

Poverty Profile in Zambia

2.1 The Concept and Measurement of Poverty

Poverty is the negative analogue of human development. If human development signifies the process of enlarging people's choices and opportunities that are most basic to human development, poverty signifies their denial. Such deprivations include material deprivations in terms of food and nutrition, health, education and literacy, safe water and sanitation, and clothing and shelter. Added to this is deprivation of security on account of vulnerability to external events such as bad weather, natural disasters, illness, and economic shocks (e.g. sharp declines in terms of trade) that reinforce material deprivation. To all these must be added the deprivation of human rights through discrimination, disempowerment, and exclusion that leads to loss of human dignity. Poverty is, thus, multi-dimensional and can be captured only through a multi-dimensional measure.

In the past, poverty was measured from three perspectives:

- *Income perspective:* A person is poor if his/her income falls below a defined money-metric poverty line, e.g. \$1 a day.
- *Basic needs perspective:* A person is poor if he/she falls short of the material requirements for minimal acceptable fulfilment of human needs. This concept goes beyond the lack of income.
- *Capability perspective:* A person is poor if he/she lacks certain basic capabilities to function. Such 'functionings' include physical ones such as adequate food, clothing, and shelter to more complex social achievements such as participation in the life of the community. The merit of the capability approach lies in its ability to reconcile the notions of relative and absolute poverty. Relative deprivations in incomes and material requisites can lead to absolute deprivation in capabilities.

A truly holistic measure of poverty needs to encompass elements from all the three perspectives. The traditional measures, such as the headcount index, that capture only income deficiency are simply not adequate. One such holistic measure is the Human Poverty Index (HPI), developed by the United Nations Development Programme (UNDP) in its 1997 *Human Development Report*. The HPI that intends to gauge a broader notion of 'human poverty' as opposed to just income poverty, is a composite index that measures deprivation in three broad dimensions: deprivation of a long and healthy life measured by the percentage of newborns not expected to survive to 40 years of age; deprivation of knowledge measured by illiteracy; and deprivation in economic provisioning measured by the percentage of the population lacking access to health services and safe water as well as the number of children who are moderately or severely underweight.

The HPI too, however, does not measure all aspects of poverty. It excludes, for instance, lack of political freedom and personal security and inability to participate in decision-making and in the life of the community. These facets of poverty are of course not easy to measure.

In addition, even a composite measure such as the HPI is not a substitute but a complement to money-metric measures. This is because, unlike a headcount measure, it is not possible to associate the incidence of human poverty with a specific group of people or number of people. An HPI value of say 25 percent merely states that on an average 25 percent of the country's population is affected by the various forms of deprivation included in the index.

Empirical evidence in different countries and regions of the world reveals that there is no necessary correlation between the values of income poverty incidence and of HPI. There is little income poverty in the Arab States (less than 5 percent) but they have a high level of human poverty (well over 30 percent). On the other hand, human poverty is significantly lower than income poverty in Latin America and in the Caribbean. In Zambia, both income and human poverty levels are high but the former is very much higher than the latter. Within the SADC region, Zambia has the highest level of income poverty but the fourth largest level of human poverty (following Angola, Mozambique and Malawi).

In Zambia's quantification of poverty, the Central Statistical Office (CSO) determines the poverty line as the amount of monthly income required to purchase basic food to meet the minimum caloric requirement for a family of six. In 1991, while using this measure the percentage of population below the established poverty line stood at 69.7 percent, which later soared to 73 percent by 1997. Care is called for on how much value is placed on this form of quantification for, quite often, the full picture is not captured. In the Zambian case, the situation is, in reality, worse since the 'food basket' used to arrive at the poverty line is very modest and based on a predominantly minimal caloric requirement that is vegetarian and excludes meat, chicken, and fish. The Zambian measurement has also not fully factored in such basic needs of the people as shelter, education, health care, lighting, clothing, footwear, and transport. Human freedoms are also remotely linked to the current definition of poverty.

