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**Poverty and Public Expenditure on Social
Programmes: The Case of Costa Rica**

by

Marvin E. Taylor

A thesis submitted to
the Faculty of Graduate Studies and Research
in partial fulfilment of
the requirements for the degree of
Master of Arts
Norman Paterson School of International Affairs

Carleton University

Ottawa, Ontario

September 15, 1986

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The undersigned hereby recommend to the Faculty of Graduate Studies and Research acceptance of this thesis, submitted by Marvin Taylor-Dormond, in partial fulfillment of the degree of Master of Arts.

Brian Tomlin, Director
The Norman Paterson School of International Affairs

A. Maslove
Supervisor

To my wife, Oreana, and to my sons, Jonathan
and Marvin with the hope that I can offset in
the future the hours not given to my family
while undertaking this endeavour.

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Abstract

This thesis examines the effect of public expenditure on social programmes upon poverty in Costa Rica. The analysis encompasses three stages. In the first the extent of poverty before benefits of public programmes is estimated. For this purpose two absolute poverty lines based on the cost of a food basket are traced. In addition, to test the sensitivity of the estimates so obtained, two relative poverty lines are also defined. In the second stage, the amount, composition and distribution (between the poor and the non-poor) of public expenditure on social programmes is discussed. The programmes included are: education, health, housing, social security, food and nutrition, and water and sewage disposal. In the last stage the income equivalent of benefits entailed by social programmes is added to the household income and then, new poverty estimates are obtained. The impact of public expenditure on social programmes is shown by contrasting the pre and post benefit poverty situations.

All estimates are provided according to three geographical categories: urban, rural and total country. Finally, the analysis is restricted to public expenditure (as opposed to public financing) and is grounded on a short term approach.

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INTRODUCTION

A market economy tends to generate social and economic inequality, which in turn paves the way for social instability. Because of this, within the context of modern mixed economies, one of the major purposes of state intervention is the lessening of inequality. Upon the basis of a notion of social justice, stability is by and large achieved through improving the distribution of the economic product. The state accomplishes its responsibility by resorting either to distributive or redistributive instruments. The former are intended to correct the distributing mechanisms of the domestic economy, seeking to modify from the origins of the economic process the income shares corresponding to different factors of production. Land reform, state supported funds for enabling workers to buy shares of their companies, and salary policies are some examples of this kind of instrument. On the other hand, the objective of redistributive instruments is to modify the distribution of the economic product after it has been generated. Public expenditure and taxation are the main instruments available for the accomplishment of this task.

In congruence with its importance, the role of the state in the moderation of inequality has received significant attention of researchers. However, despite its enormous weight, the incidence of public expenditure in particular has not been deeply studied. This is due in part to the greater conceptual difficulties involved in this task, in comparison with the

2

analysis of taxation incidence, and in part to the concern that the allocation of expenditures would entail an excessive number of arbitrary assumptions [1]. Moreover, studies on the subject in developing countries are very recent and scarce. Among these it is worth mentioning the studies of Selowsky on Colombia and Meerman on Malaysia, and the just completed study on five Latin American countries funded by the Interamerican Development Bank [2].

This thesis is intended as a contribution to the knowledge about the role of the state in the distribution of income in Costa Rica. Accordingly, in the light of the methodological framework of the aforementioned studies it addresses the issue of the linkage between poverty and public expenditure in this country. More precisely the thesis analyses the impact of the public subsidy provided through social programmes upon the incidence and intensity of poverty in Costa Rica.

The topics covered in the thesis have been divided into five chapters: The first provides a comprehensive treatment of the methodological basis of the study. In the elaboration of this chapter the interest of strongly documenting the empirical analysis prevailed. The chapter discusses the scope of the

-
1. Gillespie, W. The Redistribution of Income in Canada (Ottawa: Gage Publishing Limited, 1980), p. 67.
 2. Selowsky, M. Who Benefits from Government Expenditure? A Case Study of Colombia (Washington: The World Bank, 1979).
Meerman, J. Public Expenditure in Malaysia Who Benefit and Why. (London: Oxford University Press, 1979). The studies on Latin America were completed in 1985. The final report has not yet been published.

study, the definitions of income and poverty, the measurement of the intensity of poverty and the methodological basis for the analysis of the redistributive impact of public expenditure. Chapter II examines the extent and severity of poverty measured before benefits of social programmes. A set of estimates based on a definition of absolute poverty is first provided and then, the sensitivity of these estimates to alternative definitions of poverty is analyzed. Chapter III covers two topics: firstly, the size and composition of the public subsidy on education, health, housing, social security, food and nutrition, water and sewage disposal; and secondly, the distribution of this subsidy between the poor and the non poor. In Chapter IV, the estimates of poverty including the subsidy are supplied. Here the subsidy's impact upon income, the post benefit poverty incidence and poverty gap, and the redistributive efficiency of public expenditure are discussed. Finally, the last chapter summarizes both the methodological lines and the principal findings of the thesis.

CHAPTER I

METHODOLOGICAL FRAMEWORK

This first chapter provides the analytical basis of the study. Three fundamental issues are discussed here. First, there is a general exposition of the approach to be applied in the analysis which is intended as an introductory guide to the methodological structure of the thesis. Secondly, there is the definition of poverty and the concrete elements we have utilized to measure it in the case of Costa Rica. Lastly, in the third part of the chapter the conceptual and methodological foundations of the treatment given to the impact of public expenditure on poverty are provided.

1. On the General Approach of the Study

1.1 Introductory Remarks

The object of this study is to examine the impact of public expenditure on social services upon poverty. Analytically speaking, attaining this purpose makes it necessary to account for the nature of poverty both before and after incorporating the income benefits of public services, as well as for the extent of such benefits. In accordance with this, the study has been divided into three consecutive units of analysis: (a) an evaluation of the extent and characteristics of poverty in Costa Rica, before considering the state, aimed at identifying basic demographic, economic and geographical features of the poor, (b) an examination of the economic value of all social services

provided by the State and specifically of those received by the poor, and (c) an analysis of the poverty profile after incorporating the economic value of public social services, in contrast with the before benefits profile.

Each of these units is treated in a separate chapter. With regard to the methodology, the first unit is based on data collected through a national sample survey and on the Mata and Murillo study of the Costa Rican's basic food basket [1]. In the second unit we resort to the analytical framework and the findings of a study carried out in conjunction with other colleagues at the Institute of Economic Research, University of Costa Rica [2]. For unit three we have assigned to every family member the estimated value of benefits they received, according to the information of the aforementioned survey and the estimates included in the fourth chapter.

The unit of analysis utilized in this study is the household. This is defined as the group of people regularly living in the same house and collectively and voluntarily satisfying its basic needs [3]. However, as we shall explain

-
1. Mata, L. and Murillo, S. Canasta basica del Costarricense (San Jose: Revista Medica, Hospital Nacional de Ninos, 1980).
 2. The study has to do with the impact of public expenditure on the distribution of income in Costa Rica. This was part of a study funded by the Interamerican Development Bank in five Latin American countries through ECIEL. The author was associate researcher for Costa Rica. The final reports have not yet been completed.
 3. Direccion General de Estadistica y Censos. Censos de Poblacion, tomo I (San Jose, Gobierno de Costa Rica, 1974).

later, the criteria applied in the study for classifying a household in a particular income bracket is its corresponding per capita income - as opposed to the household overall income [1]. The use of this variable instead of the global household income provides a more accurate idea of the consumption level that each family member can attain. Hence it is the most efficient one to adopt for our purposes.

The estimates have been elaborated according to three geographical categories: (a) total country, (b) urban areas and (c) rural areas. The definitions of urban and rural segments is the same used by the General Division of Statistics and Censuses. The Division classifies a segment as urban providing it meets certain physical conditions such as the existence of well defined urban blocks, sanitary services, electric light and so forth [2]. All areas not meeting these requirements are considered as rural.

With regard to the reference period of the study, the estimates are for the year 1983. This has been necessitated by the timeframe in which the sample survey was conducted - January 1984.

It is worth noting that, in comparison with the immediately previous years, 1983 has the advantage of being a year in which the Costa Rican economy started to recover from one of the worst crises in the national history. Indeed, between 1979 and 1982.

-
1. The precise definition of these indicators will be given in Section 2.2
 2. Direccion General de Estadistica y Censos, op. cit., p. xi.

the domestic economy plunged into the most seriously chaotic situation ever registered by local statistics [1].

Consequently, because of the instability of key variables [2], studies related to the economic structure of the country - as the one undertaken here - using such years (1979-1982) as the reference period could involve important biases. We do not intend to assert that these biases had been completely overcome in 1983; however, a return to basic structural relations is expected to occur along with economic recovery. This is why 1983 may be considered as a statistically convenient reference period.

1.2 Limits of the Scope

Very often, when defining the scope of a study, to state what is not attempted to be undertaken is more effective than to simply declare what is going to be done. Observing this practical principle it must be emphasised, in the first place, that this analysis does not intend to consider the complete range or scale of income distribution in Costa Rica. Instead, attention will be concentrated exclusively on the lower end of

-
1. See for example Banco Central de Costa Rica, Cuentas Nacionales 1966-1983. San Jose, Costa Rica, 1983. Instituto de Investigaciones Economicas, Evolucion de la Industria en Costa Rica. Documentos de Trabajo No. 19, 28, 30, 33, 46, 63, 67, 78. San Jose, Universidad de Costa Rica, 1980-1984. Also, Trejos, J. and Villasuso, J.M. Evolucion Reciente de la Estructura Salarial en Costa Rica. San Jose, Instituto de Investigaciones Economicas, 1982.
 2. We refer to such variables as income, employment, prices, money exports, imports, exchange rate, etc.

the scale, namely, on the poor. Our interest is in evaluating the income-effect of public expenditure on social programs upon the population at the fringe. Such interest arises from the hypothesis that this effect is economically significant.

Moreover we believe that this effect -- or more precisely the policy leading to this effect -- is a major factor responsible for the distinctive social equilibrium of the country.

In the second place, we will not examine here the impact of taxation or other financing mechanisms of the State. We will focus exclusively on the expenditure side of the State intervention. Thus, our findings refer to a gross instead of a net effect of the State programs involving the poor.

Finally, we will not examine the repercussion that public expenditure causes upon the income of poor families in the long term. This effect is associated with the dynamics of social mobility, i.e., with the process of ascension in the social scale. A variety of factors such as education, social attitudes, permeability of the social structure, response of the labor market to improvements in the quality of the labor force, etc., intervene in this process. It is to be expected that public expenditures on education, health, and nourishment, just to mention a few fields, have a positive impact on that process by transforming attitudes, enhancing human capital endowments and establishing conditions for a steady improvement in the economic structure.

Though interesting, this angle of the issue will not be approached in the present study. Instead, we will examine the

repercussions of public expenditure upon the income of poor households in the short-term. More precisely, what is going to be measured in this thesis is the income value of benefits received by households in the same period that the State supplies services to the population [1]. This value will be added to and related with the income generated by the poor as a result of their own private efforts [2].

2. The Concept and Measurement of Poverty

In the previous section the general approach of the study was described. We will now provide the details of the analytical framework supporting this thesis.

The topics will be covered in the same order as the chapters discussing the findings of the study.

2.1 Alternative Definitions of Poverty

An attempt to define poverty can seek support from either a broad or from a more limited concept of this social phenomenon.

A broad concept of poverty should take into account not only the income attained by the unit of observation - the variable commonly used as reference - but also other variables such as freedom, education, social participation, quality of the

-
1. A similar approach was applied in, for instance, Selowsky, M. Who Benefits from Government Expenditure? Case Study of Colombia. London, Oxford University Press, 1979. Also, in Meerman, J. Public Expenditure in Malaysia. Who Benefits and Why. London, Oxford University Press, 1979.
 2. It is noteworthy that in all instances, income has been measured before taxes.

environment and the like [1].

In practice, however, measuring the non-material components of such a definition becomes a difficult task. Subjectivity is hard to avoid and accuracy is almost impossible to achieve. Because of this, poverty is commonly measured through a more restricted concept, one that takes into account only material needs. This, in turn, leads to search for an indicator of the potential capacity to satisfy such needs. Under these circumstances income becomes the most convenient indicator to adopt, as conceptually, income refers to the means received by or available to the unit of analysis, either in kind or in money, to satisfy his or her needs.

The measurement of poverty by referring only to income necessitates a precise definition of the truncation line of the structure of income distribution, that separates the poor from the non-poor. In this respect the literature distinguishes two basic approaches: an absolute one and a relative one [2].

The absolute approach suggests that in order to trace a poverty line - a truncation line - a minimum level of basic needs satisfaction including nutrition, dwelling, clothing and the like, must be specified. It follows from here that implementing this approach demands: (a) to define the

-
1. Pinera, Sebastian. Definición, medición y análisis de la pobreza: aspectos conceptuales y metodológicos. Santiago, CEPAL, 1979, pp. 2-3.
 2. Anand, Sudhir. Inequality and Poverty in Malaysia: Measurement and decomposition. Washington, The World Bank, 1983, p. 113.

categories of needs considered as basic, (b) to specify the goods suitable for satisfying these needs and (c) to establish the acceptable consumption levels of goods selected. In relation to the categories of needs, the following are among the most commonly cited in the literature [1]:

- nutrition
- water and sewage disposal
- housing
- clothing
- heating, light and electricity
- health
- education
- transportation
- recreation
- social security

The category most frequently used in empirical studies, however, is the nutritional one. An explanation has been given by Pineda, who observed that:

Although it is not exempt from difficulties, an approach based on nutritional considerations presents great advantages: a) it is relatively simple as it refers to the most essential human need, (b) it allows a significant reduction of arbitrariness in the analysis, and c) it can be applied to analyze other needs, through a simple extension [2].

Once the type of needs to be included in the analysis has been specified, the appropriate goods to meet them and the minimum consumption levels must be defined. These two aspects have to do with the design of a basket of goods to be used for tracing the poverty line. Such a design is to be based on what

1. Pinera, Sebastian, op. cit., pp. 5-6.

2. Ibid.

is considered as the regular consumption patterns of the population of concern, and the minimum physiological and social requirements of subsistence. Thus, it is easy to realize that for the very nature of this task, it is by no means exempt of arbitrariness. Although, as stated above, the nutritional approach mitigates this factor by resorting to very concrete and objective parameters, such as, minimum requirements of energy and proteins of people by sex, age, intensity of activity, weight and other similar medical specifications.

The second path to follow in order to establish a poverty line was previously identified as the relative approach. This interpretation conceives poverty in relation to the general living standard of the population under study [1]. Thus, the poverty line is traced by explicitly taking into account the entire structure of income distribution. The simplest application of this approach consists in defining the population located in the lowest 'p' percentile of the national structure of income distribution - generally 20 to 40 per cent - as poor. In this respect, as Anand has observed:

There are two objections to this method of defining the poor. First, the method prejudices the extent of poverty (it is 'p' percent by definition). Second, it implies that "the poor are always with us". In a trivial statistical sense there is a bottom 'p' percent in the income distribution and thus one could never actually eradicate poverty [2].

Objections of this order have led to more elaborated formulas of the relative approach. One of these is the

-
1. Anand, S., op. cit., p. 111 and Pinera, S., op. cit., p. 5.
 2. Anand, S., op. cit., p. 113.

definition of the poverty line upon the basis of a given percentage of the national average income, so that the population attaining an income lower than this level would be classified as poor. Here as in the previous case, the poverty line rises simultaneously with the increase of the national average income, i.e., with improvements in the living standard of the population. Yet, with this method "it is no longer true poverty cannot be eliminated. In fact, it is quite possible to imagine a society in which no one has less than (for instance) half the average income" [1].

To summarize, a broad concept of poverty should include material and non material needs, but because the latter are difficult to measure poverty studies usually refer to material needs. Income is an indicator of the potential access of people to goods and services for satisfying their material needs and for this reason is normally used as reference for defining and measuring poverty. In this respect, when tracing the poverty line it is possible to adopt an absolute approach or a relative one. The former suggests that the poverty line must reflect a minimum level of basic needs satisfaction, while the latter conceives poverty in relation to the general living standard of the population.

This thesis, using the income received by families as a reference, constructs a poverty profile based on the absolute approach. Further, in order to test the sensitivity of the

1. Anand, S., op. cit., p. 114.

figures to alternative definitions of poverty, two additional sets of estimates using the relative approach methods previously discussed were constructed. In the sections to follow the concrete methodological procedures adopted will be examined.

2.2 The Income Concept and the Poverty Lines Utilized in the Study

2.2.1 Income Concepts

As explained before the concept of poverty used hitherto focuses on the satisfaction of basic material needs. Therefore, income is the relevant variable to adopt for discriminating between the poor and the non-poor.

For the ends of this thesis income was estimated with data collected through the Survey on Social Public Expenditure, a countrywide survey conducted in 1983 by the Institute of Economic Research of the University of Costa Rica [1]. Upon the grounds of this information two types of income were defined: (a) income before the benefits of public expenditure and (b) income after such benefits.

The first category includes the following items:

- i) monthly salaries
- ii) profit earnings (balance of personal activities)

-
1. Some statistical specifications of this survey will be provided in the section where the distribution of benefits is discussed.

- iii) Capital revenues (interests, dividends, rent of properties, including estimated income for living in own house).
- iv) income value of production for self-consumption
- v) pensions of the contributory system [1]
- vi) allowances for temporary absence from the working place due to sickness
- vii) non regular transfers (lottery prizes, gifts, insurance policies, inheritance) and
- viii) revenues from other sources ("aid" from relatives, for instance).

This definition of income intends to cover all revenues produced by the collective effort of the household members, excluding any support of the State. Thus although items (v) and (vi) involve state intervention to some degree, they have been included because they are direct products of work. In other words workers have access to these two sources of income because part of their salary is explicitly deducted for creating them.

The second definition of income handled in this thesis includes, in addition to the above items, the income-value of benefits due to public expenditure in social areas. Clearly enough this second definition leads to a household income

-
1. This is the regular pension system in which workers contribute or pay systematically to receive an allowance as they retire. However, elders who are not covered by this system may apply for a pension to the non-contributory system which is financed by the State. Because of its nature, non-contributory pensions are included as part of the State's assistance programmes.

greater than or at least equal to that obtained with the first definition.

When using income as the reference variable for measuring poverty, three alternative indicators may be chosen: (a) the total household income, (b) the household per capita income and (c) the income by adult equivalent [1].

The first option fails to account for the size and the age structure of the household; therefore it is not an efficient indicator of the consumption possibilities available to the family members.

Option (b) takes into account the size of the household, and is therefore a better indicator than the former. Lastly, option (c) incorporates both the size and the structure of families through a conversion of every member into adult units.

The third alternative is likely to be the most efficient one in statistical terms. However as Mohan has correctly pointed out:

While some norms may be found for deriving adult equivalents on age and sex for food consumption purposes, it is difficult to do so for consumption as a whole. For example it may well be that, while a child may require less nutrition than an adult, expenditure on his/her education and health might well exceed those for adults. It is therefore difficult to estimate adult equivalents for total consumption purposes [2].

-
1. Trejos, J.D. La Distribución del Ingreso de las Familias Costarricenses: Algunas Características en 1977 (San Jose: Instituto de Investigaciones Economicas, Universidad de Costa Rica, 1983), pp. 61-62.
 2. Mohan, Rakesh. An Anatomy of the Distribution of Urban Income: A Tale of Two Cities in Colombia (Washington: The World Bank Staff Working Papers, Number 630, 1984), p. 5.

Under these circumstances the second best option, i.e., the household per capita income, has been adopted in this thesis. To be more precise, this concept corresponds to the sum of income generated by every family member divided by the number of persons in the household. Thus, by contrasting this per capita average with a poverty line also specified in per capita terms households are classified as poor or non-poor, depending on whether they are above or below the line.

2.2.2 The Absolute Poverty Line

For estimating the absolute poverty line the study of Mata, and Murillo on the Costa Rican basic food market was used [1]. In this study, the basic food basket was defined as "the amount of food consumed by a Costa Rican adult male (older than 25 years, of 65 Kg body weight, subjected to moderate activity) to add up to 2900 calories per day" [2].

