

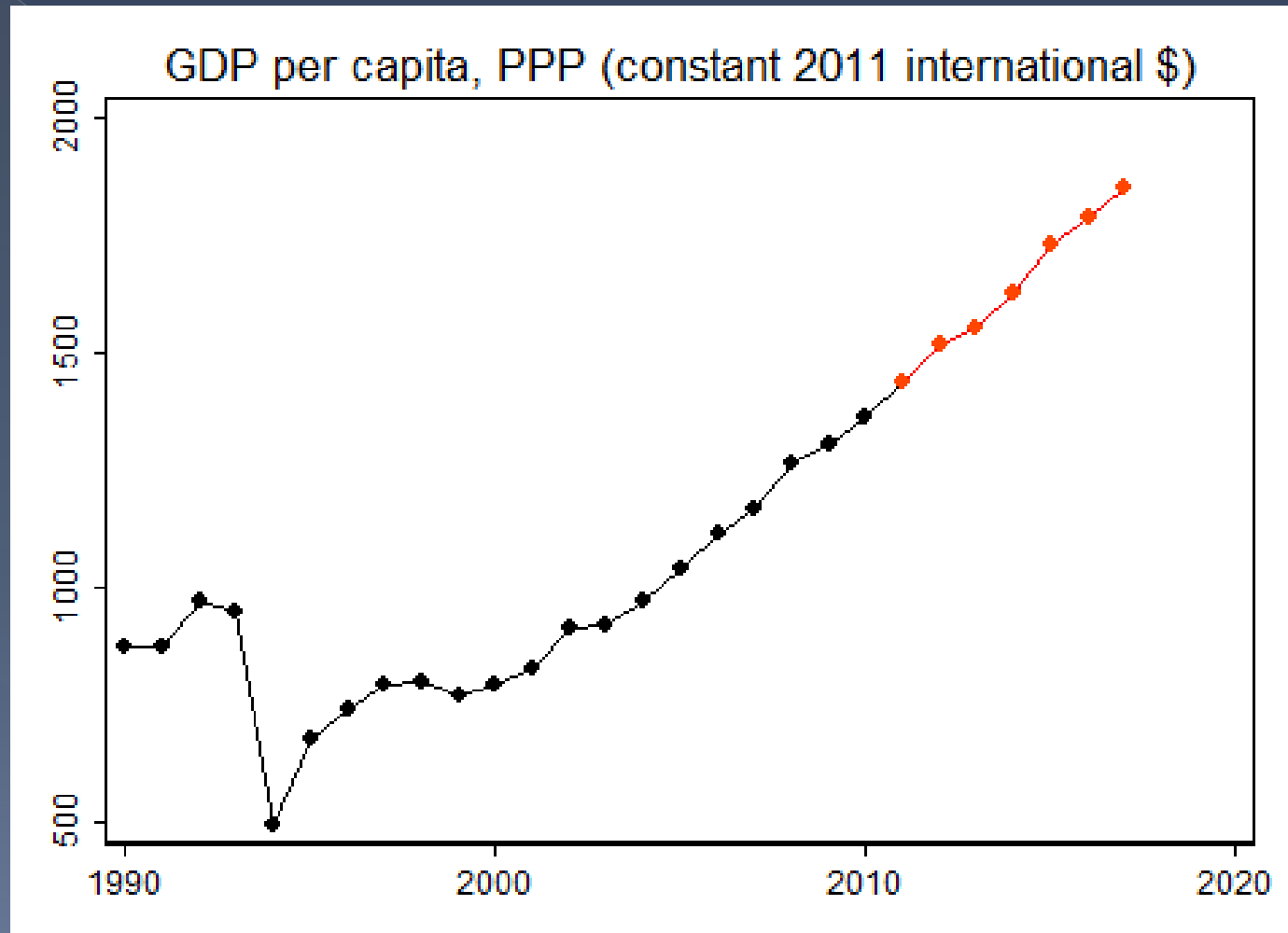
Growth, poverty and inequality in Rwanda: a broad perspective

Marijke Verpoorten
UNU-WIDER conference, September 2013

UPDATE: September 2018

- + horizontal inequality
- + political representation

From recovery to sustained growth



What about poverty and inequality?

Year	Poverty (%)		Income inequality (Gini)	Rainfall (mm)
	at national poverty line	at \$1.90 a day (2011 PPP)		
2000/1	58.9%	76.5%		1060
2005/6	56.7%	67.2%	0.52	1000
2010/11	46.0%	60.4%	0.51	1377
2013/14	39.1%	59.5%	0.50	1269

Source: WDI, 2017 & World Bank Climate change knowledge portal

- Rainfall was a factor in explaining 2005-2010 change in poverty, not in period 2010-2013
- Despite big difference between two stats based on national and \$1,9 poverty line, both indicate almost a **20 percentage point decline in poverty since 2000.**

What about poverty and inequality?

Year	Poverty (%) at national poverty line	Criticism because of difference in poverty line definition
2000/1	58.9%	using prevailing culinary habits of
2005/6	56.7%	poor Rwandan households in 2001
2010/11	46.0%	~ revealed preference theory
2013/14	39.1%	SET MUCH LOWER (19%) using cheap and highly caloric food types

Source: WDI, 2017

- “comparing the incomparable” (Reyntjens, 2015)

Filip
Reyntjens,
African
Arguments,
blog post,
November
2015

Lies, damned lies and statistics: Poverty reduction Rwandan-style and how the aid community loves it

BY FILIP REYNTJENS / NOVEMBER 3, 2015 / 6

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Rwanda's latest survey suggests poverty reduced 6%. A more meaningful comparison using the same data suggests it's actually increased 6%.



ROAPE, anonymous, June 2017

Rwandan Poverty Statistics: Exposing the 'Donor Darling'

Posted at 09:31h in Blog, Featured, Poverty and Development in Rwanda by ROAPEadmin • 6 Comments • 0 Likes

	Average basket		Updated basket		Minimum basket		Reyntjen's poverty line	
	2010	2014	2010	2014	2010	2014	2010	2014
Poverty rate (% of pop< tot. pov. Line)	45.2	50.2	49.2	55.8	35.2	42.2	32.5	37.1
Change in poverty rate	+5*		+6.6*		+7*		+4.6*	
*Change is statistically significant at 5% level								

DHS data, averages

Housing / Durables	1992	2000	2005	2007-8	2010	2015
Has electricity (%)	2.3	6.2	4.8	6.0	9.7	22.8
Radio (%)	32.3	35.2	45.8	58.2	62.6	54.5
Television (%)	n.a.	2.4	2.3	3.4	5.3	9.6
Health	1992	2000	2005	2007-8	2010	2015
Delivery at health care facility (%) ^c	26.3	25.7	29.7	53.7	78.3	93.1
Maternal mortality rate ^d	n.a.	1071	750	n.a.	476	210
Infant mortality	85	109	83	64	50	32
Under-5 mortality	151	196	152	103	76	50
All vaccinations (% children 12-23 months)	86.3	76.0	75.2	80.4	90.1	92.6
Households owns mosquito net (any type, %)	n.a.	6.6	18.2	59.2	82.7	80.8
Education	1992	2000	2005	2007-8	2010	2015
Mean years of education, men 15-65	3.9	4.1	4.1		4.6	5.3
Mean years of education, women 15-65	3.0	3.3	3.4		4.0	4.8
NAR Primary school, total	61.5	72.0	80.6		87.5	91.4
NAR Secondary school, total	5.7	4.9	4.0		14.4	25

DHS data, ratio top/bottom

DHS survey round		1992	2000	2005	2007-8	2010	2015
Use of contraception ^a							
Any method (%)		1.45	3.26	2.88	1.79	1.32	1.17
Any modern method (%)		1.53	6.19	3.72	1.78	1.29	1.11
	Ratio of						
Delivery at health care facility (%) ^b	indicator	2.11	3.97	3.36	1.62	1.28	1.11
Assistance of trained personnel (%)	between	1.95	3.08	2.44	1.65	1.40	1.15
	top and						
All vaccinations (% children 12-23 months)	bottom	1.05	1.08	1.00	1.02	1.10	1.01
Households owns mosquito net (any type, %)	wealth	n.a.	26.01	7.35	1.71	1.20	1.36
	quintile						
Net attendance ratio ^c							
Primary school, total		1.39	1.18	1.10	n.a.	1.19	1.15
Secondary school, total		4.86	12.88	24.24	n.a.	4.74	3.50

Questions that remain

- Can the poverty statistics be reconciled with contrasting findings from qualitative fieldwork?
- How does income (growth) relate to group identity?
- Can development in Rwanda be sustained if the country continues to score very low on voice and accountability?

