**History of Counting Approach:**

The multidimensional measurement of poverty involves three steps-

* Selecting the space meaning selection of indicators.
* Identification of poor.
* Aggregation of information on poor.

There are three methods to identify poor in counting approach

* Union Approach
* Intersection Approach
* Intermediate approach

Europe and Latin America use counting approach to measure poverty level in the country. The concept of counting approach is not new. It is motivated and influenced by various methods developed independently.

**The Basic Need Approach developed** during 1970s. The Cocoyoc Declaration in 1974 which explain this approach as “Human beings have basic needs: food, clothing, shelter, health, education….. we are still in a stage where the most important concern of development is the level of satisfaction of basic needs for the poorest sections in each society…development should no ne limited to the satisfaction of the basic needs….development includes freedom of expression and impression, the right to give and receive ideas and stimulus… the right to work” (UNEP/UNCTAD 1975:896-7)

Till 1970s **Income method** was famous to measure poverty in a particular society (Sen, 1960). During 1950s another method was developed call **Direct method-** direct satisfaction of basic needs (Sen, 1981). “A list of needs consider to be basic alongside minimum level of satisfaction would be specified”. This is a version of counting approach as number of deprivations are counted in this method.

Before the development of basic needs approach Europe developed social indictors which provided the impetus for empirical studies on nonmonetary aspect of welfare. **Multidimensional concept of social exclusion** influenced the public policy of European Union. They defined a person as poor “individuals or families whose resources are so small as exclude them from the minimum acceptable way of life of the member state in which they live”.

Another influence to develop the counting approach is the development of the **capability approach by Amartya Sen.** Capability approach diverge the attention from resources required to capability and functioning for basic needs. Basic need approach is the background for the development of the capability approach.

**Measure of Deprivation in Europe and their Influence:**

* **Townsend (1979)** conducted survey (1968-69) in Britain using counting approach. He defined twelve dimensions using sixty indicators. Dimensions : Diet, Clothing, fuel and light, home amenities, housing conditions and facilities, the immediate environment of the home, conditions at work, family support, recreation, education, health and social relation.

In his analysis, a person is considered as poor if he is deprived five out of twelve indicators. He found the correlation between income and deprivation score in order to derive the poverty line. That means “he used direct approach to validate the poverty line to be used in the indirect income poverty measure”.

* **Mack and Lansley’s** study of poor in Britain (1985) was inspired from **Townsend and Sen (1981)** work. The study famously known as **Breadline Britain survey.** The uniqueness about their work is that for the first time they asked people or survey what is necessary for the people. Out of the 35, 26 items were necessary for more than 50% of the population. Their approach was “consensual or perceived deprivation approach to measuring poverty”. In this study a person was identified poor if he/she deprived three or more equally weighted items. **Two surveys was inspired from this study 1. European Community HH Panel Survey (ECHP) and the European Union Statistics on Income and Living Condition (EU-SILC)**.
* **Gordon et al.(2000)** also followed this survey and used 35 updated items to identify poor. According to this study a hh is poor if they could not afford two or more items and have relatively low income. They set poverty line by applying “**discriminant function analysis”.** They also measured child poverty.
* **Callan, Nolan and Whelan (1993)** took both resources and material deprivation to identify poverty. Their format was inspired from **Mack and Lansley.** They clustered 24 items into 3 dimensions by using factor analysis. 1. Basic Life style(eight items), 2. Housings and durables (seven items), and 3. Other aspects of lifestyle (social participation, leisure activities, owning a car or telephone etc.). According to the study a person is identified as poor if he is fail to fulfill two or more items from basic lifestyle and below the relative poverty line of 60% of average income of the sample. They used the data from Economic and Social Research Institute (ESRI).
* **Muffel and Vrien (1991)** construct an index of relative and subjective deprivation by using **Dutch Socioeconomic Panel Survey**. They estimate **Subjective deprivation poverty line** for each household separately. Then they saw the degree of intersection between the poor identified in Subjective deprivation poverty line and the three income poverty lines. They found significant mismatch between both the methods in identifying poor.
* **Hallerod (1994,95)** applied both direct and income method to identify poor. They included 36 items weighted them by the proportion of population responded it to as necessary.
* **Layte et al (2001)** constructed an index by using 13 items to assess the relationship between relative income poverty and material deprivations. They took proportion of the population possesses that item as the weight on that indicator. **There** were only very few people who were identified as poor simultaneously by both the methods.
* **Eurostat (2002)** calculated a non-monetary index by using five dimensions consisting twenty four indicators in Europe. People with deprivation score 60% or more were identified as poor.
* **The European commission implemented EU-2020,** a poverty measure using union identification approach by using three indicators:- Relative income poverty, sever material deprivation and quasi joblessness.
* **Poverty and deprivation by Nolan and Whelan book:** explained “why and how nonmonetary indicators of deprivation can play a significant role in complementing income in order to capture the reality of poverty in Europe”.
* **Basic Necessities survey (BNS) by Davies** was influenced from **Mack and Lansley (1985).** BNS weights the each item by the proportion of people who said it is necessary. BNS identify the proportion of people as poor who considered themselves as poor subjectively.The countries like Vietnam and Mali, Bangladesh, Ireland, Japan, Europe and South Africa applied BNS methods.

**MEASURES OF UNSATISFIED BASIC NEEDS IN LATIN AMERICA AND BEYOND**

In Latin America Counting approach is implemented in the name of Unsatisfied Basic Needs (UBN) approach. It was first implemented in Chile in 1975. It became famous trough Institute of Statistics and Census of Argentina (INDEC) and United Nations Economic Commission for Latin America and the Caribbean (ECLAC). UBN method was considered as the imperfect proxy for income method to measure poverty.

* In Latin America the measurement of poverty was absolute where as in Europe it was relative or perceptual concept poverty.
* Boltvinik (1992) proposed a different method which is an “improved integrated method”. It’s different from counting approach.

**COUNTING APPROACH IN TARGETING:**

Counting Approach developed within universities. Mostly applied in Europe, the US and Latin America.

* **The GOI appointed a committee under the chairmanship of N.C Saxena** to critically review the 2002 BPL methodology and provide another method for identification. They implicitly use CA.
* **The govt of Kerala use CA to identify poor**. They use nine indicators. A HH is poor if it is deprived in four or more indicators. **If** it is deprived in eight or nine indicators then it is destitutes.
* In Bangladesh, two NGOs, **Grameen Bank and Bangladesh Rural Advancement Committee** (BRAC) apply Counting approach to identify the needy HH.
* **Schreiner poverty Scorecard method:**

**SUMMARY OF COUNTING APPROACH:**

Counting approach has been applied in different format like:

* European Measures of Relative Deprivation
* The consensual Approach to Poverty Measurement
* The Consistent Poverty Approach
* The Latin American Basic Needs Approach

Some methods look like CA but are different:

* Boltvinik’s Improved integrated method
* Schreiner’s poverty scorecard method

AF method applies CA method for identification of poor.

