

| Tool Name: Wealth (Well-Being) Ranking | |
|---|--|
| What is it? | This tool is a method for collecting and analyzing data on perceptions of wealth differences and inequalities in a community and for identifying and understanding local indicators and criteria of wealth, well-being, and poverty. |
| What can it be used for? | <ul style="list-style-type: none"> • understanding socioeconomic differences within communities • understanding local perceptions of and criteria for wealth, well-being, and inequality in a community • categorizing households or social groups into different locally perceived economic or more general well-being categories • exploring differences in how different people have access to and use resources • identifying target group members before a project, program, or policy is changed or implemented, or to determine the extent to which targeting has proved successful after the event |
| What does it tell you? | <ul style="list-style-type: none"> • local concepts of wealth, economic, and well-being status • economic and well-being profile of a community • social stratification at the community level • ownership of or use rights to productive assets |
| Complementary tools | Social mapping |
| Key elements | This participatory data generating process uses locally defined criteria for wealth/well-being. |
| Requirements | |
| Data/information | This tool generates data and information; the only prior information required is for identifying the sampling frame within the community. |
| Time | The time is depends on size of the community and the number of households or individuals being ranked. |
| Skills | Good participatory facilitation skills and social analytical skills |
| Supporting software | No software needed |
| Financial cost | This tool will cost \$30,000 to \$100,000 when conducted as part of a participatory study, depending on the number of communities sampled and the geographical scope of the study. |
| Limitations | Wealth ranking gives a static picture and does not easily convey poverty dynamics. A narrow focus on ranking households does not address the distribution of well-being within households (such as by gender or age). Wealth ranking might be a sensitive issue and some might see a participatory or “public” exercise as overly intrusive. |
| References and applications | <p>FAO. <i>The Forest Manager's Guide to Participatory Forest Management: Module 3. The Participatory Process in Forest Management</i>. Forestry Policy and Institutions Branch, Forestry Department. http://www.fcghana.com/pfma_fao/archive_docs/ref_docs/pfm_manager_guide_module3.pdf.</p> <p>Jeffries, D., H. Warburton, K. Opong-Nkrumah, and E. Fredua Antoh. n.d. <i>Wealth Ranking Study of Villages in Peri-urban Areas of Kumasi, Ghana</i>. Collaborative project between the Social and Economic Development Department, Natural Resources Institute and the Statistical Services Centre, The University of Reading. http://www.rdg.ac.uk/ssc/publications/guides/cs6_kuma.pdf.</p> <p>Pakistan Government, Planning Commission. 2004. “Between Hope and Despair.” Pakistan Participatory Poverty Assessment–Sindh and Punjab Reports.</p> <p>Rock, F., ed. 2001. <i>Participatory Land Use Planning (PLUP) in Rural Cambodia, Annex 11</i>. Ministry of Land Management, Urban Planning and Construction</p> |

(MLMUPC), Cambodia.

[http://www.mekonginfo.org/mrc_en/doclib.nsf/0/BA7AA16ECF97B14247256BC90030DFF1/\\$FILE/Annex11.html](http://www.mekonginfo.org/mrc_en/doclib.nsf/0/BA7AA16ECF97B14247256BC90030DFF1/$FILE/Annex11.html).

Sontheimer, S. et al. 1999. *Conducting a PRA Training and Modifying PRA Tools to Your Needs. An Example from a Participatory Household Food Security and Nutrition Project in Ethiopia.*

http://www.fao.org/documents/show_cdr.asp?url_file=/DOCREP/003/X5996E/X5996E00.HTM.

Wealth (Well-Being) Ranking: Procedures and Examples

Time, Materials, and Skills Needed

About one hour should be allowed to conduct a wealth-ranking exercise and to ensure that a full discussion occurs with local analysts.

Markers/pens and a large number of cards are required. Notebooks/paper and pens are needed for the note-taker to record the discussion generated during the ranking.

The discussion group will include a facilitator, observer/note-taker, and selected local analysts. The facilitator and observer/note-taker should be experienced in both the principles behind the use of participatory tools and methods as well as in their practical use. Knowledge of the social structure of the community is required by the facilitator because community members might consider wealth or poverty to be sensitive issues, which might affect the discussion and analysis. If local analysts or community members are uncomfortable with discussing the exercise, the facilitator should try other methods of investigating local criteria and concepts of well-being that do not involve ranking individual households.

