## 5. General Description of Poverty

Being preconditioned mainly by economic processes, the poverty at the same time is a result of social and political developments and their interrelations taking place in a society.

Poverty assessment requires first of all its definition. Generally taken, there exists no perfect definition of poverty as a category, nor perfect methodology of defining the poverty line exits. In the first stage of the survey the following definition of poverty has been used: "Poverty is the inability to ensure certain living minimum". Low level of incomes and consumption, accompanied with low indicators of education, health conditions and nutrition, are main descriptors of poverty. The poverty entails moral and psychological incapacity, insecurity and distrust towards future.

Both in the first and second stages of the survey, the poverty is assessed on the basis of absolute criteria. Absolute indicators define minimum needs.

In addition to the above-mentioned, subjective poverty has been studied, that is personal opinion of people in respect of their living standing. This type of data contains uncertainties and incorrectness, because they are subjective (they are of personal evaluation nature).

It should be mentioned that some groups have not been covered by the survey, these displaying maximum inclination to poverty risk; in other words, these are individuals under the care of social institutions, homeless, and refugees living in recreation dwellings and hotels.

## 5.1. Absolute Indicators of Poverty

Absolute indicators of poverty together with the most vulnerable and poverty risk groups have first been identified in Armenia on the basis of 1996 Household Survey.

Poor are those households, whose per capita consumer expenses are lower than minimum consumer basket, i.e. lower than poverty line. Very poor are those households, whose per capita consumer expenses are lower than the minimum food basket.

Having the number of poor and very poor households, the number of their members was calculated in relation to the number of existing (or living) members of households.

According to the 1999 Household Survey, the portion of population under the republican absolute poverty line was 54.7%, including 27.7% very poor. Maximum poverty risk has been registered in:
- multi-children families;
- unemployed;
- pensioners and handicap;
- people with low level of education.

Very poor population is mainly concentrated in disaster zone and bordering regions, or in regions with low economic activity.

## 5.2. Changes in Poverty Taken Place in Recent Two Years

As a result of data analysis obtained by virtue of integrated household survey, the value of actual food basket, i.e. poverty food line, in 1998-99 average prices totaled dram 7194; the value of actual minimum consumer basket, i.e. absolute poverty line, was dram 11735. Households and population outside the poverty benchmark are characterized through the following data:

(In percent)

|  | Households | | | Population | | |
|---|---|---|---|---|---|---|
|  | Total | City | Village | Total | City | Village |
| Non-poor | 50.33 | 47.39 | 54.86 | 44.95 | 41.73 | 49.24 |
| Poor | 30.53 | 33.03 | 26.69 | 32.14 | 35.10 | 28.21 |
| Very poor | 19.14 | 19.59 | 18.45 | 22.91 | 23.17 | 22.55 |

In fact, in the course of several recent years, poverty level has not changed more precisely share of poor population has increased only 0.35%. Widespread poverty incidence recorded in the republic in 1996, unfortunately has not yet displayed reduction trends.

The above data are explicit evidence of poverty characteristic for multi-member families, this being the reason for higher share of poor population in comparison to the share of poor households.

In addition to poverty line, the following indicators are prioritized in poverty exploring studies:

- Depth of poverty, which characterizes how deep the poor below the poverty line are. It totals:

19% of total population;

20% of urban population;

and 18% of rural population.

- Acuteness of poverty, which shows the number of poor concentrated in the lowest level of poverty, and total 9.0%;

- Average shortage of expenses of the poor population characterizing the degree at which the expenses of an average poor is lower than the poverty line, and totals 35%.

