FACTORS INFLUENCING SUBJECTIVE WELLBEING AMONG THE URBAN POOR IN SRI LANKA

B. W. R. Damayanthi
Department of Economics, University of Sri Jayawadeneepura
bwrdam@sjp.ac.lk

The urban poor refers to individuals found mostly in the slums, ghettos and shanties; they are unable to have decent and dignified life-styles. Multiple deprivations faced by the urban poor are distinguished from all the other types of poverty mainly because of two reasons. Firstly, their deprivations are greatly attached to the qualitative dimensions such as independence, security, self-respect, identity, close and non-exploitative social relationships, decision-making freedom, and legal and political rights. Secondly, this group of people is commonly identified as one of the most marginalized. Hence, it is argued that people's own conceptions about their deprivations may considerably be different from the general conception. Therefore, it is necessary to pay special attention to subjective wellbeing in order to get efficient interventions to assist them with the specified policy formations to stabilize their social and economic life for a long lasting solution to eradicate poverty. The main objective of the present study is to examine poverty perceptions of the urban poor in the country. In order to achieve this objective, this study utilized principal component method based linear robust composites and logistic regression to explore subjective poverty. It employed a sample of 2438 households in urban underserved settlements in Colombo. It was found that productive capital is more strongly related to probability of being poor while human and physical capitals are significant albeit less effect in sizes. Among the predictors, neighborhood effect has the strongest impact on the probably of being perceptional poor while institutional responses are also considerable. Households which are pessimistic were more likely have perceived poverty than the individuals. This study demonstrated that the neighborhood effect that the urban poor reside matters as much as or even more than their dwelling, any other assets or characteristics for their poverty. Actions have to be taken to change socio-cultural environment rather than providing mere alternatives for their geographical setting. Further, this study specified the need of bottom-top approach which ensures people's participation at the grass roots for the design and in the implementation of wellbeing development efforts.

Keywords: logistic regression, principal component method, psychological wellbeing, urban poor