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Qualitative research on Rwanda questions reliability of quantitative data

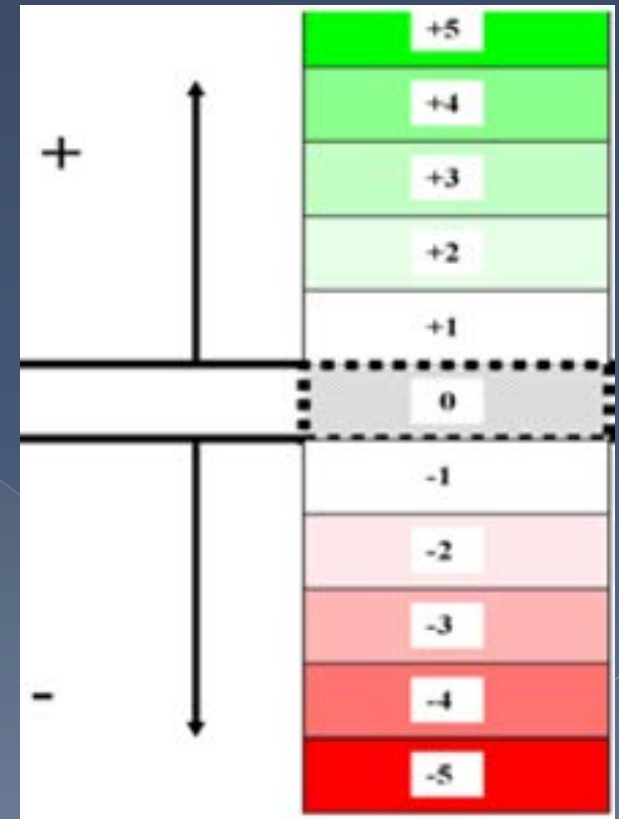
- ◉ Ansoms et al. (2016). **Statistics versus livelihoods: Questioning Rwanda's pathway out of poverty.** In: Review of African Political Economy.
- ◉ “Interviewees’ considerations of ‘**social desirability**’ and ‘situational adequacy’ may have influenced the answers given to a government-related surveyor, which could have resulted in **overestimated production figures.**” (p. 19)

Both could be right, measuring different things

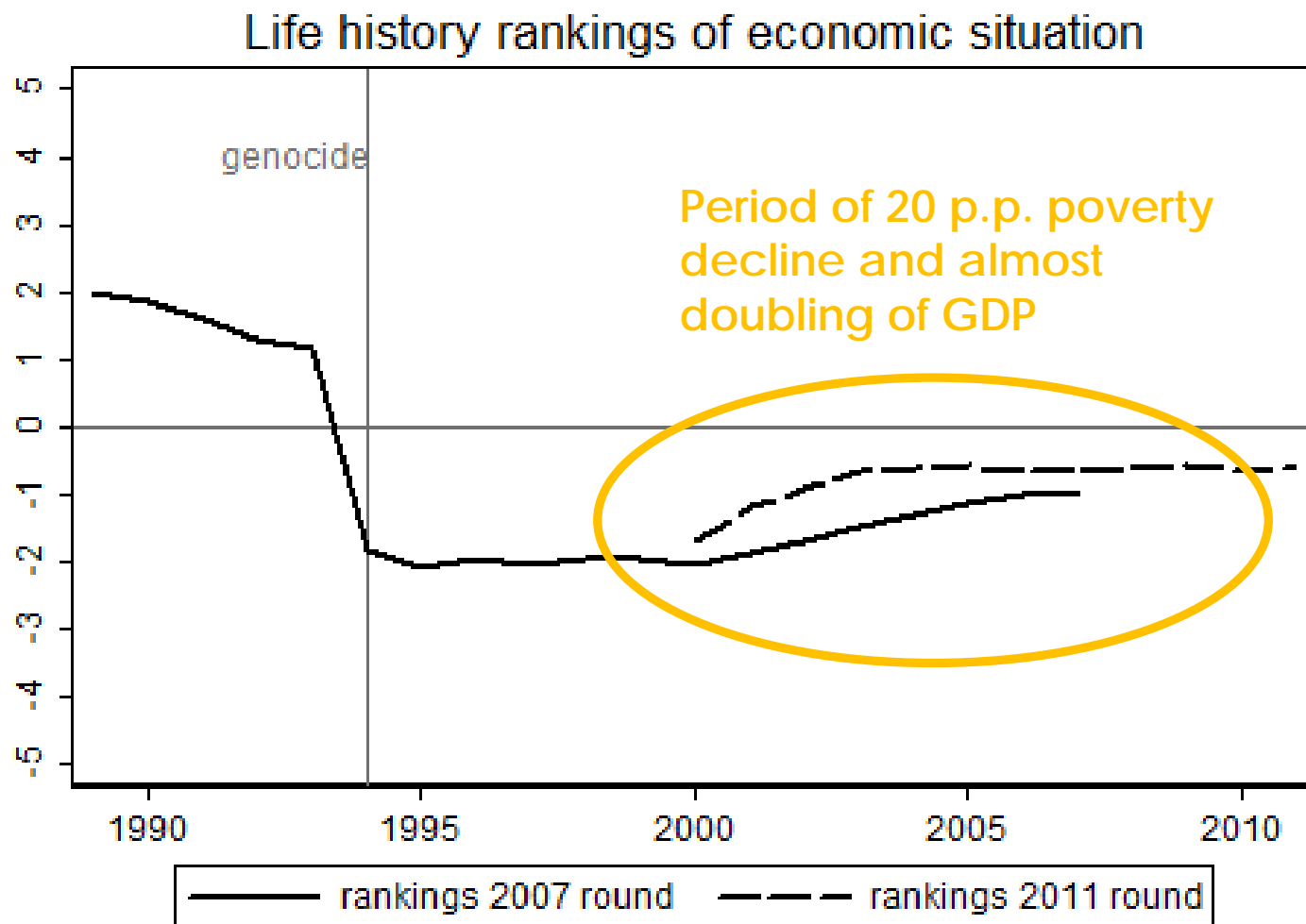
- ◉ Subjective well-being measures may capture relative rather than absolute income
- ◉ “the mismatch may be considerable in Rwanda as a result of rapid and profound economic and social transformations, that lead to winners and losers (in relative terms) and affect the traditional land-based livelihoods.” (UNUWIDER presentation, 2013)

A unique dataset with an evaluative measure of well-being

- Fieldwork by Bert Ingelaere
- 412 Rwandan peasants
- Self-reported economic situation [-5,+5]
- Ranked throughout life histories
- Interviewed in 2007 and 2011



Post-94 rankings seem 'flat'



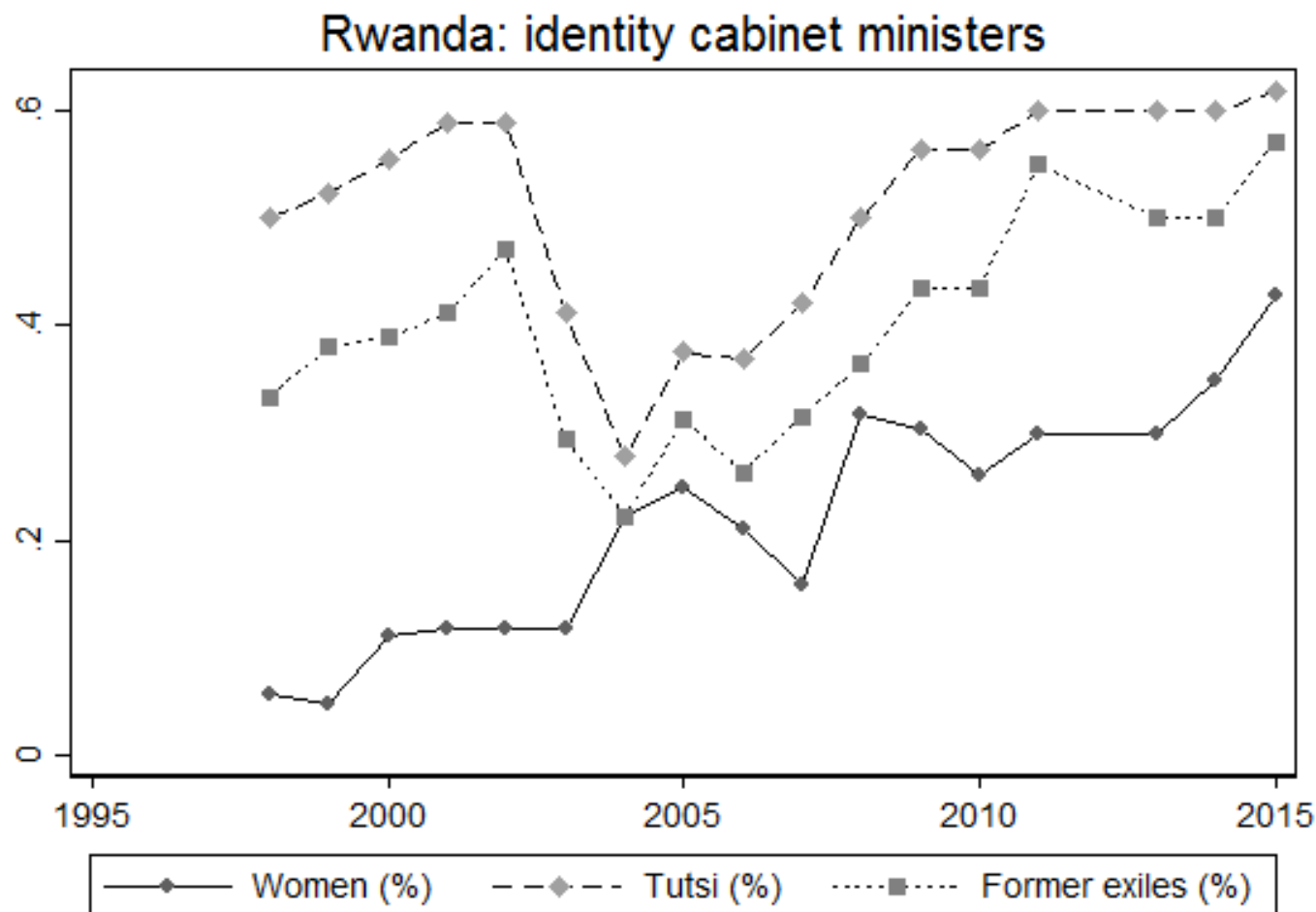
Can the data be reconciled with findings from qualitative fieldwork?