2.2 The Evolution of Poverty in Zambia During the 1990s

2.2.1 Broad Trends

A series of national surveys – the Social Dimensions of Adjustment Priority Surveys of 1991 and 1993 and the Living Conditions Monitoring Surveys of 1996 and 1998 in particular – provide trends in the various dimensions of poverty in Zambia through the decade of the 1990s. These data show that, in general, poverty levels in most of the critical dimensions increased during this decade.

Table 2.1 portrays the changes in selected major indicators of money-metric poverty. The statistics are based on poverty datum lines determined by the CSO. They were fixed at K32,861 and K47,188 for extreme poverty and moderate poverty respectively, per adult equivalent unit per month, for assessing poverty based on the data from the 1998 Living Conditions Survey. In order to ensure comparability of results over time, these poverty lines were the same as those adopted in previous surveys in 1991, 1993 and 1996. The same basket of food has been used throughout, but the poverty lines were adjusted to 1998 prices from the 1991 prices. Similar adjustments were made for the poverty lines in 1993 and 1996, as well from the 1991 prices.

Table 2.1: Overall and extreme poverty in Zambia, in rural and urban areas, 1991-1998

| Year | Zambia | | Rural | | Urban | |
|------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Overall poverty | Extreme poverty | Overall poverty | Extreme poverty | Overall poverty | Extreme poverty |
| 1991 | 69.7 | 58.2 | 88.0 | 80.6 | 48.6 | 32.3 |
| 1993 | 73.8 | 60.6 | 92.2 | 83.5 | 44.9 | 24.4 |
| 1996 | 69.2 | 53.2 | 82.8 | 68.4 | 46.0 | 27.3 |
| 1998 | 72.9 | 57.9 | 83.1 | 70.9 | 56.0 | 36.2 |

Source: CSO: *Living Conditions in Zambia 1998; The Evolution of Poverty in Zambia 1990-1996.*

Table 2.1 shows that:

- Between 1991 and 1998, there has been an increase in overall poverty and a very marginal decline in extreme poverty.

- In the rural areas, there has been a notable decline in both overall and extreme poverty, but in the urban areas, there has been a notable increase.
- Although rural-urban disparity persists with both overall and extreme poverty being higher in the rural areas, the disparity has narrowed down between 1991 and 1998. This is on account of the growth in urban poverty exceeding the reduction in rural poverty.
- There was in fact a positive change in the poverty status of the population in the rural areas and in the country as a whole between 1993 and 1996, but this was compensated by the change that occurred between 1996 and 1998. In particular, there was a 10 percent increase in overall poverty in the urban areas.

2.2.2 Recent Changes in Other Poverty Measures and Dimensions

Table 2.2 provides the statistics from which one can gauge the recent changes in a number of poverty indicators. The statistics clearly demonstrate that poverty has increased not only in income terms but in terms of practically all major non-income dimensions as well.

Table 2.2: Changes in selected poverty indicators/measures in Zambia, 1996-1998

| POVERTY INDICATORS/MEASURES | 1996 | 1998 |
|--|--------|------|
| INCOME POVERTY | | |
| Overall poverty (percent) (national poverty line) | 69.2 | 72.9 |
| Extreme poverty (percent) (national poverty line) | 53.2 | 57.9 |
| Overall poverty (percent) (less than \$1 a day) | 72.6 | n.a. |
| HEALTH AND NUTRITION POVERTY | | |
| Life expectancy at birth (years) | 45.5 | 40.5 |
| Infant mortality rate (per 1000 live births) | 112 | 112 |
| Under-5 mortality rate (per 1000 live births) | 202 | 202 |
| Maternal mortality rate (per 100,000 live births) | 649* | n.a. |
| Stunted children (percent) | 46 | 53 |
| KNOWLEDGE POVERTY | | |
| Population 5 years and above with no education (%) | 18 | 27 |
| Primary age (7-13 years) Attendance rates (percent) | 69 | 68 |
| Primary grade (1-7) net attendance rates (percent) | 69 | 66 |
| SECURITY POVERTY/VULNERABILITY | | |
| Percentage of households who engaged in the following coping strategies: | | |
| Received relief food | 6 | 7 |
| Ate wild foods only | 10 | 18 |
| Substituted ordinary meals with less nutritious meals | 40 | 51 |
| Reduced food intake | 46 | 64 |
| Reduced other household items | 46 | 62 |
| Borrowed informally | 23 | 29 |
| Borrowed formally | 6 | 5 |
| Lived on church charity | 4 | 5 |
| Lived on NGO charity | 2 | - |
| Pulled children out of school | 4 | 9 |
| Sold assets | 11 | 15 |
| Begged from friends, neighbours and relatives | 29 | 58 |
| Begged from streets | 1 | 1 |
| HUMAN POVERTY | | |
| Human Poverty Index (HPI) (percent) | 36.9** | 37.9 |