On the grounds of the information provided by nutritional surveys carried out in 1966, 1967 and 1978, Mata and Murillo estimated the structure of diets for urban and rural areas. These structures take into account the Costa Rican's food habits as well as the frequency of foods consumed. Furthermore the structures were adjusted so as to satisfy the requirement of 2900 calories per consumer-unit. Tables 1 to 3 show the composition of the baskets for the cities, the rural areas and

1. Mata, L. and Murillo, S., op. cit.

2. Ibid., p. 112.

Table 1
 Structure of the Costa Rican's Food Basket
 (Daily Grams per Person)

Item	Quantity (gr.)	Calories	Contribution to Total Calories (Percentages)
Milk	445	289	9.95
Eggs	31	46	1.6
Meat	84	206	7.1
Beans	74	255	8.8
Vegetables	105	34	1.17
Fruits	44	17	0.6
Bananas and Plantains	49	56	1.95
Tubers	69	78	2.7
Rice	187	682	23.5
Bread	78	218	7.5
Tortilla	68	136	4.7
Sugar	102	377	13.0
Fat	51	447	15.0
Coffee	13	29	1.0
Soft Drinks	96	30	1.05
Total	1496	2900	100

Source: Mata, D. and Murillo, S., Canasta Basica del Cosfarricense (San Jose: Revista Medica, Hospital Nacional de Niños, 1980).

Table 2
 Structure of the Urban Costa Rican's Basic Food Basket
 (Daily Grams Per Person)

Item	Quantity (grams)	Calories	Contribution to Total Calories (Percentages)
Milk	514	334	11.5
Eggs	33	49	1.7
Meat	118	290	10.0
Beans	59	203	7.0
Vegetables	119	38	1.3
Fruits	59	23	0.8
Bananas & Plantains	58	67	2.3
Tubers	67	76	2.6
Rice	183	667	23.0
Bread	73	203	7.0
Tortilla	39	78	2.7
Sugar	92	339	11.7
Fat	54	467	16.1
Coffee	15	33	1.2
Soft Drinks	108	33	1.2
Total	1591	2900	100.0

Source: Mata, L. and Murillo, S., Canasta Basica del Cosferricense (San Jose: Revista Medica, Hospital Nacional de Ninos, 1980).

Table 3
 Structure of the Rural Costa Rican's Food Basket
 (Daily Grams Per Person)

Item	Quantity (Grams)	Calories	Contributions to Total Calories
Milk	375	244	8.4
Eggs	29	44	1.5
Meat	50	122	4.2
Beans	90	307	10.6
Vegetables	91	29	1.0
Fruits	31	12	0.4
Bananas & Plantains	40	46	1.6
Tubers	70	79	2.7
Rice	191	696	24.0
Bread	83	232	8.0
Tortilla	97	195	6.7
Sugar	113	418	14.4
Fat	49	424	14.6
Coffee	11	26	0.9
Soft Drinks	84	26	0.9
Total	1404	2900	100.0

Source: Mata, L. and Murello, S., Canasta Basica del Costarricense (San Jose: Revista Medica, Hospital Nacional de Ninos, 1980).

the whole country. The products included in all three cases are the same, however, owing to different consumption patterns their respective weights vary.

In order to estimate the number of consumer units by household, Mata and Murillo defined a prototype Costa Rican family composed of six members. The configuration of this prototype household in terms of age and consumer units is presented in Table 4. According to these figures the typical Costa Rican family is equivalent to 4.28 adult males.

With the support of the above information the following stage involved assessing the cost of the basic basket. For this purpose the food prices periodically collected by the General Division of Statistics and Census for constructing the domestic Consumer Price Index were used. This resulted in the estimation of two absolute poverty lines. The first is referred to as the "extreme poverty line". It consists of the household per capita value of the basic basket. This may be expressed in notation as:

$$EPL = (4.28 \times BC) / 6, \text{ where}$$

EPL = extreme poverty line

BC = cost of the basic basket

4.28 = consumer units by household

6 = number of persons in the prototype family.

The second line estimated is called the "basic poverty line". Located above the previous truncation point, this line incorporates an amount accounting for non-food items. With data

Table 4

Consumer Units of the Basic Food Basket According to a
Prototype Family

Person	Consumer Units
Adult Male	1
Adult Female	0.71
Male, age 10-12	0.86
Child, age 7-9	0.71
Child, age 4-6	0.60
Child, 12 months	0.40
Total units per family	4.28

Source: Mata, L. and Murello, S., Canasta Basica del
Cosferricense (San Jose: Revista Medica, Hospital
Nacional de Ninos, 1980).

provided by the nutritional survey of 1978 Trejos estimated that the 40% of poorer families spend approximately 63% of their income on food [1]. Thus using the latter figure the "basic poverty line" is equal to the EPL divided by 0.63.

Again expressing this in notation,

BPL = $EPL/0.63$, where

BPL = Basic poverty line

EPL = extreme poverty line

0.63 = percentage of income spent by the poor on food.

In summary, according to these two definitions, families are classified as (a) extremely poor if their per capita income is less than the monthly per capita cost of the basic food basket for a member's household (EPL), (b) basic poor if their income is equal to or greater than EPL but less than the per capita cost of the "basic needs basket" (BPL) and (c) non-poor if their income is equal to or greater than BPL.

The truncation lines were obtained both for urban and rural locations. According to the figures of Table 5, the extreme poverty line for an urban household of six members has been estimated at C964 (Costa Rican Colones) per month, while the basic poverty line amounts to C1518 per month. In the case of rural household the figures are C800 per month for the extreme poverty line and C1260 per month for the basic poverty line. It is noteworthy that the assessment of the baskets was done with one set of prices regardless of the geographic location, as the Division of Statistics does not collect specific data for the

1. Trejos, J.D., op. cit., p. 60.

rural zone. Consequently, the difference in cost between cities and rural areas reflected by the poverty lines, is completely due to the dissimilarity in the structure of the baskets.

Table 5

Costa Rica: Absolute Poverty Lines by Type and Region
(Costa Rican Colones)

Type of Line	Urban	Rural
Basic poverty line	1518	1260
Extreme poverty line	964	800

Source: Institute of Economic Research, University of Costa Rica.

2.2.3 Relative Poverty Lines

In order to test the sensitivity of the estimates to changes in the specification of the poverty line, two more income limits based on the relative approach were established. One is the upper class limit of the fourth decile of the income distribution. In other words, this is the crude version of the relative approach which consists, as may be recalled, in defining the lower 40% of the income distribution as poor. The so derived threshold income is 1890 colones for all households.

The second relative poverty line is equal to 50% of the mean income of the population. This line was estimated for urban and rural areas separately. In the former case the line was fixed at C2,435 while in the latter it amounts to C1,196 Costa Rican Colones.

A comparison between the different poverty lines estimated in the thesis is shown in Table 6. It can be deduced from these figures that by applying relative I and II in urban areas the number of poor families to be reported will be greater than those to be obtained when using the absolute poverty line. In rural zones the larger estimate will result from the use of relative I and the lower from the application of relative II.

It is worth noting that the effect of public expenditure upon poverty will only be measured by using the absolute poverty profile as reference. The relative figures are exclusively intended as a comparison between different estimates of poverty incidence resulting from the application of alternative definitions of the poverty line.

2.3 Measurement of the Intensity of Poverty

The problem of measuring poverty includes another aspect, in addition to what has been discussed so far. After defining the poverty line it is necessary to assess the intensity of poverty suffered by the population below the threshold income. A number of indices have been devised for this purpose, two of which are hitherto used [1]. One is the so called head count ratio (also known as the poverty incidence ratio), which measures the number of people in poverty as a proportion of the population under study.

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1. An exposition of alternative measures of poverty can be consulted in Kakwani, N. *Income Inequality and Poverty* (N.Y.: Oxford University Press), Chapter 13.

Table 6

Costa Rica: Absolute and Relative Poverty Lines
by Location, 1983

(Costa Rican Colones)

Type of Line	Household Per Capita Income	
	Extreme Poverty	Basic Poverty
<u>Urban</u>		
Absolute	964	1518
Relative I [1]	...	1890
Relative II [2]	...	2435
Metropolitan area of San Jose [3]		2769
Rest of urban areas	...	2010
<u>Rural</u>		
Absolute	800	1260
Relative I	...	1890
Relative II	...	1196

1. Corresponds to the upper limit of the fourth decile.
2. This is equal to 50% of the overall average income of the respective region.
3. San Jose is the capital city of Costa Rica. Over 30 percent of the country's families live in the metropolitan area of San Jose.

Source: Institute of Economic Research, University of Costa Rica, and Survey on Social Public Expenditure

Although this is a traditional and very easy to interpret index, it has an important drawback: it is not sensitive to transfers of income from the poor to the non-poor or among the poor themselves. Such deficiency is partially overcome by the second index adopted here. This indicator is the poverty gap, defined as "the difference between the income of the family unit in question and the income that would be required to bring that unit up to some defined poverty line" [1].

It follows that estimates of the global poverty gap take into account both the number of families in poverty and the amount by which they are poor. Moreover, the index is sensitive to transfers of income from people below the threshold income to people above this limit. In effect it is easy to deduce from the above definition that such a transfer would lead to an increase in the value of the indicator.

Another way of examining the nature of these two poverty indices is by introducing the following notation:

n = total population size

q = number of people in poverty

p = poverty line

i = average income of the people in poverty

Hence, the head count ratio or the poverty incidence is equal to q/n , where the poverty gap is $q(p-i)$.

These formulas show the facts previously explained: the

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1. Beckerman, W. Poverty and the Impact of Income Maintenance Programmes (Geneva: International Labor Office, 1983), p.

head count ratio ignores the income deficit of poor families in relation to the poverty line, while the poverty gap changes in proportion to this deficit and the number of people in poverty [1].

3. The Analysis of the Redistributive Impact of Public Expenditure

3.1 Conceptual Foundations

The conceptual basis of this section is rooted in the literature on the incidence of public expenditure. The methodological procedure involves, in a first stage, an estimation of the distribution of public expenditure between the poor and the non-poor, and in a second stage, an assessment of the distributive effect of these funds among the poor.

Before proceeding to explain the estimation methods, the definition of some concepts is in order. First, there is the notion of subsidy. The provision of a good or a service will involve a subsidy insofar as the cost of the product is greater than the direct payments made by the population which receives them [2].

The public sector is able to generate subsidies through three mechanisms: (a) public expenditure, (b) public

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1. Yet, the poverty gap is insensitive to transfers among the poor. An index incorporating this aspect in addition to the advantages of the other two measures has been proposed by Amartya Sen. For a discussion of this index see Anand, S., op. cit., pp. 18-23.
 2. Selowsky, M. Who Benefits from Government Expenditure? A Case Study of Colombia (Washington: The World Bank, 1979), pp. 10, 12.

enterprises and (c) price control. Most of the cases analyzed in this thesis corresponds to services subsidised by means of the public expenditure. Subsidies via expenditure are provided through the government budget, the instrument commonly used for supplying goods and services to the population. The redistributive effect of such expenditure may be analyzed in the light of three alternative approaches [1]. The first is based on the examination of the income generated by factors involved in the production of goods and services provided by the government. Thus, if a housing project for low income people is taken as an example, the corresponding estimates are to consider the payments received by workers and owners of capital goods who have participated in the construction of the houses.

A second approach is to analyze, in a first stage, the effect of public sector activities upon the structure of production and the allocation of resources and, in a second stage, the impact of this transformation on the income received by factors of production.

An example is the construction of a road: in this case an assessment of the effect of public expenditure on such aspects as access to new markets, cost reduction due to greater efficiency of communications, improvement of competition, factor mobility and so forth should first be considered. Then the implication of such changes on the income of factors of production affected should be evaluated.

1. CEPAL. La política Fiscal como Instrumento para modificar la distribución del Ingreso. Una aproximación metodológica. Mexico, mimeo, 1981, p. 2:

The third approach focuses its attention on the direct benefits provided to the recipients of public goods and services. Thus, in order to assess the redistributive effect of these benefits their income value must be quantified. One could attempt to estimate this value by resorting to the family unit's appraisal of the benefit it has received from public programmes [1]. However, the measuring problems that this "benefit received" method entails are extreme. An alternative method is that suggested by the "cost incurred on behalf of" approach [2]. In this instance the cost incurred by the State in running their programmes must first be estimated, and then it should be allocated among the families on whose behalf the spending was carried out. For appraising this cost two alternative mechanisms may be applied. One is to use the government budget entries, the other is to resort to the price of equivalent goods produced by the private sector. Since the latter mechanisms involve problems related with differences in the quality of public goods vis-a-vis goods produced by the private sector, and with differences in the scale of production utilized in their manufacture, investigators tend to make use of the government budget.

This thesis looks at the direct redistributive effects of public expenditure. Thus, for the reasons outlined above the direct benefit approach is in this case the relevant one.

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1. Gillespie, W. The Redistribution of Income in Canada (Ottawa: Gage Publishing Limited, 1980), p. 68.
 2. Ibid.

Within this context, for analytical convenience, public expenditure may be separated into three categories: (a) consumption expenditure, (b) capital expenditure and (c) transfers. The first category refers to payments made by the government for generating services or to acquire goods. In the case of capital expenditures, their redistributive impacts continue over the economic life of the assets. In other words, the subsidy entailed by this type of expense is equal to the depreciation of the capital goods plus the opportunity cost of the investment for each period of interest. The last category (transfers) represents a direct delivery of funds to the beneficiaries.

For distributional purposes the allocation of transfers does not present serious difficulties. This item may be interpreted as a negative tax and charged directly to the families affected. The distributional implications of consumption and capital expenditures is less clear cut. The complexity varies depending on whether the nature of the goods is public, semi-public or private. The first case corresponds to goods which consumption is collective (nonrival), not subjected to the exclusion principle. In other words, the consumption benefits of person A does not reduce the benefits obtained by the remaining population, and consumption is not made contingent on paying the price of the good [1].

1. Musgrave, R. and Musgrave, A. Public Finance in Theory and Practice (New York: McGraw-Hill Inc., 1984), pp. 48, 49.

Expenditures on defense and State administration are two examples of this type of good. Allocating the subsidy derived from such services is complex for disparities in consumption according to income are very difficult to be measured precisely.

Semi-public goods are characterized by strong externalities entailed by their consumption, but they can be subjected to the exclusion principle. Health and education are two illustrative cases; their consumption benefits not only those who have direct access to them but also the entire society. Distributing the subsidy derived from the public provision of this type of service among the direct beneficiaries solely would create a distortion, as externalities would not be included. The problems for estimating such externalities are, however, formidable; because of this in practice, investigators generally do not include them in their estimates.

Finally, private goods and services are those entirely subjected to the exclusion principle and the consumption of which is rival, that is, "they are goods where A's partaking of the consumption benefits...reduces the benefits derived by all others" [1]. The provision of this type of goods and services by the State may be due to historical reasons as in the case of postal services. In studies on incidence of public expenditure their effects are usually assumed to be neutral.

1. R. Musgrave and P. Musgrave, op. cit., p. 49.

3.2 Selection of public programmes and estimation of the subsidy

The public programs analysed in this thesis are: (a) education, (b) health, (c) social security, (d) food administration, (e) housing, (f) water supply and (g) sewage disposal.

In the light of the conceptual foundations previously discussed, the analysis of the distributional effects of public expenditures in these programs is composed of two stages: (a) the estimation of the subsidy and (b) the distribution of the subsidy. The object of this section is to examine the methods applied in the first of these stages.

The education programs analysed here include: preschool, primary, secondary and higher education. Also they consider adult education, special education (handicaps), technical training and post-secondary education.

With regards to the subsidy corresponding to these programs, it will be recalled that this concept is equal to the difference between the cost of providing the product, on the one hand, and the direct payment made by the recipients, on the other. Considering that in the case of education the beneficiaries are not obliged to make a direct payment to be entitled to the service, the amount of the subsidy is the same as the cost incurred by the State in educating the citizens.

As we already know, this cost is composed of: (a) current expenditure and (b) capital costs. The estimation of the current expenditure was done by using the Ministry of Education's budget - the final settlement of accounts to be

more precise, the various budgets of small boards of education operating across the country, and the accounting registers of Universities and other technical training and post-secondary institutions.

In the case of the capital cost, an effective payment is not involved. Rather, the subsidy is composed of the depreciation of the assets and the profit the investment would have generated in its best alternative option. Both components must be quantified on the basis of the replacement value of the capital goods, so as to reflect their actual value in the period of interest [1]. In this study capital goods were classified in three groups: (a) buildings, (b) land and (c) machinery and equipment. Their respective values were estimated by resorting to a physical inventory conducted by the Ministry of Education and to the accounting books of universities and post-secondary institutions.

Market values for different items in each category by geographical location and condition of the assets, as well as the Implicit Price Index in Gross Capital Formation were applied for appraising the value of the three aforementioned groups. In all the cases an 8% rate of return was used for estimating the alternative yield of the investment [2]. Depreciation was

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1. If the book value was used, the capital cost would be significantly underestimated.
 2. The estimation of the profit rate was obtained by taking the approach suggested in Massad, C. El Costo Real de la Deuda Externa para el Acreedor y el Deudor. Santiago, Revista de la CEPAL No. 19, 1983, pp. 185-187. The resulting figure can be interpreted as the social rate of discount of the country.

calculated at a rate of 2% for buildings (fifty years) and 6.67% for machinery and equipment (fifteen years) [1].

In the case of preschool, primary and secondary education the geographic distribution of the subsidy (rural and urban areas) was done in accordance to the location of the educational centers. Universities, technical training centers and post-secondary education institutions are located in urban areas. Because of this, such distribution was carried out according to the permanent residence of students. This procedure assured the allocation of part of the subsidy to rural areas.

In order to estimate the subsidy in health, programmes were divided into: (a) curative medicine and (b) preventive medicine. In turn, curative medicine encompasses two types of services, namely, hospitalization and external consultation, whereas preventive medicine includes direct preventive and general preventive medicine. The estimation procedure applied in this instance is basically the same of that of education. A direct payment for the service is non-existent. Hence, the subsidy is equivalent to the entire expenditure of the State in these programmes.

The data for estimating the current expenditure in curative medicine were obtained from the budget of the Caja Costarricense del Seguro Social (CCSS), the institution in charge of providing

1. The depreciation rates are defined in conformity with accounting practice. In other words, these rates are usually applied in bookkeeping work.

this type of medical services to the population. For assessing the capital cost, assets were subjected to the same treatment previously outlined, that is, they were first valued at current prices, and then their depreciation and opportunity cost were calculated. For this, the same rates that were used in education (2% buildings, 6.67% machinery, furniture and equipment and 8% opportunity cost) were employed.

In the cases that the CCSS did not make a clear distribution of the current cost between hospitalization and external consultation, the separation was done by using the distribution of patients attended or the distribution of the cost of medical services. Capital cost, for their part, were divided according to the structure of current costs.

In order to estimate the current cost of preventive medicine the final settlement of the Ministry of Health budget was used. The information to calculate the subsidy on capital cost was supplied by two sources: (a) the inventory of buildings and land pertaining to the Ministry of Health, conducted by the Institute of Economic Research in 1984 and (b) the own inventory of machinery, furniture and equipment of the Ministry of Health. Again, the depreciation and alternative cost of these assets were obtained after calculating their market value.

Concerning social security, for analytical purpose programmes in this area were separated into three groups: (a) pension systems, including contributive and non-contributive plans (1),

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1. Notwithstanding as explained in Section 2.2.1, only non-contributive pensions are considered as subsidy.

(b) cash allowances, unemployment subsidies and other similar transfers and (c) social welfare, which includes child welfare programmes as well as programmes for the handicapped and the elderly. When estimating the subsidy in these three fields only the amount of transfers was computed. In other words, capital components were not taken into account because they constituted an insignificant percentage of the global subsidy.

The geographic distribution of pensions was estimated in accordance with the location of beneficiaries. This information was obtained through the Survey on Social Public Expenditure. Because of lack of sufficient data related to beneficiaries, the social security subsidy in the other two fields was basically allocated according to the place where programmes were executed.

For estimating the subsidy in nourishment programmes, three types of "final products" were defined: (a) served meals, (b) food allowances and (c) other programs. The first refers to a large programme of meals provided to children in primary schools and to the food programs of the Education and nourishment centers (CEN) and the Children Integral Care Centers (CINAI). Food allowances include a variety of programmes involving food delivery to families. In this instance food needs are satisfied at home. The category of other programs sums up various programmes of nourishment education and home or community production of food, executed by the Ministries of Education and Agriculture and by the National Division of Family Allowances.

