Doctor of Sociology

Measuring Poverty in Suriname, A systematic research on concepts and measurement methods

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Summary

This thesis is about measuring poverty in Suriname and serves as a framework to map to the incidence and the underlying causes of this phenomenon. In Suriname, a small, middle income developing country in South America, poverty research is lagging behind. There are hardly recent reliable and comprehensive poverty estimates available, nor is there a research-based national strategic program to tackle poverty. Several efforts were made in the past to improve this situation. However, these efforts have not yet born satisfactory fruits, due to financial constraints and a lack of expertise, as well as due to the diversity in the conceptual framework and measurement methods. This work contributes to fill this gap, also by explicitly taking account of the specific socio-economic and geographic characteristics of the country.

This research is carried out by first selecting and analysing available data bases, obtained particularly from the latest census and household budget surveys and the AmericasBarometer surveys. Second, the proportion of the population living at risk of poverty is estimated, and as a third step factors are identified that explain the incidence of poverty. Starting with monetary approach household income and consumption expenditures are used to measure poverty. The proportion of the households in the total sample living at risk of poverty increases from 11 percent for the $2-a-day poverty line to almost 60 percent when applying the minimum wage poverty line, which is equivalent to $11-a-day. Income and consumption expenditure data indicate that the average spending capacity of household is not only low on average, but unequally distributed both geographically and between ethnic groups. Amerindians and Maroons living in the interior are the poorest and most vulnerable population subgroups.

Households in Suriname face deprivations not only as a consequence of their purchasing power as measured by their income, but also due to natural circumstances and underdevelopment of the region where they live. By exploring the concept of relative poverty this research takes with this second concept account for these circumstances. Consequently, households are defined as relative poor if they experience lack or shortage of basic goods and facilities which forces them to live below the minimum
acceptable standards of their society as a whole, and which contributes to circumstances where they are unable or restraint to fully utilize their capabilities. By using the material deprivation measurement techniques households’ assets, durables and basis services are incorporated as a deprivation index into the analysis. Analyzing the results produced by the material deprivation index show that the poverty estimates improve and the inequality between regions and other subgroups are more outspoken than in the case of monetary poverty.

The third concept used in this research is the multidimensional poverty approach. It extends the aforementioned concept of material deprivation by also including other dimensions of human well-being such as education and health. This approach gives more attention to what lies ‘beyond the averages’ of households as measured by the two preceding concepts and clearly explains why some households within a community might need more resources than others.

This research on the concepts and measurement of poverty has generated useful outcomes for Suriname. At national level the poverty incidence ranges between 24 to 29 percent, but at the same time these incidence figures vary quite sharply at regional level. The urban area has a relatively low incidence of 17 percent, whereas in the interior region this figure amounts to a notable 80 percent. The estimates of both the material deprivation and the multidimensional approach indicate that including non-monetary indicators and/or multiple dimensions in the analysis improve the poverty estimates and detect vulnerable subgroups and disparities at regional level better than the monetary approach. However, the multidimensional poverty approach, within the framework of the capabilities approach, is even a better method. After all, it enables assessing poverty by taking multiple dimensions of human well-being into account and by paying attention to the importance of individual’s capabilities to achieve the kind of life they have reason to value. As demonstrated by this research this approach covers the empirical problems as regional disparities, inequality between regions and subgroups better by exploring more dimensions than only monetary or material deprivation.

Subsequently, logistic regression analysis was used in order to trace the factors that explain the incidence of poverty. This analysis shows that poverty is mainly explained by structural factors such as education and the relation of the household to the labour market. Those living in the interior or those belonging to household with a Maroon or Amerindian background, face a higher risk to be observed poor, due to their relatively low educational level and weak labour market position. Household composition and size do explain the incidence of poverty to some extent, but their impact is smaller compared to the aforementioned factors.