Understanding urban chronic poverty: crossing the qualitative and quantitative divide

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**SUMMARY:** This paper reviews the recent quantitative and qualitative evidence on urban poverty in Ethiopia. It attempts to synthesize the little evidence that exists on urban chronic poverty in some detail, and discusses the consistency of findings in the context of different methodological approaches. The review covers the discussion of key correlates/dimensions of poverty, such as livelihood insecurity, gender, household income, prices and HIV/AIDS. Most of the studies reviewed present a static picture of urban poverty rather than focusing on the dynamics of poverty over time. The paper suggests that future research should focus on a more dynamic analysis of household welfare. The studies reviewed here are heterogeneous in terms of their sources, and include academia, NGOs, independent research institutions and the World Bank. Despite differences in methodological approach, it is encouraging to see an overlap in the research agenda, and a consistency of findings on key correlates of urban poverty and its trends.

I. INTRODUCTION

URBAN POVERTY IN Ethiopia has not been a focus for researchers. The studies that do exist have been undertaken by action-oriented organizations such as NGOs, and rarely by academics. What little information there is mainly concerns the analysis of poverty at a certain point in time. By contrast, within the wider research community, urban poverty research in recent years has focused increasingly on quantitative examinations of both the static and dynamic aspects of poverty.

In an effort to understand the major factors that lie behind the incidence and dynamics of urban poverty, this paper reviews and synthesizes some of the studies, both quantitative and qualitative, that exist to date. Based on this review, the paper then discusses the consistency of findings in the context of different methodological approaches, and discusses key dimensions of poverty such as livelihood insecurity, gender, total household expenditure, education, health, prices and HIV/AIDS.

Section II gives background information on urban poverty and its dynamics in Ethiopia, and Section III reviews the findings of each of the available studies on urban poverty in the country. The final section focuses on the consistency of findings, policy recommendations, outstanding issues and recommended future research strategies.
II. BACKGROUND INFORMATION ON URBAN POVERTY AND ITS DYNAMICS IN ETHIOPIA

AS EVIDENCED BY a variety of indicators of well-being, Ethiopia is one of the poorest countries in the world. Gross national income per capita in 2002 was around US$ 100,¹ and life expectancy, educational enrolment and access to health services are all very low. Over the last 30 years, life expectancy and school enrolment have shown little improvement, and food production per capita has declined.²

The Ethiopian population is predominantly rural, with only around 15 per cent living in urban areas. Agriculture remains the dominant economic sector. The country suffers spells of drought, with resulting famines. Another major growth deterrent in the country for many years has been the internal and external conflicts, including the recent war with Eritrea. These major shocks have important implications for the welfare of households, and in urban areas the impact of the shocks is felt mainly through higher food prices and increased rural-to-urban migration. Migration is an important coping mechanism and a logical response in times of drought and hardship in rural areas; it is also a logical response on the part of those who want access to food, health services and jobs in urban centres. However, due to a lack of government intervention to improve cities, urban populations grow more rapidly than urban economic opportunities and infrastructure/services (e.g. houses, roads and water supply.)

Another idiosyncratic and co-variate shock with strong implications for urban welfare is the recent alarming increase in the incidence of HIV/AIDS, which is eroding the income-generating power of households, as infections are highest among the economically active age group. At the end of 1999, the preponderance of HIV/AIDS in Ethiopia was estimated to be as high as 10.6 per cent of the adult population.

In urban areas, levels of unemployment and underemployment are high. Many of the unemployed in urban Ethiopia are relatively well educated – in other words, they have completed 12 or more years of schooling. Since 1992, the Ethiopian government has stopped the automatic allocation of employment to graduates of higher institutions of learning, and, in any given year, around 190,000 young adults who have completed 12 years of schooling remain unemployed – a figure that is rising over time. To some extent, this problem may reflect the fact that only the well educated consider themselves as unemployed. The attempt here is not to question the role of education in poverty alleviation, but rather to highlight the difficulties experienced in accessing the labour market by those who are educated.

Underemployment has been exacerbated by the increased casualization of labour. When work is available, for many this takes the form of unstable, casual work paid on a daily basis. For instance, the proportion of urban households in certain communities in Addis Ababa engaged in casual work rose from less than 5 per cent in 1989–90 to 35 per cent in 1995.³ However, these people are not necessarily underemployed at all times in their working lives. The dramatic rise in the rate of casual work is indicative of the instability of income sources for households, which directly links to vulnerability to poverty. There are two important dimensions to casual work. First, casual labourers often work long hours for very little money. Second, the irregular nature of this type of employment means that individuals are often idle or partially employed.

