A SUBJECTIVE PERCEPTION OF POVERTY IN THE PODTATRANSKÝ REGION

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Abstract

This paper presents the results of research the objective of which was to determine the subjective perception of poverty in the Podtatranský Region. The introduction addresses a theoretical outline of the issue with an emphasis on the subjective concept of poverty and statistical data from the measurements of the EU-SILC (Survey on Income and Living Conditions, hereinafter referred to as EU SILC). The empirical part investigates the views of citizens from the Podtatranský Region on issues of poverty through quantitative research, the results of which were unexpected since the vast majority of the respondents do not regard themselves as poor.

Keywords: Poverty. Subjective poverty. Social exclusion. Indicators of poverty.

INTRODUCTION

Poverty is a global phenomenon. People know it in every country. Certainly, every one of us has already come into contact with poverty as a concept, or as a social phenomenon. It affects all people, even those who are not poor. As is known in Slovakia, we do not have an officially determined poverty threshold; the most commonly considered poverty threshold is the subsistence minimum for one adult person. In Slovakia, we consider a person to be poor who finds himself in material need (Vaňo, 2006). The concept of material need is described in §2 of the Act of the National Council of the Slovak Republic No. 599/2003 Coll. on Material Need Assistance. Within the European criterion, it denotes the concept of the poverty of a person, family, or a group of persons, whose material, cultural and social resources are limited to such an extent that it excludes them from the minimum acceptable lifestyle of the State in which they live (Levická, 2004). This assertion, that it is not just a lack of material resources, but also other resources, Rusnáková (2007) also tends towards those according to whom poverty is not only material deprivation, but also social deprivation (social exclusion and the exclusion from rights). According to Novotná and Žilová (2011), there is no absolute and generally respected definition or threshold of poverty. Perceptions of poverty and its threshold may be different in individual countries, depending on their wealth and economic maturity. Therefore, from this perspective, poverty is always defined in relation to the standards of the given society. The authors further state the definition of poverty by Townsend which we shall shorten and which he understands as “A lack of resources for such nutrition, such activities
and living conditions which are common in the society to which the people belong.” (Novotná, Žilová 2011, p. 17)

This definition seems very concise to us in the context of the preceding assertions. A person, who is poor in the developed countries of the world, may not be poor also in countries, which are poorer. Also, in this example, it is indicated by a certain relativity of the concept of poverty. The aforementioned perception of poverty and its thresholds, however, does not depend only on the wealth and economic maturity of individual countries, but also on every single person who lives in a given country. Authors, such as Mareš (1999), Tvrdoň and Kasanová (2004), argue that the concept of subjective poverty is based on the feelings and evaluations of a person's own life experiences, regardless of the opinions of other people and the prescribed signs of poverty. This means that a person, who is poor, according to the objective characteristics, thus does not necessarily have to feel poor. Conversely, a person who, according to the objective characteristics, is not poor, thus might feel he is. This concept thus contains a high degree of the individuality of the perception of poverty which may have an impact on various factors of education; from the value orientation up to the environment in which a person grows; etc.1 Interesting are the findings, which in their publication, A. Alesin and E. L. Glaeser present (2004) who describe the difference between the perceptions of poverty in America and in Europe.

**People in America** much more often think that poverty is a consequence of laziness and that they can get out of it through hard work.

**In Europe**, the opinion prevails that it is a matter of luck and we cannot influence poverty by ourselves.

**Citizens of the United States**, therefore, insert a greater confidence into their own abilities and here we can see a greater conviction of the possibility of influencing one’s own unfavorable situation.

**Citizens of Europe** may, to a greater extent, rely on intervention from the outside, to wait and remain passive towards their situation because they believe that they are unable to resolve their situation.

Since in the area of research, we are focused on a specific Region (Podtatranský), we must not forget that the issue of poverty is closely related to this factor. As is generally known, Slovakia despite the fact that it has the area of a relatively small country is typical for its Regional differences. Especially Western Slovakia and the surroundings of Bratislava are, where poverty is concerned, doing better compared to the other Regions of Slovakia. Novotná and Žilová (2011) add that not only may the people be poor, but through them also the territories, which they inhabit. And vice versa, a specific poor territory can influence a particular person. Poverty is Regionalized; it begins to be territorially unevenly distributed and also starts becoming an attribute of the area. Regions of poverty are characterized in that they occur especially in territories with low economic growth; as a result of this funds do not remain for investment activity and capital accumulation; they have an underdeveloped economic structure; weak industry; long-term unemployment; a poorly developed market; an unfavorable demographic composition of the population; etc.