Possible Approach

The following approach is a general example that can be adapted to suit the local context, views of local analysts, and the research objectives. If a social map has not been produced, then a method using cards can be used; an alternative that might be more suitable in some circumstances is to move straight from social mapping into a wealth ranking (both approaches are described below).

Step 1: Select Local Analysts. Identify the groups of people to talk to about their perceptions of wealth criteria and ranking. These decisions will be based on the objectives and depth of information required for the research. For example, separate gender groups might be useful because women and men might have different criteria for determining wealth or well-being status. However, it might be necessary to break down the population into further categories (such as by ethnicity, age, livelihood group, or caste). Groups of five to ten local analysts should reflect any relevant and important social divisions. The information they provide will also allow some cross-checking with different groups at different locations.

Step 2: Provide Introductions and Explanations. When working with each group, the facilitator and observer/note-taker should begin by introducing themselves and explaining carefully and clearly the objectives of the discussion. Issues surrounding wealth might be sensitive subjects for local analysts; check that they understand and feel comfortable with what will be discussed.

Step 3: Produce a Wealth Ranking

A. Without a social map: Ask the local analysts to write the names of all the households living in the community on a card (one name per card) together with any other information that might be significant to a particular enquiry. An official list of all the households in the community might be available; if it is used, make sure that it is double-checked by local analysts because official lists or registers might be incomplete or out of date. (In cases where discretion and confidentiality are required, it is possible to assign a number to each

household so that after the analysts have grouped households into different categories, the household can be referred to by a number rather than by a name.)

In a large community, where a small group of analysts from one location cannot be expected to retain accurate information about the situation of all the other households, the cards can be divided into smaller groups.

Ask the analysts to discuss the criteria that they use in distinguishing between the better and less well-off members of their community. What makes them think that a household is better off or less well-off? Next, ask them to sort the cards in to as many piles as there are wealth categories in the community (using their own criteria), resorting as they go, if necessary. This will usually lead to the cards being sorted into about four or five categories. If, however, the number of categories is smaller, it might be appropriate to ask if any piles could be further subdivided.

When the process is complete, ask the analysts to take each pile in turn and explain the broad characteristics held in common by the households falling within it. Also ask about the differences in criteria between piles. Some further resorting might take place in the light of the criteria expressed.

If, for the purposes of the investigation, it is important to distinguish between different levels within the target group but the given categories do not fully meet these requirements, it might be appropriate to ask for some more resorting at this stage. It is generally easy to resolve this difficulty when it arises.

The final step is to record the category of each household at the bottom of the card.

B. After a social map: An alternative procedure, which is potentially quicker and might work better under some circumstances, involves moving directly from a social map into a wealth-ranking exercise.

When the location of all the households in a community, or part of a community, have been located on a social map, ask the analysts to name the wealthiest member, then the next wealthiest, and so forth, until they find it difficult to continue. As this is done, each household is given a number and recorded by the analysts, or on a list that they can see.

Repeat this procedure with the poorest households, working up from the bottom, until a point is reached where it is no longer possible for analysts to decide or agree on a precise order.

Next, ask the analysts to divide the remaining households into categories according to whatever criteria they think are relevant.

When the sorting has been completed, ask the analysts to discuss the criteria used to identify the different groups and to record the discussion and results.

As a final step, it might sometimes be appropriate to ask analysts, working either from the map or the list, to indicate ownership of key assets (such as livestock or land) by individual households or to identify others by characteristics.

Step 4: Analyze a Wealth Ranking. In the analysis of wealth ranking, key questions might include the following:

- What are local perceptions of wealth, well-being, and inequality?
- What are the local terms for poverty and well-being? How diverse or narrow are they?
- What are the socioeconomic groupings in the community and who belongs in which group?
- What does one group have that others do not?
- How are households currently distributed between the different categories?
- Do community decision makers all come from same group/strata?
- How might a proposed policy change impact wealth categories and the distribution of individuals, households, or social groups across those categories?

It is also possible to relate the classification arrived at for individual households to numerous other types of data (such as loan distribution, training opportunities, illness, or schooling) to see whether these correlate with well-being.

If there are several different groups, each group can be asked to present the criteria and categories they used to the others for their reactions and comments. Are there serious disagreements? If so, note these and whether a consensus is reached. However, this discussion might not be appropriate if wealth ranking is a sensitive subject; facilitators should be aware of the local situation and feelings.