In addition to the change in employment policy referred to above, other major changes in the political and economic landscape of the country

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during the 1990s are likely to have had a significant impact on urban poverty. Following the ousting from power in 1991 of the socialist regime that had ruled for nearly two decades, the new government adopted an economic reform programme. A key element of this since the mid-1990s has been the pursuit of a long-term agricultural development-led industrialization (ADLI) strategy that forms the basis of the current poverty reduction strategy.\(^4\) Given that this was also accompanied by a shift in government priorities in favour of rural areas at the expense of cities, it is important to investigate the implications for welfare in the urban centres. This can be judged, for instance, from the empirical findings based on household surveys.

In general, the period 1994–97 is believed to have been a period of economic recovery in Ethiopia, driven by peace, good weather and much-improved macroeconomic management. Real GDP grew on average 3.7 per cent per year between 1993 and 2003, a 1 per cent increase in per capita income. For present purposes, however, the focus is on poverty. It is estimated that 45.5 per cent of the national population in 1995/96 fell below a poverty line set based on minimum calorie requirements. Poverty was prevalent in both rural and urban areas, with an incidence of 47 and 33 per cent, respectively.\(^5\) In contrast to many other countries, urban and rural poverty levels in Ethiopia are not dramatically different from each other.

While much of the discussion of poverty in Ethiopia draws on cross-sectional evidence, there is also some evidence from both qualitative and quantitative sources concerning poverty trends in urban areas during the mid-1990s. According to a participatory poverty assessment conducted in April–June 1997 on four communities in Addis Ababa,\(^6\) households reported a decline in well-being, primarily as a result of unemployment and increased insecurity, but also due to rising crime and prostitution. The problem of crime and prostitution is worth noting, as a lack of income-generating opportunities has led individuals to engage in these risky activities, with a resulting decline in the well-being of households. Important contributory factors included rising food prices between 1993 and 1996; unemployment related to the 1992 demobilization of soldiers who had served under the previous regime; redundancies from public enterprises; increases in the number of school leavers and dropouts; and rising shop rents, forcing businesses to close.

Existing evidence from poverty studies has been on overall poverty trends, but this needs to be complemented by an understanding of the dynamics underlying these changes in overall poverty figures.\(^7\)

### III. MEASUREMENT OF POVERTY: DIFFERENT APPROACHES

IN 2004, TADELE reviewed the approaches that had been adopted for studying urban poverty, and identified causes for the general decline in welfare in urban areas.\(^8\) This wide-ranging discussion serves as a good introduction to this methodological section, and will be followed by a summary of the findings of studies based on money-metric (quantitative) and non-metric (qualitative) measures.

The study by Tadele has more to do with methods for data collection than with the various techniques of poverty analysis. In fact, the nature of the data determines the analytical method that should be adopted. The paper highlights the importance of emerging longitudinal household...
surveys in the analysis and understanding of urban poverty in Ethiopia, and emphasizes the role played by anthropological approaches (i.e. participant observation) in the analysis of factors associated with persistent urban poverty and the associated coping strategies. The causes of poverty identified by Tadele, using these methods, include urban displacement, HIV/AIDS and gender-based discrimination in employment opportunities. The coping mechanisms identified include “streetism” (e.g. begging and prostitution), informal trade, urban networks and social organizations. Tadele also identified major factors that occur in a number of other studies, including unemployment and underemployment; high food prices; homelessness; lack of sanitation (through its impact on the incidence of illness); the failure of municipalities to deliver social services; limited access to water and electricity; and acute transportation problems.

In Ethiopia, where action-oriented development agents such as NGOs conduct most urban poverty studies, a lot of work is based on participatory approaches. Tadele argues that these qualitative approaches are superior if the aim is to understand the dynamics of poverty; however, due to difficulties in generating information on income and livelihood sources using participatory urban appraisals, they should be complemented by other approaches. This paper calls for the need to develop a comprehensive and multidisciplinary methodological framework as well as a multi-level analysis for understanding the social, cultural and economic construction of urban poverty and well-being. The question is: how can one operationalize such a seemingly sensible suggestion given the multidimensional nature of poverty? The study did not indicate or discuss any possible routes that could be followed to act on this strong suggestion.

a. Money-metric measures

Discussions of poverty in Ethiopia have been based on both monetary and non-monetary indicators. Monetary indicators will be discussed first, then non-monetary indicators.