The estimate of current expenditure in nourishment

programmes was based on the final settlement of the budgets of institutions executing such programmes. For assessing the capital cost, the physical inventory of the educational centers previously mentioned was used. This source supplied information on the physical area and the equipment devoted to the preparation and provision of hot meals at schools. In addition, the asset inventories of other institutions participating in nourishment programmes were considered. The treatment given to these assets is the same that was applied in education and health.

The regional allocation of current expenditures in served meals, was done in conformity with the distribution of the enrolment in schools where the programme operates. The capital cost was assigned according to the location of schools. Food allowances were distributed in accordance with the residence of families who received the transfers, and in the rest of programmes a combination of criteria was applied, depending on the characteristics of the programme of concern.

The estimation procedure of the subsidy in housing is different from that of the previous cases. In this instance subsidies were classified into two categories: (a) direct, and (b) implicit in financial condition. Direct subsidies are those granted through the provision of free services, free houses or transfers of funds for housing purposes. This type of programme is run by the Mixt Institute of Social Aid (IMAS) and the National Institute of Housing and Urbanization (INVU).

The implicit subsidies arise from the granting of favorable

financial conditions in housing loans. It is worth noting that the importance of this type of subsidies is derived from the fact that the Costa Rican banking system is nationalized. This means, in essence, that only banks of the public sector are authorized to receive demand deposits, the principal component of resources handled by banking systems. Consequently, the economic influence of the public sector through the financial system is of significant importance.

This study particularly focusses on the housing portfolio of the National Banking System which is composed of the National Bank, the Anglo Bank, the Bank of Costa Rica, and the agricultural Bank of Cartago. Other public institutions granting housing loans were also considered. These include the People Bank for Community Development, the CCSS, and the National Institute of Insurances.

With regard to the estimation procedures, the direct subsidy is equal to the cost incurred by the state in providing houses and granting transfers. The implicit subsidy, for its part, resulted from multiplying the difference between the nominal interest rate charged to borrowers and the actual cost of the funds, by the amount of the housing portfolio of creditors. In notation:

$$IHS = C[(r + \Delta P) - i], \text{ where}$$

IHS = Implicit housing subsidy

C = Amount of the housing portfolio

r = External cost of resources (8% is used)

P = Increase of domestic prices over the year

i = Nominal interest rate charged to borrowers

It is clear that $(r + P)$ constitutes a measure of the domestic cost of funds. In this respect, to avoid distortions created by inflation in one year, an average of price increases (P) over the last five years was applied. The housing portfolio (c) and the nominal interest rate (i) were estimated for each financing institution. In the case of (r) , the 8% employed is equivalent to the return on investment in its best alternative use.

The geographic assignment of the direct subsidy was carried out according to the area where projects were executed. The implicit subsidy was allocated in conformity with the geographic structure of mortgage pay-off, information obtained through the survey on Public Expenditure.

The last two groups of programmes correspond to water supply and sewage disposal. Here the estimation procedure of the subsidy followed the same principles previously outlined. Current and capital costs were estimated by using information of the National Institute of Aqueducts and Sewage; and the records of various local government responsible for providing these services to their communities.

Since in the case of water and sewage the beneficiaries make a direct payment for the service (as opposed to the other cases already mentioned), the subsidy is estimated by deducting the amount of payments from current and capital costs. Data related to payments was supplied by the survey on public expenditure.

3.3 Distribution of the Subsidy

The problem of distributing the subsidy between the poor and the non-poor has three aspects. The first is the definition of consumption units for each good or service. The need for defining these units is due to the fact that the subsidy received by a household from consuming a good or service is equivalent to the subsidy per unit multiplied by the number of units it has consumed. Accordingly, where applicable, a consumption unit and its corresponding average subsidy was specified for each programme [1].

In education, the consumption unit is "one year of education". The average cost of this year varies according to the educational level. In curative medicine, the units are hospitalization - defined as a 24 hour stay in the hospital - and consultation. Preventive medicine also originated two units: consultation and vaccination. In social security only pensions were feasible to use as consumption units. Nourishment programmes encompass three units: served meals, food allowances and milk packages. In housing no specific unit was defined. Finally, in water supply the unit is one cubic meter of water consumed and in sewage disposal one cubic meter of water disposed.

The second problem of the task of distributing the subsidy is the identification of beneficiaries by income level. In

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1. In some cases due to the nature of the service the definition of a consumption unit is not possible. The criteria applied for distributing the subsidy in this instance will be explained later.

in order to address this problem, two possible strategies can be followed. One is to use the records of institutions responsible for executing the programmes. In the case of Costa Rica these records are very much incomplete, especially concerning income data. Further, in the general case, the problems created by this first strategy in relation to the comparability of data can be formidable. The second strategy is to conduct a country wide sample survey. Although being more costly, this option is significantly superior to the former. First, it generates the income distribution data to be used as reference; second, a variety of information about the services can be included (determinants of demand, quality, reason for non access, etc.); and third, it avoids problems of data comparability.

This thesis is supported by a countrywide sample survey. The survey was conducted in January 1984 by the Institute of Economic Research of the University of Costa Rica. Before discussing the use of the data generated by this field study, it is in order to provide some basic information about it [1].

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1. Taylor, M. and Sauma, P., Efectos redistributivos del subsidio a la educacion Preescolar primaria y media en Costa Rica (tesis: Universidad de Costa Rica, 1984), pp. 49-53, and Trejos, J.D., op. cit., pp. 3-8. Also, Instituto de Investigaciones Economicas, reportes preliminares del estudio sobre Gasto Publico Social en Costa Rica (mimeo).

THE SAMPLE SURVEY ON PUBLIC EXPENDITURE

a. Objectives

The purpose of the Survey on Social Public expenditure was to collect information about the access of Costa Ricans to public programmes in the fields of education, health, social security, nourishment, housing, water and sewage disposal. This information originally was to be used for studying the effect of public programmes upon the income distribution. In the present study the data has been re-processed to measure the extent of poverty and to reflect the impact of programs on the poor.

b. Units of Analysis

There are two units of analysis in the survey: the household and its members. Hence, the data can be obtained either by households or by individuals, depending on the requirements of the analysis.

c. Dates of data collection, type of interview

The data was collected during the three weeks that go from the 9th to the 29th of January 1984. The interviews conducted were direct. The questionnaire used during these interviews is shown in Annex A.

d. Geographic Coverage

The survey has a national coverage. The design allows for estimations for the metropolitan area, the Central Valley, the rest of the country, and for rural and urban areas. In this thesis, only the latter disaggregation is used.

e. Sample Design

The households interviewed through the Sample Survey on Public Expenditure were chosen within the framework of the Program of Household Surveys, which are conducted every four months by the Ministry of Labor and the General Division of Statistics and Census. Consequently, the sample design is common to both field studies. The basic characteristics of this design are the following:

1) Sample Framework

The basic sample framework was taken from the listing of segments [1] elaborated by the General Direction of Statistics and Census. These segments were arranged in accordance with the geographic categories mentioned in point d.

ii) Sample selection

The selection of the sample was carried out through a three-stage process. In the first, the segments were considered as sample units. In the second, the segments previously chosen were divided into sectors, which were separated by streets, rivers or other easily recognizable geographic references. According to this rule, segments were to be separated if they contained more than 90 houses in urban areas and more than 40 in rural zones. In the third stage clusters of 3 houses in urban sectors and of approximately 20 houses in rural sectors were constructed. The selection of clusters was systematically and randomly conducted.

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1. The General Direction of Statistics and Census defined the segment as the geographic region with physical limits easily recognized and where the census can be completed in six days. See Trejos, J.D., op. cit., p. 4.

iii) Size of the Sample

The sample for the Survey on Public Expenditure is composed of 1457 households, which are equivalent to nearly one quarter of the sample corresponding to the Program of Household Surveys.

The distribution of the 1457 households over the country is presented in Table 7.

Table 7

Costa Rica: Distribution of the 1984's Sample Survey on
Social Public Expenditure

Zone	Number of Households	%
Country	1457	100.0
Urban	800	54.9
Rural	657	45.1

Source: Institute of Economic Research, University of Costa Rica.

iv) Method of Estimation

The data generated by the sample are extrapolated to reflect the overall population. This is done by using extrapolation factors applicable to each family. These factors vary, depending on the geographic location of families.

The Sample Survey on Public Expenditure provided the demographic, occupational and income data for constructing the poverty profiles presented in the thesis. In addition, it supplied the information for tackling the problem of identifying the beneficiaries of public programs.

The third problem on the agenda concerning the distribution of the subsidy is the allocation of the subsidy itself. In the cases that a consumption unit was specified the solution simply consisted in multiplying the number of units consumed per household by their respective unitary cost. This occurred in education, health, pensions, some of the nourishment programmes, water supply and sewage disposal. In other instances, ad hoc allocation procedures were applied. These will be examined now.

In social security it was impossible to define consumption units for child welfare and old age programmes. Thus, subsidies in these two areas were allocated between the poor and the non-poor in accordance with the distribution of children and the elders. In the category of other nourishment programmes, the expenditure in those related to treatment of children with severe malnutrition and with nourishment education were allocated among the poor. Subsidies in programmes related to community and school food production were distributed in conformity with the distribution of primary school enrolment, as schools are the most important programme operation centers. Finally, in housing, given the fact that programmes generating direct subsidies are designed for lower income groups, such subsidies were primarily allocated among the poor. The implicit subsidy, for its part, was assigned in accordance with the percentage distribution of mortgage pay-offs between the poor and the non-poor.

3.4 Distributive Efficiency of Subsidies

The topic of efficiency of public programs has not been sufficiently treated by investigators. The present stage of development of conceptual and empirical work in this area is far from being satisfactory [1]. In this thesis, a preliminary attempt is made to account for the distributive efficiency of subsidies granted by the state through the provision of goods and services. The methodological procedure of this exercise follows the approach proposed by Beckerman [2].

The concept of efficiency acquires meaning when put in the context of pre-defined objectives. For instance, the efficiency of public programmes can be defined in terms of social equity or in relation to the structure of production or with regard to administrative concerns. The extent to which programmes are efficient is proportionate to the degree to which objectives are achieved. The conceptual and empirical problems of devising adequate indicators of such efficiency are however formidable [3]. Besides, public programmes are generally not designed for solely satisfying one objective. This makes the task even more complex.

The concepts of efficiency proposed in this thesis do not

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1. Beckerman, Wilfred. Poverty and the Impact of Income Maintenance Programmes. (Geneva: International Labor Office, 1984), Chapter 5.
 2. Op. cit., Chapter 5.
 3. For a synthesis of the main limitations of the optimum benefit theory in taxation (subsidies can be conceived as negative taxes) and the conventional head-count measures of programme efficiency, see Beckerman, W., op. cit., pp. 50-53.

take into account the plurality of objectives entailed by the public programmes analysed here. In effect, only one objective, that is, equity is considered [1]. The indicators estimated constitute a measure of what is hitherto called the distributive efficiency of subsidies, defined as the extent to which subsidies contribute to a reduction in poverty. The concepts below have been developed by Beckerman and reworked by the author for the purpose of this thesis. They can be applied by program or for the overall amount of subsidies.

The definitions used are the following:

a) Direct Distributive Efficiency (DDE). Is equal to the amount of subsidies allotted to the poor in the pre-benefit situation as a proportion of the global subsidy generated by the program of concern. Hence the direct efficiency will be equal to one if all subsidies are received by the poor.

b) Spillover (S). Is the proportion of the subsidies allotted to the poor in the pre-benefit income distribution that exceeds the pure effect of poverty gap reduction. In other words, is the amount of the subsidies that brings the income of some poor families in the pre-benefit situation over the poverty line in the post-benefit situation, as a proportion of the global amount of subsidies allotted to the poor. Thus, there will be no spillover effect if all subsidies received by the poor are exclusively devoted to reduce the poverty gap.

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1. Obviously, it is recognized that in many of the programmes here examined addressing poverty is not necessarily the main and direct concern. The indicators are however useful to complement the analysis about their impact upon poverty.

c) Overall Poverty Reduction Effect (PRE). Is the proportion of subsidies received by the poor in the pre-benefit situation that actually reduced their poverty gap. It is thus equal to the product of DDE and $(1-S)$.

A graph illustration may help to clarify the above concepts. Suppose that families are arranged by income level and that income augments at an increasing rate. Suppose also that every family benefits to some degree by subsidies but these are distributed at a regressive rate [1]. Hence the following graph may be constructed.

Graph 1: Distributive Efficiency of Public Expenditure

1. The term regressive is used in its strict technical sense. A regressive rate is one that declines as income increases. See Gillespie, W., The Redistribution of Income in Canada (Ottawa: Carleton University, 1980), p. 109.

With the support of the above graph the definitions previously proposed can be easily identified. In effect, the Direct Distributive Efficiency (DDE) is equal to:

$$(1) \quad \frac{A + B}{A + B + C}$$

The Spillover effect results from the ratio:

$$(2) \quad \frac{B}{A + B}$$

Finally, the Poverty Reduction Effect (PRE) is obtained as follows:

$$(3) \quad \frac{A + B}{A + B + C} \times (1 - B/A+B)$$

which may also be expressed as:

$$(4) \quad \frac{A + B}{A + B + C} \times (A/A+B)$$

Thus, if (B) and (C) are zero, that is, if subsidies are completely intended to reduce the poverty gap, the PRE is equal to one.

CHAPTER II

EXTENT AND CHARACTERISTICS OF POVERTY BEFORE BENEFITS OF SOCIAL PROGRAMMES

The methodological guidelines of the thesis have been thoroughly provided in the previous chapter. The objective of this and the following chapters is to discuss the finding of the study.

In this chapter the extent and severity of poverty, measured according to the absolute approach will first be examined. Then, the results obtained when applying the two definitions of relative poverty contemplated in the analytical framework will be discussed. This second part of the chapter is intended to show how sensitive the estimates are to different definitions of poverty.

1. The Extent of Absolute Poverty

The proportion of Costa Rican household in poverty in 1983 is calculated at 26 percent (Table 8). By and large, the incidence of poverty is greater in rural areas where 34 percent of households are below the absolute poverty line estimated, in comparison with 19 percent in urban zones.

Basic poverty slightly is the most important form of poverty reported. In effect, an estimated 53 percent of poor households are above the extreme poverty line (the food cost line) but their income does not allow them to entirely satisfy non-food needs. With this, the incidence of basic poverty for the whole

Table 8

Cost Rica: Estimates of Absolute Poverty Before Subsidy
on Social Programmes by Poverty Level and Region

Percentages

Indicator	Country	Urban	Rural
<u>Proportion of households in poverty</u>	25.7 (100%)	19.0 (100%)	33.5 (100%)
Basic Poverty	13.7 53.3	10.6 55.8	17.5 52.2
Extreme Poverty	12.0 46.7	8.4 44.2	16.0 47.8
<u>Regional Distribution of households</u>			
All Families	100.0	54.5	45.5
All the Poor	100.0	40.2	59.8
Basic Poverty	100.0	42.1	57.9
Extreme Poverty	100.0	38.0	62.0
Non-poor	100.0	59.5	40.5

Source: Social Public Expenditure Survey.

country amounts to 14 percent whereas the extreme poverty incidence is estimated at 12 percent.

Put another way, 14 percent of the country's families (or 33 percent of the poor-households) are unable to fully meet their basic needs with the income they generate, but they can at least afford their food demands. In the mean time, 12 percent of the total families (or 47 percent of the poor households) cannot even afford the basic food basket.

When looking at urban and rural zones separately, basic poverty still shows higher incidence than extreme poverty. However the incidence of both forms of poverty is consistently greater in rural areas than in the cities (18% against 11% in basic poverty, and 16% against 8% in extreme poverty). This is re-affirmed by the distribution pattern of poor households: 60 percent of them are located in rural zones and only 40 percent in the cities. Families in basic poverty as well as those in extreme poverty are geographically distributed very much alike.

In short, in terms of incidence, approximately one-quarter of Costa Rican families are poor. In rural zones poverty affects more than one third of household, a figure three quarters higher than that of urban regions.

Comparing income levels, in 1983 the poor household attained an average total income of 4,850 colones per month (approximately U.S.\$105) in contrast with 17,027 (approximately U.S.\$370) of the non-poor (Table 9). In other words, non-poor families' earnings are on average more than three fold those of the poor. This disparity is somewhat greater in the cities

Table 9

Costa Rica: Monthly Household Total and Per Capita Income
Before Subsidy on Social Programmes by Income Group and
Region

Costa Rican Colones

Income Group	Country	Urban	Rural
Monthly Household Total Income	14,029	17,623	9,724
All the poor	4,850	5,165	4,639
Basic poverty	6,258	6,894	5,796
Extreme poverty	3,239	2,970	3,404
Non-poor	17,027	20,538	12,322
Monthly Household Per Capita Income	3,743	4,871	3,393
All the poor	875	962	817
Basic poverty	1,147	1,272	1,056
Extreme poverty	565	569	562
Non-poor	4,736	5,785	3,198

Source: Social Public Expenditure Survey.

(four to one) than in rural zones (less than three fold). In general, income is higher in urban zones than in rural locations. The case of the total income of extreme poor families is an exception to this rule. In this instance rural earnings are higher, this being a result derived from the fact that rural families tend to be larger than urban families.

Families confronting basic poverty make a mean monthly income of 6,258 colones (approximately U.S.\$135), while those in extreme poverty only earn an average of 3,239 colones (approximately U.S.\$70) per month. The strong disparities observed in urban zones is reflected in an income of families in extreme poverty of only 2,970 colones (U.S. \$64) per month), that is, less than 15 percent of the income generated by urban non-poor families.

As we shall see later, poor households tend to be larger than non-poor households. Consequently the income gap between poor and non-poor becomes even greater when comparing the levels of household per capita income [1]. In effect, the average per-capita income of poor households amounts to 875 colones per month (approximately U.S.\$19) while that of non-poor families is equivalent to 4,736 colones (U.S. \$103). Thus, the relation between the income of these two groups is now more than five to one. Further, inequality in both urban and rural zones is now greater than before. The per-capita income

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1. The importance of the household per-capita income must again be emphasized. This indicator reflects more accurately the consumption possibilities available to the family in question than the total household income, as it incorporates the composition of the family unit. For a more detailed explanation on this respect see Section 2.2.1.

of urban non-poor is six fold the one attained by poor-households, while rural non-poor families earn a per capita income almost four fold that of the poor. These results reflect that, in proportions, the household size effect is approximately similar in cities and rural locations. Indeed it can be deduced from the figures of Table 9 that urban poor families roughly average 5.4 members each, whereas rural poor households are composed of approximately 5.7 members each. Similarly non-poor urban households gather 3.6 persons each while non-poor rural families roughly sum up 3.9 members [1].

The above comments lead us to the analysis of the poverty gaps estimated for Costa Rica. As may be recalled, the poverty gap is the amount by which the poor families' income falls short of the poverty line. Accordingly, there is a per unit (per-household or per-capita) measure as well as a global figure of this income deficit.

In the case of Costa Rica, it has been estimated that the overall monthly per household gap amounted to 3,332 colones (U.S. \$72) in 1983 (Table 10). The urban poverty gap is higher (3,944 colones) than the average, whereas in rural areas it amounts to 2,921 colones. The same relation is observed among the per-capita estimates but the opposite occurs with the global figures. An estimated 48 percent of this gap is of urban origin while the remaining 52 percent correspond to rural families.

1. These figures are deduced by dividing the total income of the categories in question by their respective income per capita.

Table 10

**Costa Rica: Poverty Gaps Before Subsidy on Social Programmes
By Type of Gap and Region**

Costa Rican Colones and Percentages

Type of Gap	Country	Urban	Rural
Monthly Overall Poverty Gap			
- Average per household	3,332	3,944	2,921
- Average per capita	489	556	443
- Global (millions of C) [1]	439.2	208.9	230.3
- (Global)/Income of the non-poor (%)	6.7	4.5	12.1
Monthly Basic Poverty Gap			
- Average per household	1,959	2,214	1,764
- Average per capita	220	247	204
- Global (millions of C) [1]	137.4	65.6	71.8
- (Global)/Income of the non-poor (%)	2.1	1.4	3.8
Monthly Extreme Poverty Gap [2]			
- Average per household	4,908	6,138	4,156
- Average per capita	800	949	698
- Global (millions of C) [1]	301.8	143.3	158.5
- (Global)/Income of the non-poor (%)	4.6	3.1	8.3

1. Average per household multiplied by the number of households in poverty by level.

2. Estimated with respect to the basic poverty line, i.e., the line that separates the poor from the non-poor.

Source: Author's estimates with data of the Social Public Expenditure Survey.