During the past years, the interrelation between the poor and very poor has also changed. Share of very poor population in comparison to 1996 curtailed by 4.79%. Evidently, application of family benefits has had its positive influence in this respect, because it is targeted at improvement of conditions of extremely poor households.
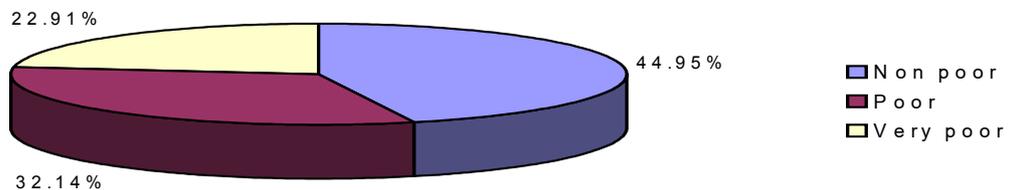


In transition economy environment, the material standing of population is subjected to constant fluctuations entailing regular locating of certain groups under the poverty line. Share of persons exposed to poverty risks (whose per capita consumption is somewhat higher than poverty line, i.e. dram 12000-12500) totals 13.48%. Many fail to get rid of poverty and the share of those somewhat lower the poverty line (dram 11500-11000) is 16.88%.

Essentially the truth is that potential beneficiaries of social safety net represent 68.53% of total population (55.05% representing those under the poverty line plus 13.48% exposed to poverty risks being a little higher than poverty line).

Currently with a view of defining the poverty line an alternative method is also applied, which is based on the minimum value of daily consumer expenditures per capita. In applying this method, the share of population under the poverty line is estimated under three options: under the first option the value of daily consumer expenditures per capita is recognized to be one US dollar; under the second, it is two dollars; and four dollars under the third option. Taking into consideration the purchasing parity estimated according to the World Bank methodology (1 US dollar is equal to 164.35 drams)[1], daily expenses of one US dollar would mean incidence of 7.54% poor population; two dollars of daily expense would mean 43.5%, and in case of four dollars the share of poor population will be 86.3%.

The current period is characterized by inequality and high degree of polarization in the society. Disproportion rate in distribution of incomes and expenditures of the population is defined by applying the Jini coefficient. Statistical value of incomes and expenditures ranks between 0 and 1, and means total equity of incomes and expenditures of the population groups in case it is 0; and total inequity in case it is 1.

According to the results of the survey, the Jini coefficient in terms of incomes totaled 0.593, and 0.372 in terms of expenditures. For comparison, in 1993-94 Jini coefficient in terms of incomes totaled 0.41 in Russia, 0.22 in Belarus, 0.40 in Estonia, 0.34 in Lithuania, and 0.59[2] in Kirgyzstan.

## 5.3. Territorial Structure of Poverty

Urban population of the republic is more exposed to impoverishment risk, than the rural. The main advantage of rural population is the potential for ensuring relatively stabile degree of sales of the food production, because they are first of all producers of food stuff, and then only consumers. In this particular case, the potential for sales of their food products is significantly higher, naturally. To this end, while consumer expenditures per capita of peasants is higher than those of urban population by 7.1%, the expenditures on food are higher among urban population by 17.2%.



---
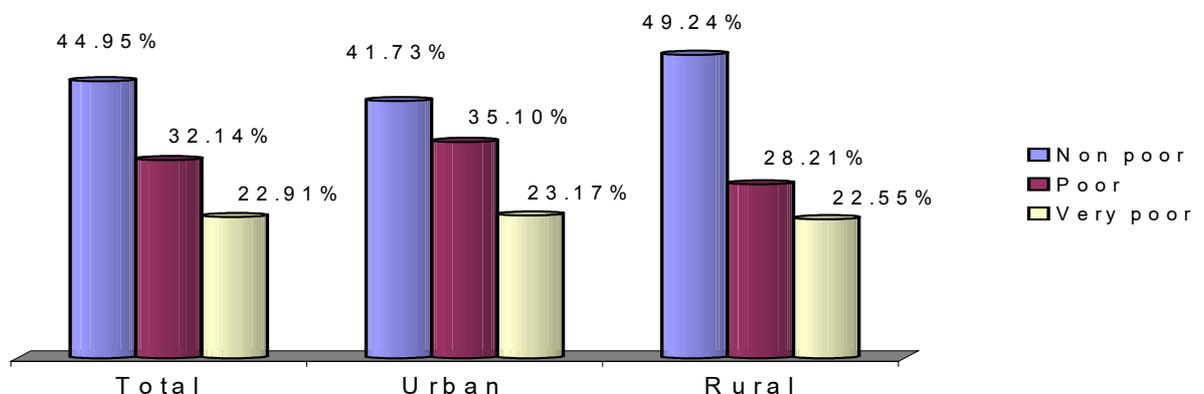
[1] As assessed by R. Yemtsov, World Bank expert
[2] Poverty of Transition Period? (UNDP, 1998)