Policy responses to chronic and transitory poverty are likely to be different; therefore distinguishing between the two types is crucial. Studies of poverty dynamics in urban areas are relatively rare, although a study by Kedir and McKay clearly emphasizes the distinction between chronic and transitory poverty. The use of subjective responses to questions on living-standard dynamics is another element unique to this study. The authors compare subjective assessments of welfare with quantitative evidence on the dynamics of poverty in order to evaluate the similarity of findings generated using these approaches. However, their results are preliminary and warrant further investigation. The study is based on a three-wave panel data set collected from 1,500 urban households in Ethiopia during the mid-1990s. To date, this study is the only attempt to focus explicitly on an analysis of urban chronic poverty in Ethiopia. Its findings indicate that there is a high level of chronic poverty (21.5 per cent), and that those who are chronically poor show distinct characteristics that are likely to be important underlying factors. These include high household dependency rates; low levels of education; lack of asset ownership; and insecure, low return or no employment.

This study is more careful with its data than similar studies in at least two major respects. First, the standard of living/welfare measure used in the analysis is real total household expenditure per adult-equivalent, calculated based on an adult-equivalent scale previously used in other empiri-
cal studies in Ethiopia. And second, the welfare measure is also adjusted for price changes over time and space, using a Laspeyres Price Index constructed using prices published by the CSA (Central Statistical Authority of Ethiopia). Adjustment for spatial and temporal variations in prices is an essential ingredient of poverty analysis.

As might be anticipated, given the trends in the median standard of living measure, the authors observed an increasing incidence of urban poverty over the period of the study, particularly between 1994 and 1995, and particularly in the cities in the north and south. This is strongly suggestive of substantial chronic poverty for the period 1994–1997, but the extent of this can only be quantified using panel data. The results suggest that poverty increased between 1995 and 1997, in contrast to other studies, which found that poverty did not increase during this time.

The chronic poor are clearly identified in this study as those households whose standard of living measure falls below the poverty line in all three rounds of observation. The transient poor are those whose real total expenditure per adult per month falls below the poverty line in one or two of the years. Using this criterion, at the national level 57.8 per cent of urban households were poor in at least one round and 21.5 per cent were chronically poor. The patterns are broadly similar in all regions, but with persistent poverty being higher in the central and northern cities. The overall poverty trend figures show that many more of the transient poor were falling into poverty rather than escaping it, and a more detailed analysis shows that this was the case in all regions.

As is common in panel studies, the characteristics of the poor are those of the households or their members in the initial period (i.e. 1994). A descriptive and econometric analysis (i.e. by estimating a multi-nomial logit model) of the data identified the following as being major determinants of urban poverty in Ethiopia:

- **household size and composition**: further analysis shows that it is the dependency rate rather than household size that seems to be important;
- **gender**: female-headed households are more likely to be poor for two or three periods;
- **ethnicity**: the Amhara and Tigre groups are much less likely to experience chronic poverty, and the Gurage more so;
- **schooling**: there is a very strong link between chronic poverty and a low level of education;
- **economic activity of the household head**: level of education is an important influence on employment status which, in turn, is a strong correlate of poverty in general and chronic poverty specifically. Among chronically poor households, 27.5 per cent of household heads worked as casual labourers or in female business activities, compared to only 7.7 per cent for the never poor. These are generally insecure or low-return activities, and it is not surprising that the chronic poor disproportionately undertake such activities. In nearly one-fifth of chronically poor households, the household head was not working. Employers are significantly less likely to be poor for two or more periods, and wage workers, and indeed pensioners, are significantly more likely never to be poor. The first two results are expected, but the last is perhaps surprising. Clearly, many of those where the household receives a pension are non–poor, but why this is the case needs to be investigated further. The result may reflect the fact that only richer households can afford to be unemployed, or tend to have pensions;
- **value of assets**: the possession of assets has a significant positive impact.


on the probability that the household was never poor.

