United Nations Economic Commission for Europe
Conference of European Statisticians
Group of Experts on Measuring Poverty and Inequality
8-9 December 2022
Workshop on Harmonization of Poverty Statistics to Measure SDG 1 and 10
7 December 2022

Title of contribution: Approaches in measuring subjective poverty in Bosnia and Herzegovina
Author Name: Edin Sabanovic
Author Organization: Agency for Statistics of Bosnia and Herzegovina
Topic: Subjective poverty

Summary: Poverty is still a big world problem, and two SDG goals are dedicated to it directly and several of them indirectly. The first prerequisite for reducing this problem is its appropriate definition and measurement. National statistical offices (NSOs) are authorities in charge for measuring poverty and for this purpose several indicators were developed and harmonized in order to provide international comparisons. The main goal of these indicators is to “objectively” measure the poverty. However, the question arises: Are objective indicators of poverty sufficient to comprehensively explain and measure this complex problem? Since a large number of strategies for reducing poverty are implemented more slowly than planned, we can conclude that perhaps one of the causes may be the absence of considering this problem from all aspects. The subjective perception of poverty, as a complementary dimension to objective poverty, is rarely present in the reports of NSO’s and is mostly limited to some aspects of subjective assessments of living standards, which can, at best, only be used to indirectly measure subjective poverty. Nevertheless, appropriate and internationally comparable indicators of subjective poverty are still missing.

The aim of this paper is to present several indicators, which can be used in order to describe subjective poverty of Bosnian population and which are, more or less, in line with indicators used in other countries. These indicators are produced on the basis of survey questions which are not directly related to poverty, but refer to subjective assessments of various aspects of living standards. The majority of these indicators are of non-monetary nature and represent respondent’s view of their situation regarding several main aspects of the quality of their lives. This type of indicator is very rarely used in poverty reduction strategies where objective poverty indicators played the main role. In absence of widely accepted and standardized indicators of subjective poverty, presented surrogate indicators can be used in order to complement poverty profile of the country and to verify objective poverty measures and their methodological bases (type of monetary aggregate, threshold, equivalence scale, deprivation indices, etc.). For the production of the above-mentioned indicators, data from 2015 Household Budget Survey in Bosnia and Herzegovina was used and all calculations were performed in IBM SPSS Ver. 23.0.

The paper ends with a critical review of the available indicators for Bosnia and Herzegovina and with proposals for improvement of measuring subjective poverty in nearest future.

Please select your preferred contribution (you may select both options):
☒ Presentation
☒ Paper