Despite the above described, rural population is not placed in equal conditions, their activities and economic standing are dependent upon altitude of rural area they reside in. Rural areas have been divided into following three altitude groups:
I - up to 1300 meters higher than the sea level, with 39% of rural population;
II - from 1300 to 1700 meters: with 26% of rural population;
III - 1700 meters and over: with 35% of rural population.
The higher a rural area is located above the sea level, the worse the economic conditions are in which the population of such area reside.
The following data characterize living standing of rural population in its dependence upon the altitude:

| | I: 1330 meters | II: 1301-1700 | III: 1701 and above | Total in rural area |
|---|---|---|---|---|
| Poor, including | 42.35 | 54.93 | 57.99 | 50.76 |
| Very poor | 16.37 | 24.86 | 28.28 | 22.55 |

The most favorable and efficient conditions for agricultural development, and, consequently, for better living standards of rural population, are in the first level, where the shares of both poor and very poor population are very low. The higher populated area is, the lower the living standards are.

More deteriorated now is the economic standing in the disaster zone, where share of population under the poverty line totaled 60.9%. Particularly high is the social situation in Shirak marz, where the poor represent 73% of total population, and 64% in Lori marz.

Indicators Describing Living Standards in the Disaster Zone

(in percent)

| | Total disaster zone | Shirak and Lori marzes | Total republic |
|---|---|---|---|
| Non poor | 39.06 | 32.47 | 44.95 |
| Poor | 29.26 | 32.20 | 32.14 |
| Very poor | 31.68 | 35.33 | 22.91 |

## 5.4. Poverty Risk Groups

In economic reformation (transition) period, the most exposed have been the following groups of population: unemployed, multi-member households, pensioners, handicap, and woman headed households.

### 5.4.1. Unemployed.

Poverty level is in direct dependence upon the position of the head of household in the labor market. If the head of household is unemployed, his family is very often found below the poverty line, while if he is employed, the poverty risk decreases, though exists (42.1%).
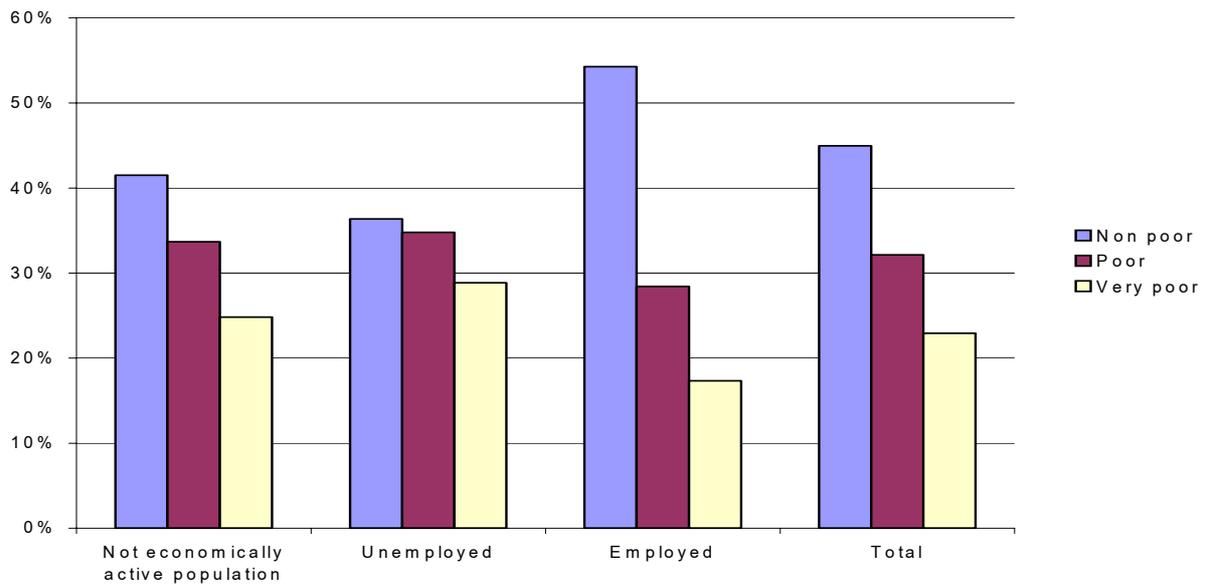
Correlation between unemployment and poverty is very high, i.e. 63.7% poor, of whom 28.9% are very poor. According to the data provided by Republican Employment and Labor Service, the rate of official unemployment was 9,4% in 1998, and 11,2% in 1999. According to the results of the survey, 27,3% of economically active population is unemployed. Unemployment benefit is dram 3091 in the republic, which represents 26,3% of the minimum consumer budget.