A study by Christensen in 2004 examined the evolution of both urban and rural poverty,\textsuperscript{(15)} however only the findings on urban poverty will be considered here. On the causes of poverty, Christensen’s findings point to such factors as high urban population growth, rural-urban migration and also migration from small to big towns. As highlighted above, rural–urban migration is a coping mechanism devised by the rural poor, but migration adds to the existing burden of urban poverty. Unlike findings elsewhere in sub-Saharan Africa, the results of this study indicate that the rate of urban poverty is high and is strikingly similar to that of rural poverty in Ethiopia. Although the service sector has shown some growth in Ethiopia, this study did not show that the increased potential for employment has translated into a decline in urban poverty. By contrast, other research\textsuperscript{(16)} has shown a small increase in employment in the service sector between 1994 and 1999 (from 37.6 per cent to 43.7 per cent). Much of the increase came from the trade, hotel and restaurant sub-sector.

b. Non-money-metric methods: gender, livelihood insecurity and subjective poverty

Subjective assessment of welfare. The use of subjective responses to questions on living standard dynamics is another unique element examined in the Kedir and McKay study.\textsuperscript{(17)} Households were asked questions related to changes in household income, expenditure and living standards between 1994 and 1997.

Such questions are invariably difficult to ask, and to answer, in ways that are precisely comparable to a quantitative standard of living measure. However, the subjective assessments of household welfare confirm the general impression of declining living standards over the period, with households identifying price increases as a major factor. In this sense, the results are consistent with the quantitative results, and suggest a high degree of chronic poverty – in that those who were poor initially did not appear to have become better off in most cases. The household-by-household match between the changes depicted by the quantitative and subjective approaches is less strong, corresponding in only around 40 per cent of cases.

Gender. No results have been released yet from an interesting study\textsuperscript{(18)} linking women’s empowerment both with quantitative aspects of welfare (e.g. level and dynamics of assets) and qualitative assessment of empowerment (e.g. capacity to negotiate with, influence and control institutions). However, one of the key findings of Christensen’s study relates to an alarming and dismal record in terms of domestic violence against women, in both urban and rural areas. His evidence from the 2000 Demographic and Health Survey indicates that the prevalence of domestic violence is 69 per cent in urban areas and 88 per cent in rural areas. Domestic violence is defined in terms of physical violence by husbands towards their wives.

Destitution. The study of the causes and various facets of destitution in Ethiopia has been sorely neglected. Anthropologists have gathered some scanty evidence in recent years, and there is an urgent need to draw on that evidence to address this important aspect of human tragedy. A study by Tefera\textsuperscript{(19)} indicates that destitute people in Ethiopia live in poverty for a long period of time, that they live in houses without toilet facilities, and do not have access to health centres and schools. They include those who are in long-term unemployment and who are disadvantaged both physically and socially.
Tefera draws attention to the undignified aspects of life in the slums of the capital city, Addis Ababa. Households comprising the elderly, the unemployed, HIV/AIDS patients and sex workers are more likely to be destitute. The study defines poverty as a multidimensional state, and lists a number of indicators of well-being, including housing conditions, health status, educational attainment, disability, cleanliness of living environment, and availability of water, food and income. Poverty is seen as a lack in all the above indicators. The root causes of poverty that are identified include racism (or the denial of employment to those from other ethnic groups), gender bias, and discrimination against the disabled, the elderly and those with HIV/AIDS, leprosy and other illnesses. This study places poverty in Ethiopia in a larger political and economic context, mentioning different unfair trade practices by high-income nations that hurt Ethiopia.

**HIV/AIDS or health.** A detailed study by Kidanu and Banteyerga draws on both quantitative and qualitative data, and explores the link between HIV/AIDS and poverty in Ethiopia. This study includes an account of three other studies, and its analysis is static. Its data were generated from focus groups and drawn from the 2000 Demographic and Health Survey. It adopts a monetary definition of poverty.