The concept of social exclusion is also related to poverty. Novotná and Žilová (2011),

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1 Similarly, we cannot fail to mention the social inequalities, which have a significant affect both on poverty itself and also on its perception. More In Almášiová, 2009.
however, point out that there is no direct link between exclusion and economic poverty, but this link may arise between poverty and social exclusion. They add that social exclusion is conceptually a broader term than poverty. Social exclusion namely relates to the fact how individuals or groups are involved in their social environment. Therefore, it does not reflect only their economic poverty, but also a severance to the edge of society in other areas of life.

We can characterize it more as a consequence of the unequal access of individuals, or entire groups of the population, to the following essential resources of society: employment, housing, social protection, health care, education (Strategy solutions of poverty, 2010).

In literature, we can meet also with the concept of social disqualification, which is the equivalent of the concept of social exclusion.

2. Statistical indicators of EU SILC

Of course, poverty is an unwanted social problem and obviously no-one would want to live in such conditions. However, at present, while there prevails in Europe an economic crisis and a growing number of unemployed, not everyone will fail to avoid such a situation. This is evidenced also by statistical surveys, thanks to which we have more insight about such data and help in examining its signs. We have focused, therefore, on some of the results of the measurements of the EU SILC (The European Union Statistics on Income and Living Conditions), namely the European statistical survey on income and living conditions. We have focused mainly on data regarding the Slovak Republic. For a better orientation in the issue, it is advisable to familiarize with some of the indicators of poverty.

Total disposable household income was calculated as the sum of the components of the gross personal income of all household members; plus the gross income components at a household level (e.g. income from the rental of property; transfers received from other households) minus the regular taxes from property; the regular paid transfers between households (e.g. nutrition; regular financial assistance from other households); income tax and social insurance contributions.

The equivalent disposable income is calculated so that disposable household income is divided by an equivalent size of household. This income is then assigned to each household member. The median equivalent disposable income is the value of the equivalent disposable income, which is dividing the total, according to the amount of income, into two equal parts, according to the number of persons. According to the results of the EU SILC 2012, the median equivalent disposable household income per person, per month, was €577. This indicator is taken into account in calculating the at-risk-of-poverty threshold. People in the Bratislava Region had the highest income, where the median equivalent disposable income was €713 per person. In other Regions, this limit fluctuated between €516 to €624 per person/month. (INFORMATIVE REPORT OF THE STATISTICAL OFFICE... 2013). With these figures, we can see that Regional inequalities in Slovakia are still relevant, in particular as regards the Bratislava Region in comparison with other Regions.
The at-risk-of-poverty threshold is defined as the value of 60% of the median equivalent disposable income. According to the results of the EU SILC 2012, 13.2% of Slovakia’s population were at risk of poverty, which are more than 715,000 people. The total annual at-risk-of-poverty threshold calculated from EU SILC 2012 was €4,156 for a one-person household, which represents an amount of approximately €346 per month. These numbers may seem very high, given the fact of how many inhabitants live in Slovakia and that poverty is generally perceived as an undesirable social phenomenon. However, next we shall learn that Slovakia falls amongst countries within the EU with a lower risk of poverty.

Risk of poverty rate - the share of persons with an equivalent disposable income below 60% of the national median equivalent income. The lowest risk of poverty rate was recorded amongst the inhabitants of the Bratislava Region (6.3%). The highest risk of poverty rate was recorded in the Prešov Region (19.9%). As we have already mentioned, Slovakia belongs to countries with a lower risk of poverty (13.0%). In 2011, Iceland (9.2%), the Czech Republic (9.8%), Norway (10.5%), the Netherlands (11.0%) and Austria (12.6%) had a lower risk of poverty rate. Denmark had the same risk of poverty rate as Slovakia, while Slovenia, Luxembourg and Finland (13.6% and 13.7%) had approximately the same value. The highest risk of poverty rate was in Bulgaria (22.3%), Romania (22.2%), Spain and Greece (21.8 and 21.4%). (INFORMATIVE REPORT OF THE STATISTICAL OFFICE, 2013).

It is gratifying that Slovakia is ranked among the countries least at risk of poverty. However, at the same time it is also surprising to find oneself in the company of Denmark, Luxembourg and Finland, who are considered as more advanced countries than Slovakia. One possible reason is that in Slovakia, compared to those States, there is a lower at-risk-of-poverty threshold.