Hence, despite both the per capita and per household gaps being greater in the cities, the global gap comes to be larger in rural locations for in the latter the highest proportion of poor households is concentrated.

In relative terms, if the poverty gap was to be eliminated through income redistribution, non-poor households would be required to transfer 7 percent of their income to the poor families. Considering only the cities such elimination would call for a non-poor income transfer of 5 percent, whereas rural non poor families would have to release as much as 12 percent of their income to close the gap of their region [1].

The above results confirm the previous comments based on the head-count ratio (the incidence measure). Not only is poverty incidence greater in rural areas but also, its intensity in these locations (in terms of income deficit) is higher than in urban zones.

Separate estimates of the gap for the basic and the extreme poor show how severe is the condition of the latter. For the country as a whole, the per-household gap of the extreme poor is equal to 4.908 colones in contrast with 1.954 colones of the basic poor. Almost 5 percent of the non-poor families' income would be required for eliminating the gap of families in extreme poverty and 2 percent would achieve the same goal for the basic poor.

As in the case of the overall poverty gap, both for the basic and the extreme levels the per unit poverty gaps are smaller in

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1. These regional percentages must be interpreted as indicators of the relative size of the gap. They do not necessarily imply that each region's gap must be only closed with transfers of their respective non poor group.

rural zones than in the cities, but the global poverty gap is consistently higher in the former. Once again, this is a reflection of the fact that the majority of poor households, no matter the degree of poverty they suffer, are located in rural areas.

It is worth noting an important aspect of the additional information supplied by the poverty gap in relation to the levels of poverty. It may be recalled that the head-count ratio showed that most of the families in poverty are in the basic level; the incidence of this degree of poverty proved to be the most significant one. However, according to the poverty gap, the severity of the poverty suffered by those in the extreme level is more than two fold the intensity confronted by the basic poor.

From the socio-economic policy perspective the above information is important indeed. It makes clear that reducing (or suppressing) extreme poverty is highly costly (in economic terms), but at the same time shows that the degree of poverty suffered by the extreme poor is so intense that neglect in this area may endanger social stability. The way this policy problem has been addressed in Costa Rica is the theme of Chapter five.

To push further the analysis of the relation between the size of households and their income, an index of dependency by income level was estimated. Additionally, in order to examine the influence of education, an index of overall household education also by income group was calculated. The first index is equivalent to the number of people by household under age twelve, plus unemployed, plus those over twelve but not part of

the labor force, as a proportion of all household members. The index of education, for its part, combines age and number of years of education of the household members in one indicator (1).

The figures obtained are summarized in table 11. The dependency index shows that the ratio of people not generating income increases as the income category deteriorates. For the country as a whole, in the group of non poor for every five persons in a family three do not earn income, while in the category of extreme poor the relation is four to five. This same pattern is registered in urban and rural zones. Further, the rural overall dependency ratio appears to be slightly higher than the urban one, but the rural poor in particular report a lower proportion of dependents than the urban poor. This may be explained by the fact that in rural areas more people (in proportions) tend to become part of the labor force - interrupting, for instance, education - and by the normally higher unemployment rates of the cities.

As regard education, the estimates show that the overall level of education of households declines as the income category worsens. In other words, the index of education of the non

1. More precisely, the formula of the index is as follows:

$$1 - \frac{\sum_{i=1}^n (\text{age} - 6)i - \sum_{i=1}^n (\text{year of education})i}{\sum_{i=1}^n (\text{age} - 6)i}, \quad i = \text{family member by income group}$$

Thus, this index assumes that the age of entrance to school is six years. Its value varies between one for households with members that at their age have achieved all possible education and zero for those with members with no education at all.

Table 11

Costa Rica: Education and Dependency Indices by
Income Category and Region

Index	Country	Urban	Rural
Dependency (Average) [1]	0.64	0.63	0.66
Overall Poverty	0.78	0.79	0.77
Basic Poverty	0.76	0.77	0.75
Extreme Poverty	0.80	0.82	0.78
Non poor	0.60	0.59	0.60
Education [2]	0.54	n.a.	n.a.
Overall Poverty	0.47	n.a.	n.a.
Basic Poverty	0.50	n.a.	n.a.
Extreme Poverty	0.44	n.a.	n.a.
Non poor	0.56	n.a.	n.a.

1. Equal to: (members with age 0-11 + unemployed members with age over 12 + member with age over 12 not in the labor force)/total household's members.

2. Equal to:

$$1 - \frac{\sum_{i=1}^n (\text{age} - 6)i - \sum_{i=1}^n (\text{year of education})i}{\sum_{i=1}^n (\text{age} - 6)i}, \quad i = \text{family member by income group.}$$

Source: Author's estimates with data of the Social Public Expenditure Survey.

poor is clearly higher (.56) than that of the basic poor (.50) and this, in turn, is over the index reported for the extreme poor (.44). It can be argued that studies devoted to the examination of the relationship between income and education are hardly entirely conclusive, and it is out of the scope of this thesis to deepen the analysis in this respect. These figures, however, suggest at least that better education (or more years of education, to be precise) is positively correlated with a better position in the structure of income distribution examined here.

2. Sensitivity Of the Estimates

In order to test the sensitivity of the foregoing estimates two additional pictures of poverty based on relative poverty lines were constructed. Table 12 summarizes the figures obtained when defining the lower 40 percent of the structure of income distribution as poor (relative poverty I). Clearly enough, the estimates of overall absolute poverty incidence (26%), by far fall short of this 40 percent threshold line. Furthermore, comparatively both in the cities and rural areas the proportion of households in poverty shows a significant upward change; however that poverty principally affects rural households not only continue to be a major feature of the picture but it also is strengthened. Under the new definition, in rural areas more than half of the households are estimated to be below the poverty line, compared with 28 percent of urban families in the same circumstances.

Table 12

Costa Rica: Estimates of Relative Poverty I (1) Before
Subsidy on Social Programmes by Poverty Level and Region, 1983

Colones and Percentages

Indicator	Country	Urban	Rural
Proportion of households in poverty	40.0	27.6	34.9
Regional distribution of households			
All households	100.0	54.5	45.5
All the poor	100.0	37.5	62.5
Non poor	100.0	65.8	34.2
Monthly household total income			
All families	14,029	17,623	9,724
All the poor	6,085	7,052	5,168
Non poor	19,486	24,571	12,815
Monthly household per capita income			
All families	3,743	n.a.	n.a.
All the poor	1,143	n.a.	n.a.
Non poor	5,493	n.a.	n.a.

1. It refers to the lower 40% of the income distribution.

Source: Social Public Expenditure Survey.

The regional distribution of poor households very much resembles the situation reflected by the absolute poverty estimates: approximately two thirds are located in rural areas and the remaining live in the cities. With regard to the average income, as an obvious result of raising the poverty line, both the mean income of the poor and the mean income of the non poor shifts upward in relation to the estimates of absolute poverty [1].

In short, if the poor are defined as those families in the first four deciles of the structure of income distribution, the overall incidence of poverty would appear to be much higher than that suggested by the absolute poverty approach. Further, despite both urban and rural poverty increase under the new definition, proportionately the most significant change occurs in the estimates of rural areas. Thus, that rural families suffer the highest incidence of poverty is a feature strengthened by the new definition.

A completely different picture is reported by the estimates of relative poverty based on a poverty line, equivalent to half the average national income by region (relative poverty II). According to figures of Table 13 the overall incidence of poverty amounts to 36 percent, this being an estimate higher than the 26 percent of the absolute poverty and close to the 40 percent of the previous relative estimate. But the remarkable

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1. What has occurred is that families of the former group of non-poor has become part of the new poor, which increases the average income of both the new poor and non-poor.

Table 13

Costa Rica: Estimates of Relative Poverty II (1) Before
Subsidy on Social Programmes by Poverty Level and Region

Percentages

<u>Indicator</u>	<u>Country</u>	<u>Urban</u>	<u>Rural</u>
Proportion of households in poverty	35.6	39.8	30.6
Regional distribution of households			
All families	100.0	54.5	45.5
All the poor	100.0	60.9	39.1
Non poor	100.0	50.9	49.1

1. It refers to households whose income is under half of the national average household per capita income by region.

Source: Social Public Expenditure Survey.

difference of this new definition with respect to the others is in the incidence by region. When using the concept of relative poverty II, urban poverty appears to be more severe (40 percent) than rural poverty (31 percent). Concomitantly, under this perspective the proportion of poor families living in the cities (61 percent) is greater than the proportion located in rural zones (39 percent). These results are explained by the differences between the values of the poverty lines utilized. As observed in the analytical framework, the definition of relative poverty II is the only one that separates between metropolitan area of San Jose and rest of urban areas. The poverty line of the metropolitan region amounts to 2,769 colones, which is equivalent to more than 180 percent the value of the urban absolute poverty line. Also over the urban absolute poverty lines is the urban average of relative poverty II, with a value of 2,435 colones. Therefore, it is obvious that the proportion of urban households in poverty should increase significantly when applying relative II. The opposite occurs in rural locations as the relative poverty line results to be the lower of all (1,196 colones).

The strong gap between the regional lines of poverty II is a logical result of the income differential between rural and urban zones. Further, the fact that poverty incidence get to be higher in urban zones than in rural zones when applying in both locations the same relative criteria for tracing the poverty lines, indicates that income tends to be more concentrated in the cities. This assertion is confirmed by the findings of a

recent study by Trejos and Elizalde [1]. Using data of the same Public Expenditure Survey these investigators estimated Gini coefficients of 0.42 for the metropolitan area of San Jose, 0.36 for urban areas in general and 0.30 for rural zones [2].

To summarize, the estimates of poverty presented in this thesis vary significantly when the definition of poverty changes. The most remarkable change is introduced by the definition of relative poverty II. In this instance, not only the overall incidence differs but also a different pattern of regional incidence and of the distribution of poor families by zones is observed.

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1. Trejos, J.D. and Elizalde, E. Costa Rica: La Distribucion del Ingreso y el Acceso a Los Programas de Caracter Social (San Jose, IICE Documentos de Trabajo No. 90, 1985), p. 38.
 2. The Gini coefficient is an indicator of income inequality. It takes a value of one for perfect concentration and zero for equitable distribution.

CHAPTER III

SIZE, COMPOSITION AND DISTRIBUTION BY INCOME GROUPS OF THE
PUBLIC SUBSIDY ON SOCIAL PROGRAMMES

The purpose of this chapter is to examine the size and composition of the public subsidy in social programmes, as well as the way it is allocated among the income groups defined in the thesis. This chapter may be conceived as the link between the findings presented previously and those to be introduced in the following chapter, as the subsidy here examined will later be added to the income of households to generate new poverty estimates. The chapter has been divided into two sections. The first addresses the economic dimensions of the subsidy and its composition by region and programme category. In section two the estimates related with the distribution of the subsidy among income groups will be provided.

1. Size and composition of the public subsidy.

As may be recalled the term subsidy was defined in the analytical framework as the difference between the direct payment made by beneficiaries to receive a good or service and its actual cost for the state. Table 14 contains the estimates of this subsidy for Costa Rica on the areas of education, health, food and nutrition, social security, housing, water and sewage disposal. The overall subsidy in 1983 is calculated at 19.512 million colones, amount equivalent to 16 per cent of the country's Gross Domestic Product in the same year. This global figure is mostly composed of the subsidy granted on education

Table 14.

Costa Rica: Public Subsidy in Social Programmes and Its Composition by Category and

Region, 1983

(Millions of Colones and Percentages);

Programme Category	Millions of Colones			Composition by Programme			Composition by Region		
	Country	Urban	Rural	Country	Urban	Rural	Country	Urban	Rural
Total	19,512	11,493	8,019	100.0	100.0	100.0	100.0	58.9	41.1
Education	7,565	4,916	2,649	38.8	42.8	33.0	100.0	65.0	35.0
Health	7,386	3,421	3,965	37.9	29.8	49.5	100.0	46.3	53.7
Food and Nutrition	1,039	384	655	5.3	3.3	8.2	100.0	37.0	63.0
Social Security	463	243	220	2.4	2.1	2.7	100.0	52.5	47.5
Housing	1,262	1,133	129	6.4	9.9	1.6	100.0	89.8	10.2
Water & Sewage Disposal	1,797	1,396	401	9.2	12.1	5.0	100.0	77.7	22.3

Source: Institute of Economic Research, University of Costa Rica.

(39 per cent) and health care (38 per cent), two priority areas of social policy in Costa Rica. The emphasis conceded by the Costa Rican society to these fields must be understood in the light of the political system of the country. As Facio has observed [1], very early early it was clear to the Costa Ricans that democracy meant participation which in turn requires information and therefore for education of the citizens. An educated society is essential for the members to be able to understand and analyze the information available in the system about its operation and thus, to facilitate the practice of democracy. Concomitantly, education contributes to economic prosperity, a fundamental sign a successful political system must show. Health is also a key element of this equation. In addition to the human reasons of fostering health care, education and economic prosperity require a healthy population.

In short, it is axiomatic that for democracy to be long lasting, priority attention to education and health (among other fields) must prevail. The Costa Rican society has shown deep comprehension of this axiom. There is no doubt that the investment the country has done on education and health has enabled it to build up the internationally respectable and prestigious democratic government system it enjoys.

The subsidy granted on water and sewage disposal (9 per cent) and housing (6 per cent) outstands among the remaining quarter of the overall subsidy. Only 2 percent corresponds to

1. Facio, Gonzalo. *La Confrontacion Este-Oeste en La crisis centro americana*. (San Jose, Libro Libre, 1983), pp. 77-79.

the subsidy in social security programmes and 5 percent to food and nutrition. Regarding the regional distribution of the overall subsidy three-fifths is allocated to the cities and the rest to rural areas. Health and food and nutrition are programmes that mostly benefit rural zones. Conversely, housing, water and sewage disposal are primarily urban programmes. In the case of education, two thirds of the subsidy is allocated to urban zones. As we will see later, this basically is due to the high proportion of resources obtained by urban areas in higher education.

A more detailed picture of the composition of public subsidies by programmes is presented in Table 15. In education, almost 60 percent of the subsidy corresponds to primary and secondary education while one third is absorbed by higher education. Rural households benefit significantly from the subsidy in primary education (58 percent), but the subsidy in secondary and especially in higher education is primarily absorbed by urban households. This is explained by the fact that a large proportion of academic secondary schools and all the universities are located in the cities. The case of secondary technical schools constitutes an exception, as many of the high schools (the Agricultural Education High Schools) are established in rural areas.

The subsidy in health is composed in 90 percent of expenditures in curative medicine; mostly hospitalization. More than half of this subsidy is received by rural households. Thus, considering that only 46 percent of families live in rural

Table 15

Costa Rica: Annual Public Subsidy on Social Programmes by Programme and Region

(Millions of Colones and Percentages)

Programme Category	Country %		Urban %		Rural %	
Total	19,512		11,493	100.0	8,019	100.0
Education	7,565	100.0	4,916	100.0	2,649	100.0
Preschool	333	4.4	221	4.5	114	4.3
Primary & Special	2,580	34.1	1,077	21.9	1,491	56.3
Secondary	1,853	24.5	1,209	24.6	644	24.3
Academic	1,263	16.7	949	19.3	315	11.9
Technical	590	7.8	260	5.3	329	12.4
Higher	2,534	33.5	2,301	46.8	244	9.2
Prof. Training	265	3.5	108	2.2	156	5.9
Health	7,387	100.0	3,421	100.0	3,965	100.0
Curative	6,588	89.2	3,072	89.8	3,517	88.7
Consultation	2,231	30.2	1,067	31.2	1,166	29.4
Hospitalization	4,357	59.0	2,005	58.6	2,351	59.3
Preventive	798	10.8	349	10.2	448	11.3
Direct	606	8.2	281	8.2	325	8.2
General	192	2.6	68	2.0	123	3.1
Food and Nutrition	1,039	100.0	384	100.0	655	100.0
Served Meals	747	71.9	266	69.4	482	73.6
Food Allowances	231	22.2	88	22.3	143	21.8
Others	61	5.9	30	7.8	30	4.6
Social Security	463	100.0	243	100.0	220	100.0
Non-Contributory Pen.	277	59.9	106	43.6	171	77.7
Social Care (Children and Elders)	172	37.2	128	52.7	44	20.0
Direct Assistance	14	2.9	9	3.7	5	2.3
Housing	1,262	100.0	1,133	100.0	129	100.0
Implicit (Financial) Subsidy	1,215	96.3	1,099	97.0	117	90.7
Direct Subsidy	47	3.7	34	3.0	12	9.3
Water & Sew. Disposal	1,797	100.0	1,396	100.0	401	100.0
Water	1,619	90.1	1,199	85.9	401	100.0
Sewage	178	9.9	197	14.1	0	0

Source: Institute of Economic Research, University of Costa Rica.

zones, the subsidy per household they are granted tends to be larger than the one received by urban households.

In both geographic locations the composition of the subsidy by type of services (curative and preventive medicine) is the same as that shown by the country's average (nearly 90 percent and 10 percent respectively). This results from the fact that the distributional pattern of the total subsidy in health is repeated in both curative and preventive medicine, i.e., more than one half of the respective expenditures benefit rural families.

The subsidy on food and nutrition is basically granted in the form of served meals (72 percent), most of these provided in primary schools. Furthermore, nearly two-thirds of the resources spent in this area are allocated to rural areas.

Social security is, as previously stated, the smallest subsidy programme. It is mainly composed of non-contributory pensions (60 percent) and social care programmes (37 percent). The distribution of expenditures on social security slightly favors urban households, but most of the non-contributory pensions are received by rural families. This tends to counteract the fact that the coverage of the contributory systems is lower in rural zones than in the cities.

The subsidy on housing is overwhelmingly financial and urban: 96 percent arises from the very low interest rates charged by the National Banking System and other public institution on loans for housing purposes, and 90 percent of it is seized by urban households. Clearly enough, the

implementation of this policy of financial subsidies is made possible by the existence of a nationalized banking system. The concentration of the subsidy in urban zones reflects the fact that urban households have a greater access to housing credit than rural families. This result is not surprising as the needs imposed by the urbanization process of the cities as well as the usually better payment capacity of urban households, tend to force financial institutions to allocate more resources to the cities. Finally, in water and sewage disposal the subsidy fundamentally arises from the provision of water. As in the case of housing this programme mainly benefit urban families, which receive more than three quarters of the subsidy. The small amount of expenditures allocated to rural zones emerges from a programme of rural water systems that is being implemented in the country. Sewage disposal, for its part, is totally an urban service, therefore the subsidy as a whole is received by families that live in the cities.

2. Distribution of the subsidy by income groups.

One third of public subsidies on social programmes in Costa Rica benefits poor households [1] (Table B6). As the proportion of poor families amounts to only 26 percent, the average subsidy granted to them is larger than the average subsidy corresponding to the non poor. In effect, by means of the subsidy the income of poor households is increased in 4,187 per month as compared.