Step 5: Conclude the Activity. Check again that they know how the information will be used for. Ask the analysts to reflect on the advantages, disadvantages, and the analytical potential of the tool. Thank the local analysts for their time and effort.

Points to Remember

Good facilitation skills are key. The approach outlined above is a general guide; be flexible and adapt the tool and approach to local contexts and needs.

Case Study Example: Well-Being Categories from the Pakistan Participatory Poverty Assessment

Local analysts from Punjab Province in the Pakistan Participatory Poverty Assessment (PPA) tended to categorize people into four groups: very poor, poor, better-off, and well-off. Specific names for each category existed in each site with differences in terminology sometimes found even between subsites. The local analysts explained the characteristics they used to rank people and households in a well-being ranking. Table 1 shows the aggregation from all the Punjab PPA sites and the social categories of local analysts.

Table 1. Aggregated Well-Being Criteria in Punjab Province

| | Well-being category | | | |
|--|--|---|---|---|
| | Well-off | Better-off | Poor | Very poor |
| Social characteristics | Educated daughters. Dominant caste and clans (<i>Kharals, Awans, Laghari</i>). Powerful. Influential. Easily affords marriage costs. Animals as pets. | Educated children (sometimes daughters). Can afford dowry. Professional. | Large family. Victims of crime. Unable to fulfill children's desires. Single earner. Cannot entertain guests. | Large family. Unmarried daughters. Female household head. Helplessness. Low caste (<i>Kammis</i>). Women. Disabled. Victims of crime. Orphan. |
| Assets | Concrete houses. Large fertile landholdings. Gold jewelry. Education. Drinking water/sanitation. Electricity, gas, telephone. Tractors. Water (in <i>barani</i> areas). | Own land (in irrigated areas). Water (in <i>barani</i> areas). Buffaloes and large livestock. Electricity, gas (urban areas). Access to education and health care. Access to credit. | Some land. Few possessions. Small livestock. Few or no sons. Low access to health care. Low access to education. Lack of water (<i>barani</i> areas). Many liabilities. | Landless. No house. Few possessions. No sons. Illiterate. Chronic illness. |
| Coping and livelihood strategies | Armed forces officers. Factory owners. Landlords. Purchase jewelry. Save for times of shock. | Employed as professionals. Overseas migration. Small business/shop. Purchase jewelry and save (urban areas). Educate children. | Wage labor. Migration to other areas or cities. Working women. Train children in skills. | Unemployed. Wage labor. Depend on charity. One meal a day. Working women. Working children. |
| PIP (policies, institutions, and processes) | Active in politics. Access to police and justice. Power and authority. | Access to police. Participates in decision making. | No access to justice. Little voice. Excluded from decision making. | No access to justice. No voice. No power. Excluded from social gatherings. |

Source: Planning and Development Department, Government of the Punjab, Pakistan 2004. Between Hope and Despair, Pakistan Participatory Poverty Assessment–Punjab Report.

There were commonalities in the way the very poor were characterized throughout the Punjab sites. The very poor were seen as those who were landless, had no house of their own, were dependent on daily wage labor for income, had large families, barely managed to eat one meal a day, were in debt, received *zakat/khairat* (charity), and often resorted to begging. Other characteristics included chronic illness, unmarried daughters, no sons, physical disability, and no access to justice.

However, there were also characteristics that were perceived by particular social groups. Female local analysts, for example, added additional dimensions such as not having a male head of household and women working to add to household income. Children also had their

own perceptions of the poor and poorest, including being *nadar* (helpless), not being cared for by anyone, and not being able to fulfill the desires of children.

The different ways in which local analysts from different social groups perceive and emphasize different well-being criteria is clearly seen in tables 2 and 3, showing the criteria used by poor women, women laborers, and poor male *haris* and laborers from a poor and better-off subsite in Nawabshah, Sindh Province. These tables emphasize the need for breaking down a population into separate subgroups of local analysts (see Step 1) to understand more clearly how different population subgroups will rank people of households into wealth or well-being categories.