An important factor is the unemployment duration; protracted unemployment represents a serious social and economic hazard, resulting either in extreme poverty or migration of the population. According to the survey data, vast majority of the unemployed remain jobless for more than 12 months. Main reasons for employment suspension are liquidation of the enterprise or redundancy (46.7%). Only 15% of unemployed addressed Employment Service with the objective of finding a job. Primary means (hope) of finding jobs by unemployed is acquaintances and relatives (70%), only 7% follow announcements, and only 1% has issued announcements.

Results of the survey show that in case a job is made available 98% of the unemployed are ready to start working immediately, and overwhelming majority of them (79%) would like to have full-time permanent job.

Only 1/5th of unemployed is registered in the Republican Labor and Employment Service. Currently even having a job is not a pre-requisite of a secure well-being. 17% of the unemployed are not in a position to ensure minimum consumer basket, and are classified among the poor.

In 1999 average monthly salary in Armenia was dram 20157, and the fixed minimum wage was dram 5000. Besides, protracted arrears in paying out salaries result in locating working people under the poverty line.

According to the results of the survey, the rate of work fitness, calculated as the relation of economically active population to total population, is 0.439.

0.482 for non-poor population
0.412 for poor population
0.392 for very poor population

These data witness high degree of dependency among vulnerable groups of population.

## 5.4.2. Multi-member Households
<u>Household Size, Children and Poverty</u>

As already mentioned earlier, multi-member households are socially more vulnerable and represent high-risk poverty group, because children found themselves in poverty.

### Household Size and Poverty Rate

(in percent)

|  | Size | Children (0-14, age) per household | Elderly (60 and above) per household |
|---|---|---|---|
| Non-poor | 3,83 | 0,93 | 0,55 |
| Poor | 4,52 | 1,33 | 0,62 |
| Very poor | 5,13 | 1,69 | 0,69 |
| Total | 4,29 | 1,19 | 0,60 |

Average size of very poor households is the highest on the basis of highest 0-7 years-old child burden ratio. Multi-children families are frequently under the poverty line: thus, 62% of 0-7 year-old children live in poverty, of whom 27% are very poor. 58% of 8-16 year-old are poor with 26% very poor. It is true that many crucial transformations in mental and physical development and growth of a child take place in a specified age, or do not ever. A child may not have another chance of normal growth.

### <u>Poverty Rate in Households with Parents and Children</u>

(in percent)

|  | 1 child | Two children | 3 children | 4 children | 5 children |
|---|---|---|---|---|---|
| Non-poor | 51,07 | 42,03 | 34,07 | 34,12 | 22,86 |
| Poor | 29,98 | 35,04 | 35,54 | 31,76 | 34,29 |
| Very poor | 18,95 | 22,93 | 30,39 | 34,12 | 42,86 |

The above data evidence that the more is the number of children in a household, the more is the poverty level. In households, where children are 5 and more, poverty level reaches 77%.