- Different measures of well-being **measure different things**.
- Using subjective measures to question the reliability of objective measures is probably not a good idea.
- Nevertheless, **subjective well-being measures are valuable** because they give valuable information on the lived experiences of people.
 - → should receive weight in policy debate but need for more systematic collection and validation

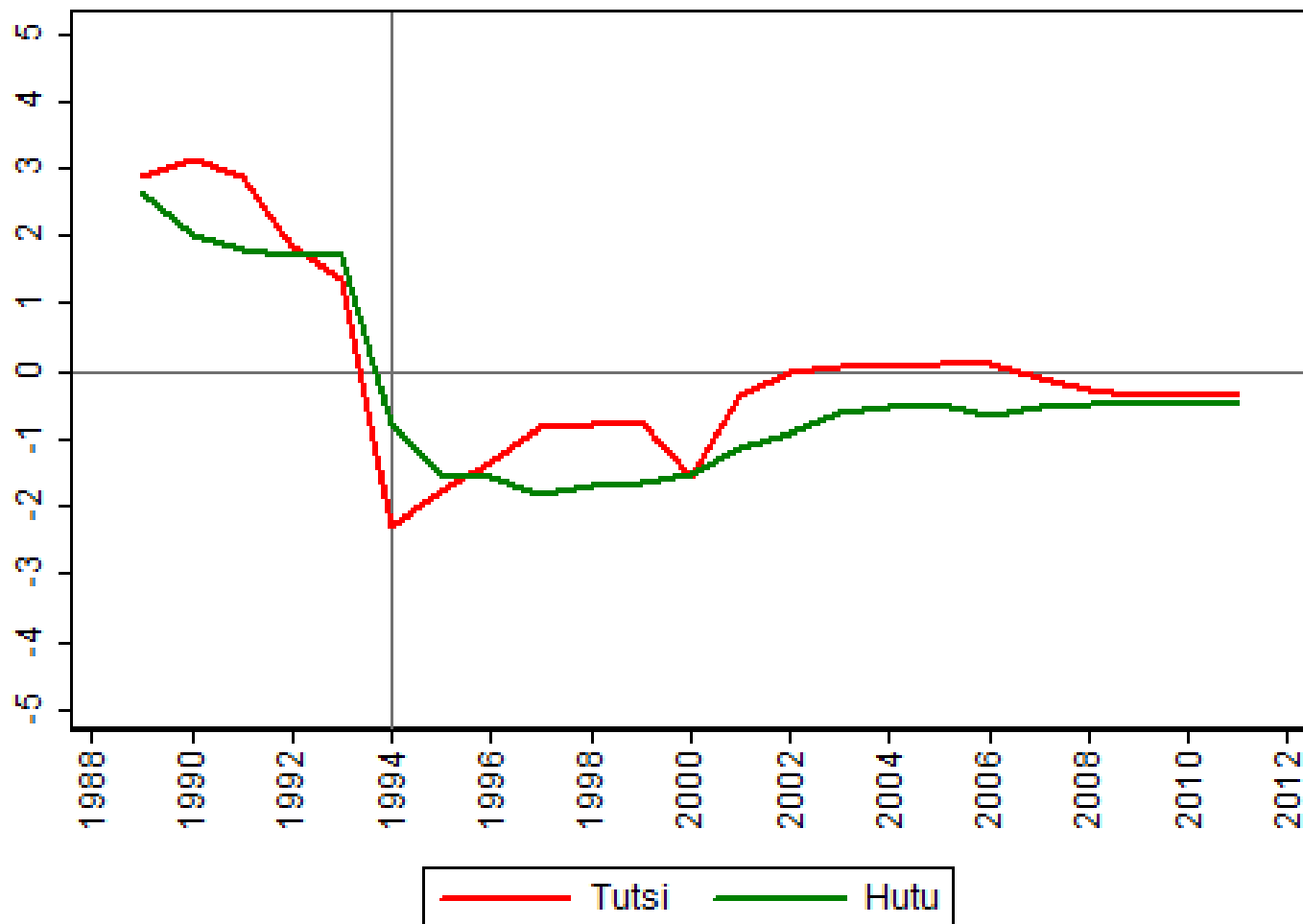
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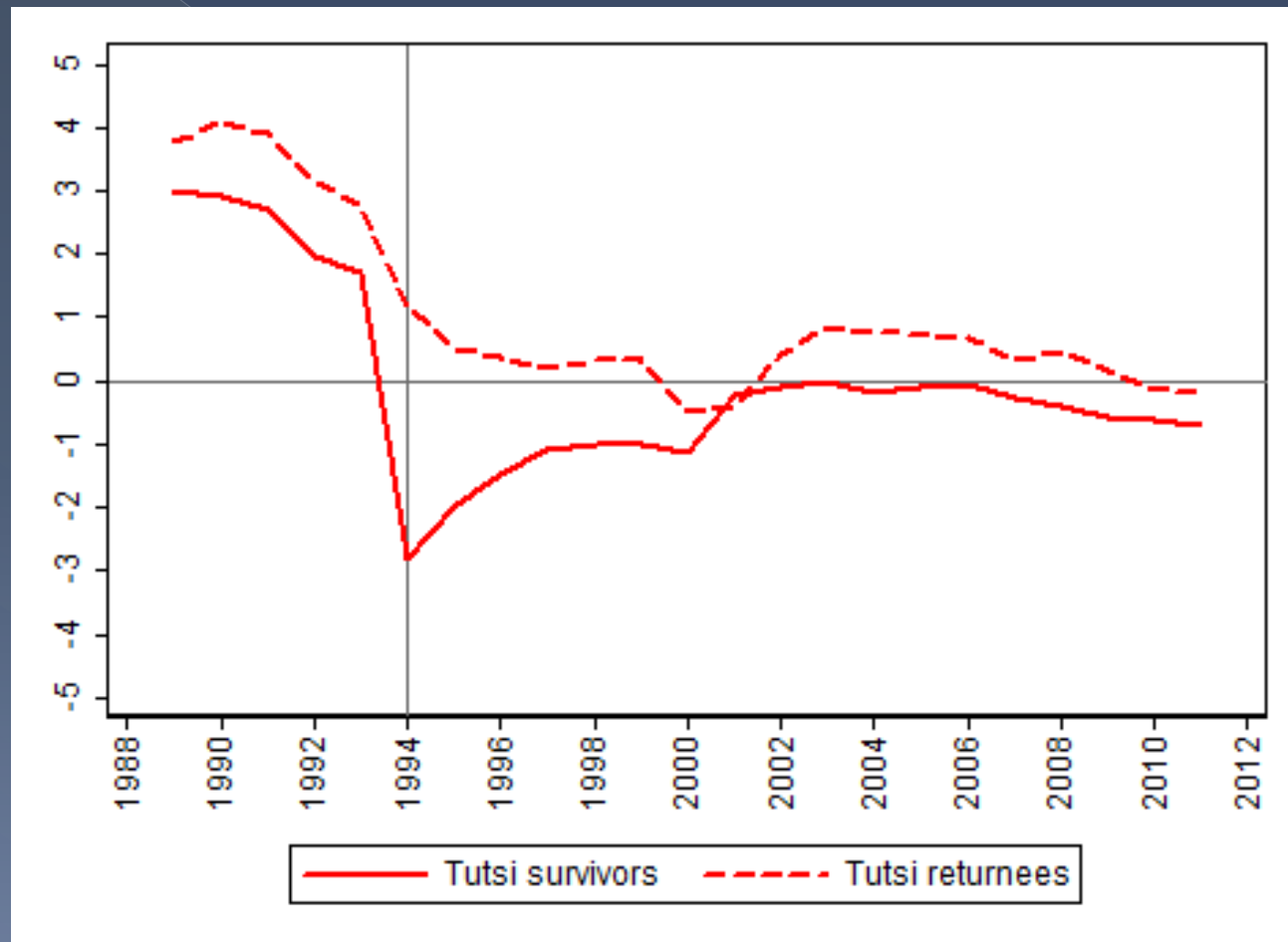
Power skewed towards Tutsi (returnees)