* The general conjecture is that maternal mortality rate has increased since 1996.

** Figure is for 1995; n.a. : data not available

Source: CSO: *Living Conditions Monitoring Survey 1996; Living Conditions in Zambia 1998; Zambia Demographic and Health Survey 1996; World Bank: World Development Report 2000/2001; UNDP: Human Development Report 1997, 1998., 2000; UNICEF: State of the World's Children 1999, 2001.*

2.2.3 Who Are the Poor?

Although poverty is pervasive in Zambia, certain categories of the population bear its brunt. However, the identification of the different categories is not simple because poverty signifies deprivation in a host of factors. Although no statistics are readily available to depict the different configurations of multiple deprivations, certain sections of the Zambian population are visibly poorer than others. This can be seen from Table 2.3:

Table 2.3: Incidence of overall poverty and of extreme poverty and percentage change between 1996 and 1998 for different socio-economic strata

| Stratum | Overall poverty 1996 | Overall poverty 1998 | % change 1996-98 | Extreme poverty 1996 | Extreme poverty 1998 | % change 1996-98 |
|-----------------------------|----------------------|----------------------|------------------|----------------------|----------------------|------------------|
| Small-scale farmers | 84.4 | 84.0 | -0.4 | 70.5 | 72.1 | 1.6 |
| Medium-scale farmers | 65.1 | 71.9 | 6.8 | 49.7 | 56.4 | 6.7 |
| Large-scale farmers | 34.9 | 15.6 | -19.3 | 15.0 | 13.3 | -1.7 |
| Non-agricultural households | 72 | 79.3 | 7.3 | 52.1 | 66.6 | 14.5 |
| Low cost areas | 51.1 | 61.2 | 10.1 | 31.4 | 40.8 | 9.4 |
| Medium cost areas | 32.4 | 49.4 | 17.0 | 15.7 | 27.7 | 12.0 |
| High cost areas | 23.8 | 33.5 | 9.7 | 10.8 | 19.4 | 8.6 |

Source: CSO: *Living Conditions in Zambia 1998*

Between 1996 and 1998, poverty levels rose for all groups except the large-scale farmers for whom there was a major decline. The small-scale farmers remain one of the poorest groups in Zambia. There has been little change in their condition of poverty. The population living in the high cost areas experienced a significant increase in their poverty level between 1996 and 1998, but they continued to have the second smallest incidence of poverty next to the large-scale farmers. A perusal of the shift in the incidence of poverty for the different strata suggests that inequality among the strata must have increased.

Household size, gender, and child status are among the other determinants of poverty levels.

- Household size: The incidence of poverty varies directly with the size of the household. According to the 1996 Living Conditions Monitoring Survey, the incidence of poverty in one-person households was 60 percent. This rose to 71 percent in 2-3 person households, 77 percent in 4-5 person households, 80 percent in 6-9 person households, and 84 percent in households with 10 persons or more.
- Gender: Statistics show that female headed households are in fact poorer than male headed households. This can be seen from Table 2.4:

Table 2.4: Incidence of poverty in male headed and female headed households in Zambia

| Household | Non-poor | Moderately poor | Extremely poor |
|---------------|----------|-----------------|----------------|
| Male headed | 31.8% | 16.8% | 51.5% |
| Female headed | 26.8% | 12.9% | 60.4% |

