generally regarded as the most effective way of capturing household economic status and such studies would be an important contribution to the literature. The complexity of capturing such sensitive data, particularly in a complex rural society where migrancy, remittance and social capital are all important components of the context should not, however, be underestimated. In our view, the current literature, along with our own work, supports the view that standardised PWR methodology should be investigated with rigorous, empirical studies as a potentially valid tool for rapid assessment of household economic status.

In the absence of clear conclusions on the validity of PWR (or other rapid wealth estimation techniques), it is nevertheless useful to examine the types of data and appraisals of poverty the different techniques generate. We set out with two core

poverty appraisal goals in this work, to assess the number of poor households and to describe how poor they are. Income / expenditure surveys that employ an absolute poverty line clearly identify those who are currently unlikely to be able to afford basic goods necessary to support the household. The decision of what constitutes the components of such a basic goods basket is often taken by researchers rather than local people, but in primarily cash driven contexts the approach has obvious intrinsic appeal. It also has the advantage that, allowing for exchange rates and price differences, it can be compared easily across time and place. The PWR method used here identifies those households regarded by their neighbours as “very poor”. It is less easy to transfer this across contexts, not least because of complexities in language. This application of wealth ranking was conducted in *Sepedi*, using the question “Mohloki wa mafelelo ke motho wa mohuta mang?” to ask “what is a very poor person?”. How directly this phrase translates into other languages and cultures would warrant investigation. A more transferrable process in assigning a poverty line to the statement score data might be identifying a number of key phrases such as “they have no food”, and apply a poverty line on the basis of the point at which these appear in the reference table. However, this type of approach would again partly take the decision as to who should be considered poor away from participants.

Survey based methodologies that combine indicators of wealth have rarely attempted to generate absolute poverty lines. Rather they have tended to cut the population in to relative groups – for example, the poorest tercile, a middle tercile and the wealthiest tercile (Henry et al., 2000). It would then be possible to describe the profile of these terciles in terms of the indicators on which data is collected. This would also be useful since when complex statistical methodologies are used it is difficult to keep a feel for the data in the index generated. A similar approach might also be applied to the PWR approach generated here, where the most common statements related to terciles derived from the wealth score could be described to give a sense of the well-

being of those included in each category. Finally, such an approach might also be used for income / expenditure data, where the average income of households in income terciles could be described.

The strategies described above, using relative poverty lines and then describing the wealth of the strata in terms of indicators, income / expenditure or descriptions of well-being partly contribute to describing how poor the poor are. For income / expenditure data, other formal measures such as the poverty gap and severity indices are also available (Sen, 1976; Foster et al., 1984).. Developing such indices from the PWR technique described here would be complex and may also be an area for further study. The use of a reference table such as that produced here, with key statements highlighted along the continuum may be one potential area of such further research.

There are, then, comparable analyses that might be applied to data collected from poverty appraisals using the three separate approaches. A much greater amount of work has gone into developing such analyses from income / expenditure data. This type of data also has intrinsic appeal to policy makers since it might be easily be translated towards decisions regarding resource allocation. However, data from PWR and indicator surveys are likely to be particularly useful in determining the ways in which such resources are spent. In our own work we have adopted both of these techniques to help us understand the extent and context of poverty in our setting, and combined approaches are likely to continue to be highly effective in generating thorough poverty appraisals in a wide variety of settings.

Conclusion

We have successfully identified the number of poor households and described how poor they are using data from participatory wealth ranking collected in rural South Africa. In achieving this, it was highly beneficial for us to combine qualitative and quantitative approaches to data analysis, and this use of a mixed methodology has been central to generating the desired appraisal. Careful use of standardised methodology for PWR, alongside further refinements of mixed methods to analyse the data might increase the utility of PWR processes as a method for poverty appraisal, but also for studies from other disciplines that seek to measure, describe and understand poverty within their own study contexts.