Self-reported rankings of economic situation throughout life history years – for Hutu & Tutsi



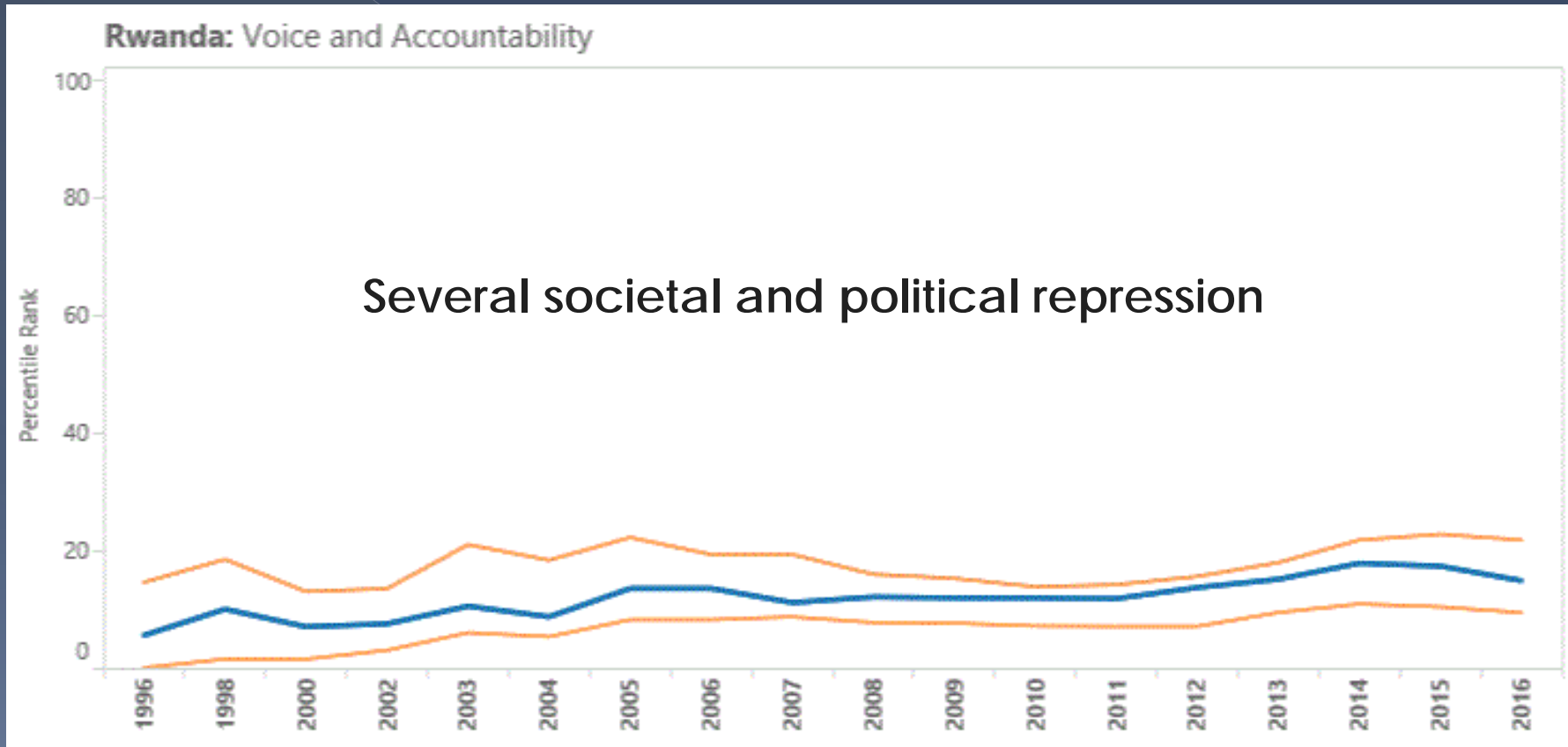
Self-reported rankings of economic situation throughout life history years – Tutsi returnees and survivors



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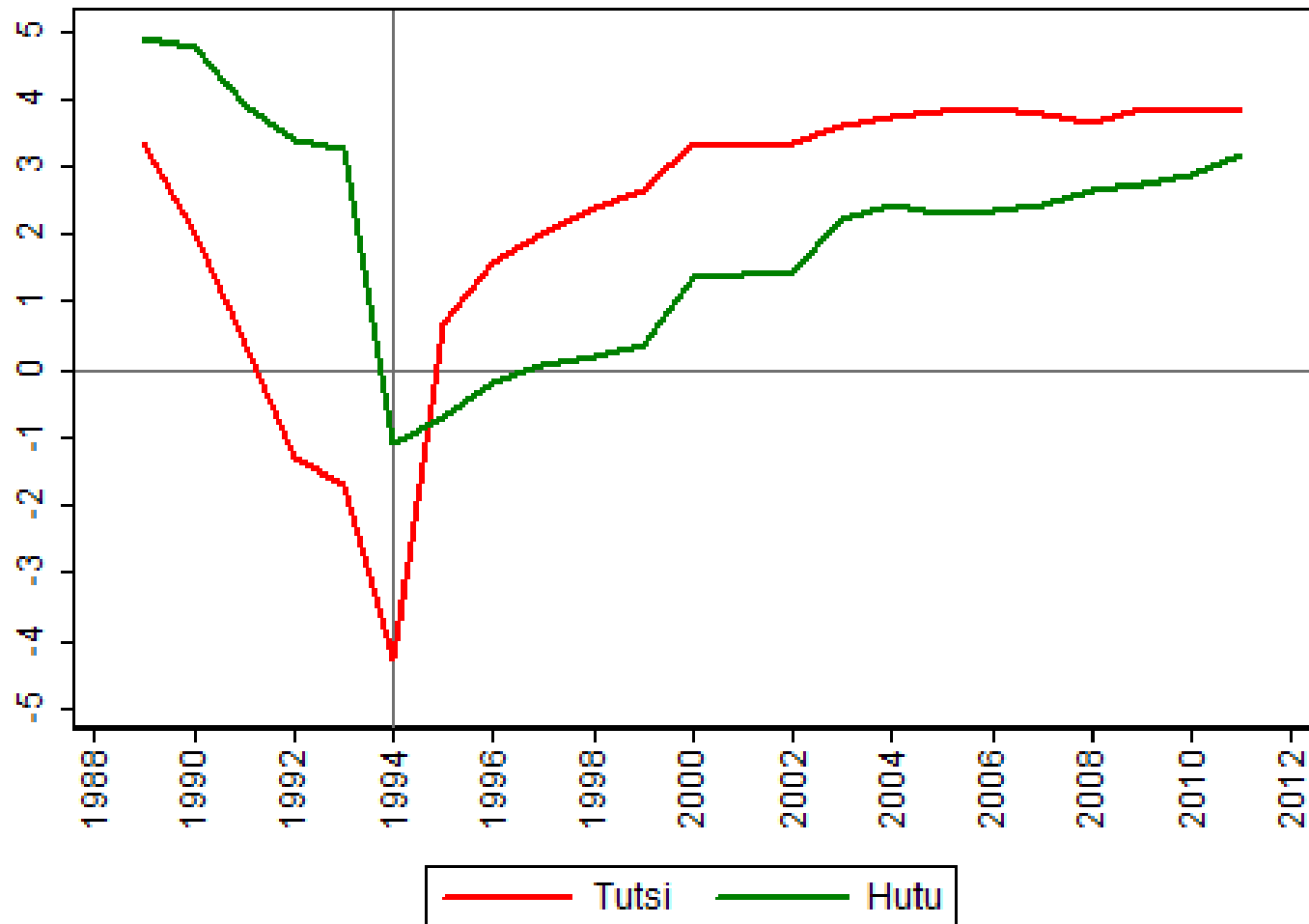
Worldwide Governance Indicators