Source: *NGO Shadow Report 1999*

- In general, women are more vulnerable to poverty than men for several reasons. *First*, women have lower levels of education than men. While 29 percent of the female population had no education at all in 1998, the corresponding figure for males was 24 percent. In addition, while 15.6 percent of the male population had completed grade 10 or higher, the corresponding percentage for females was only 8.5 percent. *Second*, women have a very small share in formal employment, which is generally more rewarding than informal employment. Only 12 percent of the formal employment in 1996 accrued to females; the remaining 88 percent accrued to males. Further, 39 percent of women as opposed to only 16 percent of the men were employed as unpaid family workers in 1998. *Third*, women are at a much higher risk than men of contracting HIV/AIDS and other opportunistic infections due to factors relating to gender differences with respect to biology, roles, resources, and cultural norms.
- Children: Child poverty is a conspicuous and growing phenomenon in Zambia. It takes a variety of forms: orphans, street children, working children, and children who head households. 16 percent of the children in Zambia are orphans. In addition, the number of orphans is higher in the rural areas, in small-scale-farming households, and in low cost areas where the incidence of poverty is the highest. Some 20 years ago, street children were unheard of but today they are a visible lot. Current estimates are not available. In 1996, they were estimated at 75,000 and the numbers have probably grown since then. Child headed households and child labour are also phenomena indicative of children in distress. Child headed households are the results of the death of both parents, leaving a trail of children and the responsibility on the eldest child, often a teenager, to look after the younger siblings. The conditions in child headed households are worse than those obtaining in female headed households. Child labour is an offshoot of the declining economic conditions. In 1998, 28 percent of the persons in the age group 12-19 years were part of the labour force. These are children one would have expected to be in upper primary and secondary schools in normal circumstances.

2.2.4 Where Do Poor People Live?

Just as all socio-economic groups do not uniformly experience poverty, it is also not uniformly spread across the country. There is greater concentration of poverty in various forms in the rural areas than in the urban areas, and in the provinces outside the country's main line of rail than in the provinces along the line of rail. There are also intra-provincial disparities. Table 2.5 indicates where the poor are located.

Table 2.5: Overall and extreme poverty in Zambia in rural and urban areas, 1998 (percentage of population)

| LOCATION | OVERALL POVERTY | EXTREME POVERTY |
|-----------------------|-----------------|-----------------|
| Rural areas | 83 | 70 |
| Urban areas | 56 | 36 |
| Central Province | 77 | 63 |
| Copperbelt Province | 65 | 47 |
| Eastern Province | 80 | 66 |
| Luapula Province | 81 | 69 |
| Lusaka Province | 52 | 34 |
| Northern Province | 81 | 67 |
| Northwestern Province | 76 | 63 |
| Southern Province | 76 | 60 |
| Western Province | 89 | 78 |

Source: CSO: *Living Conditions in Zambia 1998*

Table 2.5 shows that the poorest provinces are Western, Luapula, Northern, Eastern, and Northwestern. However, a crucial point from the perspective of resource allocation, is that, on account of their relatively smaller population sizes, they do not have the greatest share of the country's poor. In other words, these provinces have the greatest density of poverty but not the greatest concentration of poverty. This is clearly brought out by Table 2.6.

Table 2.6: Distribution of Zambia's poor by province, 1998 (percent population)

| PROVINCE | TOTAL POOR | EXTREMELY POOR |
|--------------|------------|----------------|
| Central | 10 | 11 |
| Copperbelt | 18 | 15 |
| Eastern | 13 | 15 |
| Luapula | 7 | 8 |
| Lusaka | 15 | 9 |
| Northern | 12 | 14 |
| Northwestern | 5 | 6 |
| Southern | 13 | 13 |
| Western | 7 | 10 |

Source: CSO: *Living Conditions in Zambia 1998*

Table 2.6 shows that the five poorest provinces together account for only 44 percent of the country's poor. On the other hand, Lusaka, which has the lowest density of poverty, has the second largest concentration of the poor. In addition, the Copperbelt, which has the second lowest density of poverty, has the highest concentration of the country's poor. Table 2.7 shows the top five districts in the country in respect of some of the major dimensions of poverty.