1. It is reminded that the definition applied for distributing the subsidy is the absolute one.

Table 16

**Costa Rica: Allocation of the Annual Subsidy on Social
Programmes Between the Poor and the Non Poor by Programmes
(Colones and Percentages)**

Programme and Income Group	Total Subsidy (Millions)	%	Average Subsidy Per Benefited Household (Col.)
All Programmes	19,512	100.0	43,596
All the Poor	6,253	32.0	
Basic Poverty	3,293	16.9	50,220
Extreme Poverty	2,960	15.1	50,940
Non Poor	13,259	68.0	41,424
Education	7,565	100.0	26,832
All the Poor	2,100	27.8	
Basic Poverty	1,213	16.0	26,664
Extreme Poverty	887	11.8	22,212
Non Poor	5,465	72.2	27,816
Health	7,386	100.0	16,404
All the Poor	2,764	37.4	
Basic Poverty	1,352	18.3	20,868
Extreme Poverty	1,412	19.1	24,216
Non Poor	4,622	62.6	14,124
Food and Nutrition	1,039	100.0	4,356
All the Poor	584	56.2	
Basic Poverty	266	25.6	6,756
Extreme Poverty	318	30.6	4,956
Non Poor	455	43.8	3,288
Social Security	463	100.0	n.a.
All the Poor	305	65.9	n.a.
Basic Poverty	115	24.8	n.a.
Extreme Poverty	190	41.1	n.a.
Non Poor	158	34.1	n.a.
Housing	1,262	100.0	32,256
All the Poor	144	11.4	28,416
Basic Poverty	144	11.4	28,416
Extreme Poverty	0	0	0
Non Poor	1,118	88.6	32,832
Water and Sewage	1,797	100.0	5,256
All the Poor	356	19.8	
Basic Poverty	203	11.3	4,236
Extreme Poverty	153	8.5	4,560
Non Poor	1,441	80.2	5,544

n.a.: not available

Source: Social Public Expenditure Survey and Institute of
Economic Research, University of Costa Rica.

to 3,625 colones granted to the non poor. The overall mean monthly subsidy is estimated at 3,633 colones, this being equivalent to more than one fourth the country's average household income.

Within poor families, the subsidy is distributed in very similar proportions: 53 percent for the basic poor and 47 percent for the extreme poor. It is interesting that these shares are exactly equivalent to the proportions in which poor households are distributed. This results in average amounts of subsidies per benefited household very much alike in both poverty categories. Over a quarter of the subsidy on education is received by the poor, those that suffer basic poverty being the most favored ones. It is worth noting that in terms of educational levels Trejos and Elizalde have estimated that 42 percent of the beneficiaries of higher education come from the two deciles of richer families, the opposite being true for primary education. Regarding secondary education, beneficiaries are mostly concentrated in middle income groups [1].

The percentage of expenditures on health allocated to the poor (37 percent) surpasses the estimated proportion of poor families, this resulting in an average subsidy on health per benefited poor household about 50 percent larger than that of the nonpoor.

Food and nutrition as well as social security are two subsidy categories mainly oriented toward lower income families. Serving as income maintenance programmes, nearly two thirds of expenditures on these areas benefit poor households.

1. Trejos and Elizalde, op. cit., p. 13.

However, it must be taken into account that they constitute the smallest subsidy categories here examined.

Housing, water and sewage disposal are in the other extreme. These are programmes basically designed for the non-poor. Poor families manage to obtain only 11 percent of the subsidy on housing and 20 percent of the subsidy on water supply and sewage disposal. Even worse, nothing of the former and just 9 percent of the latter reaches the extreme poor. It is noteworthy that among all social programmes examined, housing entails the higher subsidy per benefited household. Thus, the relatively small size of this programme is naturally due to the low number of beneficiaries it reaches.

Table 17 summarizes the percentage composition of the subsidy received by different income groups. As noted previously, a little over three-quarters of the overall subsidy is generated by expenditures on education and health. Similar proportions are registered in both the poor and the non poor. However, the hierarchy of health and education as subsidy sources is not the same. For the poor, health represents the most important source (44 percent) whereas for the non-poor this position corresponds to education (41 percent). Food and nutrition, water and sewage and social security are the programmes that follow in importance for the poor, housing being the least significant. The weight of food and nutrition and social security increases for the extreme poor.

In the case of the non poor, after education and health, water, sewage disposal and housing represent the following

Table 17

Costa Rica: Composition of the Subsidy Allocated to Different Income Groups by

Category of Programme

(Percentages)

	All Programmes	Education	Health	Food and Nutrition	Social Security	Housing	Water and Sewage
All benefited households	100.0	38.8	37.8	5.3	2.4	6.5	9.2
All the poor	100.0	33.6	44.2	9.3	4.9	2.3	5.7
Basic poverty	100.0	36.8	41.1	8.1	3.5	4.3	6.2
Extreme poverty	100.0	30.0	47.7	10.7	6.4	0.0	5.2
Non-poor	100.0	41.2	34.9	3.4	1.2	8.4	10.0

Source: Social Public Expenditure Survey and Institute of Economic Research, University of Costa Rica.

sources of subsidy. Social security and food and nutrition occupy little significant positions.

In sum, social programmes in Costa Rica entail a subsidy equivalent to 16 percent of the GDP. Nearly 60 percent of these resources accrue to urban families and one third benefits the poor. More than three quarters of the subsidy arises from expenditures on health and education. Health, food and nutrition are mainly rural programmes and in the other extreme are housing, water and sewage disposal. Food, nutrition and social security are programmes essentially designed for the poor, whereas housing, water and sewage disposal mostly benefit non-poor households. However, in both income groups the principal subsidy sources are, by far, education and health.

CHAPTER IV

EXTENT AND CHARACTERISTICS OF POVERTY AFTER BENEFITS OF SOCIAL PROGRAMMES

In the preceding chapters the findings concerning the nature of poverty before considering the public subsidy in social programmes as well as those related to the characteristics of this subsidy were analyzed. When adding the benefits of social programmes to the income of families, different poverty estimates are obtained. This chapter will supply the results of the new calculations. The topics included have been divided into three parts. In the first the subsidy's effect upon the income of the pre-benefit families will be examined. Part two provides the new poverty estimates and the last section analyzes the subsidy's distributive efficiency.

1. Public Subsidy and Income

In order to correctly assess the income-effect of the subsidy on social programmes, the same control group must be used in both the before and after benefit situations. In other words, after incorporating the subsidy new income levels must be obtained for the same groups as those of the before benefit instance, that is, for the groups defined previous to rearranging the families according to their new income status. This procedure is necessary for ensuring that income comparisons are made upon standard and compatible basis.

The estimates obtained as noted above are presented in Tables 18 to 20. Considering the country as a whole, the

Table 18

Costa Rica: Monthly Income of the Country's Pre-Benefit
 Poor and Non-Poor with and without the Subsidy on
 Social Programmes
 (Colones and Percentages)

Income Group	Average Income		Change	
	Without Subsidy	With Subsidy	Absolute	Percentage
Monthly Household Total Income	14,029	17,662	3,633	25.9
All the Poor	4,850	9,037	4,187	86.3
Basic Poverty	6,258	10,676	4,418	70.6
Extreme Poverty	3,239	7,376	4,137	127.7
Non-Poor	17,027	20,652	3,625	17.6
Monthly Household Per Capita Income	3,743	4,604	861	23.0
All the Poor	875	1,724	849	97.0
Basic Poverty	1,147	2,003	856	74.6
Extreme Poverty	565	1,406	841	148.8
Non-Poor	4,736	5,602	866	18.3

Source: Social Public Expenditure Survey.

Table 19

Costa Rica: Monthly Income Of the Urban Pre-Benefit Poor and
Non-Poor With and Without the Subsidy on Social Programmes
(Colones and Percentages)

Income Group	Average Income			Change Absolute	Percentage
	Without Subsidy	With Subsidy			
Monthly Household Total Income	17,623	21,789	4,166		23.6
All the Poor	5,165	9,516	4,351		84.2
Basic Poverty	6,894	11,299	4,405		63.9
Extreme Poverty	2,970	7,253	4,283		144.2
Non-Poor	20,538	24,661	4,123		20.1
Monthly Household Per Capita Income	4,871	5,902	1,031		21.2
All the Poor	962	1,865	903		93.9
Basic Poverty	1,272	2,118	846		66.5
Extreme Poverty	569	1,544	975		171.4
Non-Poor	5,785	6,847	1,062		18.4

Source: Social Public Expenditure Survey.

Table 20

**Costa Rica: Monthly Income of the Rural Pre-Benefit and Non-Poor
With and Without the Subsidy on Social Programmes**

(Colones and Percentages)

Income Groups	Average Income		Change	
	Without Subsidy	With Subsidy	Absolute	Percentage
Monthly Household Total Income	9,724	12,717	2,993	30.8
All the Poor	4,639	8,715	4,076	87.9
Basic Poverty	5,796	9,899	4,103	70.8
Extreme Poverty	3,404	7,451	4,047	118.9
Non-Poor	12,322	14,761	2,439	19.8
Monthly Household Per Capita Income	2,393	3,049	656	27.4
All the Poor	817	1,630	813	99.5
Basic Poverty	1,056	1,919	863	81.7
Extreme Poverty	562	1,322	760	135.2
Non-Poor	3,198	3,774	576	18.0

Source: Social Public Expenditure Survey.

subsidy increases the overall monthly household income in more than one-quarter (3,633 colones). Both in absolute and relative terms the poor is substantially the most favored group: its average household income is boosted in 4.187 colones as compared to 3.625 colones added up to the non poor. These resources account for 86 percent of the original household income attained by the poor and 18 percent of that of the non-poor. As may have been expected, the strongest relative impact is manifested by the extreme poor, which income increases in far more than one fold.

Vertical comparisons of the figures contained in column two of Tables 18 to 20 are improper. To do so families in the post subsidy situation must first be reclassified according to their new income status, as we shall do later. Interestingly enough, however, are the estimates according to the household per capita income. In general the subsidy's relative impact upon the per capita income is very similar to its impact on the total income, but the effect in the case of the poor is strengthened. It is estimated that while the overall per capita income increases in nearly one quarter and that of the non-poor in 18 percent, the per capita income of the poor shifts upward in more than one fold and a half. Yet conversely to what occurs with the total income, the estimated absolute increase of the poor's per capita income (849 Costa Rican Colones) is lower than that attained by the non poor (866 colones). Moreover, despite the fact that the differences are not substantial, it is a fact that the subsidy corresponding to poor individuals is lower than the estimated national average. Clearly enough, these results are explained by the fact that

poor households are larger than non poor households.

Regional comparisons show that the additional income received by urban households (4,166 colones) is substantially greater than the amount received by rural households (2,993 colones). The same contrast is manifested at the per capita level, but as urban population is larger than rural population the difference is, in proportions, slightly less marked. While minor between the poor is this disparity of supplemental income provided to rural and urban households, the non-poor show very strong inequalities. This indicates that the overall allocation of expenditures on social programmes does not establish a sensitive regional distinction in the case of poor households but it does make it when dealing with the non poor. To some extent, there is in the policy a bias for the poor, so to say, regardless of their geographic location. This feature of the policy is important indeed. As stated in the second chapter, the majority of programmes here considered are not necessarily or explicitly intended to supplement the income of the population on the fringe and yet they strongly benefit the poor. This is perhaps an objective example of how the notion of social justice is understood and implemented by the Costa Rican society.

Separate analysis of urban areas shows that the relative impact of the subsidy is quite similar to that reported at the whole country level. Distinctively, however, the importance of the subsidy declines for the basic poor and increases for the

extreme poor. On the other hand while the supplemental income provided to poor families is greater than that obtained by non poor households, at the per capita level the amount corresponding to the poor is below both the national average and the average received by the non poor.

An opposite situation occurs in rural areas. On the one hand the relative importance of the subsidy increases for all the poor and, on the other, both the per household and the per individual supplemental income of the poor are substantially greater than the amounts corresponding to the non poor. The income value of the benefits received by poor families (4,076 colones) is more than one third the national average (2,993 colones) and more than two thirds the non poor household's average (2,439 colones). In per capita terms the poor are granted an average additional income nearly one quarter greater than the country's average and two fifths above amounts granted to non poor individuals.

In short, the public subsidy on social programmes raises the national household income and the national per capita income in one quarter approximately. The relative impact of this additional income is substantially greater in the case of the poor, which per capita income almost doubles. The proportional income effect of the subsidy in urban and rural areas is quite consistent with that reported in the whole country. However, in absolute terms the amount of additional income granted to the rural non poor is substantially smaller than that obtained by the urban non poor, whereas within poor families no significant

disparities are shown. Further, in rural areas the poor receive greater benefits than the non poor. The consistent behaviour of the supplemental income granted to the poor regardless of their location, suggests that the allocation policy of the overall subsidy treat the poor as a homogenous and priority target group.

2. Estimates of Poverty

The consequences of the aforementioned policy in terms of poverty incidence are remarkable. After including the subsidy all families were re-classified according to the parameters of absolute poverty defined in the thesis. The first set of estimates are supplied in Table 21. When the subsidy is considered, the overall proportion of households in poverty declines from 26 percent to only 10 percent. The strongest reduction takes place in extreme poverty, which level reaches to a low 3 percent. As a consequence, the composition of the overall poverty changes: 70 percent of it arises from basic poverty (instead of 53 percent without the subsidy) and the rest arises from extreme poverty. Regionally, the most remarkable shrinkage of the poverty incidence occurs in rural zones, where now only 12 percent of households are estimated to be poor. Similarly, in these areas, the relative importance of basic poverty is now greater than in the national average. In the cities 8 percent of families are registered under the poverty line, as compared to 20 percent excluding the subsidy. Nearly two thirds of these households suffer basic poverty, this

2

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MICROCOPY RESOLUTION TEST CHART
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STANDARD REFERENCE MATERIAL 1010a
(ANSI and ISO TEST CHART No. 2)

Table 21

Costa Rica: Estimates of Absolute Poverty After Subsidy on
Social Programmes by Poverty Level and Region
(Percentages)

Concept	Country	Urban	Rural
Proportion of Households in Poverty	9.8 (100%)	7.7 (100%)	12.3 (100%)
Basic Poverty	6.9 (70.4)	5.0 (64.9)	9.0 (73.2)
Extreme Poverty	2.9 (29.6)	2.7 (35.1)	3.3 (26.8)
Regional Distribution of Households			
All Families	100.0	54.5	45.5
All the Poor	100.0	42.9	57.1
Basic Poverty	100.0	40.2	59.3
Extreme Poverty	100.0	49.3	50.7
Non Poor	100.0	55.8	44.2

Source: Social Public Expenditure Survey.

being a figure below the national average. This means that considering only the poor, the relative importance of extreme poverty tend to be larger in urban zones than in rural zones [1].

With regard to the regional distribution of households, the proportion of urban poor slightly increases when including the subsidy. This is due to an expansion of the percentage of extreme poor located in the cities. In effect, under the new circumstances half of the households in extreme poverty are city dwellers as compared to one third originally reported.

The sensitive cut back of the extreme poverty must be interpreted with caution. As may be recalled the extreme poverty line is equal to the cost of the Costa Rican's basic food basket. Households located below this line do not generate sufficient income to satisfy their nutritional needs. What they require, thus, is either supplemental food or additional cash to purchase it. The majority of social programmes analyzed here, however, supply income in kind: education, health, water or housing for instance. Only two categories provide households with cash or food and still they are the smallest ones. Even worse, a closer look reveals that within these categories only served meals, food allowances and non-contributory pensions are items that served that purpose. Therefore, although the inclusion of the overall subsidy raises the income of a number

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1. In other words, despite the incidence of extreme poverty in the cities (2.7%) is lower than in rural zones (3.3%), the number of extreme poor as a proportion of the poor is larger in the cities (35%) than in rural zones (27%).

of households above the extreme poverty line, it can be expected that in many cases the condition that originally kept them as extreme poor still remains valid: they still cannot afford to purchase the basic food basket, they still cannot meet in full their nutritional needs and, therefore, they still are in this sense households in extreme poverty. It can be argued that this inconsistency is a consequence of using a limited definition of poverty. If a broader concept was applied, education, health, housing, water, etc. would be fundamental items to consider as part of it. There is no doubt that the provision of these goods and services enhance the quality of life and, thus, they must necessarily improve the condition of poor households that have access to them. Within a broader concept of poverty there would be no difficulty to admit this and, thus, to proceed to reclassifying the poor households after including the value of benefit they receive.

Table 22 summarizes the figures of the average income estimated after reordering the families according to their new status. Regarding the total income, as commented in the previous section, the country's overall income as well as the urban overall income shift upward is approximately one quarter, while in rural zones it increases in thirty percent. In general, the subsidy leads to higher average income levels for everyone, with the exception of urban households in basic poverty. The greater average income attained by the poor indicates that not only the incidence of poverty has been reduced but also its intensity. This will become more evident

Table 22

Monthly Household Total and Per Capita Income After Subsidy
on Social Programmes by Income Group and Region
(Costa Rican Colonos)

Income Group	Country	Urban	Rural
Monthly Household Total Income	17,662	21,789	12,717
All the Post-Subsidy Poor	5,497	5,440	5,540
Basic Poverty	6,263	6,598	6,037
Extreme Poverty	3,720	3,248	4,179
Post-Subsidy Non-Poor	18,982	23,157	13,722
Monthly Household Per Capita Income	4,604	5,902	3,049
All the Post-Subsidy Poor	982	1,030	945
Basic Poverty	1,137	1,245	1,062
Extreme Poverty	624	622	626
Post-Subsidy Non-Poor	4,997	6,309	3,344

Source: Social Public Expenditure Survey.

later, when we get to analyze the poverty gap.

The income gap between the poor and the non-poor does not reflect significant changes when introducing the subsidy. The gap between the extreme poor and the basic poor, however, does decline to some degree. This principally is achieved through increasing the income of the extreme poor, this being another evidence about the lessening of the poverty intensity.

The foregoing comments are almost fully applicable to describe the behavior of the per capita income. It is only necessary to remind that, as noted in the first section of this chapter, the percentage change of the overall per capita income is somewhat lower than that of the total income.

Some preliminary evidences about the relief of the intensity of poverty have already been provided. The figures of Table 23 supply the basis for the final arguments. The inclusion of the subsidy drives down the country's overall poverty gap per household from 3.332 colones to 2.732 colones, and the per capita gap from 489 colones to 382 colones. The reduction of the gap in household and per capita terms may not seem impressive, however, the amount by which the global gap falls is substantial. It passes from 439 million colones without the subsidy to 137 million with the subsidy, that is, it shrinks in more than two thirds, the most remarkable contraction being manifested by the extreme global poverty gap.

It was demonstrated in the analytical chapter that the global poverty gap is sensitive to changes in both the average income of the poor and the number of poor households. Thus,

Table 23

Costa Rica: Poverty Gaps After Subsidy on Social
Programmes by Type of Gap and Region
(Costa Rican Colones and Percentages)

Type of Gap	Country	Urban	Rural
Monthly Overall Poverty Gap			
Average Per Household	2,732	3,678	2,020
Average Per Capita	382	488	315
Global (millions of colones) [1]	137.2	79.3	57.9
(Global x 12)/Income of the Non-Poor (%)	1.6	1.3	2.1
Monthly Basic Poverty Gap			
Average Per Household	1,920	2,510	1,523
Average Per Capita	234	272	198
Global (millions of colones) [1]	67.4	35.4	32.0
(Global x 12)/Income of the Non-Poor (%)	0.8	0.6	1.2
Monthly Extreme Poverty Gap [1]			
Average Per Household	4,603	5,860	3,381
Average Per Capita	763	896	634
Global (millions of colones) [1]	69.8	43.9	25.9
(Global x 12)/Income of the Non-Poor (%)	0.8	0.7	0.9

1. Average per household multiplied by the number of households in poverty by level.

2. Estimated with respect to the basic poverty line, i.e., the line that separates all the poor from the non-poor.

Source: Social Public Expenditure Survey.

that the contraction of the different global gaps estimated is far greater than the reduction reported by their respective per unit (household or individual) gaps, indicates that the decline in the number of households in poverty is the most important factor in explaining the new estimates of global poverty gaps.

Fifty-eight percent of the global gap is originated by the income deficit of urban poor and nearly one half is produced by the basic poor. On the other hand, if the gap was intended to be eliminated through transfers of the non poor, these would be required to contribute with 2 per cent of their income. The resulting amount would have to be divided into equal parts to close both the extreme and the basic poverty gaps.

As noted above, the strongest contraction of the overall poverty gap takes place among the extreme poor. Concomitantly, the largest cutback is reported in rural areas. These results are not surprising. They are the final consequence of the set of evidences that have been accumulated so far. They confirm that social programs in Costa Rica strongly benefit the poor and in particular those that live in rural zones and suffer extreme poverty.

Again, assuming that the poverty gap was to be eliminated by intra regional non poor transfers, an estimated 1 percent of their income would achieve this goal in urban zones and 2 percent would be sufficient in rural areas. In the latter the majority of these resources are necessary to close the basic poverty deficit whereas in the cities they would principally be required to attend the needs of the extreme poor.

