

SUMMARY

ANOTHER APPROACH TO POVERTY INDICATORS IN BELGIUM

THE INITIAL SITUATION

The question of updating the qualitative and quantitative indicators of poverty is addressed in the "**cooperative accord for policy continuity in the war on poverty**"¹ in the following terms: *"after consultation with the scientific community, government bodies and the competent institutions, the social partners and those organisations within which the most impoverished persons express themselves, the signatory parties will examine those quantitative and qualitative indicators which may be used and/or further developed in order to analyse evolution in every field (connected with poverty and with the war on poverty), in such a way as to enable the appropriate authorities to intervene in the most suitable way"* (Art. 3).

This cooperative accord, and thus also the Article relative to indicators, is one of the results arising from the **General Report on Poverty**² (RGP), which, for Belgium, was innovative on two essential levels. On the one hand, the classic conception of poverty – low level of revenues and consumption - was considerably enlarged in the report, being expressed more in terms of human rights violations. On the other hand, the report was drawn up cooperatively by all the parties concerned; in particular, populations well below the poverty line were implicated through the medium of the associations which represent them.

Effective efforts have been made to determine those indicators which

most adequately take into account the reality of poverty in all its complexity, such as within the framework of national Plans for social inclusion. However, associations representing the poor are concerned at the low level of involvement of actual poor populations in such efforts. To improve this, they have drawn up a research-action-training programme which public authorities have agreed to support.

Their argumentation³ rests on the insufficiency of the classic poverty indicators used. Here is a summary of the main aspects:

- firstly, current indicators do not take daily reality, as it is experienced by the poor, sufficiently into account, whether quantitatively or qualitatively:
 - the poorest people are barely being reached by the statistical mechanisms deployed;
 - the parameters used are generally not well adapted to the least favoured populations;
 - those 'technical difficulties' advanced as a reason for the absence of the very poor from these statistics actually indicates a general lack of interest and consideration for their position;
 - the data given is open to manipulation for economic or political reasons;
- in addition, some of the indicators currently used have the effect of stigmatising certain categories of people, causing these to be afraid of expressing themselves and to develop an attitude of mistrust toward the rest of society.

The issue of the participation of the populations concerned in the drawing up of poverty indicators is a crucial one. Although poverty studies and projects sometimes consult poor populations for information, these are practically never associated with the interpretation or use of such data.

GOALS OF THE RESEARCH-ACTION-TRAINING

1. Find those parameters which best take into account reality as experienced by the poor when drawing up the indicators.
2. Enable the very poor to participate in all of this research, in collaboration with others concerned by the problem of poverty.

The two goals are intimately linked: to comprehend daily reality in poor communities, it was necessary to have the experience of poor people, as expressed by themselves, as a reference point, as well to engage their participation in all the stages of the programme, from its conception to the drawing up of the final report.

The second goal refers us also to Article 3 of the cooperative accord, where it is a question of mobilising the parties concerned.

METHOD

The method retained to enable the dialogue and participation of the different actors was that of "knowledge crossroads". This programme involved those actually living in poverty working together with the scientists and the representatives of the various government bodies and institutions to create the conditions necessary to ensure that the knowledge and experience of each could interact and contribute to a common reflection on the concept and use of poverty indicators.

There were 23 programme participants, 12 of whom live in poverty. These latter were chosen from among those associations within which the poor can express their opinions. The participants came from the country's three regions. A pedagogical team, responsible for the project, was charged with the mission of regulating the tasks. This team

consisted of a coordinator, and evaluator, an administrative collaborator and two pedagogical associates. The role of these last two persons consists in supporting those project participants living in poverty and guaranteeing the presence of those conditions necessary for their full participation.

RESULTS

1. The dialogue

A dialogue took place between the participants, permitting a constructive exchange which served as a basis for joint proposals. This is a result in and of itself. Several of the participants remarked at the end of the programme, that this dialogue presented a kind of reciprocal training in which each was able to learn from the others. This is without ignoring the difficulties typical of such dialogues; in particular those linked with the participation of persons from poor backgrounds.

2. The choice of subjects requiring closer examination

The choice of themes which were examined may be considered as a result. Indeed, since the time available for this project was limited, it was impossible, within the context of the method retained, to cover all the subjects connected with poverty. Therefore, even some important themes could not be broached.