The key findings are:

- HIV/AIDS is not exclusively a problem of the poor. However, the risk of infection is highest among the poor because of their lack of information about the disease and the hopelessness of their general welfare. The risk of exposure is higher among the poor because they often resort to prostitution in order to survive;
- displacement is a major factor in the incidence of HIV/AIDS. The link goes from displacement, to unemployment, to risky behaviour such as drinking and gambling which, in turn, increases the risk of exposure to HIV/AIDS;
- knowledge about HIV/AIDS is not translated into action. People fail to act in accordance with recommended practices because of their misconceptions about the disease;
- many years of poor governance, civil war, drought and famine, resulting in massive displacement and unemployment, have all led to a rapid growth in HIV/AIDS infection;
- the prevalence rate was estimated at 6.6 per cent in 2002;
- high-risk behaviour is linked to age and income. According to the study, the young (especially those from poorer family backgrounds) are often unemployed, and lose a sense of purpose in life as a result of their frustrating situation. They are in the prime of life but do not have any income from employment, which often leads to idleness and destructive behaviour including unprotected sex. Anecdotal evidence indicates that the youth in the urban centres of Ethiopia often spend their time watching pornographic films in unlicensed video shops. The government occasionally cracks down on these illegal premises;
- the major causes of stigma and discrimination against HIV/AIDS patients are ignorance, fear of infection and, ultimately, of death. The stigma and discrimination against HIV/AIDS patients makes it difficult for them to be active participants in any economic and social life, and is often added to the stigma already attached to socially marginalized and vulnerable groups such as the poor;
- food insecurity is linked to the risk of exposure to HIV/AIDS. This is a powerful and telling observation, and the informants’ vulnerability to infection as a result of a lack of access to food is summarized in the follow-
ing quote: “It is better to die of HIV/AIDS after ten years than die from starvation now” – referring to the fact that some people engage in sex-related activities to generate income for food.

With regard to major causes of poverty and the risk of HIV/AIDS infection, the study identifies inappropriate government policies (since the imperial regime in the 1940s), successive droughts, war/conflicts, displacement, food insecurity and unemployment. Gender inequality is considered a consequence of economic deprivation rather than a cause.

**Livelihood insecurity.** There are various studies that focus on the vulnerability of urban and rural households in Ethiopia, specifically one by Rahmato and Kidanu.(21) Again, only the urban findings will be discussed here. Studies such as this are rare, and are valuable for policy making because they capture aspects of household livelihood that are often missing, or are from studies that draw on household surveys. This one is based on a qualitative survey in 2001 of households’ livelihood security, and attempts to capture normative assessments of well-being. The only shortcoming of this study is its static nature. As livelihood insecurity is a likely feature of individuals/households/communities with chronic poverty, exploring the dynamic aspect of insecurity would be fruitful. Evidence elsewhere in sub-Saharan Africa indicates that insecurity is one of the important factors behind poverty and its perpetuation.(22) The study is based on a relatively large sample of urban households, and is a component of ILO’s broad-based study entitled “People’s security survey”, which has also been undertaken in 12 other African, Asian and Latin American countries.(23) The towns covered by the study are Addis Ababa, Debre Zeit, Mojo and Nazareth.

In terms of methodology, the study followed the livelihood approach as a conceptual framework. It acknowledges that income is an important factor in basic security, but not sufficient on its own. The study criticizes the common definition of poverty, arguing that poverty should take into account not only the issue of lack of access to a bundle of basic necessities and services but also the issue of security of access. The seven forms of socioeconomic security identified by the ILO (labour market security, employment security, job security, skill reproduction security, work security, income security and representation security) are adopted by the authors. The findings include the following:

- households are fearful and anxious about their subsistence;
- their income is low and insecure;
- they depend on inadequate social services;
- they face a shrinking labour market;
- most of them suffer from livelihood insecurity and fear of losing their subsistence; and
- more importantly, most of the households seem to be in long-term poverty, given the degree of pessimism they expressed in terms of their future employment opportunities, security and chances of self-improvement.

When it comes to specific aspects of urban livelihoods, it is worth highlighting the most important developments in the 1990s, as described in this study. The unemployment rate in the capital city was 35 per cent in 1994, and increased to 38 per cent in 1999; however, the authors provide no definition of unemployment. The increase in unemployment corresponds to the increase in poverty over the period 1994–1997, as reported in various studies. There has also been institutional instability, which has led to reforms that include the retrenchment of civil servants and an employment system based on ethnicity.(24) In addition, rural–urban migration and homelessness are growing problems, which put a lot of downward pressure on


the well-being of people in urban areas.

There is no information in the study about wage rates, except for the fact that wages are low, fuelled by the excess labour supply in the economy. This is consistent with the overwhelming dissatisfaction expressed by respondents (i.e. employees) about the income they take home. The problem of low urban wages has been aggravated by the limited opportunities for skills training and upgrading workers’ abilities. It has also been made worse by rural–urban migration, which contributes to an excess labour supply in urban areas, thus pushing down the price of labour.