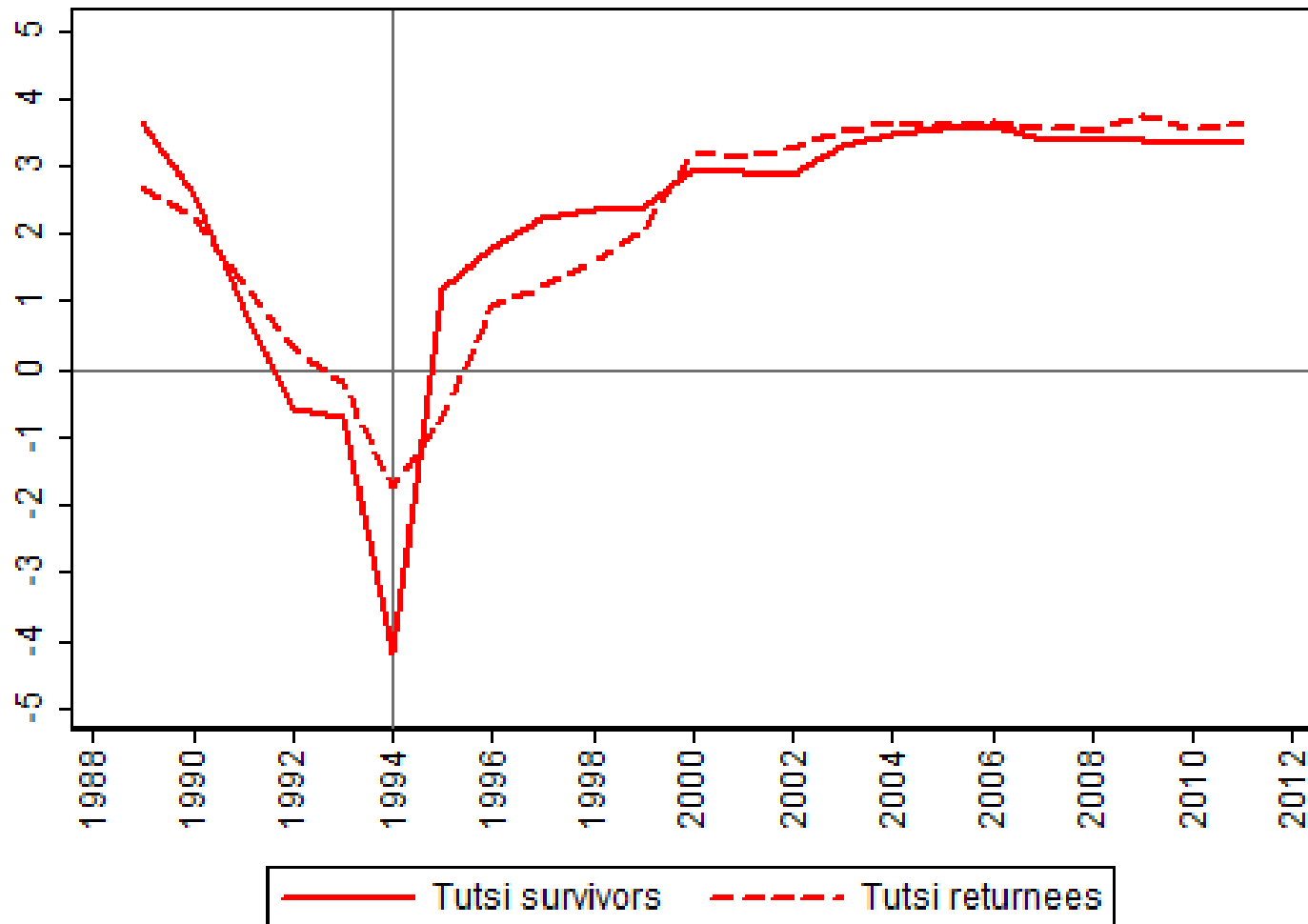
Achilles' heel of the Rwandan success story?

- ◉ **Yes:** concentration of power will cause instability (Reyntjens 2018); growth will run out of steam, (Acemoglu & Robinson 2012)
- ◉ **No:** developmental / facilitative state (Booth and Golooba-Mutebi 2012)
- ◉ **Back to life history data...**
 - Respondents were also asked to systematically rank their perception of political representation

Perceived political representation by life history respondents



Perceived political representation by life history respondents

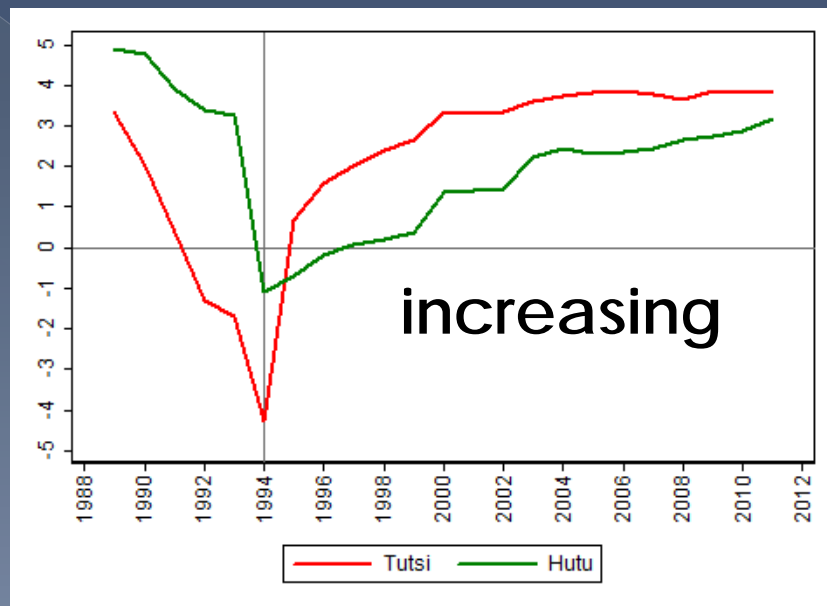
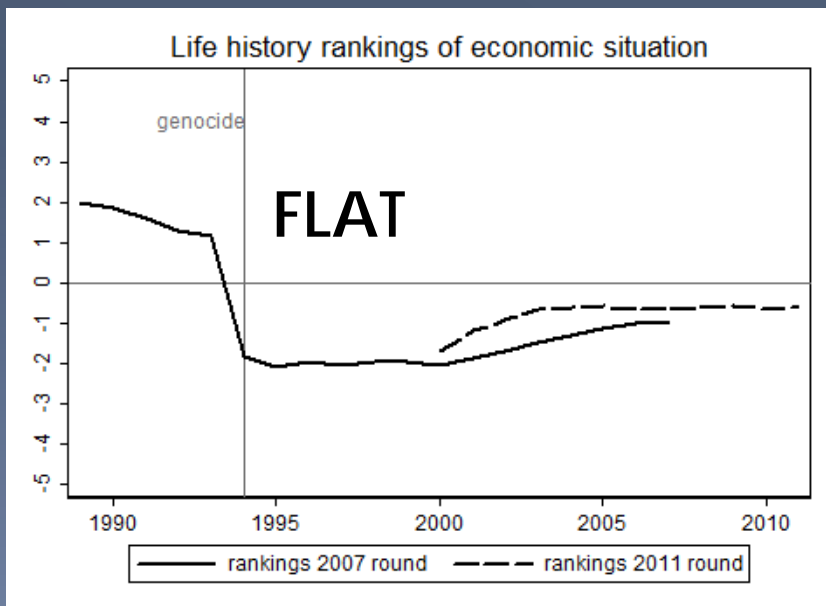
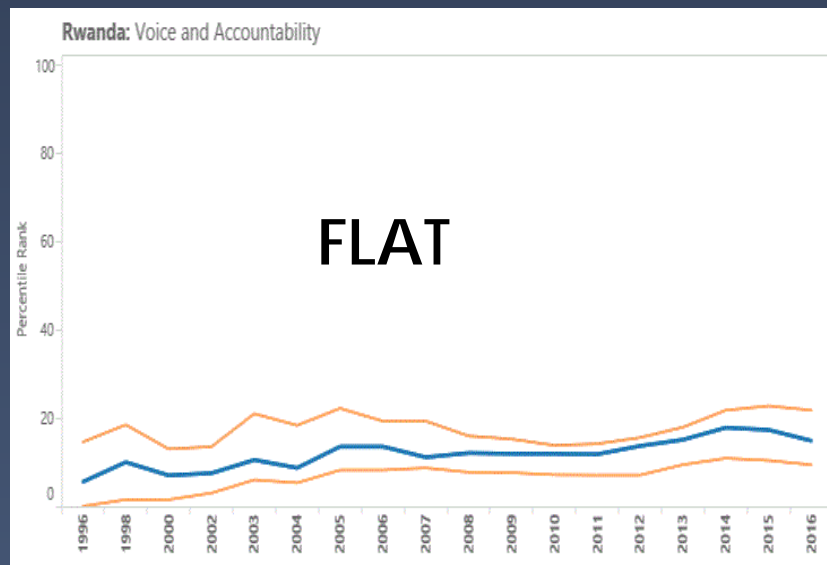
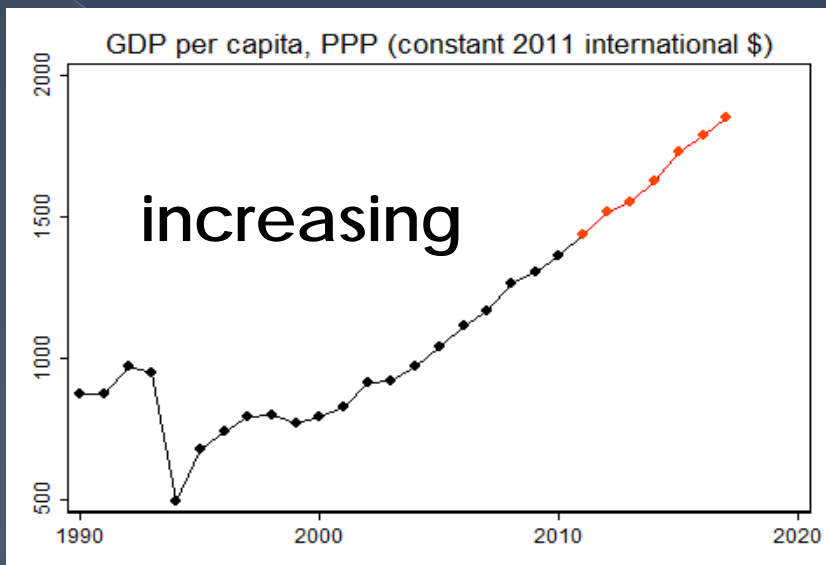