Among the subjects chosen – financial aspects; work and employment; the application of rights; human sentiments – some might seem surprising in a project devoted to poverty indicators. The choice arises from the participants' desire to consistently use the experience of poor people as a reference. Despite the obvious difficulties associated with certain themes, they were retained because of their importance to the life of poor people.

3. The content of the various thematic reflections

3.1. Financial aspects

It is usual to define poverty in reference to an income level: those households which do not attain this level are considered poor. A "threshold" is fixed. The threshold most commonly used in the Belgian and European context is 60% of average income⁴. Such a threshold is arbitrary and fails badly to take the real experience of poverty into account. It does not help us to understand either the real significance, or grasp the implications, of living from one day to the next on a very low income.

Living with a limited income does not permit people to meet all their essential needs and, consequently, imposes choices among these and the renunciation of some of them. This is an essential reality for poor people. Another important characteristic of poor populations is the level of debt. From our reflection emerged the importance of distinguishing between two types of debt. The first concerns debts linked to consumer goods, which are indeed not characteristic to any particular segment of society. The second concerns the payment of certain specific charges: gas or electricity bill, school expenses, health costs – particularly hospitalisation. This second type of debt is far more characteristic of poor segments of society and possesses the particularity, not found in the case of consumer product debt, of touching their fundamental rights. Analysis disclosed two further realities concerning financial aspects. Firstly the proportion of the available budget devoted to accommodation is often considerable among the poor, something confirmed by the national enquiry into household budgets. Furthermore, school expenses are also a significant budgetary item, even though there are disparities under this heading, depending on the type of education.

In order to complete and add nuance to the existing indicators, the participants recommend:

- to calculate the proportion of the household budget destined to cover accommodation (including the cost of water, gas and electricity services), that proportion needed to cover all debts and that which is required to cover school expenses (including transport to and from school);
- to identify, among the total debt, those debts which are linked to fundamental rights;
- to calculate the "available budget". If one subtracts from the total income that part which pays for accommodation and that which must be set aside for debt repayment - two significant sums, the non-payment of which represents a real danger to poor people -, one arrives at the "available budget" for the meeting of all other needs (food, clothing, healthcare, transport, leisure, education, etc.). This available budget can be calculated. To attempt to give a better account of its value for a given household, it is suggested to compare this sum with the average amount spent by households of the same size. Evaluating the "available budget" in this way contributes to a realisation of the difficulties experienced by poor households to ensure their essential needs.

3.2. Employment and work

Employment may be one means by which to improve one's standard of living, but this is not automatically so. Certainly this is not true for the under-employed or those whose working statute is precarious. For people living in poverty, a job should enable them to plan for the future and to improve their standard of living in a lasting way. But to enable this a **"steady" job** is required, a term for which the participants gave the following criteria:

- it should include a working contract which clearly regulates the duties and obligations of each party;
- it should be adequately paid;
- it should give access to social security and all of those rights envisaged under current employment legislation;
- it should have a guarantee of duration;
- it should take into account the obstacles inherent to the lives of poor people;
- it should be chosen by the worker him/herself.

Among the obstacles to employment encountered in poor neighbourhoods, the participants listed:

- the difficulty of having their particular competences and work experience accepted at their just value, given that the poor usually have little in the way of education/qualification, but rather a variety of experience gained in precarious employment;
- elements linked to the difficulties of life in poverty, such as health problems, the question of child day-care, transport;
- specific additional costs may be linked with having a job: transport, clothing etc.;
- the fact of having worked outside the habitual routine of normal employment, or having been in prolonged inactivity.

In the face of such obstacles support and assistance are necessary; it should be possible to say to what measure these are available within the framework of a given job.

These findings gave rise to the following proposals on the issue of employment:

- the "administrative" benchmarks currently used to measure the level of unemployment are rendering a whole class of people, who are indeed without work, invisible; we must take the situation of these

people into account. One path suggested in the programme is the evaluation of the "reserve of manpower"⁵.

- A "level of stable employment" should be calculated, with reference to how many criteria (from among the six suggested) are effectively fulfilled by any given job;
- Where social assistance measures are suggested, they should be evaluated with regard to how well they contribute to the autonomy of the worker concerned.

With regard to **vocational training**, poor people are sometimes under the impression that such measures are, for the most part, intended to "occupy" the unemployed, to exercise a form of control over them, yet are of little real help with finding or regaining employment. Training courses should be systematically evaluated with the aid of indicators, to determine who has access to them, who truly participates and, above all, what has become - in the short, medium and long-term - of the person who has taken such a course.