Other: schooling, food insecurity and incidence of illness. It is obvious that sustained access to education and better health care have long-term benefits for individuals. Gender discrimination has an important effect on girls’ achievement at school. For instance, Christensen’s study(25) indicated that girls are 11 per cent less likely to be enrolled in primary school. A study by the UNDP26 indicates that girls who are denied access to education are more likely to be heads of poor households later in their lives, thus the problem of gender discrimination has a profound effect on lifecycle. With respect to the general health of the urban population, based on self-reported incidence of health problems, there was an increase in the incidence of illness in urban areas between 1995 and 1999, from 14 per cent to 19.5 per cent. Evidence also indicates that the prevalence of food insecurity in urban areas (as measured by the incidence of child malnutrition) is not significantly different from that in rural areas. There was some decline in the prevalence of wasting among urban pre-school children for the period 1983–2000.

The UNDP study is based on information from secondary sources, primary observations and face-to-face discussions with different stakeholders, including the urban poor. The data are drawn from “secondary” cities (Nazreth, Awassa, Bahir Dar, Jimma and Mekele), which are Ethiopia’s major towns outside the capital city. It presents a more qualitative, but also quantitative, synthesis of data, findings and analysis. The analysis in the study is based on fieldwork conducted between January and August 2003.

In the UNDP study, only the positive impacts of rural–urban migration are discussed, and no attention is paid to the major forces behind recent migration flows that have led to the deterioration of urban living standards, for example the Ethio-Eritrean war and bad weather. As in other studies reviewed above, the UNDP study points to the deterioration in urban social and economic service delivery. Except for Bahar Dar, nearly all the secondary cities have the capacity to collect and dispose of about 50 per cent of their daily solid waste. Other findings include:

- the poor do not have any mechanisms enabling them to participate in the activities of city administrations;
- a lack of financial resources has been a major problem for municipalities;
- there is a serious housing problem;
- all the cities under study have a significant number of squatter settlements;
- about 30–35 per cent of the population in the secondary cities is food insecure. While those who lack food security are not defined explicitly, the study implies that households that have exhausted various coping mechanisms can be classified as food insecure. However, the UNDP study seems to classify households that are food insecure together with those that are vulnerable;
- female-headed households are located in the lower sectors of expenditure/income distribution;

• most urban dwellers earn their living through self-employment in the informal sector;
• access to microfinance institutions helped households to improve their welfare in the cities of Adama and Mekele, but not in Bahir Dar, Awassa and Jimma.

The food insecurity identified by the UNDP is reflected in the income dissatisfaction survey results reported by Rhmato and Kidanu, which identified 74 per cent of employees as being dissatisfied with the income they earned. This dissatisfaction might have emerged from their inability to provide adequately for such basic family needs as food.

IV. CONCLUSION

a. How consistent are the different research findings?

As far as consistency of findings is concerned, it is instructive to consider the findings of two studies that address the direction of poverty trends in the mid-1990s. Both studies are quantitative in nature, both used the same data set, and both showed an increase in poverty between 1994 and 1995. But Bigsten et al. indicated a decline in poverty from 1995 and 1997, whereas Kedir and McKay found the opposite. This difference appears to be mainly due to differences in the way the two studies adjust for regional price differentials, measurement of household welfare and definition of the poverty line. The sensitivity of poverty estimates to spatial price deflators is well documented. However, the broad message of the study by Kedir and McKay is consistent with the results from an urban participatory poverty assessment by the Ministry of Economic Development and Cooperation for 1992–97. In fact, most of the studies reviewed in this paper reported an increase in urban poverty between 1994 and 1997, and it can therefore be reasonable to conclude that that period was characterized by increasing poverty. The majority of the studies also reported an acute lack of social and economic service provision.

With respect to the prevalence rate of the HIV/AIDS epidemic, government estimates are inconsistent, and vary from 6.6 per cent (in 2002) to 10.6 per cent (in 1999). Based on figures from other sources, however, it is probably safe to assume that the current rate is more than 10 per cent. For example, the prevalence rate in a sample of 911 pregnant women was 11.3 per cent, and even higher for younger pregnant women, at 12.1 per cent.

