

**METHODOLOGICAL ASPECTS OF POVERTY RESEARCH
МЕТОДОЛОГИЧЕСКИЕ АСПЕКТЫ ИССЛЕДОВАНИЯ БЕДНОСТИ**

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Before considering the specifics of the definition and measurement of poverty, it is necessary to dwell on the key points of understanding poverty as such. As a socio-economic phenomenon, poverty is formed as a result of objectively existing inequality in access to material and non-material benefits. This means that, firstly, poverty will always exist, only the forms of its manifestation change, and secondly, it is relative in time and space. Consequently, each country in a specific historical period uses its own understanding of poverty.

Key words: social poverty, economic poverty, standard of living, quality of life, welfare.

Прежде чем рассматривать особенности определения и измерения бедности, надо остановиться на ключевых моментах понимания бедности как таковой. Как социально-экономическое явление бедность формируется вследствие объективно существующего неравенства в доступе к материальным и нематериальным благам. Это означает, что, во-первых, бедность будет существовать всегда, меняются только формы ее проявления, во-вторых, она относительна во времени и пространстве. Следовательно, каждая страна в конкретный исторический период использует свое понимание бедности.

Ключевые слова: социальная бедность, экономическая бедность, уровень жизни, качество жизни, благосостояние.

JEL: B41, C1, I32

Poverty as a phenomenon accompanying all economic systems has existed at all times. Therefore, the study of poverty as an economic problem should begin with the causes that gave rise to it. . In our opinion, the main one can be considered mistakes in the implementation of economic reform. Therefore, poverty manifests itself in society from the time when there is a significant inequality in the distribution of wealth. This means that this has caused a huge social stratification among the population. In the study of the essence of the concept of poverty as an economic category and the place of poverty in society, the period from the XVIII century to the first half of the XX century is distinguished (A.Smith, D.Ricardo, T.Malthus, G.Spencer, J. Proudhon, E.Reclu, K.Marx, C. Booth and S.Rowntree) and modern studies of poverty in the XX century (F.A.Hayek, P.Townsend, etc. . Thus, the works of A.Smith revealed the relative nature of poverty through the connection of poverty and social shame, i.e. between social standards and the material ability to adhere to them. . Back in the XIX century, it was proposed to calculate the poverty line on the basis of family budgets and thereby introduce the criterion of absolute poverty, link the criterion for determining poverty with the level of income and satisfaction of the basic needs of an individual related to maintaining a certain level of his working capacity and health. A significant contribution to the concept of poverty as an economic category was made by economists, and along with them sociologists, most of whom recognized the regularity of the existence of poverty in society; the difference of points of view consisted primarily in recognizing or denying the necessary state intervention in solving the problem of poverty and the scale of such intervention. The problem of poverty is inherent in any state. The severity of the problem is determined by the proportion of the population covered by signs of poverty. The critical point of redistribution of poverty as an economic category is different in different periods of time. Poverty, according to the world-famous economists K.R. McConnell and S.L. Bru– is a condition when an individual or a family does not have the means to meet basic needs in food, clothing, housing and transport. Before considering the specifics of defining and measuring poverty in a transitional economy, it is necessary to focus on the key points of understanding poverty as such. As a socio-economic phenomenon, poverty is formed as a result of objectively existing inequality in access to tangible and intangible benefits. . This means that, firstly, poverty will always exist, only the forms of its manifestation change, and secondly, it is relative in time and space. Consequently, each country uses its own understanding of poverty in a specific

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historical period. In other words, poverty is a constantly existing socio-cultural phenomenon that has various forms of manifestation within specific historical and geographical boundaries. It is also a characteristic of the standard of living, the structure and quality of consumption, the ability to realize basic needs in food, food, clothing, housing, etc., and also indicates the physiological and social needs of a person, reflecting not only the individual characteristics of consumption, but also the availability and accessibility of various public goods. There is no strict, unambiguous, generally accepted definition of poverty. This concept is constantly being concretized and modified. The cause of poverty is also related to the formation of free market infrastructure. There is a clear conviction that a hopeless one-sided solution to the problem of poverty does not provide a solution. For example, practice in life has proved that an increase in wages for low-paid workers and pensions were immediately accompanied by a corresponding increase in retail prices for goods. As a result, their poverty was not reduced, but rather prolonged. The approach that interprets poverty as scarcity, insufficiency of human development opportunities seems to be the most profound. It should be noted that the scarcity of individual opportunities is closely related to insufficient income: low income can be the main cause of low literacy and poor health, regular malnutrition and even hunger, and vice versa, increasing the level of education and health promotion allow you to get a better-paying job. Nobel laureate in economics Amartya Sen argues that "if we shift our focus from the narrow problem of low incomes to the more versatile problem of lack of opportunities, we will be able to better understand the nature of poverty" (Decree of December 8, 1998). But at the same time, it should be added that these opportunities depend not only on the individual, but also on the state, too. Understanding economic poverty as a representation of low incomes forms a certain view in society, which seems to be more justified than reducing the problem to a low income level of certain segments of the population.