The question of **employment support** was also analysed by the participants. In certain cases this looks more like an aid to the company concerned in the form of a subsidy granted (nominally as a reward for having provided a job), rather than a trampoline into the world of regular work for an unemployed person. Studies have shown the limited, even perverse, effects of some measures of this type: such as aid being earmarked for a certain category of unemployed person, to the detriment of others who, while they may not qualify for this particular measure, are sometimes in an even more vulnerable situation. The intention here is not to denigrate all forms of employment subsidy, but to encourage a rigorous assessment of their effects, through constant systematic evaluation, rather than through occasional studies.

To better illuminate the link between employment and poverty, the notion of a person's **employment history** is important. The participants recommend that means be provided to take this history into account. The Banque Carrefour contains employment and social security data. In the current state of affairs, consulting this data does not reveal employment history, the data being both incomplete and hard to access. Certain improvements should be introduced, within the respect of confidentiality and ethics, to enable the inclusion and availability of employment history.

3.3. The application of rights

In the follow-up to the RGP – and therefore also to the cooperative accord – which recognised that vulnerability and the impossibility of exercising rights or of assuming responsibilities constitute essential dimensions of poverty, the participants wished to get to the core of the question of rights. They noted that there are already current indicators which are linked with certain rights, such as those concerning health, education or housing. These indicators enable us to describe a certain number of realities at the heart of a population.

Nevertheless, people living in poverty frequently encounter **difficulties in attaining their rights**. This is why, instead of opting for a vertical approach to rights (that is to say, one after another, area by area), the participants have taken a horizontal one (that is to say, common to the entirety of rights in question) and chosen specifically to deepen the question of the operation of such rights.

The poor frequently find themselves in a weak position with regard to their rights; very often they must fulfil certain conditions to be sure of having their fundamental rights respected. Thus normally guaranteed

rights become, for poor people, conditional rights. The **obstacle race** which leads to the obtaining of a right is often complex – and is not always successful in achieving its goal. The efforts made by poor people to obtain their rights become manifest: they themselves often refer to it as an "**ongoing struggle**". Taking a series of real-life situations as points of departure, the participants have identified five stages in this obstacle race:

- information: this is less a question of knowing what ones rights are as of understanding the social mechanisms to attain them;
- taking initial steps: elements such as previous negative experience, suspicion, fear of possible repercussions, feeling oneself to be of no consequence, all these constitute obstacles which may lead a poor person to give up on their initial intention;
- proceeding with the intention: involves aspects such as the kind of reception, expressing and officially registering the request, the cost and time involved;
- the result of these efforts: has the sought after right been attained? In what time frame? Was the response adequate? What are the consequences of the suggested response? Indeed, in certain cases, the response given may involve negative consequences for the life of the person concerned or that of their family;
- eventual measures of recourse in the face of a decision taken.

Designing instruments that take into account and evaluate all these stages is difficult. The participants have uncovered certain paths to be followed which are discussed in the text, but these still require further reflection.

It is not unusual for poor people to be **erased from administrative archives**. We need to evaluate the scale of this phenomenon, inasmuch as it represents a state of absolute denial of rights. However, administrative erasure is not necessarily linked to poverty and we

should take into account of this if we are to avoid confounding two situations which are in their nature distinct from one another.

Solidarity is a force which exists in poorer quarters, just as it may exist in other neighbourhoods. The participants have laid bare certain situations in which the virtue of solidarity comes into conflict with the realisation of rights. This seems to them to be an anomaly which first needs to be identified if it is to be corrected.

3.4. Human sentiments

Why have we broached this issue in a work devoted to poverty indicators? There are two principle reasons. Emotions play an important role in the life of the poor. Also, it is important to take sentiments into account if we are to understand poor people, their life experience and how they deal with it.

To **describe these sentiments**, various approaches were taken. This led the participants to ask themselves the question: are there certain emotions which are characteristic of poverty. The reply was negative: every emotion may be felt by any human being. That which is characteristic of poor segments of society is the intensity and, above all, the accumulation of such feelings. The participants demonstrated the importance of considering the chain of cause and effect: the situation which a person experiences as the source of the emotion, the way the emotion manifests itself and what the reaction is.