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Tables

Table 1: Themes raised in discussions of poverty in wealth ranking conducted in rural South Africa

Theme	General Statements		Pile Statements		Total	
	N	%*	N	%*	N	%*
Employment	577	14.5%	2236	21.3%	2813	19.4%
Schooling	557	14.0%	1351	12.9%	1908	13.2%
Housing	559	14.0%	1229	11.7%	1788	12.3%
Food	506	12.7%	921	8.8%	1427	9.9%
Self employment	380	9.5%	922	8.8%	1302	9.0%
Clothing	399	10.0%	755	7.2%	1154	8.0%
Family and household	146	3.7%	781	7.4%	927	6.4%
Money	162	4.1%	535	5.1%	697	4.8%
Pensions	100	2.5%	499	4.8%	599	4.1%
Cars	177	4.4%	297	2.8%	474	3.3%
Begging	91	2.3%	134	1.3%	225	1.6%
Towns	0	0.0%	216	2.1%	216	1.5%
Need	10	0.3%	96	0.9%	106	0.7%
Dirtyness	42	1.1%	60	0.6%	102	0.7%
Water	28	0.7%	49	0.5%	77	0.5%
Survival skills	11	0.3%	65	0.6%	76	0.5%
Societies and stokvels	34	0.9%	37	0.4%	71	0.5%
Other assets	34	0.9%	35	0.3%	69	0.5%
Health	31	0.8%	31	0.3%	62	0.4%
Furniture	24	0.6%	24	0.2%	48	0.3%
Livestock	19	0.5%	26	0.2%	45	0.3%
Planning	16	0.4%	25	0.2%	41	0.3%
Fighting	6	0.2%	29	0.3%	35	0.2%
Happiness	16	0.4%	19	0.2%	35	0.2%
Depended upon / employ ...	20	0.5%	14	0.1%	34	0.2%
Telephones	8	0.2%	25	0.2%	33	0.2%
Employ home help	3	0.1%	23	0.2%	26	0.2%
Position within society	3	0.1%	20	0.2%	23	0.2%
Electricity	11	0.3%	11	0.1%	22	0.2%
Crime	10	0.3%	5	0.1%	15	0.1%
Whites	3	0.1%	11	0.1%	14	0.1%
Land / Agriculture	9	0.2%	3	0.1%	12	0.1%
Lifestyle	0	0.0%	9	0.1%	9	0.1%

* Reported percentages are as a percentage of all statement codings

Table 2 : Poverty statements in descending order of poverty *pile statement* score

Pile statements		Theme	Statement	General statements		
Pile statement score	No. of times said			No. of times said		
		Very poor	Poor but bit better off	Doing OK		
100.0	7	Food	Don't have soup	10		
100.0	6	Health	Mental illness	4		
100.0	22	Family and household	Orphanhood/no parents	24		
100.0	8	Employment	Widows/deserted wives without jobs	5		
99.6	39	Food	Beg for food	33		
99.2	24	Need	Needy	4		
99.1	16	Societies and stokvels	Not in societies	10		
98.9	85	Begging	Begging	49		
98.2	11	Family and household	Widow	15		
97.2	28	Dirtiness	No soap	15		
96.9	4	Societies and stokvels	Unable to join burial society	7		
96.9	134	Food	No food	137		
96.8	41	Housing	Not got shelter	33		
96.3	58	Employment	No one is working	34		
94.8	101	Schooling	Doesn't go to school	39		
94.4	73	Clothing	No clothes/do not have clothes	73		
94.3	199	Employment	Not got job(s)/unemployed	113	4	
94.2	22	Food	Sleep without food	17	15	
93.8	10	Housing	One room	7		
93.7	20	Housing	Has no place to sleep	11		
93.6	82	Money	Don't have/earn money/income	49		
92.3	14	Food	Going to school without eating	7		
91.7	100	Schooling	Unable to/can't afford to go to school	66		
91.0	67	Housing	Not got housing	65		
90.4	37	Schooling	Cannot afford/does not pay school fee	18		
88.1	23	Clothing	Tattered/torn/poor clothes	20		
86.7	53	Housing	Mud housing	10		
85.6	76	Housing	Shacks	18	15	
85.0	51	Housing	No proper housing/shelter	18	6	
84.7	11	Self employment	Dig toilets		4	
84.5	19	Survival skills	Have survival skills		9	
84.2	26	Clothing	Do not have proper clothes	14		