At the same time, the concept of poverty as an economic category in its diverse aspects seems to be very productive:

- **poverty caused by low income, with the definition of the poverty line inherent in a particular country;**
- **poverty associated with insufficient access to health and education services;**
- **poor protection of the poor population due to the reality of a large number of risks, including non-material ones.**

The multidimensional nature of the concept of the essence of poverty is also characteristic of most modern Azerbaijani researchers. So, in the work of Doctor of Economics A.G. Alirzaev: "Problems of socio-economic development of Azerbaijan in the context of reforms and accelerated strategy: experience, trends and promising directions", - poverty is considered from the point of view of the dynamics of the level and structure of incomes and expenditures of the population, including rural,

Thus, poverty is one of the main obstacles to human development. Since, by definition, there could not be poverty in the post-Soviet space, the analysis of the population's provision with basic products, consumer goods and services was carried out exclusively for the purpose of further improving the quality of life of Soviet citizens. After the collapse of the post-Soviet state, the Azerbaijani state continued to measure the standard of living of the population by inertia according to previously used parameters. In addition, the government carried out calculations of the so-called consumer basket to determine the minimum wage. The global problem of poverty in a market economy has existed since its inception, but the level of insecurity varies in different countries: in industrialized countries, the poor live much better than the majority of the population of developing countries. It should be noted that on February 11, 2004, by the Decree of the President of the Republic of Azerbaijan on Socio-Economic Development, the following was decided for 2004-2008, due to the fact that at the turn of the end of the XX century, due to the conquest of independence, Azerbaijan underwent deep root changes.

For example, since 1993, Azerbaijan, under the leadership of national leader G. Aliyev and his purposeful policy, managed to prevent a chaotic direction in politics and create a certain stability during the first years of its rule, which gave rise to a push in the socio-economic sphere of development. Further research conducted in the republic in the first [1].

in the middle of the 90s, led to the fact that stagnation was prevented and the stage of transition economy began. In 1996, inflation did not rise above 2-3%, and GDP was reduced by 1-2%. So in 1996, the republic achieved calmness in macroeconomics. This can be seen from statistical data, for example, in 1996, GDP was an increase rate of 1.3%, and in 1997-5.8%, 2007 averaged 34.0%, 2008-37. These transformations carried out in the republic have led to the fact that the population has become at least a little, but to live better than before the beginning of the 90s. Thus, in the republic, 1,390 thousand hectares of land were donated to the rural population for their use. Of these, almost 99% of agricultural products are

produced in private structures. Wages, pensions and benefits for the protection of the population in 2000-2007 (average wages, the amount of pensions and benefits) increased by 6 times or more. Despite all of the above, with all the external simplicity, the obviousness of the concept of "poverty", as a substantive scientific-methodological and directly analytical disclosure of its essence raises many questions that require difficult answers, especially since along with it, one-order concepts and definitions are used: "standard of living", "level of well-being", "level of real incomes of the population", "quality of life and living conditions", etc. Therefore, it is important to determine the classification of factors that affect poverty as such. It has also been scientifically proven in world practice that the problem of poverty has existed and exists in any country, and this does not mean that poverty itself is qualitatively homogeneous in different countries. And it is also safe to say that a more complete definition of the concept of "poverty" as an economic category does not exist and cannot exist. The definition of "poverty" is not only economic, social and psychological in nature, but also political. Based on this understanding of poverty, we will make the following grouping into which poverty can be divided (Figure 1).