Tighter is the situation in the families with single parent and children.

To this end, 56% of households with one parent and one child, 64% with two children are below the poverty line. If the household is represented by single parent and three and more children, all these are definitely under the poverty line.

## 5.4.3. Pensioners and Handicap

Decline in birth rate, migration of working age population, entailing ageing of population are inherent to transition period. In 1991-1996 the indicator for permanent residents increased 5.8%, while population above the working age increased 22,9%. Share of population above working age has increased giving rise to number of age pensions.

According to the Law of Armenia "On Pensions", female pension age shall be 63 years, and 65 for males, which will be enacted in full in 2011. The age scale has been approved, according to which pension age for females will be 57,5 and 62,5 for males. Under the criteria specified and applied under the said Law, the proportion of capable and working age population has altered; 27,4% of permanent residents are below the working age, with 61,6% within the working age range, and 11,0% above the working age line.

In general, as at the beginning 2001 there were 563.8 thousand pensioners and beneficiaries of various allowances. Average value of pensions is dram 4421.

The rates of state benefits and allowances for pensioners and handicap are tangibly lower than the poverty line. General poverty level of handicap and pensioners is 55.6%, however, they are mainly covered under the "Paros" social assistance program, as a result of which poverty level of this population totals 34.9%, including 9.3% very poor.

### 5.4.4. Poverty and Gender Issues

As appraised by UNDP, 70% of the world poor people are women. Women find themselves in poverty more often than men, they stay poor longer and encounter more problems in mitigating poverty. 53.3% of total poor people in Armenia are women, and 46.7% are men.

Decrease in employment rate in transition period has had its worst impact upon women. According to the 1999 statistical data, women represent 64,4% of total unemployed in Armenia. It should also be mentioned that unemployment is a problem both for women and men, however, it is more problematic for women than for men to find job because they are mainly involved in taking care of children. Studies carried out in other countries have shown that women spend their earnings to meet the needs of their children.

In addition, decline in living standards, deteriorating nutrition, stress implications, have negative impact upon female reproduction behavior. Certain portion of complication in pregnancy period and failed deliveries are an immediate consequence of under-nutrition of women.

According to the results of integrated household survey, living standards of women and men in Armenia are almost equal. Thus, share of women among the poor is 55,3%, with 54,7% represented by men.

26,8% of the total number of surveyed households has women as heads of household. Average sizes of these households are significantly lower (3,4) in contrast to households, where the head is a man (4,6). In comparing the households classified on the head of household gender basis, the conclusion would be lower living standards of the households, where the head is a woman. 54% of such households are below the poverty line including 22% of very poor. The poor are the 48% of households with a man as a head, including 18.8% of very poor.

### 5.5 Regression Analysis of Poverty Reasons

The survey has enabled disclosure of main factors influencing living standards of the population. Degree of influence of each factor varies. A regression analysis has been carried out in order to identify the degree of influence.

Main factors of poverty risk are the following:
- having many children in a household;
- having many members in a household;
- unemployment;
- low level of education.

Regression analysis displays that increase in the number of children in the age of 0-14 results in 7,5% decline in living standards per child.

If a multi-member household is added by one child irrespective of his/her age the living standard would decline 5%.

If the head of a household looses job, or because of some reason becomes incapable, the living standard of such household would decrease 6%.

If the level of education is one degree higher, the living standard would rise 2,7% in average.

Regression analysis manifests that correlation between living standards in urban and rural areas is weak, and is within the range of unreliable.

The analysis brings into view that there exists an inter-group correlation between the listed factors, in other words, individual factors are not independent, and, subsequently, impact of these factors upon living standards should be viewed in their combination. For this purpose, a multiple regression analysis has been carried out. Further, according to Student's test (5% omission), linear regression has been observed among the mentioned factors and living standards.