An important finding relates to the higher returns from female education in urban areas than in rural areas. Another relevant policy finding concerns the positive relationship between the number of female teachers and the probability of urban children enrolling in school.

b. Possible policy recommendations

Creating employment opportunities does not figure prominently as a poverty reduction measure in the government’s strategy paper recently submitted to the IMF and the World Bank. Two of the studies reviewed here suggest that the government should allow the private sector to play a greater role in the economy, in order to reinforce the capacity to create employment.

A discussion of the urban governance issue is unique to the study by the UNDP, which argues for pro-poor municipal policies so that the poor can...
participate in the activities of city administrations and can influence policy making. This study also points to an urgent need to take a more comprehensive view of the management of solid and liquid waste. Encouraging privatization and waste recycling are possible options to consider.

Government should also recognize the important role of the informal sector in urban livelihood security. However, it is not apparent how this sector is going to be supported. One crucial route is the provision of credit on acceptable terms, and encouraging the proliferation of group lending schemes. Other possible, and urgent, interventions include the need for more balanced attention to both urban and rural food insecurity problems, and the need for urban upgrading policies to alleviate the squatter settlement problem. The burden of poverty on women can be reduced if city governments focus on abolishing harmful traditional practices such as female genital mutilation, early marriage, abduction, forced marriage, and discrimination against girls in the family and against women at work and in society at large. The enforcement of laws is currently unsatisfactory/weak, and the Ethiopian government should give this priority so that women can fully participate in economic/social life and have a better standard of living. The government should focus its HIV/AIDS awareness and prevention programme on vulnerable groups such as commercial sex workers, unemployed youth, displaced people and street children. It can also complement the work of NGOs by expanding existing action-oriented intervention in the form of physical upgrading of dwellings, education/training, rehabilitation of delinquents and prostitutes, family planning, water and sanitation.

c. What are the outstanding empirical issues and the emerging research topics?

There are methodological issues in poverty research that are partly responsible for inconsistencies in the research findings and that need to be addressed. These include:

- the careful computation of price indices;
- the choice of adult-equivalent scales;\(^{34}\)
- the link between macro policies and their micro impacts (e.g. the impact of trade liberalization policies on poverty and employment patterns);
- a comprehensive and systematic overhaul of existing research evidence;
- more attention to the analysis of food poverty as there are no accurate figures for its magnitude, particularly in urban areas;
- an analysis of data in order to look at intra-household allocation of resources, so as to shed some light on whether women or other household members are continuously discriminated against;
- given the gross inconsistencies in the published figures on the prevalence of HIV/AIDS, there is a need for an accurate measure of such sensitive and highly significant information, possibly with disaggregation by income group; and finally,
- work on the welfare impacts of decentralized or bottom-up decision-making and other governance policies in generating and allocating resources to investigate the spatial and temporal patterns of poverty.

d. Future research strategies

This section attempts to identify some research strategies for a better understanding of urban poverty and urban chronic poverty in Ethiopia, and for

effective policy-making.

- One of the major criticisms of current research on poverty at a national level is its inefficient use of existing evidence from academic institutions, public agencies and private research organizations.
- The time given to undertaking participatory urban appraisal should be sufficient to gather enough and relevant information.
- It would be useful to undertake future poverty studies in an inter-disciplinary manner.
- Crucial aspects of urban welfare that have often been neglected by researchers but which require immediate future attention include: the link between prices and poverty measurement; displacement; child poverty; poverty in the elderly; disability and poverty; unemployment and poverty; street children and homelessness; location/remoteness and poverty; food insecurity; and women and poverty.
- With regard to the choice of methodological approach for the study of urban poverty and its dynamics, there should be an exploration of ways that combine both quantitative and qualitative findings. An interesting study on Uganda has developed an understanding of dynamic poverty by combining qualitative and quantitative evidence.(35)
- Working on existing data sets more rigorously so as to address methodological/empirical issues is critical for an accurate measurement of poverty and its dynamics.
- We also need to make use of data sets and findings from existing studies that have adopted different methodologies.

There is also a need to assemble qualitative evidence on a variety of issues. Areas covered by the anthropological literature in Ethiopia include HIV/AIDS, disability, displacement, gender, sex workers, the informal sector and child destitution. This is really important in order to fill the existing knowledge gap in the area of identifying poor groups that are more likely to be in chronic poverty.