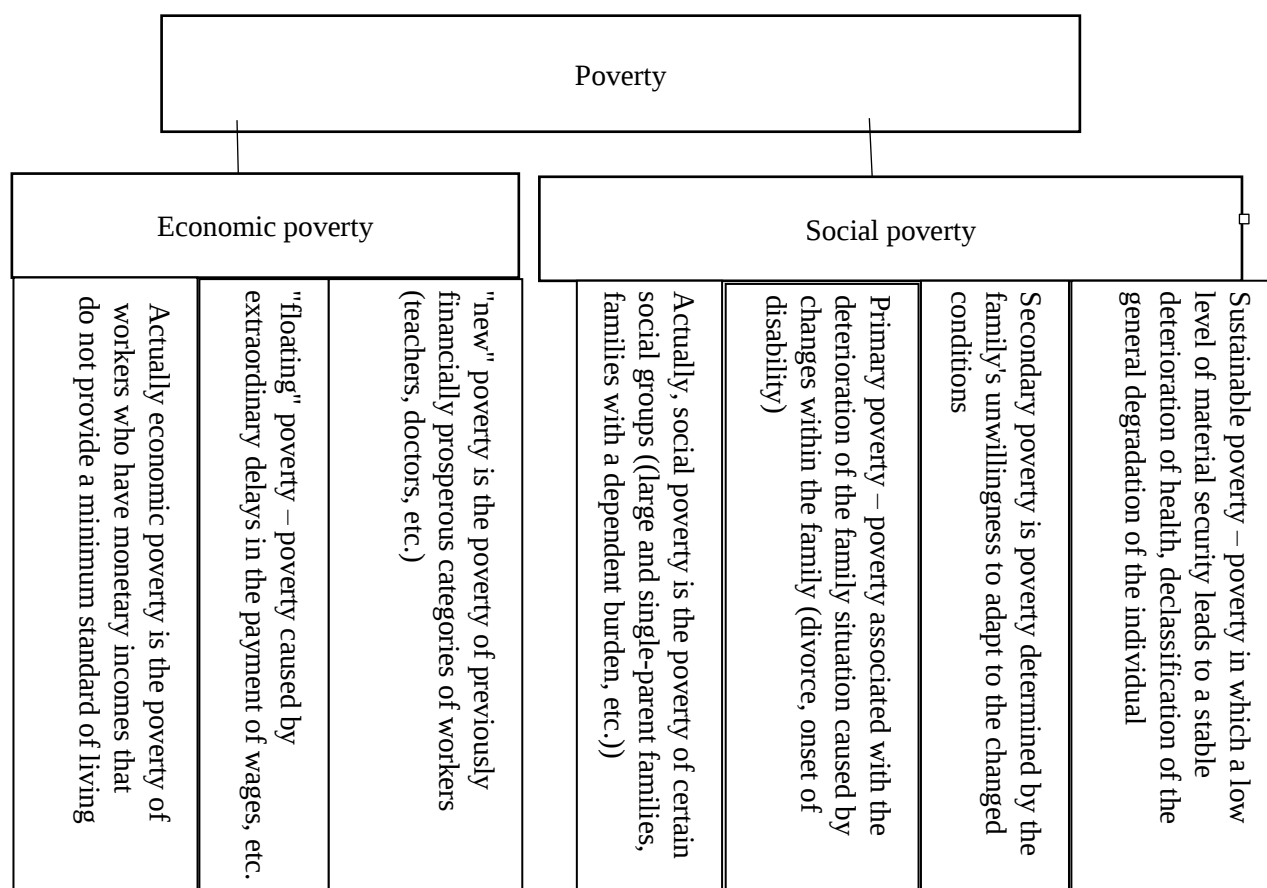


Figure 1. Classification of forms of poverty

Based on the classification of forms of poverty, consider the groups of social risk of falling into the poor:

- incomplete and large families. Large families fall into poverty not only because of the high dependency burden of children, but also because of the individual incomes of parents with lower earnings. The same reasons for poor single-parent families;
- single senior pensioners. With the general level of the poor among pensioners, which does not differ from the indicators of other age groups. Data from sample surveys show a higher level of poverty among single pensioners, including women;
- families with disabled, unemployed, refugee and internally displaced families;
- the "new" poor are full families with 1-2 children, among whom more than half have incomes below the subsistence minimum;
- the gender aspect of poverty (feminization of poverty). This is due to the lag of women in their

professional careers (despite the high level of education of women), lower wages in industries with.

Actually, economic poverty is the poverty of workers with monetary incomes that do not provide a minimum standard of living "floating" poverty is poverty caused by extraordinary delays in the payment of wages, etc. "new" poverty – poverty of previously financially prosperous categories of workers (teachers, doctors, etc.) Proper - social poverty - poverty of certain social groups ((large and single-parent families, families with a dependent burden, etc.)) Primary poverty - poverty associated with the deterioration of the family situation caused by changes within the family (divorce, onset of disability) Secondary poverty - poverty determined by the family's unwillingness to adapt to changed living conditions Persistent poverty – poverty, in which a low level of material security leads to a stable deterioration of health, declassification of the general degradation of personality.

The predominant employment of women, respectively, and with lower pensions. - It should be noted that a distinctive feature of the current stage of development of the Azerbaijani village is that against the background of social poverty with traditional categories of the population – large families, single-parent families with children, single pensioners, etc., economic poverty is growing. Able-bodied citizens do not provide themselves with a socially acceptable standard of living due to low wages or delays in its payment. That is, the very receipt of work, the availability of jobs, employment on them cannot today insure a rural worker from poverty and serves as a source of well-being. Therefore, it is necessary to interest the able-bodied part of the rural population in obtaining such a decent monetary income so that they, in turn, could provide for themselves and their family. Taking into account that wages are the main source of income, they have a dominant influence on the extent of the spread of economic poverty. The change in the profile of rural poverty, the emergence of categories of "working poor" are primarily associated with the low specific positions of the domestic agricultural sector, which has been formed for many years in the conditions of the closure of the national agrarian economy from the world food market. Recognizing the uncompetitiveness of the agrarian economy, its weak adaptation to the processes of globalization, as an important cause of economic poverty, it is necessary to emphasize that only this explains the level and scale of this negative phenomenon.