<div align="center">Changes in Living Standards</div>

| Factor | Trends | Reliable range |
|---|---|---|
| One child more in a family | 3.7% decrease | 2,2% - 5,2% |
| One degree up in education | 2,25% increase | 1,6% - 2,9% |
| Family increase by one member | 3,5% decrease | 2,8% - 4,5% |
| Loss of job | 5,9% decrease | 4,4% - 7,4% |
| Change of residence (urban-rural) | 7,2% increase | 4,5% - 9,8% |

<div align="center">5.6. Non-monetary Indicators of Poverty</div>

Non-monetary indicators are the following:
a) education indicators;
b) health indicators;
c) residential conditions;
d) subjective assessments.

a) Education indicators

People possessing higher education encounter less problems in finding job and are less exposed to poverty risks. Possession of higher and vocational secondary education is a protection shield against unemployment and poverty. The following data comes to illustrate this:

| | Elementary education | Secondary education | Secondary vocational education | Higher education |
|---|---|---|---|---|
| Non-poor | 42,88 | 42,75 | 47,08 | 56,70 |
| Poor | 32,32 | 32,27 | 32,88 | 29,44 |
| Very poor | 24,08 | 24,98 | 20,04 | 13,85 |

Nevertheless, education does not yet guarantee total protection against poverty. In transition, the employees of yet not privatized enterprises and public servants became rather vulnerable. Impaired are the women employed in traditionally "feminized" state budget funded sectors of education, health and culture. To this end, average monthly pay in 1999 in education sector totaled dram 9909, 15% less than poverty line; dram 11147 in health sector (5% below poverty line); and dram 8667 in culture (26% below the poverty line). A matter of most concern is highly qualified labor force finding themselves in among the poor.

Decline in living standards of the population and worsening socioeconomic problems have had negative implications with regard to school education. The fundamental problems in the education sector and schooling children are: incomplete involvement of the children and dropout rates (many schoolchildren with 8-years education do not wish to continue in 9-10 years). Low level of school education forces higher-grade pupils to take private training. Private lessons are accessible for children coming from prosperous families. According to the survey data, children taking private lessons are classified as follows:

children from:
non-poor households – 65%;
poor – 21,7%, and
very poor – 13,3%.

Stresses are widespread among adolescents of school age, because children in advanced years of school education do not have firm expectations with regard to their future.

Upon graduating from school, only the third of the young people below 30 has continued education in secondary vocational or higher educational establishments, which is generally accessible for the young coming from well-off families, i.e.:
non-poor households  - 54%;
poor                 - 33%;
very poor            - 13%.

Predominant majority of the young (83,5%) obtain education in state educational establishments, with more than half (55%) under the state order scheme, i.e. free. However, upon graduation these specialists remain unclaimed and have to make their ways themselves. Moreover, a part of those with state order education apply their knowledge abroad.

Nevertheless, third of young people having secondary vocational education intend to continue education further (mainly those coming from non-poor households, 59%), 19% intend to work, and 26% recognize education an expensive enterprise. A matter of serious concern is that 25% does not want to get education whatsoever.

b) Health indicators

Since early transition, health condition indicators for both pediatrician and whole population have deteriorated. Number of visits to medical institutions has drastically diminished. Reforms in health sector have not proved very efficient, to some extent preconditioned by actually scarce budget financing and lack of proper accounting system in health services. "Poverty diseases" have reappeared; in particular, new cases of tuberculosis are recorded. Unfavorable socioeconomic complications have had negative impact upon female health conditions. A concern is the increasing number of complicated births caused by anemia. Besides, the number of low-weight (lower than 1501 grams) neonates is also increasing.

General republican indicator for morbidity rate is rather low estimated on the basis of the number of permanent residents, because the latter is tangibly outnumbers the actually existing population, which, in turn, diminishes the value of this indicator. Main reasons for morbidity are vascular diseases, malignant tumors, respiratory diseases, accidents, intoxications and various injuries. Men morbidity rate caused by malignant tumors, respiratory diseases, accidents and injuries outnumbers the average republican indicator.