Economics

-

Politics

Life histories - Statistics



Reality, experiences and
perceptions are **complex**
and there still is a lot we
do not understand

Reference point is very low

- Hutu, aged 57, life history year 2003 « I started being sure that the authorities would not kill me »
- Hutu, aged 54, life history year 2003 “There were no longer persons disappearing from the community following a decision by the authorities”
- Hutu, aged 73, life history year 2003 « I was transferred from one prison to another. There we could find water to drink and wash ourselves, even though the water was dirty»
- Hutu, aged 54, life history year 2004 « After the elections, we were given new authorities, among which Hutu so my fear had diminished »

But, also actual improvements in *upward* accountability and service delivery

- Hutu, aged 49, life history year 2003: « We elected the president. The authorities that worked badly were punished»
- Hutu, aged 55, life history year 2004: “When we had elected the President, we noticed a change: the authorities were afraid of being fired”
- Tutsi, aged 51, life history year 2011: “They gave me a house and I am happy with it”
- Hutu, aged 24, life history year 2003: « I was well listened to by the local authorities after the presidential elections, they gave me advice on how to improve my living conditions by means of modern agricultural methods »

Attempt at a conclusion

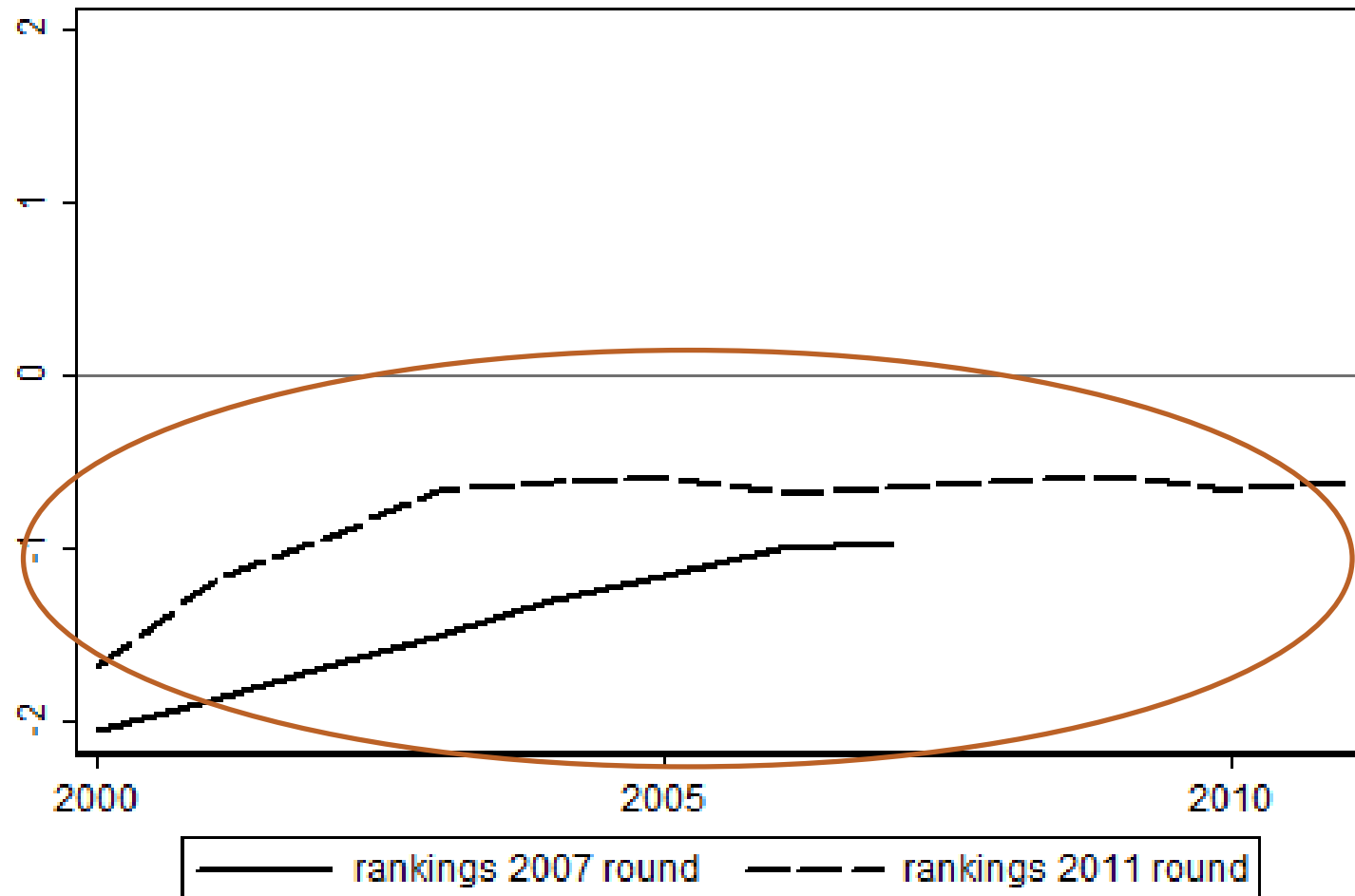
- ◉ Progress in terms of growth and poverty reduction according to objective measures of well-being
- ◉ Subjective well-being measures give other picture
- ◉ The authoritarian approach is instrumental in setting goals and coordinating transformative changes
- ◉ At the same time, the concentration of power could increase the risk of political instability
 - > BUT political representation as perceived by Rwandans has increased over time,
 - > and there is no perception of increased horizontal inequality among Rwandan peasants