In addition to the factors that we have indicated above, it is also necessary to highlight those factors that generate economic poverty significantly more widely. Among them are

- Regional-geographical and climatic (regional factors that cause economic poverty in rural areas include the presence of a significant part of depressed and subsidized regions with low

- agro-economic potential, as well as rural areas are completely dependent on centralized supplies of food and resources);

- economic (disparity of prices, non-agricultural high-income activities in rural areas, lack of a civilized labor market and the nature of its manifestation, erroneous economic strategy for employment development and job creation);

- social and labor (imperfection of distribution relations in the agricultural sector, motivation and remuneration, inefficiency of social partnership mechanisms);

- educational and human resources (low educational and professionally qualified level of agricultural sector workers, insufficient state support for the agricultural education system).

Poverty (as well as wealth) manifests itself not only in the financial situation of a person, groups of people, the population of the country as a whole, but also in spirituality, mental, intellectual state. This quality, in turn, largely determines the standard of living or material well-being of people [2].

If poverty is studied only from the point of view of the level of material well-being, then, first of all, it is necessary to clearly define the criteria and indicators of its quantitative expression. But at the same time, the following question arises: should we focus on some global, global-level estimates and calculated data (in calories of food, in monetary terms of the subsistence minimum) or be content with indicators of intra-country differentiation of material well-being. If we consider such an example as the fact that the poor of Ethiopia and Sweden are not the same thing. We are no longer talking about the conditionality of a certain level of well-being, below which a person, the population are considered poor, as well as the fact that the level of poverty itself has a certain gradation. But let us also consider the most important question - the question of the very nature and causes of poverty and wealth of peoples. . The relevance of this issue is not high-

We have doubts, since it contributes to the development of strictly differentiated state policy measures to address it.

It should be noted that the cause and nature of poverty, from the point of view of material well-being, lies in physical labor and mental potential of the person himself. But, on the other hand, the level of this

well-being depends on the economic and social policy of the state, on the mental abilities of the head of state [3].

The study of the problem of poverty requires, first of all, the concretization of the concept of poverty as such and its definition in the system of concepts close to it – "standard of living" and "quality of life". Poverty, in a broad sense, is defined as a phenomenon peculiar to society, characterizing the economic and socio-cultural state of people who have limited material and other opportunities, freedom of action and choice, as well as access to social benefits. In a narrow sense, "poverty" is formulated through its embeddedness in the system of indicators of the level and quality of life of the population, in which indicators of the quality of life determine the existence of a person in all its manifestations, and indicators of the standard of living express the degree of material well-being. At the same time, poverty indicators include indicators of the standard of living and partially indicators of the quality of life, giving them an evaluative and differentiating character.

Based on the need to define poverty through a system of indicators, the following definition of poverty as an economic category should be given: poverty is the most important evaluative and differentiated indicator indicating a low degree of realization of a person's life interests, which correlates with his certain position in society and the corresponding lifestyle [4].

It should be noted that the price reform in 1991 in Azerbaijan and a sharp drop in living standards led to the introduction of the concept of poverty as an economic category and the emergence of special studies of this phenomenon. As the years passed, Azerbaijan became a sovereign, independent state.

Therefore, further improvement of the efficiency of the economy, its dynamic growth will allow in the future to reduce the level of poverty in Azerbaijan, because there is an organic and inextricable link between economic growth and improvement of living conditions. Therefore, relying on the opinion of a major Swedish scientist K.G.Myrdal (1898-1987), who expressed his scientific idea that economic growth, which is not accompanied by an improvement in the situation of the majority of the population, is not considered by him as development with a capital letter, because he leaves aside the vast majority of the population and is carried out at its expense. The concept of the "poverty line" was first introduced in 1970 in the works of Bardhan and Dandekar and Rath. But there are still some concepts that would reject the use of this concept, arguing that there is no reasonable way in which it would be possible to say that the well-being of a person whose standard of living fell at least a little below a certain poverty line is noticeably worse than that of someone whose standard of living is slightly above this line. However, in our opinion, this is not an indisputable argument against the use of the concept of "poverty line", although it is a weighty argument against some indicators of poverty [5].

At present, it can only be noted that in the world economic science, the concepts of poverty have changed. This, in our opinion, is connected not only with the understanding of the close dependence of the solution of this problem on economic growth in the country, but also with the government's ability to provide real assistance to the poor using social protection tools.

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