According to the integrated survey results, 17% of the interviewed population during the recent month (interviewed period) is sick or has injuries, i.e. 39% of the sick mentioned that they got ill one year before, which means that the disease has become chronic. Health indicators in correlation to the living standards are presented below:

(in percent)

|  | Sick during recent month | Stopped primary activities | Consulted with doctor |
|---|---|---|---|
| Non-poor | 46,06 | 46,71 | 55,11 |
| Poor | 29,21 | 29,19 | 28,67 |
| Very poor | 24,73 | 24,60 | 16,22 |

Possibility to acquire medical consultations and treatment is more available for non-poor population, because it often directly linked to availability of financial resources. To this end, average value for getting medical consultation or treatment is dram 12177 with the maximum reaching dram 1606380 (USD 3000).

Medical consultation were given mainly in the following medical institutions:

|  | Policlinic | Diagnostic center | Hospital | Private physician |
|---|---|---|---|---|
| Non-poor | 54 | 56 | 57 | 65 |
| Poor | 29 | 38 | 26 | 26 |
| Very poor | 17 | 6 | 17 | 9 |

A crucial period in the life of women of reproductive age, pregnancy, should usually progress under strict monitoring by a doctor; however, according to the survey results, 21.8% of pregnant women have not visited female dispensaries or any medical institution. Majority (67.7%) of those visiting female dispensaries have paid 3-4 visits to the doctor, which is evidently insufficient. Despite prenatal services bear responsibility for woman's health, and should be free of charge during pregnancy and delivery however, women incurred expenses both for consultation and delivery. Thus, according to interview data, the price paid for consultation fluctuated between dram 1000 and 10000, accompanied with additional other costs related to pregnancy, delivery and other female aspects in the amount of dram 1000-20000 with the maximum price of dram 200000.

Only 36% of parents took their children to policlinics in order to obtain postnatal advice or prophylactic testing, including:
46% of non-poor households;
34% of poor; and
20% of very poor.

Average price for single medical service totaled around dram 5000.

Breast-feeding is a very important factor for the health of a neonate. The Ministry of Health conducts regular workshops with doctors and other medical personnel on breastfeeding with a

view of applying the knowledge in obstetric hospitals and pediatrician policlinics. As a result of these activities, some 84% of infants below one-year-old received breast milk in various periods.

Below is the evaluation by interviewed people of their health conditions:

|  | Very good | Good | Normal | Not very good | Bad |
|---|---|---|---|---|---|
| Non-poor | 3,3 | 21,5 | 52,4 | 17,2 | 5,6 |
| Poor | 2,0 | 20,4 | 54,8 | 16,3 | 6,4 |
| Very poor | 2,2 | 21,5 | 52,4 | 16,4 | 7,5 |

Predominant share of population evaluates their health conditions as normal or good, accompanied, however, with some incidence of not very good and even bad.

c) Residential conditions

The dwelling type and communal facilities reflect socioeconomic realities of households and represent non-monetary indicators of poverty.

Availability of dwelling has always been a problem in the republic. Further to the devastating earthquake and inflow of refugees, the dwelling problem has deepened. Certain segments of refugees still live in recreation houses and hotels. As mentioned earlier, this category has not been included in the survey, and so indicators of dwelling availability are rather high therein. Thus, irrespective of living standards, individual house in a rural area, and an apartment (flat) in urban area are characteristic type of dwelling for households.

More than half of non-poor households (55,8%) live in individual houses with 40% residing in flats.

Poor and very poor households mainly reside in hostels and temporary shelters (58% and 63%, respectively).