Pile statements		Theme	Statement	General statements		
Pile statement score	No. of times said			No. of times said		
				Very poor	Poor but bit better off	Doing OK
83.0	56	Schooling	Don't have uniforms	14	5	
83.0	14	Self employment	Depends on selling fruit/vegetables		14	
82.7	31	Schooling	No shoes/barefoot at school	9	4	
82.1	13	Clothing	Children don't have clothes	10		
82.0	5	Employment	Parents unemployed	5		
81.6	32	Clothing	Children have tattered/torn/poor clothes	9		
81.5	27	Fighting	Stand and fight		5	
81.0	12	Self employment	Collect/sell firewood		6	
78.2	34	Schooling	Pays school fees late	9	6	
78.0	9	Food	Not able to buy/can't afford food	4		
77.3	64	Housing	Bad/poor housing	19		
77.3	13	Self employment	Depends on a small business		14	
76.2	10	Food	Not proper food	4		
76.0	5	Housing	Cannot afford to buy/build		4	
76.0	175	Employment	Farms		80	
75.6	26	Food	Not enough food	4	6	
73.4	31	Employment	Retrenched		8	
71.6	145	Self employment	Selling fruits and vegetables		39	
71.5	71	Food	Mealy meal only		37	
71.3	99	Employment	Domestic work		45	
70.1	60	Pensions	Pension and many responsibilities		25	
69.7	45	Pensions	Pension and many children/grandchildren to look after		14	
68.2	41	Schooling	Attains primary		8	
68.2	24	Food	Have mealy meal		15	
66.7	52	Employment	Temporary work			5
65.8	6	Clothing	Struggle to get clothes		6	
65.3	26	Food	At least have food		19	
64.9	28	Food	Little food		33	
64.6	8	Schooling	Can/does pay school fee only for some kids		4	
64.3	47	Self employment	Self employed		17	
61.8	55	Clothing	Secondhand clothes		21	
60.6	70	Money	Little money/income/earn less		29	

Pile statements		Theme	Statement	General statements		
Pile statement score	No. of times said			No. of times said		
				Very poor	Poor but bit better off	Doing OK
60.2	44	Housing	Small/little housing		26	
59.6	25	Schooling	Attains Matric/ std 10/grade 12		17	
58.9	4	Pensions	Depend on pension		14	
56.8	93	Schooling	Attains secondary		15	
56.6	54	Self employment	Selling/hawking (unspecified)		10	
55.6	70	Pensions	Receiving pension		16	
55.3	5	Housing	At least got housing		7	
53.8	38	Self employment	Has/owns/runs small business		12	
49.0	92	Food	Able to buy food		6	
48.4	105	Employment	Local shops		5	
47.3	20	Schooling	Doesn't attain university/tertiary		8	
46.0	21	Housing	Has place to sleep		5	
44.6	22	Housing	Got shelter		12	6
44.3	49	Schooling	Can pay school fees		9	
44.1	57	Housing	Got housing		7	
42.9	16	Pensions	No longer receive pension	6		
41.6	26	Food	Have food		10	6
40.7	22	Money	Has/earns money/income		11	
40.6	38	Schooling	Goes to school		4	
38.6	79	Schooling	Able to/ affords to go to school		29	4
36.9	7	Employment	At least one household member with a job		6	
36.0	10	Livestock	Have cattle		4	8
35.6	8	Clothing	Have proper clothes		5	
35.2	8	Housing	Can at least afford to buy/build		5	
34.6	28	Employment	Got jobs/employed		24	18
33.7	73	Schooling	Has uniform		6	9
31.1	140	Housing	Good/better/decent/nice housing			6
30.5	46	Clothing	Have clothes		11	
29.0	32	Clothing	Good clothes			58
28.2	51	Clothing	Children have clothes			7
27.8	63	Food	Good food/healthy			15
27.1	136	Employment	Mine worker			4
26.5	6	Employment	Permanent jobs		18	
25.1	27	Food	Food always there/regular food			4
23.2	4	Other assets	Have everything they want			14