How to speak about feelings? For the participants, the importance is not to find a measure: attempts to quantify a feeling of well-being or the use of scales – such as the suicide rate, or the rate of psychotropic drug use – seem inadequate to them when seeking to express

human feelings with regard to poverty. These emotions should be taken into account because of their importance in the life of poor people. The question was asked whether surveys might be used to contribute to this consideration of sentiments. This reflection was enlarged, inasmuch as surveys are frequently used tools in the study of realities experienced within a population, particularly realities connected with poverty. The representatives of government bodies and the scientists tended to be in favour of this approach, an investigative tool with which they are familiar. The poor, however, seemed rather more suspicious of surveys. There is little definitive agreement on this issue, though most of the group supported a number of reflections concerning such surveys:

- the questions are not always pertinent to the experience of the poor;
- the questions may be ambiguous, badly drawn up or hard to understand;
- the gathering method (whether the respondent is asked to reply in writing or is directly interviewed by a field worker) may be an obstacle;
- within statistical samples representing the entirety of the population, the very poor are under-represented, rendering less reliable any results concerning them;
- temporary events having nothing to do with the enquiry may influence the reply, which is not taken into account during interpretation;
- the interpretation of replies is a delicate matter to be undertaken with caution;
- analyses and interpretations are undertaken by persons exterior to the situation, leaving the poor person concerned no possibility to intervene at this stage.

3.5 General reflections

Certain elements bring together all the chapters, the different aspects

of life being interconnected. Towards the end of their work, the participants broached three important points which emerge from the totality of subjects tackled during the programme.

- **Watchdog groups:** to construct poverty indicators, we refer to administrative and other data and gather information in different ways. After this, the data gathered is subjected to analysis and interpretation before being put to use. The entire process calls for considerable vigilance, both in the way that we speak of poverty and the way we evaluate the policies of the war on poverty, if the results are to concord with the real life experience of poor people. How can we ensure such vigilance, if not through the creation of watchdog committees in which people who actually live below the poverty line are effectively represented?
- **Accumulation and chain reaction:** serious poverty always concerns several areas of existence. That which affects one area has repercussions on the others (chain reaction effect). This reality put a finger on one of the inherent limitations of current indicators, which analyse specific areas. The participants highlighted the importance of cross-referring data in order to take this accumulative cause and effect into account. This nonetheless remains a point which should be further examined.
- **Poverty and Liberty:** the utility emerges, from the different chapters approached, of looking at poverty in terms of the limitations it imposes on the ability to make choices, to build projects on one's own strengths or those of one's family, of giving a chosen orientation to one's existence and, in a general way, of exercising one's liberty.

CONCLUSIONS

The participants were consistently and above all guided by the realities of life as experienced by people living in poverty. This approach has not resulted in the creation of a list – more or less complete – of poverty indicators, even if concrete suggestions for such indicators were drawn up. The participants have exposed certain essential elements of poverty which are hardly, or not at all, being taken into account by current indicators. On this issue, they consider that the systematic and rigorous evaluation of measures to combat poverty as well as policies of prevention must find a recognised place in the process of investigating poverty indicators.

Their work thus constitutes a contribution to the putting into practise of Article 3 of the cooperative accord calling for continuity in the war on poverty in Belgium. This reflection is not yet closed.

- ¹ Cooperative accord between the Federal State, the Communities and the Regions concerning continuity in poverty policy, signed in Brussels, 5th May 1998, approved by the Flemish Community, "Belgian Monitor" 16 December 1998, by the Federal State, the German-speaking Community, the Walloon Region, the Brussels Capital Region, "Belgian Monitor" 10 January 1999.
- ² General report on Poverty (1994), ATD Quart Monde, Belgian Union of towns and Communes (CPAS section), King Baudouin Foundation, Brussels.
- ³ The complete argumentation of these associations is published in extenso in: Service de Lutte contre la pauvreté, la précarité et l'exclusion sociale (2001), *En dialogue, six ans après le Rapport Général sur la Pauvreté, Premier rapport bisannuel*, Centre pour l'égalité des chances et la lutte contre le racisme (Centre for Equality of Opportunity and the War on Racism), Bruxelles.
<http://www.luttepauvrete.be/rapportbisannuel.htm>
- ⁴ To calculate median income, all revenues are classified, from the least to the largest and the average is taken. Because this is in relation to family size, alterations are made according to the size of the household.
- ⁵ See notably: Laffut M., Ruyters C. (2002), «Tentative d'évaluation du sous-emploi et de la réserve de main d'œuvre latente en Belgique et dans les trois régions», in: *Capital humain et dualisme sur le marché du travail*, Coll. Economie-Société-Marché, De Boeck Université, pp. 169-195.