Evidently, upon completion of privatization of state residential stock, active residential stock market has formed and 5,4% of population changed their dwellings during the recent 5 years. More than half of them are non-poor households. Main reasons for change of residence have been:
Improvement of residential conditions – 27.5%;
Familial reasons – 394%;
Debts – 16.6%;
Proximity to office – 2.1%;
Other reasons – 14.4

It is true that main and most expensive source of energy is the electricity. Hardships have resulted in decline in solvency entailing impossibility to pay for the consumed electricity.

During the year, electricity supply was suspended in 32% of the interviewed households for non-payments against used electricity, and, basically, these are households below the poverty line (61%). It should be mentioned that in 20% of households electricity was cut for one month and more.

With a view to assist poor households, the "Aznavour pour Armenie" Foundation has distributed electricity paid coupons for winter season through social safety institutions of Armenia. 21% of surveyed households received free electricity coupons, including 55% of poor and very poor, while 44% are non-poor. This can basically be explained by improper system of addressing social assistance.

Subjective assessment of residential conditions among the interviewed households, broken down by living standards, is described in the following data:

|  | Very good | Good | Normal | Not very good | Bad |
|---|---|---|---|---|---|
| Non-poor | 58,82 | 65,49 | 56,62 | 47,26 | 39,53 |
| Poor | 29,41 | 21,83 | 29,36 | 31,48 | 33,04 |
| Very poor | 11,76 | 12,68 | 14,02 | 21,26 | 27,43 |

5.7. Subjective Assessment of Poverty

Values of living standard and poverty indices and indicators contain significant relative degree, and their assessment from the perspective of perception, as a rule, is polarized. It is conditioned both by multi-factor nature of these indices and indicators, and comparison diversity (comparative basis, or "background"). This is the reason why theoretical valuation of resulting indices and indicators developed under single methodology increases due to replenishment made possible by virtue of subjective, imaginary appraisals by surveyed households.

According to only 1% of interviewed households of 16 years-old and above, poor are those families that are not in a position to solve health problems; only 0,8% believe that poor are those who are not in a position to meet the educational needs of their children; only 2.5% think that poor are the families that are not able to ensure availability of residence related and communal adequate conditions. Moreover, according to 72,5% of the interviewed sample universe, such a sample may be considered poor, who do not have sufficient funds for daily food.

The above-mentioned is undoubtedly a "wistful" assessment based mainly on the philosophical objective of solving the "daily bread" problem. Drawing back the objective of "life and activities" substituted by the priority of ensuring "subsistence" in personal perception dimension are the evidence of acuteness and depth of poverty.

The data below reflect subjective assessments of living standards of interviewed population broken down by the respective absolute standings:

(in percent)

|  | Rich | Above average | Average | Below average | Poor |
|---|---|---|---|---|---|
| Non-poor | 43 | 72 | 60 | 40 | 31 |
| Poor | 32 | 20 | 29 | 34 | 33 |
| Very poor | 25 | 8 | 11 | 26 | 36 |

Subjective assessments of satisfaction from living standing have largely been reflected in their opinion on whether they are happy or unhappy. Despite the nature of these assessments, which according to sociologists reflect superlative degree of subjectivism, the interview results to this end are presented below:

(in percent)

|  | Very unhappy | Unhappy | Happy | Very happy | Difficult to answer |
|---|---|---|---|---|---|
| Non-poor | 41 | 42 | 52 | 42 | 45 |
| Poor | 30 | 31 | 30 | 33 | 33 |
| Very poor | 29 | 27 | 18 | 25 | 22 |

44% of the interviewed believe that the sense of happiness directly depends upon economic standing.

The interviewed, at large, have no confidence towards future and are tuned pessimistic. Thus, 45% of the interviewed had difficulty, in answering the question "Do you think whether next generation will live better than this one?" and another 30% insisted they won't.

Below is the opinion of the interviewed population, based on their living standards:

(in percent)

|  | Certainly "yes" | Will be no change | Worse | Difficult to answer |
|---|---|---|---|---|
| Non-poor | 56 | 51 | 43 | 47 |
| Poor | 28 | 33 | 30 | 33 |
| Very poor | 16 | 16 | 27 | 20 |