Appendices

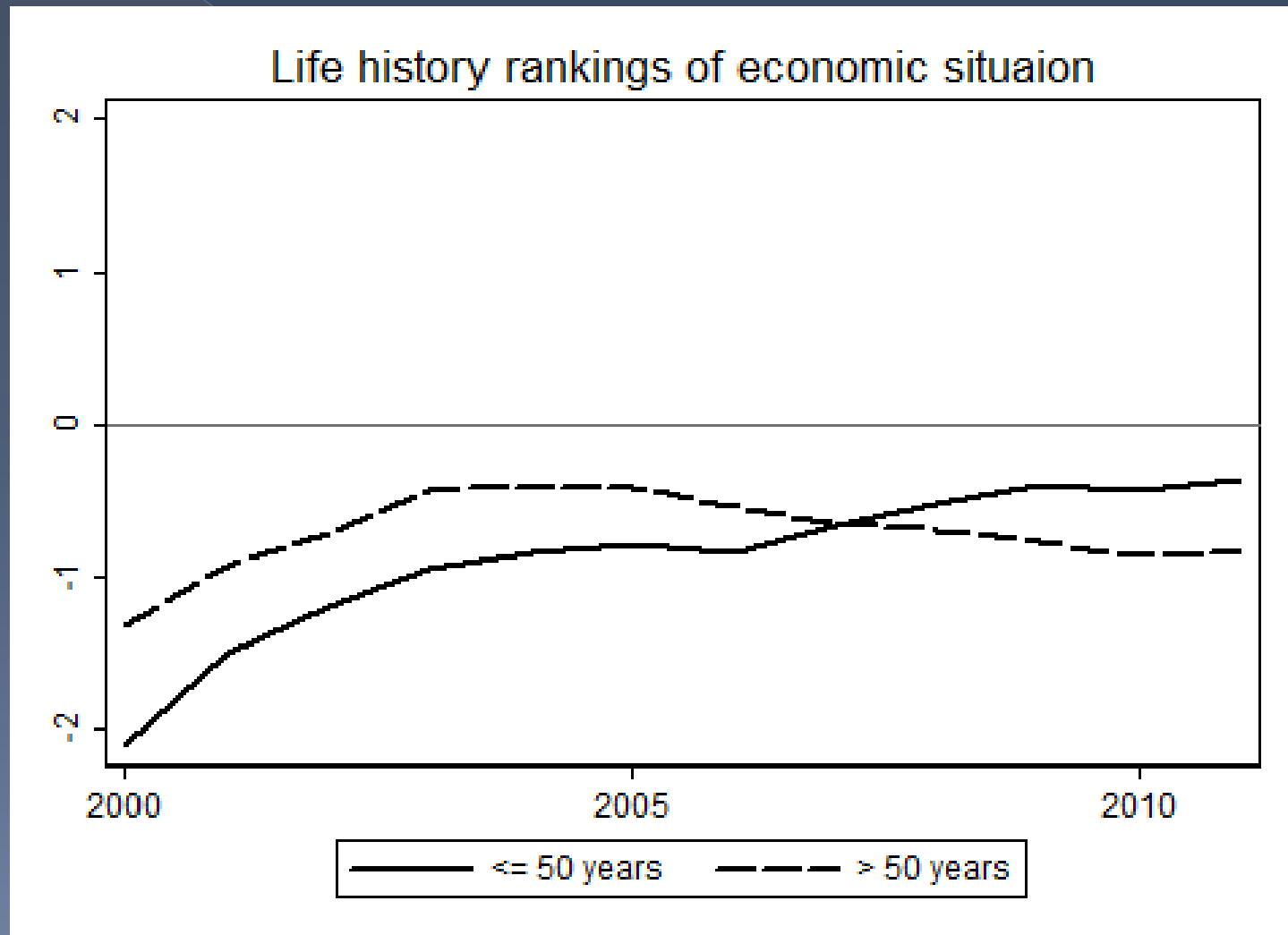
Self-reported economic situation

But partly matter of scaling

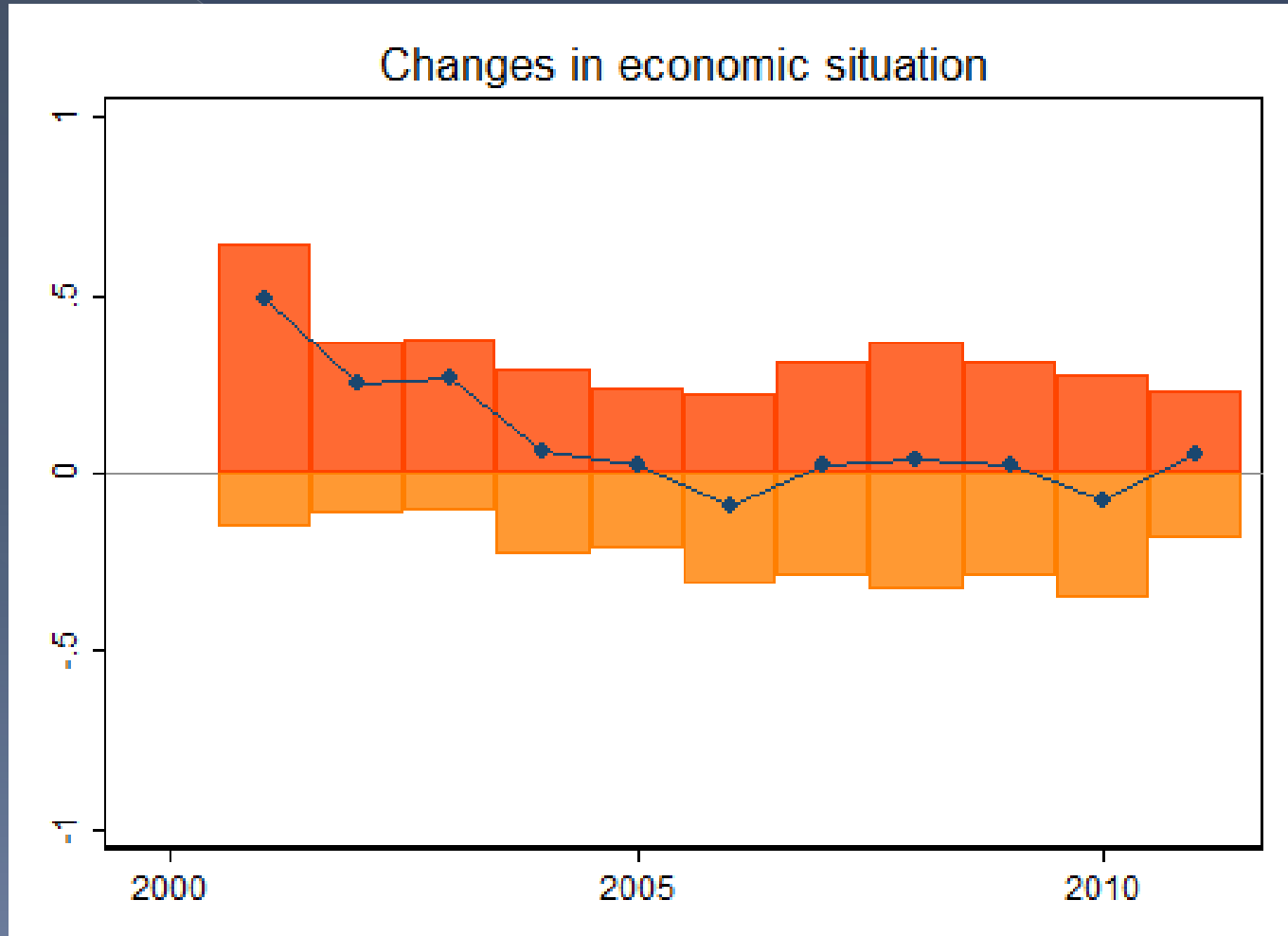
Life history rankings of economic situation