3. Distributive Efficiency of Public Expenditure

In the analytical framework three indicators of the subsidy's distributive efficiency were introduced. These are the Direct Distributive Efficiency (DDE), equal to the ratio of benefits received by the poor over the total amount of the subsidy, the Spillover Effect (S) defined as the percentage of benefits received by the poor that increases the income of some families over the poverty line, and the Poverty Reduction Efficiency (PRE) which indicates the proportion of the overall subsidy that actually reduces the poverty gap.

Table 24 contains the estimates of the above indicators. The DDE, that is, the proportion of the subsidy that directly benefits the poor is calculated at 32 percent for the whole country. As it has been seen before, this proportion surpasses the percentage of pre-benefit households estimated to be under the poverty line in Costa Rica. The DDE is significantly greater in rural areas, where the indicator reaches 45 percent. This means that in this area the efficiency is one third greater than the ratio of poor rural households, the result being the substantive cut off of rural poverty examined previously. Although the direct efficiency of the subsidy in the cities is not as high as in rural areas, it is also over the poverty incidence ratio.

A substantial amount of the subsidy granted to the poor allows a number of families to reach income levels above the poverty line, and thus, to move over to the category of non poor. The proportion of this subsidy, termed in this thesis as

Table 24
Distributive Efficiency of Public Expenditure
in Costa Rica, 1983
(Millions of Colones and Percentages)

	Country	Urban	Rural
A. Total Amount of Annual Subsidy	19,512	11,493	8,019
B. Annual Subsidy Received by the Poor	6,253	2,653	3,600
C. Pre-Subsidy Annual Poverty Gap	5,270	2,507	2,763
D. Post-Subsidy Annual Poverty Gap	1,646	951	695
E. Annual Reduction of Poverty Gap (C-D)	3,624	1,556	2,068
F. Amount of Spillover (D-E)	2,629	1,097	1,532
G. Direct Distributive Efficiency [(B/A) x 100]	32.0	23.1	44.9
H. Spillover Effect [(F/B)x100]	42.0	41.3	42.6
I. Poverty Reduction Efficiency [(G(100-H))/100]	18.6	13.6	25.5

Source: Social Public Expenditure Survey.

spillover effect, is estimated at 42 percent for the whole country as well as for the cities and rural locations. The magnitude of this spillover indicates that if the subsidy was more evenly distributed the poverty gap could be completely eliminated. In effect, analysis of the figures of Table 24 show that only two thirds of the amount of spillover would be required to achieve that goal in the country, whereas in rural areas less than half this amount would be sufficient.

The poverty reduction efficiency ratio offers in one single indicator a final measure of the subsidy's distributive efficiency. It is estimated that 19 percent of the overall subsidy actually contributes to reducing the national poverty gap. The remaining resources are either granted to the non poor or, as it has been seen, provided to some poor households as an income in excess of the poverty line. The results by region are consistent with other findings previously commented on: the PRE is substantially greater in rural zones than in the cities. In other words, public expenditures on social programmes are more successful in tackling poverty in rural areas than in urban zones.

In summary, despite the public supply of goods and services by means of social programmes does not exclusively comply with the objective of improving the distribution of income in Costa Rica, the results achieved in this respect are outstanding. The incidence of poverty is reduced from 26 percent to only 10 percent and the poverty gap is cut back in more than two thirds. Thus, not only the number of households below the

poverty line is trimmed off but also the intensity of poverty suffered by those that remain as poor after receiving the benefits of social programmes.

CHAPTER V

SUMMARY AND CONCLUSIONS

The linkage between poverty and public expenditure on social programmes in Costa Rica has constituted the focal point of this thesis. An empirical analysis has been conducted to examine the impact of the public subsidy granted through social programmes upon the household and per capita income and hence, upon poverty. From the methodological point of view, the study encompasses three main units: (i) the estimation of the extent of poverty before benefits of social programmes, (ii) the estimation of the size and distribution of the subsidy entailed by social programmes, and (iii) the attainment of poverty estimates after including the subsidy. An extensive part of the thesis has been dedicated to a discussion of the analytical basis of these three units, in the interest of providing a strong and comprehensive documentation of the empirical work. The details of the analytical framework may be consulted in the first chapter. However, in order to put into context the results, it is convenient to summarize the methodological procedures. The estimates of poverty before benefits were obtained with the support of data provided by the Survey on Social Public Expenditure, a countrywide survey carried out in 1984 by the Institute of Economic Research of the University of Costa Rica. For generating these poverty estimates two absolute threshold incomes and two relative poverty lines were defined. These last two lines are on the one hand the conventional lower

40 per cent of the income distribution (and, on the other, the national average income divided by two. The absolute lines allow for the definition of two types of poverty: (i) extreme (those who cannot afford to purchase the basic food basket) and (ii) basic (those who cannot meet basic needs other than food). Both absolute lines were traced with the support of a study on the Costa Rican's basic food basket conducted by Mata and Murillo. The subsidy entailed by social programmes encompasses both current expenditures and capital costs involved in the supply of public good and services in eight areas: education, health, food and nutrition, social security, housing, water and sewage disposal. The distribution of this subsidy was carried out with the support of the Sample Survey on Social Public Expenditure. Lastly, seeking to evaluate the impact of the subsidy upon poverty, the income value of benefits was added up to the household income. Then families were reclassified according to their new income status to obtain post-subsidy poverty estimates.

Upon the basis of the above methodological framework, this study has led to the following results (Tables 25 to 27):

a) The proportion of Costa Rican households that suffer absolute poverty amounts to 26 per cent. Poverty is primarily rural: more than one third of rural households are below the poverty line as compared with 19 per cent of urban families.

b) Basic poverty is the most important form of poverty encountered as 53 per cent of the poor are above the extreme poverty line, but cannot fully satisfy their basic need. This same pattern is reported in both urban and rural areas.

Table 25

Costa Rica: Estimates of Absolute Poverty Before and After
Subsidy on Social Programmes by Poverty Level and Region
(Percentages)

	<u>Country</u>		<u>Urban</u>		<u>Rural</u>	
	<u>Before</u>	<u>After</u>	<u>Before</u>	<u>After</u>	<u>Before</u>	<u>After</u>
Proportion of House- holds in poverty	25.7	9.8	19.0	7.7	33.4	12.3
Basic Poverty	13.7	6.9	10.6	5.0	17.5	9.0
Extreme Poverty	12.0	2.9	8.4	2.7	16.0	3.3
Regional Distribution of Households						
All Households	100.0	100.0	54.5	54.5	45.5	45.5
All the Poor	100.0	100.0	40.2	42.9	59.8	57.1
Basic Poverty	100.0	100.0	42.1	40.2	57.9	59.8
Extreme Poverty	100.0	100.0	38.0	49.3	62.0	50.7
Non Poor	100.0	100.0	59.5	55.8	40.5	44.2

Source: Tables 8 and 21.

Table 26

Costa Rica: Monthly Household Total and Per Capita Income in Pre and Post Subsidy Situations by Income Group and Region

	<u>Country</u>		<u>Urban</u>		<u>Rural</u>	
	<u>Before</u>	<u>After</u>	<u>Before</u>	<u>After</u>	<u>Before</u>	<u>After</u>
Monthly Household Total Income	14,029	17,662	17,623	21,789	9,724	12,717
All the Poor	4,850	5,497	5,165	5,440	4,639	5,540
Basic Poverty	6,258	6,263	6,894	6,598	5,796	6,037
Extreme Poverty	3,239	3,720	2,970	3,248	3,404	4,179
Non Poor	17,027	18,982	20,538	23,157	12,232	13,722
Monthly Household Per Capita Income	3,743	4,604	4,871	5,902	2,393	3,049
All the Poor	875	982	962	1,030	817	945
Basic Poverty	1,247	1,137	1,272	1,245	1,056	1,062
Extreme Poverty	565	624	569	622	562	626
Non Poor	4,736	4,997	4,785	6,309	3,198	3,344

Source: Tables 9 and 22.

Table 27

**Costa Rica: Poverty Gaps Before and After Subsidy on Social
Programmes by Type of Gap and Region
(Costa Rican Colones and Percentages)**

Type of Gap	Country		Urban		Rural	
	Before	After	Before	After	Before	After
Monthly Overall Poverty Gap						
-Average Per Household	3,332	2,732	3,944	3,678	2,921	2,020
-Average Per Capita	489	382	556	488	443	315
-Global (millions of colones) [1]	439.2	137.2	208.9	79.3	230.3	57.9
-(Global)/Income of the non poor (%)	6.7	1.6	4.5	1.3	12.1	2.1
Monthly Basic Poverty Gap						
-Average Per Household	1,954	1,920	2,214	2,510	1,764	1,523
-Average Per Capita	220	234	247	272	204	198
-Global (millions of colones) [1]	137.4	67.4	65.6	35.4	71.8	32.0
-(Global)/Income of the non poor (%)	2.1	0.8	1.4	0.6	3.8	1.2
Monthly Extreme Poverty Gap						
-Average Per Household	4,908	4,603	6,138	5,860	4,156	3,381
-Average Per Capita	800	763	949	896	693	634
-Global (millions of colones) [1]	301.8	69.8	143.3	43.9	158.5	25.9
-(Global)/Income of the non poor (%)	4.6	0.8	3.1	0.7	8.3	0.9

1. Average per household multiplied by the number of households in poverty by level.

Source: Tables 10 and 23.

c) The average income of non-poor families (17,027 colones per month) amounts to more than three fold the average income of poor households (4,850 colones). This inequality is even greater if measured in per capita terms: poor households earn only 875 colones per month in comparison with 4,736 colones of non poor families. Income disparities tend to be larger in urban zones than in rural areas.

d) The overall poverty gap before subsidies is estimated at 439 million colones. A little more than half of this gap is originated in rural zones and more than two thirds correspond to the income deficit of families in extreme poverty. This indicates that the intensity of poverty is somewhat greater in rural areas than in the cities and far much stronger among the extreme poor than among the basic poor. In the hypothetical case that poverty were to be eliminated by transfers from the non poor to the poor, the former would have to give as much as 7 per cent of their income to the latter. The urban and rural poverty groups amount to 5 per cent and 12 per cent of the income attained by the respective non poor.

e) The proportion of people not generating any income, that is, the dependency ratio increases as the income category of families deteriorates. On the other hand, the overall educational level of families tends to be higher as income increases. In other words, there is a negative correlation between dependency and income category and a positive correlation between this and education.

f) By definition, when applying the relative poverty line I

the proportion of households in poverty is equal to 40 per cent. This proportion is significantly greater than the estimated 26 per cent of absolute poverty. [The use of the relative poverty line I produces higher poverty incidence estimates both for urban and rural areas, but the greatest impact occurs in rural poverty.

g) The picture reported by the definition of relative poverty II (half of the national average income) is completely different to the others. The overall incidence is estimated at 36 per cent but urban poverty becomes more severe (40 percent) than rural poverty (31 per cent). Further, unlike the other cases, the reported proportion of poor families that lives in the cities is greater than the percentage located in rural areas. These results are the obvious consequence of having obtained under the definition of relative poverty II, the highest urban poverty line and the lowest rural poverty line. But because these lines are derived from the average income of families, the results also indicate that income tends to be more concentrated in urban zones than in rural locations.

h) The overall subsidy on social programmes in Costa Rica amounted to 19.5 billion colones in 1983, this being equivalent to 16 per cent of the country's Gross Domestic Product in that same year. Most of this global amount is composed of the subsidy granted on education (39 per cent) and health care (38 percent). In congruence with the practice of democracy, these two groups of programmes draw priority attention of social policy in Costa Rica. The remaining quarter of the overall

subsidy is generated, in order of size, by water and sewage disposal, housing, food and nutrition and social security.

i) Sixty per cent of the overall subsidy is absorbed by the cities. Health, food and nutrition are programmes that mostly address rural areas and in the opposite extreme are housing, water supply and sewage disposal. As regard to education, two thirds of the subsidy accrues to urban households, this primarily being due to the large amount of expenditures on higher education concentrated in urban zones.

j) One third of the overall subsidy is allocated to the poor (defined in accordance with the absolute poverty line). Because this proportion is larger than the percentage of families under the poverty line, the average amount of the subsidy corresponding to poor households (4,187 colones per month) is greater than that received by non poor households (3,625 colones per month). Food, nutrition and social security are programmes that mostly benefit the poor. In the opposite situation are housing, water and sewage disposal, all of which primarily address the non poor. Overall, the main sources of subsidy for both income groups are education and health.

k) The public subsidy in social programmes increases the national average income by more than one quarter. Analysis of the families before reclassifying them according to their new income status, shows that in terms of overall subsidy, poor households benefit more than non poor households. However, the per capita subsidy accrued to the poor is lower than that received by the non poor. This is due to the larger size of

the former. This same pattern is reported in urban areas, but in rural zones poor households are granted an additional income greater than that of the non poor, both in overall and per capita terms.

1) The relative impact of the subsidy upon the income of poor and non poor is fairly consistent in urban and rural locations. In absolute terms, however, while minor regional disparities are shown between the poor, the amount of additional income received by the urban non poor is substantially greater than that obtained by the rural non poor. This, besides the considerable amount of supplemental income accruing to the poor, suggests that the subsidy's allocation policy conceives the poor as a priority target group regardless of the area in which they reside.

a) The subsidy on social programmes leads to a dramatic reduction of the absolute poverty incidence. After reordering families according to their new income status, the average of absolute poverty incidence falls from 26 per cent to only 10 per cent. The strongest cutback takes place in extreme poverty, which is reduced to just 3 per cent. In addition, the most remarkable shrinkage occurs in rural areas where only 12 per cent is estimated to be under the poverty line after including the subsidy. The cutback of extreme poverty must be interpreted with caution as the subsidy mostly involves income in kind, while families in extreme poverty require, by definition, either supplemental food or additional cash to purchase it.

n) After reclassifying families in accordance with their

new status, higher income levels are reported in every category, with the exception of urban households in basic poverty. The greater average income attained by the poor is a first indication that not only the incidence of poverty but also its intensity has been lessened.

o) The above indication is confirmed by a reduction of the overall poverty gap of more than two thirds. The main factor in explaining this cutback is the contraction in the number of poor households. If the remaining poverty gap was intended to be eliminated through transfers of the non poor, these would have to contribute with only 2 per cent of their income. In rural areas the gap is also equivalent to 2 per cent of the income of the non poor and in the cities it amounts to just 1 per cent.

p) Finally, the direct efficiency of the subsidy is greater in rural areas and the spillover effect is about the same in every location. The large amount of the spillover indicates that if the subsidy was better distributed among the poor, the poverty gap would be completely eliminated. In fact, only two thirds of the amount of spillover would be required to achieve this goal in the whole country. In connection with these results, the poverty reduction efficiency ratio shows that the public expenditure on social programmes is more successful in reducing poverty in rural areas than in the cities.

In conclusion, the findings of this thesis allow for the contention that the public sector in Costa Rica plays a crucial role in the task of reducing income inequalities through social programmes. Whether implicitly or explicitly there is an important concern about the population on the fringe. The resources allocated to this group allow them to satisfy their fundamental needs and reduce social pressures.

A number of political, sociological and historical essays have been devoted to explain the reasons for the formation and stability of the Costa Rican society, based on coexistential principles far more advanced than those of other societies of the same region. There is no mysticism in this social phenomenon. It has been proved in this thesis the efforts displayed by Costa Ricans to guarantee the access of everyone to high standard education, first quality health services, adequate food, water and so forth. These concrete and evident elements have coexisted with the practice of democracy and constitute its material foundations.

Social justice, democracy and freedom may be regarded as rhetorical expressions collected by politicians. However within Costa Rica's experience these are elements of a social equation to be optimized in order to foster economic progress and preserve social stability.

Yet, the results of the thesis bring the attention to still unsatisfactory achievements in some areas. The existence of families confronting extreme poverty is one of them. Despite that the figures show a "low" 3 percent of people in

this situation, when transforming this percentage in absolute terms the reality is that thousands of Costa Ricans are not fully satisfying their nutritional needs. Similarly, the concentration of expenditures on higher education in upper income families; the concentration of the housing subsidy in the hands of the non poor, besides the existence of a high housing deficit; and the substantial income gap between the poor and the non poor are for instance other aspects that require careful attention. Fortunately, the patience displayed by Costa Ricans during the severe economic crisis of 1979-1982 as well as their enthusiastic response during the two national elections following this crisis, demonstrates they are confident that these problems can be overcome within the framework of the political social and economic system of the country.

In recent years conservative and entrepreneurial groups, as well as international organizations that provide economic aid to the country, have been conducting an aggressive campaign against the public sector. Such a position can jeopardize the country's social stability, for as shown in the thesis the state plays a central role in the accomplishment of two fundamental tasks for the preservation of this stability: the redistribution of income and the adequate satisfaction of basic needs. Hopefully, evidence as that presented in this study may contribute to build up a more sensible approach with respect to the future responsibilities of the state in Costa Rica.

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MINISTERIO DE TRABAJO Y SEGURIDAD SOCIAL

DIRECCION GENERAL DE ESTADISTICA Y CENSOS

INSTITUTO DE INVESTIGACIONES
EN CIENCIAS ECONOMICAS
UNIVERSIDAD DE COSTA RICA

ENCUESTA DE HOGARES
GASTO PUBLICO SOCIAL EN 1983

Enero 1984

IDENTIFICACION			CONTROL DE VISITA			
<div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid black; width: 100px; height: 20px; margin: 5px;"></div> <div style="border: 1px solid black; width: 100px; height: 20px; margin: 5px;"></div> <div style="border: 1px solid black; width: 100px; height: 20px; margin: 5px;"></div> </div> <div style="display: flex; justify-content: space-around; font-size: small;"> Segmento Zona Hogar </div>			<div style="display: flex;"> <div style="width: 20%;">No</div> <div style="width: 20%;">Fecha</div> <div style="width: 20%;">Hora</div> <div style="width: 40%;">Resultado</div> </div>			
PROVINCIA (por calles y avenidas, número de casa u otras señas) _____ _____ _____						

EL HOGAR ES RESIDENTE HABITUAL DE LA VIVIENDA? Si ☐ (entrevistar) No ☐ (No entrevistar)	TOTAL DE MIEMBROS DEL HOGAR _____	Total ☐ 12 años y mas _____
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VIVIENDA ¿EN QUE TIPO DE VIVIENDA VIVE? Casa individual ☐ 1 Apartamento ☐ 2 Vivienda en fúguro ☐ 3 Otro ☐ 4 (especificar) _____ NS/NR ☐ 9	¿LA VIVIENDA QUE HABITA ES? de tenencia precaria ☐ 1 cedida ☐ 2 alquilada ☐ 3 propia con hipoteca para vivienda ☐ 4 propia ☐ 5 (P 10) NS/NR ☐ 9	¿CON QUE INSTITUCION HIZO LA HIPOTECA Y EN QUE AÑO? Sistema bancario ☐ 1 INVU ☐ 2 NS ☐ 3 Mutua ☐ 4 Otro ☐ 5 (especificar) _____ NS/NR ☐ 9
¿CUAL ES EL MATERIAL PREDOMINANTE EN LAS PAREDES? Ladrillo bloque mixto ☐ 1 madera ☐ 2 adobe o barro ☐ 3 otro ☐ 4 (especificar) _____ NS/NR ☐ 9	¿ALGUNA PERSONA DEL HOGAR SOLICITO CREDITO PARA COMPRAR AMPLIAR O CONSTRUIR UNA VIVIENDA? Si ☐ 1 Año _____ P 10 No ☐ 2 Por que _____ P 10 NS/NR ☐ 9	¿CUANTO PAGA MENSUALMENTE POR AMORTIZACION E INTERESES? \$ _____ NS/NR ☐ 9
¿CUANTOS APOSENTOS TIENE EN TOTAL LA VIVIENDA (excluir corredores, garages, pasillos, patios, baños)? Número _____ NS/NR ☐ 9	¿EN QUE SITUACION ESTA ESA SOLICITUD? La aceptaron y otorgaron ☐ 1 esta en trámite ☐ 2 la denegaron ☐ 3 desistió/abandonó ☐ 4 NS/NR ☐ 9	¿CUAL ES EL ALQUILER MENSUAL? a) que paga (para los que alquilan) \$ _____ b) que estima que debería pagar si tuviera que alquilarla (para los de vivienda propia, cedida o precaria) \$ _____ NS/NR ☐ 9