Table 2. Criteria of Well-Being, Poorest Subsite, Nawabshah, Sindh

| | Well-off | Better-off | Poor | Very poor |
|---|---|--|--|---|
| Analysis by poor male haris and laborers | Owens 15 to 20 acres of arable land. | Owens 2 to 3 acres of arable land. | Does agri-labor on farms owned by others. | Is unemployed. |
| | Owens tractor. | Has a government job, such as, Master. | | |
| | Owens good home even if it is <i>kutch</i> a. | Owens 3 or 4 buffaloes and 2 or 3 goats. <i>Mani Machi Wala</i> (one who has bread and fish). | Owens 1 buffalo and 1 goat. Is unable to make ends meet and is often worried. | Does not own any livestock. Looks to others for <i>roti</i> (bread) and wears tattered clothes. |
| | Well-off | Better-off | Poor | Very poor |
| Analysis by women laborers | Owens 50 acres of arable land. | | | |
| | Owens 9 buffaloes and 15 goats. | Owens 2 buffaloes, 2 cows, 12 goats. | Owens 1 goat. | Does not own any livestock. |
| | Owens <i>pucca</i> house. | Owens <i>kutch</i> a house. | Lives in a <i>kutch</i> a house or a hut. | Lives in a mud house. |
| | Grows enough food to meet sustenance needs of household. | Grows enough food to meet sustenance needs of household. | Eats lentils and onion. | Works all day and is yet unable to feed self adequately. Eats <i>roti</i> with water and at times goes hungry. |
| | Has some savings. | Does labor or agri-labor | Works as a laborer, takes livestock for grazing, and sells grass as fodder. | |
| | Owens 15 <i>charpoy</i> s (string beds). Has many beddings, utensils, and two stoves. | Owens good bedding and utensils. | Owens 2 <i>charpoy</i> s, old bedding, and wears hand-me-down clothes. | Does not have a <i>charpoy</i> (string bed). Owens worn-out <i>rillies</i> and tattered clothes. |
| Owens a bicycle, motorcycle, and a donkey cart. | Owens a cycle. | | Is barefoot. | |
| | | Are able to educate their children. | | |

Source: Planning and Development Department, Government of Sindh, Pakistan 2004. Between Hope and Despair, Pakistan Participatory Poverty Assessment–Sindh Report.

Table 3. Criteria of Well-Being, Better-Off Subsite, Nawabshah, Sindh

| | Well-off | Better-off | Poor | Very poor |
|--|--|---|---|---|
| Analysis by poor male <i>haris</i> and laborers | Owens 50 to 200 acres of land. Has a <i>pucca</i> house, TV, and refrigerator. | Owens 12 acres of land. Has a nice house. | Has a <i>kutch</i> a house or hut. Wears tattered clothes. | Has house made of grass, uses broken utensils, a frayed quilt in winter, and a small <i>rilly</i> . Children have no soap for bathing. Eat meat on <i>Eid</i> or marriage ceremonies. Earns on a daily basis or is unemployed. |
| | Grows enough to meet household food needs. Has a lot of money. | Children go to school. <i>Machi Mani Wala</i> (one who has fish and bread). One or two persons in the household have government or other jobs and earn up to Rs. 3,000–4,000. | | |
| | Are not dependent on others. | Are not dependent on others. Others readily help them if needed. | | Is dependent on charity. |
| | Is respected and has decision-making powers. | | Landlords abuse them and suppress their voices. They are criticized by everybody, and they do not receive any marriage proposals. | |
| | | | | |
| | Well-off | Better-off | Poor | Very poor |
| Analysis by poor women | Owens 100 to 200 acres of land. Owens livestock. Owens <i>pucca</i> house, car, furniture, refrigerator. Eats well. | Owens <i>pucca</i> house, motorcycle, shop, TV, VCR, furniture. Is able to eat meat once a week. Dresses well. | Owens <i>kutch</i> a house or hut. Does not own a car. Generally eats lentils, vegetables. | Lives in a <i>kutch</i> a hut that has no amenities. Is not able to eat three meals. Wears tattered clothes. Is childless. |
| | Dresses well. | Dresses well. | | |
| | Children are educated. | | Has many children. | |
| | | | Many dependents; one person earns to feed about ten. | Resorts to begging to make ends meet. |
| | | | | Is disabled or suffers from some illness. |

Source: Planning and Development Department, Government of Sindh, Pakistan 2004. Between Hope and Despair, Pakistan Participatory Poverty Assessment–Sindh Report.