With poverty, there is mainly related the idea of a lack of financial and material resources which is also reflected by the indicator of the rate of material deprivation. This indicator reflects the share of the population (in percentage) which is facing an enforced lack of at least three or four out of a total of nine deprivation items. In the calculation of the indicator, at least the following deprivation items are taken into account:

1) Arrears associated with mortgage or rent, payment for energy or repayment purchases on installment and other loans,
2) Ability to afford to go once a year for a one week holiday away from home,
3) Ability to afford to eat a meal with meat, chicken, fish (or vegetarian equivalent) every other day,
4) Ability to face unexpected expenses, equal to the amount set as the monthly national at-risk-of poverty threshold, for the period of the previous year,
5) Household cannot afford a telephone (including a mobile phone)
6) Household cannot afford a color TV,
7) Household cannot afford a washing machine,
8) Household cannot afford a car,
9) Ability of households to financially afford to keep the home adequately warm.

The overall rate of material deprivation, in the case of a forced shortage in at least 3 of the items, was 22.7%. Overall, we can say that the rate of a forced shortage among women was slightly higher than among men. In terms of age, persons 65 years and older (27.4%) and children aged 0-17 years (23.9%), were more exposed to an enforced shortage of at least three of the items. From all age categories, in at least four items, children were deprived at the highest rate (11.9%).
The unevenness of income distribution by the Gini Coefficient belongs among the best known indicators of income inequality. It includes the income of the whole of society. Theoretically, it can assume values of between 0 and 1, or in percentage terms, from 0% to 100%. If in a society there was absolute equality in income, the Gini Coefficient would assume the value of 0%. Conversely, if all the incomes in society belonged to just one person, the Gini Coefficient would have a value of 100%. Thereby, the higher the Gini Coefficient is, the greater the income inequality in society is. According to the Gini Coefficient, in Slovakia there are not very large income inequalities. The highest value was recorded in the Prešov Region (26.7%), Banská Bystrica (25.6%) and Nitra (25.7%) Regions still find themselves above the national average. The lowest values were recorded in the Trenčín and Trnava Regions (22.5% and 23.4%). (EU SILC 2012 Indicators of poverty/social exclusion 2013).

3. Research - subjective perception of poverty

By the means of a structured Questionnaire, research was conducted on the subjective perception of poverty by secondary school pupils in the Podtatranský Region, which was also the objective of the research. Since it was a quantitative data analysis, we collected and evaluated the statistical data by the means of which we mapped out the given issue. The subjects of the research were students from the 1st, 2nd, 3rd and 4th year of the Secondary Technical School, in Poprad. We obtained 105 Questionnaires, which we evaluated sequentially using basic statistical methods (sum, percentage). We have used Microsoft Excel, in which we have compiled the data and we processed the results in graphs and tables. We chose the Questionnaire method because of the inspiration of the EU SILC Research which also processes the issue of poverty through quantitative methods.

Our first assumption concerned the personal perceptions of poverty by the respondents. We wondered, therefore, whether more than half of them would be assessed as poor. Since this is a subjective perception of poverty, the respondents were asked for their own opinion and feeling as to whether they consider themselves to be poor. The majority of the respondents do not feel poor, which in our case represents up to 97 responses. Five students considered themselves poor, and three did not respond to the question. Such a vast preponderance of one of the answers is rather unexpected since Slovakia is not among the wealthiest countries and neither does the Podtatranský Region rank amongst the wealthiest in Slovakia. It also is unexpected because of the lurking economic crisis and the high unemployment in Slovakia. We can see the percentage share of the results in the chart below.

Chart No. 1 The subjective perception of poverty by respondents
In the next question, we investigated how respondents perceive their own poverty in comparison with classmates. A large majority feel that they are on an equal footing with other classmates, specifically 95 respondents (90%). The remaining responses were represented by a small number. Six (6%) feel that they are wealthier and three (3%) feel that they are poorer. One did not answer the question. From an evaluation of this question, it appears that the majority of respondents in this area do not feel inequality, which is good. On the other hand, it is again the question of whether it also corresponds to the actual condition, which we have not, however, already investigated, as this is a subjective perception of poverty. Our assumption was thus quite clearly not confirmed. Since the first question was half-open ended, and respondents were asked to reply also why they feel poor or do not feel poor, we can justify the fact that we list the most common answer of the respondents, as to why they do not feel poor. They justified it with the fact that they do not miss anything in life and they have everything they need.