...and partly because of 'old age' in sample



On average flat, but up- and down-ward movements

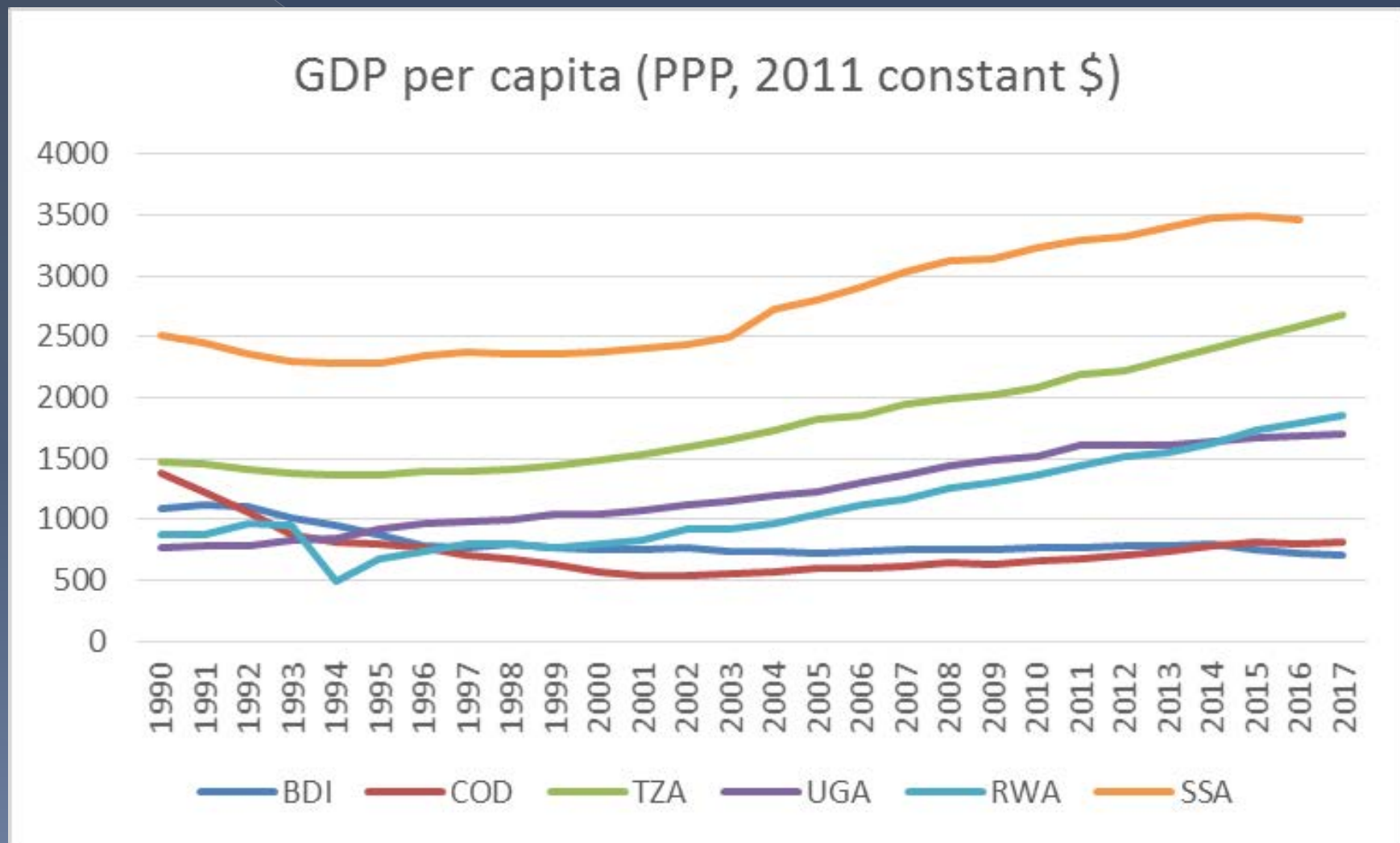


Reasons for changes in economic situation



Regional comparison of GDP per capita

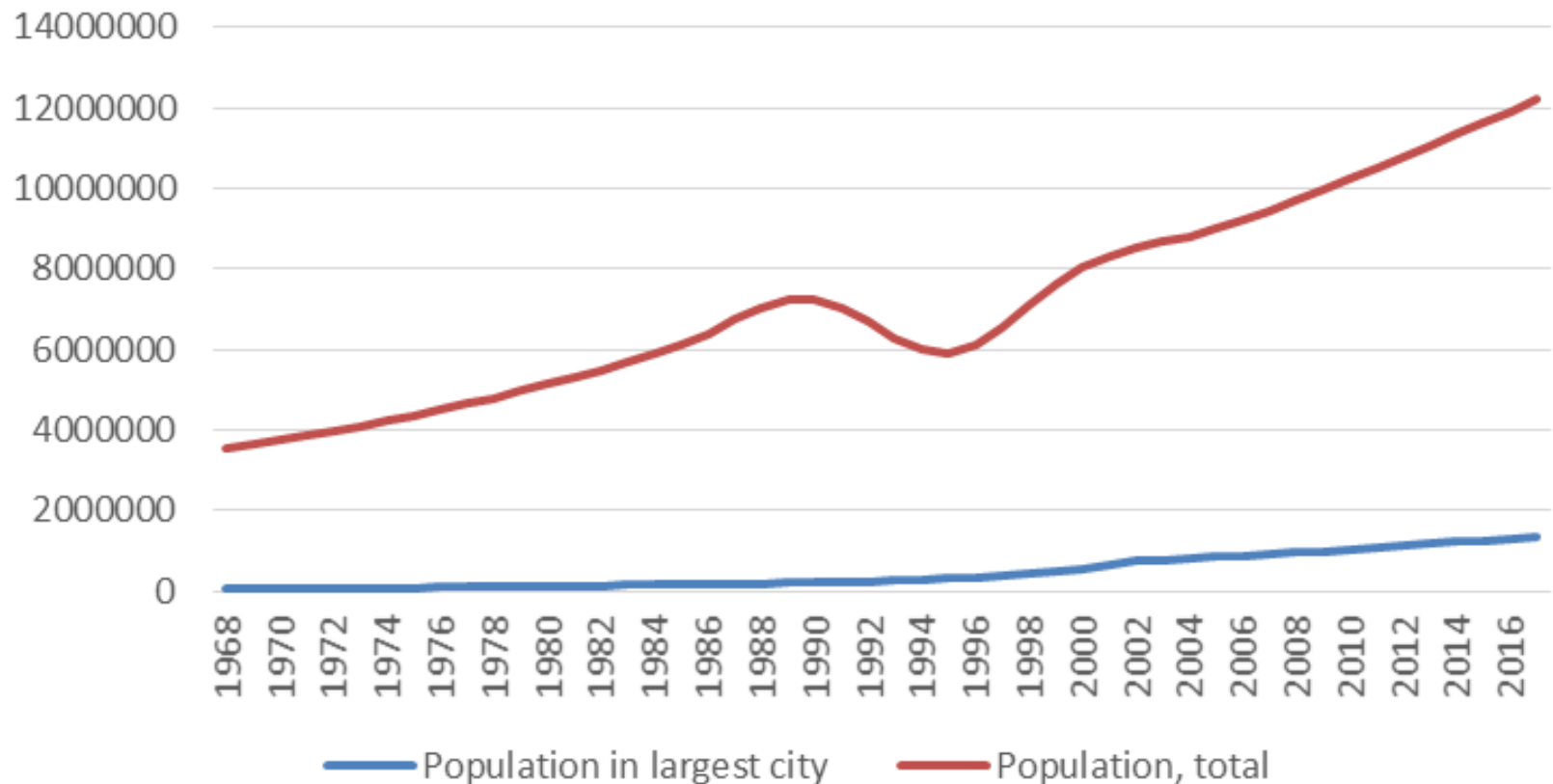
Rwanda vs neighbors & region



Population

Population

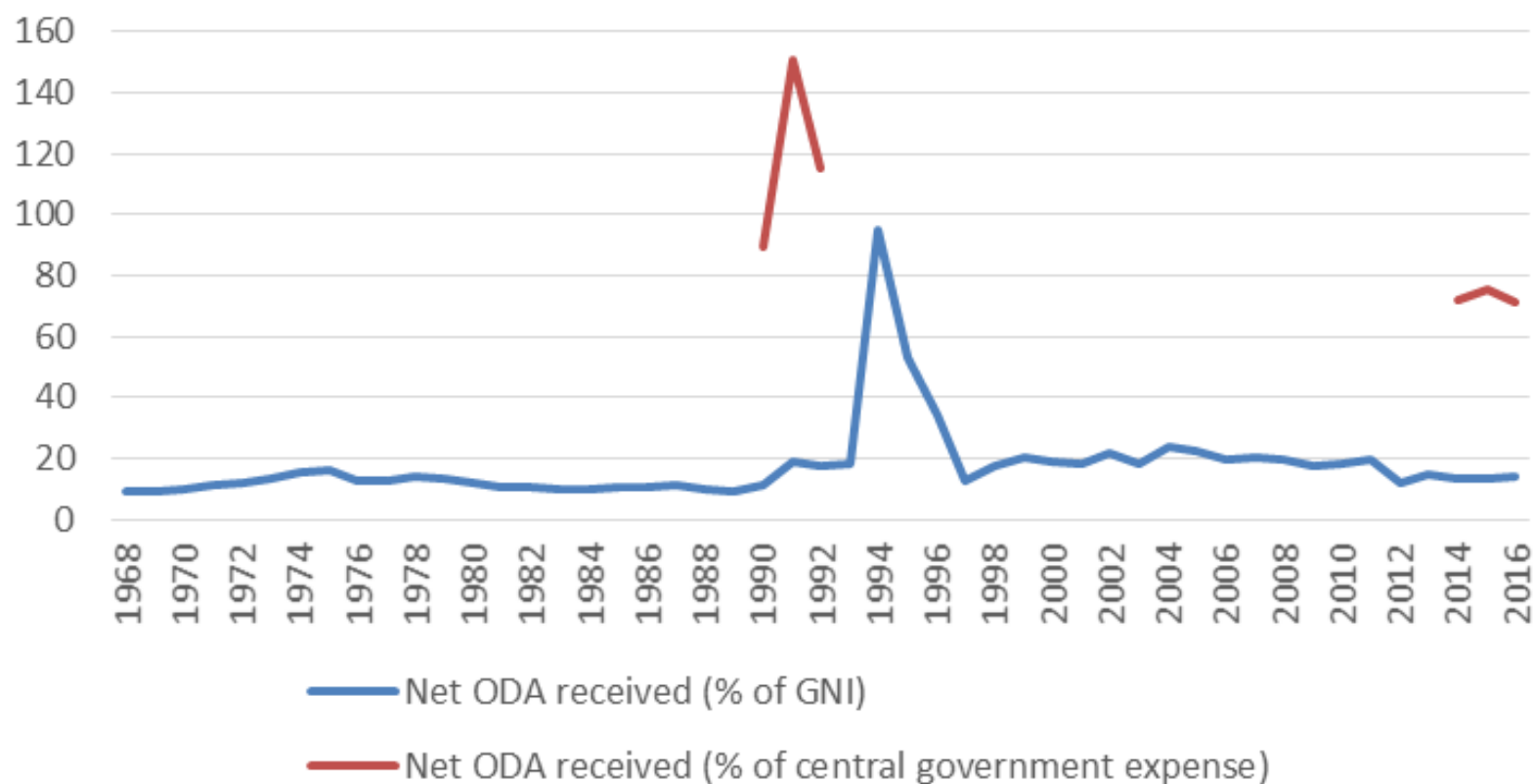
Population in Rwanda, in Kigali



Aid flows

Aid flows

ODA received by Rwanda



Governance indicators

Worldwide Governance Indicators