SERVICIOS DE LA VIVIENDA Y SANEAMIENTO		
¿EL AGUA LA OBTIENE DE? cañería pública { dentro de la casa ☐ 1 (P 12) { fuera de la casa (Uso exclus.) ☐ 2 { fuera de la casa (Uso compartido) ☐ 3 (P 14) pozo (indiv/colectivo) ☐ 4 (P 18) otras fuentes ☐ 5 (especificar) _____ NS/NR ☐ 9	¿CUANTO PAGO EL ULTIMO MES? \$ _____ NS/NR ☐ 9	¿HACE ALGUN PAGO POR EL AGUA? Si ☐ 1 ultimo mes \$ _____ No ☐ 2 NS/NR ☐ 9
¿EL PAGO DEL AGUA ES? por m ³ consumido ☐ 1 consumido ultimo mes m ³ ☐ 2 por cuota fija mensual ☐ 3 (P 18) por otro sistema ☐ 4 NS/NR ☐ 9		

<p>15 ¿POR QUE NO TIENEN CONEXION DE CANERIA (para uso exclusivo del hogar)?</p> <p>No existe red cercana ☐ 10</p> <p>Existe pero es cara la conexión ☐ 2</p> <p>Existe pero es caro el servicio ☐ 3</p> <p>Existe pero es malo el servicio ☐ 4</p> <p>Pueden conexión y están esperando ☐ 5</p> <p>No la necesitan ☐ 6</p> <p>Otra razón _____ ☐ 7</p> <p style="text-align: center;">(Especifique)</p> <p>NS/NR ☐ 9</p>	<p>17 ¿CUANTO PAGARON POR EL ALCANTARILLADO EL ULTIMO MES?</p> <p>G _____ mensuales</p> <p>NS/NR ☐ 9</p>	<p>20 ¿COMO SE ELIMINA LA BASURA?</p> <p>por el servicio de recolección ☐ 1</p> <p>la quema la entierra ☐ 2</p> <p>de otra forma _____ ☐ 3</p> <p>NS/NR ☐ 9</p>
<p>16 ¿EL SERVICIO SANITARIO (EXCUSADO) ESTA CONECTADO A _____?</p> <p>Red de alcantarillado publico ☐ 1 (P. 17)</p> <p>Tanque séptico ☐ 2 (P. 18)</p> <p>Otro sistema _____ ☐ 3</p> <p style="text-align: center;">(Especifique)</p> <p>No tiene excusado ☐ 4 (P. 19)</p> <p>NS/NR ☐ 9</p>	<p>18 ¿POR QUE NO ESTAN CONECTADOS AL ALCANTARILLADO PUBLICO?</p> <p>No existe red cercana ☐ 1</p> <p>Existe pero es cara la conexión ☐ 2</p> <p>Pueden conexión y están esperando ☐ 3</p> <p>No la necesitan ☐ 4</p> <p>Otra razón _____ ☐ 5</p> <p style="text-align: center;">(Especifique)</p> <p>NS/NR ☐ 9</p>	<p>21 ¿EN 1983, ESTE HOGAR HA SIDO VISITADO POR EL PERSONAL DE SALUD?</p> <p>Si ☐ 1 No ☐ 2</p> <p>Voces _____</p> <p>NS/NR ☐ 9</p>
<p>22 ¿HAY EN ESTE HOGAR</p> <p>Cocina (de gas o eléctrica) ☐ 1</p> <p>Refrigerador ☐ 2</p> <p>Televisor ☐ 3</p> <p>Equipo de sonido ☐ 4</p> <p>Lavadora ☐ 5</p> <p>Tanque de agua caliente ☐ 6</p> <p>Vehículo para el hogar ☐ 7</p> <p>NS/NR ☐ 9</p>		

AYUDAS AL HOGAR				AUTOCONSUMO																																															
<p>¿En 1983, recibió la familia _____?</p>				<p>¿En 1983, se produjo en este hogar algún tipo de cultivo o animal para el consumo de la familia?</p> <p>Si ☐ 1 No ☐ 2 (P. 25)</p>																																															
<p>a) Dinero de algun familiar que vive temporalmente afuera.</p>	<p>No ☐ Si ☐</p>	<p>No meses _____</p>	<p>Cuanto por mes _____</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Productos</th> <th style="width: 15%;">Cantidad Unidad</th> <th style="width: 15%;">Frecuencia</th> <th style="width: 45%;">Código</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>				Productos	Cantidad Unidad	Frecuencia	Código																																								
Productos	Cantidad Unidad	Frecuencia	Código																																																
<p>23 b) Alimentos gratuitos de alguna institución estatal</p>	<p>IMAS ☐ 1</p> <p>A.F. ☐ 2</p> <p>P.N.A. ☐ 3</p> <p>M.S. ☐ 4</p> <p>NS/NR ☐ 9</p>	<p>C _____</p> <p>C _____</p> <p>C _____</p> <p>C _____</p>	<p>24</p>																																																
<p>c) Ayudas en dinero de alguna institución estatal</p>	<p>IMAS ☐ 1</p> <p>A.F. ☐ 2</p> <p>Otra ☐ 3</p> <p>NS/NR ☐ 9</p>	<p>C _____</p> <p>C _____</p> <p>C _____</p>																																																	
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DATOS DEMOGRAFICOS Y EDUCATIVOS

TOTAL

	PERSONA N° <input type="text"/>	PERSONA N° <input type="text"/>	PERSONA N° <input type="text"/>	PERSONA N° <input type="text"/>
26 CUAL ES SU NOMBRE?				
28 ¿QUE PARENTESCO TIENE CON EL JEFE?	Conyuge ☐ Hijo ☐ Otra relación ☐	Conyuge ☐ Hijo ☐ Otra relación ☐	Conyuge ☐ Hijo ☐ Otra relación ☐	Conyuge ☐ Hijo ☐ Otra relación ☐
27 ¿ES?	Mujer ☐ Hombre ☐	Mujer ☐ Hombre ☐	Mujer ☐ Hombre ☐	Mujer ☐ Hombre ☐
28 ¿QUE EDAD TIENE? (años cumplidos)	Años <input type="text"/> NSNR ☐	Años <input type="text"/> NSNR ☐	Años <input type="text"/> NSNR ☐	Años <input type="text"/> NSNR ☐
29 ¿CUAL ES EL ÚLTIMO AÑO APROBADO EN LA ENSEÑANZA REGULAR?	Ninguno ☐ 1. Primaria ☐ 2. Primaria ☐ 3. Secundaria Acad. ☐ 4. Secundaria Técnica ☐ 5. Superior no Univ. ☐ 6. Superior Universit. ☐ NS / NR ☐	Ninguno ☐ 1. Primaria ☐ 2. Primaria ☐ 3. Secundaria Acad. ☐ 4. Secundaria Técnica ☐ 5. Superior no Univ. ☐ 6. Superior Universit. ☐ NS / NR ☐	Ninguno ☐ 1. Primaria ☐ 2. Primaria ☐ 3. Secundaria Acad. ☐ 4. Secundaria Técnica ☐ 5. Superior no Univ. ☐ 6. Superior Universit. ☐ NS / NR ☐	Ninguno ☐ 1. Primaria ☐ 2. Primaria ☐ 3. Secundaria Acad. ☐ 4. Secundaria Técnica ☐ 5. Superior no Univ. ☐ 6. Superior Universit. ☐ NS / NR ☐
30 ¿SE MATRICULO EL AÑO PASADO EN?	Algun Centro Educativo ☐ Cual <input type="text"/> No se matriculó ☐ NS / NR ☐	Algun Centro Educativo ☐ Cual <input type="text"/> No se matriculó ☐ NS / NR ☐	Algun Centro Educativo ☐ Cual <input type="text"/> No se matriculó ☐ NS / NR ☐	Algun Centro Educativo ☐ Cual <input type="text"/> No se matriculó ☐ NS / NR ☐
31 ¿ASISTIO DURANTE 1983 A?	Algun Centro Educativo ☐ Cual <input type="text"/> No asistió ☐ NS / NR ☐	Algun Centro Educativo ☐ Cual <input type="text"/> No asistió ☐ NS / NR ☐	Algun Centro Educativo ☐ Cual <input type="text"/> No asistió ☐ NS / NR ☐	Algun Centro Educativo ☐ Cual <input type="text"/> No asistió ☐ NS / NR ☐
32 ¿POR QUE SE RETIRO? (anotar la principal)				
33 ¿REALIZO ALGUN PAGO POR MATRICULA O MENSUALIDADES? (anotar el total anual)	Si ☐ No ☐ C \$ <input type="text"/> NS / NR ☐	Si ☐ No ☐ C \$ <input type="text"/> NS / NR ☐	Si ☐ No ☐ C \$ <input type="text"/> NS / NR ☐	Si ☐ No ☐ C \$ <input type="text"/> NS / NR ☐
34 ¿RECIBIO AYUDA DEL ESTADO PARA ESTUDIAR? (becas, útiles, transporte, etc)	Si ☐ No ☐ C \$ <input type="text"/> NS / NR ☐	Si ☐ No ☐ C \$ <input type="text"/> NS / NR ☐	Si ☐ No ☐ C \$ <input type="text"/> NS / NR ☐	Si ☐ No ☐ C \$ <input type="text"/> NS / NR ☐
35 ¿EXISTE COMEDOR EN EL CENTRO QUE ASISTE CUANTOS DIAS SEMANALES FUNCIONA?	Si ☐ No ☐ (P. 39) Días <input type="text"/> NS / NR ☐ No se aplica ☐ (P. 39)	Si ☐ No ☐ (P. 39) Días <input type="text"/> NS / NR ☐ No se aplica ☐ (P. 39)	Si ☐ No ☐ (P. 39) Días <input type="text"/> NS / NR ☐ No se aplica ☐ (P. 39)	Si ☐ No ☐ (P. 39) Días <input type="text"/> NS / NR ☐ No se aplica ☐ (P. 39)
36 ¿COME REGULARMENTE ALLI?	Si ☐ (P. 39) No ☐ NS / NR ☐	Si ☐ (P. 39) No ☐ NS / NR ☐	Si ☐ (P. 39) No ☐ NS / NR ☐	Si ☐ (P. 39) No ☐ NS / NR ☐
37 ¿POR QUE NO LO HACE?	No se atienden en él ☐ La comida es mala ☐ No se matriculó ☐ (P. 39) Otra ☐ NS / NR ☐	No se atienden en él ☐ La comida es mala ☐ No se matriculó ☐ (P. 39) Otra ☐ NS / NR ☐	No se atienden en él ☐ La comida es mala ☐ No se matriculó ☐ (P. 39) Otra ☐ NS / NR ☐	No se atienden en él ☐ La comida es mala ☐ No se matriculó ☐ (P. 39) Otra ☐ NS / NR ☐

	PERSONA N° 0-1	PERSONA N°	PERSONA N°	PERSONA N°
38 POR QUE NO SE MATRICULO ASISTIO	La esc. esta lejos 1 ☐ Es caro estudiar 2 ☐ Tenia que trabajar 3 ☐ Ya estube sufi- 4 ☐ No quiero estudiar 5 ☐ Otras 6 ☐ NS/NR 9 ☐	La esc. esta lejos 1 ☐ Es caro estudiar 2 ☐ Tenia que trabajar 3 ☐ Ya estube sufi- 4 ☐ No quiero estudiar 5 ☐ Otras 6 ☐ NS/NR 9 ☐	La esc. esta lejos 1 ☐ Es caro estudiar 2 ☐ Tenia que trabajar 3 ☐ Ya estube sufi- 4 ☐ No quiero estudiar 5 ☐ Otras 6 ☐ NS/NR 9 ☐	La esc. esta lejos 1 ☐ Es caro estudiar 2 ☐ Tenia que trabajar 3 ☐ Ya estube sufi- 4 ☐ No quiero estudiar 5 ☐ Otras 6 ☐ NS/NR 9 ☐

	PERSONA N° 0-1	PERSONA N°	PERSONA N°	PERSONA N°
39 CUAL ES SU CONDI- CION DE AFILIACION A LA CAJA COSTARRI- CENSE DE SEGURO SOCIAL	Asegurado directo 1 ☐ Pensionado 2 ☐ Asegurado/Pensio- 3 ☐ familiar No asegurado 4 ☐ (cuenta del estado) No asegurado 5 ☐ (pago directo) Otra forma 6 ☐ NS/NR 9 ☐	Asegurado directo 1 ☐ Pensionado 2 ☐ Asegurado/Pensio- 3 ☐ familiar No asegurado 4 ☐ (cuenta del estado) No asegurado 5 ☐ (pago directo) Otra forma 6 ☐ NS/NR 9 ☐	Asegurado directo 1 ☐ Pensionado 2 ☐ Asegurado/Pensio- 3 ☐ familiar No asegurado 4 ☐ (cuenta del estado) No asegurado 5 ☐ (pago directo) Otra forma 6 ☐ NS/NR 9 ☐	Asegurado directo 1 ☐ Pensionado 2 ☐ Asegurado/Pensio- 3 ☐ familiar No asegurado 4 ☐ (cuenta del estado) No asegurado 5 ☐ (pago directo) Otra forma 6 ☐ NS/NR 9 ☐

	PERSONA N° 0-1	PERSONA N°	PERSONA N°	PERSONA N°
40 ¿EN 1983, ESTUVO INTER- NADO EN ALGUNA CLINI- CA U HOSPITAL ?	Si 1 ☐ No 2 ☐ (P 43) Veces _____ NS/NR 9 ☐	Si 1 ☐ No 2 ☐ (P 43) Veces _____ NS/NR 9 ☐	Si 1 ☐ No 2 ☐ (P 43) Veces _____ NS/NR 9 ☐	Si 1 ☐ No 2 ☐ (P 43) Veces _____ NS/NR 9 ☐

	PERSONA N° 0-1	PERSONA N°	PERSONA N°	PERSONA N°
41 ¿EN QUE LUGAR ESTUVO POR CUANTOS DIAS Y CUANTO PAGO EN CADA UNO?	1o Lugar _____ Dias _____ C. _____ 2o Lugar _____ Dias _____ C. _____ 3o Lugar _____ Dias _____ C. _____ NS/NR 9 ☐	1o Lugar _____ Dias _____ C. _____ 2o Lugar _____ Dias _____ C. _____ 3o Lugar _____ Dias _____ C. _____ NS/NR 9 ☐	1o Lugar _____ Dias _____ C. _____ 2o Lugar _____ Dias _____ C. _____ 3o Lugar _____ Dias _____ C. _____ NS/NR 9 ☐	1o Lugar _____ Dias _____ C. _____ 2o Lugar _____ Dias _____ C. _____ 3o Lugar _____ Dias _____ C. _____ NS/NR 9 ☐

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42 ¿POR QUE SE INTERNO AHÍ?	<table border="1"> <thead> <tr> <th></th> <th>1o</th> <th>2o</th> <th>3o</th> </tr> </thead> <tbody> <tr> <td>Unico centro cercano</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Servicio más barato</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Mejor aten- ción</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Solo ahí exis- te el Servicio</td> <td></td> <td></td> <td></td> </tr> <tr> <td>El médico es amigo</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Se puede ele- gir médico</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Ahi me man- daron/me co- rresponde</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Otra razón</td> <td></td> <td></td> <td></td> </tr> <tr> <td>NS/NR</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		1o	2o	3o	Unico centro cercano				Servicio más barato				Mejor aten- ción				Solo ahí exis- te el Servicio				El médico es amigo				Se puede ele- gir médico				Ahi me man- daron/me co- rresponde				Otra razón				NS/NR				<table border="1"> <thead> <tr> <th></th> <th>1o</th> <th>2o</th> <th>3o</th> </tr> </thead> <tbody> <tr> <td>Unico centro cercano</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Servicio más barato</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Mejor aten- ción</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Solo ahí exis- te el Servicio</td> <td></td> <td></td> <td></td> </tr> <tr> <td>El médico es amigo</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Se puede ele- gir médico</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Ahi me man- daron/me co- rresponde</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Otra razón</td> <td></td> <td></td> <td></td> </tr> <tr> <td>NS/NR</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		1o	2o	3o	Unico centro cercano				Servicio más barato				Mejor aten- ción				Solo ahí exis- te el Servicio				El médico es amigo				Se puede ele- gir médico				Ahi me man- daron/me co- rresponde				Otra razón				NS/NR				<table border="1"> <thead> <tr> <th></th> <th>1o</th> <th>2o</th> <th>3o</th> </tr> </thead> <tbody> <tr> <td>Unico centro cercano</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Servicio más barato</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Mejor aten- ción</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Solo ahí exis- te el Servicio</td> <td></td> <td></td> <td></td> </tr> <tr> <td>El médico es amigo</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Se puede ele- gir médico</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Ahi me man- daron/me co- rresponde</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Otra razón</td> <td></td> <td></td> <td></td> </tr> <tr> <td>NS/NR</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		1o	2o	3o	Unico centro cercano				Servicio más barato				Mejor aten- ción				Solo ahí exis- te el Servicio				El médico es amigo				Se puede ele- gir médico				Ahi me man- daron/me co- rresponde				Otra razón				NS/NR				<table border="1"> <thead> <tr> <th></th> <th>1o</th> <th>2o</th> <th>3o</th> </tr> </thead> <tbody> <tr> <td>Unico centro cercano</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Servicio más barato</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Mejor aten- ción</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Solo ahí exis- te el Servicio</td> <td></td> <td></td> <td></td> </tr> <tr> <td>El médico es amigo</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Se puede ele- gir médico</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Ahi me man- daron/me co- rresponde</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Otra razón</td> <td></td> <td></td> <td></td> </tr> <tr> <td>NS/NR</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		1o	2o	3o	Unico centro cercano				Servicio más barato				Mejor aten- ción				Solo ahí exis- te el Servicio				El médico es amigo				Se puede ele- gir médico				Ahi me man- daron/me co- rresponde				Otra razón				NS/NR			
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43 ¿EN LOS ÚLTIMOS 3 MESES SE HA SENTIDO ENFERMO, MÓLES TO O HA TENIDO ALGUN ACCIDENTE, POR LO QUE HIZO ALGUNA CONSULTA?	Si, y consultó (P. 45) ☐ Si, y no consultó (P. 44) ☐ No tuvo nada (P. 48) ☐ NS/NR ☐	Si, y consultó (P. 45) ☐ Si, y no consultó (P. 44) ☐ No tuvo nada (P. 48) ☐ NS/NR ☐	Si, y consultó (P. 45) ☐ Si, y no consultó (P. 44) ☐ No tuvo nada (P. 48) ☐ NS/NR ☐	Si, y consultó (P. 45) ☐ Si, y no consultó (P. 44) ☐ No tuvo nada (P. 48) ☐ NS/NR ☐																																																																								
44 ¿POR QUÉ RAZÓN NO CONSULTÓ? (Elija la razón principal)	Me curé yo mismo ☐ Me curó un conocido que entiende ☐ No fue necesario ☐ No hay servicio cerca ☐ Es muy caro ir a atenderse ☐ Lo hacen esperar mucho ☐ Lo atienden mal ☐ Otras razones ☐ (Especifique) ☐ NS/NR ☐ (P. 48)	Me curé yo mismo ☐ Me curó un conocido que entiende ☐ No fue necesario ☐ No hay servicio cerca ☐ Es muy caro ir a atenderse ☐ Lo hacen esperar mucho ☐ Lo atienden mal ☐ Otras razones ☐ (Especifique) ☐ NS/NR ☐ (P. 48)	Me curé yo mismo ☐ Me curó un conocido que entiende ☐ No fue necesario ☐ No hay servicio cerca ☐ Es muy caro ir a atenderse ☐ Lo hacen esperar mucho ☐ Lo atienden mal ☐ Otras razones ☐ (Especifique) ☐ NS/NR ☐ (P. 48)	Me curé yo mismo ☐ Me curó un conocido que entiende ☐ No fue necesario ☐ No hay servicio cerca ☐ Es muy caro ir a atenderse ☐ Lo hacen esperar mucho ☐ Lo atienden mal ☐ Otras razones ☐ (Especifique) ☐ NS/NR ☐ (P. 48)																																																																								
45 ¿EN QUE LUGAR HIZO LA CONSULTA, CUÁNTAS VECES CONSULTÓ Y CUÁNTO PAGO EN CADA LUGAR ...?	En un Centro de la CCSS ☐ Veces <input type="text"/> C \$ <input type="text"/> En un Centro del Ministerio Salud ☐ Veces <input type="text"/> C \$ <input type="text"/> En un Servicio Privado ☐ Veces <input type="text"/> C \$ <input type="text"/> NS/NR ☐ 9	En un Centro de la CCSS ☐ Veces <input type="text"/> C \$ <input type="text"/> En un Centro del Ministerio Salud ☐ Veces <input type="text"/> C \$ <input type="text"/> En un Servicio Privado ☐ Veces <input type="text"/> C \$ <input type="text"/> NS/NR ☐ 9	En un Centro de la CCSS ☐ Veces <input type="text"/> C \$ <input type="text"/> En un Centro del Ministerio Salud ☐ Veces <input type="text"/> C \$ <input type="text"/> En un Servicio Privado ☐ Veces <input type="text"/> C \$ <input type="text"/> NS/NR ☐ 9	En un Centro de la CCSS ☐ Veces <input type="text"/> C \$ <input type="text"/> En un Centro del Ministerio Salud ☐ Veces <input type="text"/> C \$ <input type="text"/> En un Servicio Privado ☐ Veces <input type="text"/> C \$ <input type="text"/> NS/NR ☐ 9																																																																								
46 ¿POR QUÉ HIZO LA CONSULTA EN ESE LUGAR	<table border="1"> <tr><td>Unico centro cercano</td><td>☐</td></tr> <tr><td>Servicio más barato</td><td>☐</td></tr> <tr><td>Mejor atención</td><td>☐</td></tr> <tr><td>Solo ahí existe el servicio</td><td>☐</td></tr> <tr><td>El médico es amigo</td><td>☐</td></tr> <tr><td>Se puede elegir med.</td><td>☐</td></tr> <tr><td>Ahí me corresponde</td><td>☐</td></tr> <tr><td>Otra</td><td>☐</td></tr> <tr><td>NS/NR</td><td>☐</td></tr> </table> (P. 48)	Unico centro cercano	☐	Servicio más barato	☐	Mejor atención	☐	Solo ahí existe el servicio	☐	El médico es amigo	☐	Se puede elegir med.	☐	Ahí me corresponde	☐	Otra	☐	NS/NR	☐	<table border="1"> <tr><td>Unico centro cercano</td><td>☐</td></tr> <tr><td>Servicio más barato</td><td>☐</td></tr> <tr><td>Mejor atención</td><td>☐</td></tr> <tr><td>Solo ahí existe el servicio</td><td>☐</td></tr> <tr><td>El médico es amigo</td><td>☐</td></tr> <tr><td>Se puede elegir med.</td><td>☐</td></tr> <tr><td>Ahí me corresponde</td><td>☐</td></tr> <tr><td>Otra</td><td>☐</td></tr> <tr><td>NS/NR</td><td>☐</td></tr> </table> (P. 48)	Unico centro cercano	☐	Servicio más barato	☐	Mejor atención	☐	Solo ahí existe el servicio	☐	El médico es amigo	☐	Se puede elegir med.	☐	Ahí me corresponde	☐	Otra	☐	NS/NR	☐	<table border="1"> <tr><td>Unico centro cercano</td><td>☐</td></tr> <tr><td>Servicio más barato</td><td>☐</td></tr> <tr><td>Mejor atención</td><td>☐</td></tr> <tr><td>Solo ahí existe el servicio</td><td>☐</td></tr> <tr><td>El médico es amigo</td><td>☐</td></tr> <tr><td>Se puede elegir med.</td><td>☐</td></tr> <tr><td>Ahí me corresponde</td><td>☐</td></tr> <tr><td>Otra</td><td>☐</td></tr> <tr><td>NS/NR</td><td>☐</td></tr> </table> (P. 48)	Unico centro cercano	☐	Servicio más barato	☐	Mejor atención	☐	Solo ahí existe el servicio	☐	El médico es amigo	☐	Se puede elegir med.	☐	Ahí me corresponde	☐	Otra	☐	NS/NR	☐	<table border="1"> <tr><td>Unico centro cercano</td><td>☐</td></tr> <tr><td>Servicio más barato</td><td>☐</td></tr> <tr><td>Mejor atención</td><td>☐</td></tr> <tr><td>Solo ahí existe el servicio</td><td>☐</td></tr> <tr><td>El médico es amigo</td><td>☐</td></tr> <tr><td>Se puede elegir med.</td><td>☐</td></tr> <tr><td>Ahí me corresponde</td><td>☐</td></tr> <tr><td>Otra</td><td>☐</td></tr> <tr><td>NS/NR</td><td>☐</td></tr> </table> (P. 48)	Unico centro cercano	☐	Servicio más barato	☐	Mejor atención	☐	Solo ahí existe el servicio	☐	El médico es amigo	☐	Se puede elegir med.	☐	Ahí me corresponde	☐	Otra	☐	NS/NR	☐
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Solo ahí existe el servicio	☐																																																																											
El médico es amigo	☐																																																																											
Se puede elegir med.	☐																																																																											
Ahí me corresponde	☐																																																																											
Otra	☐																																																																											
NS/NR	☐																																																																											
Unico centro cercano	☐																																																																											
Servicio más barato	☐																																																																											
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Otra	☐																																																																											
NS/NR	☐																																																																											