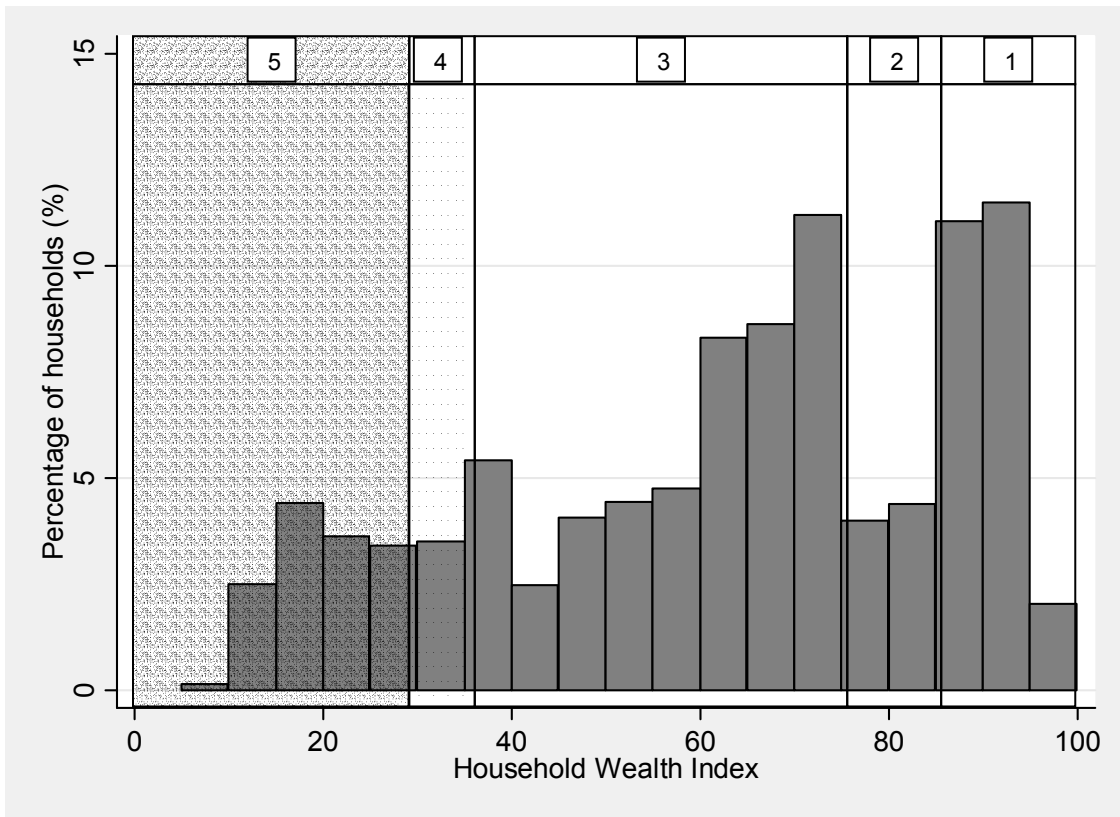
Pile statements		Theme	Statement	General statements		
Pile statement score	No. of times said			No. of times said		
		Very poor	Poor but bit better off	Doing OK		
21.9	7	Furniture	Good furniture			10
21.4	26	Clothing	Children have good clothes			30
19.6	124	Employment	Teachers			10
19.2	134	Self employment	Taxis			41
17.3	87	Money	Have/earn a lot of money/income			11
16.9	104	Cars	Have/drive cars			50
15.5	13	Food	Nutritious food			11
15.5	25	Money	No problems with money			4
15.3	101	Employment	Government			26
15.2	162	Schooling	Attains university/tertiary			52
13.6	97	Employment	Both husband and wife employed			18
13.3	5	Food	Have a lot of food			6
12.8	10	Schooling	Good school/education			4
12.1	163	Housing	Big house			96
9.9	15	Water	Have water in the home			10
9.9	123	Schooling	Private/expensive			76
9.6	73	Housing	Beautiful/attractive housing			42
9.0	16	Telephones	Have phone(s) at home			4
8.2	12	Schooling	Multiracial			5
7.1	13	Food	Delicious food			37
7.1	7	Self employment	Has a successful business			6
6.6	12	Clothing	Labelled clothes			5
6.2	65	Self employment	Has a business			47
4.5	74	Self employment	Shop owners			32
4.4	142	Cars	Have/ drive expensive/flashy cars			102
4.3	47	Housing	Tiled housing			21
3.3	6	Dependence	Poor people depend on them			4
3.0	11	Cars	Have/drive many cars			8
2.9	23	Water	Have bored water in home			13
2.1	15	Self employment	Has a big business			30
0.0	4	Self employment	Has a renowned business			4
0.0	6	Self employment	Has a strong business			5

Table 3 : Households above and below the poverty line within wealth bands delineated on the basis of local perceptions of poverty

Poverty group	Household Wealth Index (Range)	Number of households	Proportion of households
"Very poor"	86.2-100	2358	24.4%
Poor *	76.1-86.2	755	7.8%
Poverty Line			
"Poor, but a bit better off"	36.5-76.1	4657	48.2%
A bit better off *	29.8-36.5	537	5.6%
"Doing OK"	0 – 29.8	1364	14.1%

* The labels 'poor' and 'a bit better off' were not directly asked about in the wealth ranking and have been added here for the purposes of description.

Figure 1 : Distribution of household wealth index derived from participatory wealth ranking, with five wealth bands represented by shading.



Key : 1=Very poor, 2 = Poor, 3=Poor but a better off, 4= A bit better off, 5=Doing OK