<table>
<thead>
<tr>
<th>Table No. 1 Perception of one’s own poverty in comparison with classmate</th>
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<tbody>
<tr>
<td>Wealthier</td>
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<td>Number</td>
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As an inspiration for the question, where respondents were asked to indicate whether they feel poor in the absence of each of the seven selected material items in the household, we used the statistical findings of the EU SILC (a measure of material deprivation). Due to the fact that they are young people and need a computer also for their education, we assumed that more than half of the respondents would consider themselves poor if they did not have a computer at home. We confirmed the assumption and we have summarized an overview of all the responses in the table.

<table>
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<th>Table No. 2 The feeling of subjective poverty during the absence of some material things</th>
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<td></td>
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<tr>
<td>Washing Machine</td>
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<td>Mobile Phone</td>
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<td>Television</td>
</tr>
<tr>
<td>Computer</td>
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<tr>
<td>Car</td>
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</tbody>
</table>
A meal with meat every other day | 42 | 40 | 63 | 60
---|---|---|---|---
Dishwasher | 11 | 10 | 94 | 90
---|---|---|---|---
Total | 105 | 100 | 105 | 100

Since, in recent times, the problem of poverty is becoming more topical and neither do the prospects in the upcoming period look good in connection with the improvement of the situation, we have assumed that more than half of the respondents have a fear that they could be poor. 21 (20%) answered that they have a great fear, and 35 (33%) were rather afraid that they might be poor. 38 answered in the negative (36%) are not particularly afraid of poverty, and 11 (11%) are not at all afraid of poverty. We thus confirmed this assumption which may mean that poverty is, within the public, an often-discussed concept and selected respondents have noticed it and are aware of its risks.

Chart No. 2 The fear of Poverty (N)

As is well known, Regional differences are significant in Slovakia. Therefore, we assumed that the respondents also would perceive this factor as crucial when naming the causes of poverty. We verified it through a closed question to mark from 6 different causes of poverty which the respondents consider as the most important cause of poverty. Unemployment was specified most frequently as a cause of poverty (42/40%); followed sequentially by laziness (19/18%); injustice (16/15%); addiction (15/14%); the Region in which one lives (6/6%); other (3/3%).

In the last option, one respondent did not specify the cause of poverty, and the remaining two specified the appearance of a person and a bad government system as the most important cause of poverty. Four respondents (4%) did not respond. We think it should be noted that in the question, which we shall analyze as the next in the order, 58 (55%) answered that the Region in which they live is poorer than other Regions of Slovakia. Despite this, as we have already mentioned; only 6% specified the Region as the most important cause of poverty which did not confirm our assumption. It may be due to the fact that even though more than half of the respondents believe that the Region in which they live is poorer than other Regions, they do not perceive this fact as important in comparison with other causes of
poverty. In this regard, specifying unemployment as the most important cause of poverty appears in order to us considering its timeliness.

Chart No. 3 Causes of Poverty

In the next question, it was found how respondents perceive the Region in which they live, in comparison with other Regions of Slovakia from the perspective of wealth and poverty. Up to 58 (55%), believe that the Region in which they live, is poorer than the other Regions in Slovakia. 40 (38%) do not perceive differences compared to other Regions and only 6 (6%) think that they are wealthier. It is also confirmed that the respondents questioned by us perceive Regional differences that are well known in Slovakia.

Chart No. 4 Opinions of the respondents on the poverty of the Region in which they live, in comparison with other Regions

Conclusion
Every person can perceive poverty differently. From this, also the subjective concept of poverty emanates which is based on personal feelings and the personal perception and assessment of the situation in which the specific person finds her/himself. Through the collection and processing of the statistical data on poverty, which is subjective in nature, we can get a more complete picture about this issue. Such statistical findings allow us to compare individuals and groups in terms of wealth and poverty. In the presented research, we have found that the vast majority of respondents do not feel poor (up to 92%). We consider this
finding as the most important in terms of the examined issues. According to the EU SILC statistics in 2012 up to 13.2% of the population of Slovakia were at risk of poverty. As we have learned in the article, poverty also has spatial differences. From this perspective, it is an interesting finding that 55% of respondents consider the Region in which they live as poorer in comparison with other Regions in Slovakia. It also is confirmed by the EU SILC 2012 statistics, according to which the highest at-risk-of-poverty rate was recorded in the Prešov district (19.9%) under whose territory belongs also the Podtatranský Region. The research was conducted on a specific, relatively small territory (Podtatranský Region), which gives the possibility of conducting other similar research in other Regions, and their comparison, or optionally to monitor the development of the subjective perception of poverty in the presented Region in the future.

References