	PERSONA Nº ☐	PERSONA Nº ☐	PERSONA Nº ☐	PERSONA Nº ☐
47 ¿A QUE PERSONA CONSULTÓ AHÍ?	Médicos 1 ☐ Otras personas entendidas 2 ☐ Otros Especifique 3 ☐ NS/NR 9 ☐	Médicos 1 ☐ Otras personas entendidas 2 ☐ Otros Especifique 3 ☐ NS/NR 9 ☐	Médicos 1 ☐ Otras personas entendidas 2 ☐ Otros Especifique 3 ☐ NS/NR 9 ☐	Médicos 1 ☐ Otras personas entendidas 2 ☐ Otros Especifique 3 ☐ NS/NR 9 ☐
48 ¿HA SIDO VACUNADO POR EL PERSONAL DE SALUD EN EL ÚLTIMO AÑO?	Sí ☒ No 2 ☐ Veces ☐ NS/NR 9 ☐	Sí ☐ No 2 ☐ Veces ☐ NS/NR 9 ☐	Sí ☐ No 2 ☐ Veces ☐ NS/NR 9 ☐	Sí ☐ No 2 ☐ Veces ☐ NS/NR 9 ☐

SEGURIDAD SOCIAL

49 ¿DURANTE 1983, RECIBIÓ PENSION O JUBILACION?	No (P 52) 1 ☐ Si todo el año 2 ☐ Si meses 3 ☐ NS/NR 9 ☐	No (P 52) 1 ☐ Si todo el año 2 ☐ Si meses 3 ☐ NS/NR 9 ☐	No (P 52) 1 ☐ Si todo el año 2 ☐ Si meses 3 ☐ NS/NR 9 ☐	No (P 52) 1 ☐ Si todo el año 2 ☐ Si meses 3 ☐ NS/NR 9 ☐
50 ¿CUANTO RECIBIA AL MES? (Si fue variable anote cada cantidad y los meses correspondientes)	C. M. C. M. C. M. NS/NR 9 ☐	C. M. C. M. C. M. NS/NR 9 ☐	C. M. C. M. C. M. NS/NR 9 ☐	C. M. C. M. C. M. NS/NR 9 ☐
51 ¿A QUE SISTEMA DE PENSIONES PERTENECE?	CCSS 1 ☐ Magisterio 2 ☐ Otra estatal Régimen no contributivo 3 ☐ NS/NR 9 ☐	CCSS 1 ☐ Magisterio 2 ☐ Otra estatal Régimen no contributivo 3 ☐ NS/NR 9 ☐	CCSS 1 ☐ Magisterio 2 ☐ Otra estatal Régimen no contributivo 3 ☐ NS/NR 9 ☐	CCSS 1 ☐ Magisterio 2 ☐ Otra estatal Régimen no contributivo 3 ☐ NS/NR 9 ☐
52 ¿DURANTE 1983, ESTUVO EN ALGUN MOMENTO INCAPACITADO PARA TRABAJAR POR EMBARAZO, ENFERMEDAD O ACCIDENTE?	Sí ☐ No 2 ☐ (P 54) Cuanto tiempo ☐ NS/NR 9 ☐	Sí ☐ No 2 ☐ (P 54) Cuanto tiempo ☐ NS/NR 9 ☐	Sí ☐ No 2 ☐ (P 54) Cuanto tiempo ☐ NS/NR 9 ☐	Sí ☐ No 2 ☐ (P 54) Cuanto tiempo ☐ NS/NR 9 ☐
53 ¿RECIBIÓ AYUDA EN DINERO DE LA CAJA DEL SEGURO POR ESE MOTIVO?	Sí ☐ No 2 ☐ Cuánto en total C. NS/NR 9 ☐	Sí ☐ No 2 ☐ Cuánto en total C. NS/NR 9 ☐	Sí ☐ No 2 ☐ Cuánto en total C. NS/NR 9 ☐	Sí ☐ No 2 ☐ Cuánto en total C. NS/NR 9 ☐

NUTRICION

SOLO PARA EMBARAZADAS, MADRES EN LACTANCIA Y MENORES DE 6 AÑOS

54 ¿RECIBIÓ LECHE DEL CENTRO O PUESTO DE SALUD DURANTE 1983?	Sí ☐ No 2 ☐ NS/NR ☐ No se aplica ☐	Sí ☐ No 2 ☐ NS/NR ☐ No se aplica ☐	Sí ☐ No 2 ☐ NS/NR ☐ No se aplica ☐	Sí ☐ No 2 ☐ NS/NR ☐ No se aplica ☐
55 ¿DURANTE 1983, ASISTIÓ REGULARMENTE A ALGUN CENTRO O PROGRAMA COMO LOS CENTROS DE EDUCACION Y NUTRICION, LOS CENTROS DE ATENCION INTEGRAL O LOS COMEDORES ESCOLARES?	CEN 1 ☐ CINA 2 ☐ Comedor escolar 3 ☐ No asiste 4 ☐ NS/NR 9 ☐ No se aplica 8 ☐	CEN 1 ☐ CINA 2 ☐ Comedor escolar 3 ☐ No asiste 4 ☐ NS/NR 9 ☐ No se aplica 8 ☐	CEN 1 ☐ CINA 2 ☐ Comedor escolar 3 ☐ No asiste 4 ☐ NS/NR 9 ☐ No se aplica 8 ☐	CEN 1 ☐ CINA 2 ☐ Comedor escolar 3 ☐ No asiste 4 ☐ NS/NR 9 ☐ No se aplica 8 ☐

DATOS DE OCUPACION E INGRESOS

PARA PERSONAS DE 12 AÑOS Y MAS				Total: _____
	PERSONA Nº 01	PERSONA Nº	PERSONA Nº	PERSONA Nº
56. ¿QUE HA ESTADO HACIENDO COMO ACTIVIDAD HABITUAL EN 1983...	Trabajando en un establecimiento industrial, agrícola, un negocio, una oficina, en la calle, o como empleado doméstico ☐ De vacaciones, permiso o incapacidad ☐ (P) Haciendo alguna actividad en su hogar por la cual gana dinero ☐ 57 Buscando trabajo ☐ 4 Solamente estudiando ☐ 5 Dedicado solamente a la actividad del hogar ☐ 6 (P) Pensionado o jubilado ☐ 7 (75) Incapacitado ☐ 8 Otra situación ☐ 9 NS/NR ☐ 10	Trabajando en un establecimiento industrial, agrícola, un negocio, una oficina, en la calle, o como empleado doméstico ☐ De vacaciones, permiso o incapacidad ☐ (P) Haciendo alguna actividad en su hogar por la cual gana dinero ☐ 57 Buscando trabajo ☐ 4 Solamente estudiando ☐ 5 Dedicado solamente a la actividad del hogar ☐ 6 (P) Pensionado o jubilado ☐ 7 (75) Incapacitado ☐ 8 Otra situación ☐ 9 NS/NR ☐ 10	Trabajando en un establecimiento industrial, agrícola, un negocio, una oficina, en la calle, o como empleado doméstico ☐ De vacaciones, permiso o incapacidad ☐ (P) Haciendo alguna actividad en su hogar por la cual gana dinero ☐ 57 Buscando trabajo ☐ 4 Solamente estudiando ☐ 5 Dedicado solamente a la actividad del hogar ☐ 6 (P) Pensionado o jubilado ☐ 7 (75) Incapacitado ☐ 8 Otra situación ☐ 9 NS/NR ☐ 10	Trabajando en un establecimiento industrial, agrícola, un negocio, una oficina, en la calle, o como empleado doméstico ☐ De vacaciones, permiso o incapacidad ☐ (P) Haciendo alguna actividad en su hogar por la cual gana dinero ☐ 57 Buscando trabajo ☐ 4 Solamente estudiando ☐ 5 Dedicado solamente a la actividad del hogar ☐ 6 (P) Pensionado o jubilado ☐ 7 (75) Incapacitado ☐ 8 Otra situación ☐ 9 NS/NR ☐ 10
57. ¿CUANTOS TRABAJOS O EMPLEOS TUVO DURANTE 1983 Y CUANTO TIEMPO TRABAJO EN CADA UNO DE ELLOS?	NO Meses ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ NS/NR 9 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	NO Meses ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ NS/NR 9 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	NO Meses ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ NS/NR 9 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	NO Meses ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ NS/NR 9 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
58. ¿A QUE SE DEDICABA EL ESTABLECIMIENTO DONDE USTED TRABAJO MAS TIEMPO EL AÑO PASADO?	NS/NR 9 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	NS/NR 9 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	NS/NR 9 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	NS/NR 9 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
59. ¿COMO SE LLAMABA ESE ESTABLECIMIENTO?	NS/NR 9 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	NS/NR 9 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	NS/NR 9 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	NS/NR 9 ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
60. ¿QUE OCUPACION DESEMPEÑABA UD. AHI (Nombre completo y detallado)	Nombre: _____ Descripción: _____ NS/NR ☐ 9 ☐	Nombre: _____ Descripción: _____ NS/NR ☐ 9 ☐	Nombre: _____ Descripción: _____ NS/NR ☐ 9 ☐	Nombre: _____ Descripción: _____ NS/NR ☐ 9 ☐
61. ¿REALIZABA ESE TRABAJO.....	Por un sueldo, salario o jornal ☐ (P 62) Como patrón ☐ (P 66) Por su cuenta sin contratar a nadie ☐ Ayudando a un familiar sin recibir pago ☐ (P 76) NS/NR ☐ 9	Por un sueldo, salario o jornal ☐ (P 62) Como patrón ☐ (P 66) Por su cuenta sin contratar a nadie ☐ Ayudando a un familiar sin recibir pago ☐ (P 76) NS/NR ☐ 9	Por un sueldo, salario o jornal ☐ (P 62) Como patrón ☐ (P 66) Por su cuenta sin contratar a nadie ☐ Ayudando a un familiar sin recibir pago ☐ (P 76) NS/NR ☐ 9	Por un sueldo, salario o jornal ☐ (P 62) Como patrón ☐ (P 66) Por su cuenta sin contratar a nadie ☐ Ayudando a un familiar sin recibir pago ☐ (P 76) NS/NR ☐ 9
62. ¿SU PAGO ERA....	Sueldo/Salario ☐ (P 63) A destajo (hora o jornal) ☐ (P 64) Comisión solamente ☐ (P 65) Sueldo y comisión ☐ (P 66) NS/NR ☐ 9	Sueldo/Salario ☐ (P 63) A destajo (hora o jornal) ☐ (P 64) Comisión solamente ☐ (P 65) Sueldo y comisión ☐ (P 66) NS/NR ☐ 9	Sueldo/Salario ☐ (P 63) A destajo (hora o jornal) ☐ (P 64) Comisión solamente ☐ (P 65) Sueldo y comisión ☐ (P 66) NS/NR ☐ 9	Sueldo/Salario ☐ (P 63) A destajo (hora o jornal) ☐ (P 64) Comisión solamente ☐ (P 65) Sueldo y comisión ☐ (P 66) NS/NR ☐ 9

	PERSONA Nº <input type="text"/>				PERSONA Nº <input type="text"/>				PERSONA Nº <input type="text"/>				PERSONA Nº <input type="text"/>			
76 (CUANTOS EMPLEOS TUVO Y CUANTO TRABAJÓ EN CADA UNO DE ELLOS)	No	Meses	No	Meses	No	Meses	No	Meses	No	Meses	No	Meses	No	Meses	No	Meses
	NS/NR <input type="text"/>				NS/NR <input type="text"/>				NS/NR <input type="text"/>				NS/NR <input type="text"/>			
77 (CUANTO GANABA MENSUALMENTE EN CADA UNO DE ELLOS?)	No	Salario	Ganancia		No	Salario	Ganancia		No	Salario	Ganancia		No	Salario	Ganancia	
	NS/NR <input type="text"/>				NS/NR <input type="text"/>				NS/NR <input type="text"/>				NS/NR <input type="text"/>			
78 (EN ALGUNO DE ELLOS LE DABAN O RETIRABA PRODUCTOS O TENIA ALGUN SERVICIO?)	Productos	Cant.	Fre-		Productos	Cant.	Fre-		Productos	Cant.	Fre-		Productos	Cant.	Fre-	
	Servicios	Unidad	cuencia		Servicios	Unidad	cuencia		Servicios	Unidad	cuencia		Servicios	Unidad	cuencia	
	No rec./retiro <input type="text"/>				No rec./retiro <input type="text"/>				No rec./retiro <input type="text"/>				No rec./retiro <input type="text"/>			
	NS/NR <input type="text"/>				NS/NR <input type="text"/>				NS/NR <input type="text"/>				NS/NR <input type="text"/>			

PARA TODAS LAS PERSONAS DE 12 AÑOS Y MAS

	Fuente			Monto mensual	Meses		Fuente			Monto mensual	Meses		Fuente			Monto mensual	Meses		Fuente			Monto mensual	Meses	
79 (EN EL AÑO 1983, RECIBIO DINERO POR... (Total anual))	Intereses (de bonos, depósitos a plazos, hipotecas, cuentas de ahorro, etc.)						Intereses (de bonos, depósitos a plazos, hipotecas, cuentas de ahorro, etc.)						Intereses (de bonos, depósitos a plazos, hipotecas, cuentas de ahorro, etc.)						Intereses (de bonos, depósitos a plazos, hipotecas, cuentas de ahorro, etc.)					
	Dividendos (de acciones en empresas)						Dividendos (de acciones en empresas)						Dividendos (de acciones en empresas)						Dividendos (de acciones en empresas)					
	Alquiler de casas, edificios o tierras						Alquiler de casas, edificios o tierras						Alquiler de casas, edificios o tierras						Alquiler de casas, edificios o tierras					
	No recibió <input type="text"/>						No recibió <input type="text"/>						No recibió <input type="text"/>						No recibió <input type="text"/>					
	NS/NR <input type="text"/>						NS/NR <input type="text"/>						NS/NR <input type="text"/>						NS/NR <input type="text"/>					
80 (RECIBIO DINERO POR... (Salvo los 3 primeros, indicar total anual))	Fuentes						Fuentes						Fuentes						Fuentes					
	Pensiones Alimenticias						Pensiones Alimenticias						Pensiones Alimenticias						Pensiones Alimenticias					
	Becas						Becas						Becas						Becas					
	Pensionistas						Pensionistas						Pensionistas						Pensionistas					
	Pres. Legales	C					Pres. Legales	C					Pres. Legales	C					Pres. Legales	C				
	Pólizas de Seguros	C					Pólizas de Seguros	C					Pólizas de Seguros	C					Pólizas de Seguros	C				
	Herencias	C					Herencias	C					Herencias	C					Herencias	C				
	Lotería	C					Lotería	C					Lotería	C					Lotería	C				
	Regalos Donativos	C					Regalos Donativos	C					Regalos Donativos	C					Regalos Donativos	C				
	Otros	C					Otros	C					Otros	C					Otros	C				
	No recibió <input type="text"/>						No recibió <input type="text"/>						No recibió <input type="text"/>						No recibió <input type="text"/>					
	NS/NR <input type="text"/>						NS/NR <input type="text"/>						NS/NR <input type="text"/>						NS/NR <input type="text"/>					

END

08.08.87

FIN