Table 2.7: Five highest ranking districts in Zambia on some major components of poverty, 1998

| POVERTY COMPONENT | DISTRICT (PROVINCE) | COMPONENT VALUE |
|---|---------------------------|-----------------|
| Overall money-metric poverty (percent) | Lukulu (Western Province) | 98.7 |
| | Chavuma (Northwestern) | 95.2 |
| | Milengi (Luapula) | 94.7 |
| | Shang'ombo (Western) | 94.0 |
| | Luangwa (Lusaka) | 94.0 |
| Extreme money-metric poverty (%) | Lukulu (Western) | 97.0 |
| | Shang'ombo (Western) | 89.6 |
| | Chavuma (Northwestern) | 84.3 |
| | Luangwa (Lusaka) | 84.0 |
| | Samfya (Luapula) | 83.1 |
| Child stunting (%) | Luangwa (Lusaka) | 94.0 |
| | Mpulungu (Northern) | 79.0 |
| | Kaoma (Western) | 77.0 |
| | Mkushi (Central) | 75.0 |
| | Samfya (Luapula) | 75.0 |
| Population with no education (%) | Shang'ombo (Western) | 68.1 |
| | Mwinilunga (Northwestern) | 53.8 |
| | Katete (Eastern) | 49.4 |
| | Petauke (Eastern) | 49.2 |
| | Chadiza (Eastern) | 48.1 |
| Population without access to safe water (%) | Chilubi (Northern) | 97.0 |
| | Milengi (Luapula) | 97.0 |
| | Chinsali (Northern) | 87.0 |
| | Kaputa (Northern) | 87.0 |
| | Kazungula (Southern) | 86.0 |

| | | |
|--------------------------|----------------------|------|
| | Shang'ombo (Western) | 89.0 |
| Population without | Lukulu (Western) | 86.0 |
| access to sanitation | Sesheke (Western) | 85.0 |
| facilities (%) | Kalabo (Western) | 83.0 |
| | Namwala (Southern) | 83.0 |
| | Kazungula (Southern) | 31.0 |
| Adult population that is | Lusaka (Lusaka) | 29.5 |
| HIV positive (%) | Luangwa (Lusaka) | 28.7 |
| | Kitwe (Copperbelt) | 28.7 |
| | Ndola (Copperbelt) | 28.4 |

Source: Seshamani (2000); Direct source: CSO: *Living Conditions in Zambia 1998*

2.3 Main Barriers to Moving Out of Poverty

2.3.1 Lack of Economic Growth

The foremost barrier to moving out of poverty in Zambia is the lack of sustained levels of positive growth. This has been exacerbated by increased income inequality, the persistence of discrimination against women and the girl child, insufficient investment in economic and social infrastructure to keep pace with requirements for rapid growth, and the HIV/AIDS pandemic.

Significant poverty reduction requires a substantial injection of resources into poverty reduction activities and that is not possible without growth. In its absence, there can be little increase in domestic resources either through savings or tax revenues. Despite the comprehensive macroeconomic reforms that have been implemented in Zambia in the past ten years, there has not been any significant growth in the economy. This issue is developed further, where the overall objectives and strategies are discussed.

2.3.2 High Inequality

The prospects for growth as well as the as the subsequent impact of any growth on poverty reduction are stymied by a high level of inequality. There is ample research that shows that where initial inequality in respect of income, education, and assets is high, growth does not easily occur.

Income inequality has been very high in Zambia as shown by the value of the Gini Coefficient (a commonly used measure of inequality) of 0.5 or more. Rural-urban, inter-provincial, and inter-social strata disparities are already evident from the tables presented so far. Another crucial conclusion of empirical research is that a historically unequal situation might perpetuate itself unless changed by government policy, such as asset redistribution.

A main reason why inequality tends to beget more inequality is the unequal access to credit. The poor cannot easily access credit, owing to little or no wealth to provide as collateral and hence continue to languish in near- or below-subsistence state. The rich, on the other hand, have easy access to credit and hence are able to build up further on their already substantial wealth. This is one of the reasons why small-scale farmers constitute the poorest social stratum in Zambia, and why perhaps poverty has substantially come down among large-scale farming households. Another group that is also poor for a similar reason is that of female headed households.

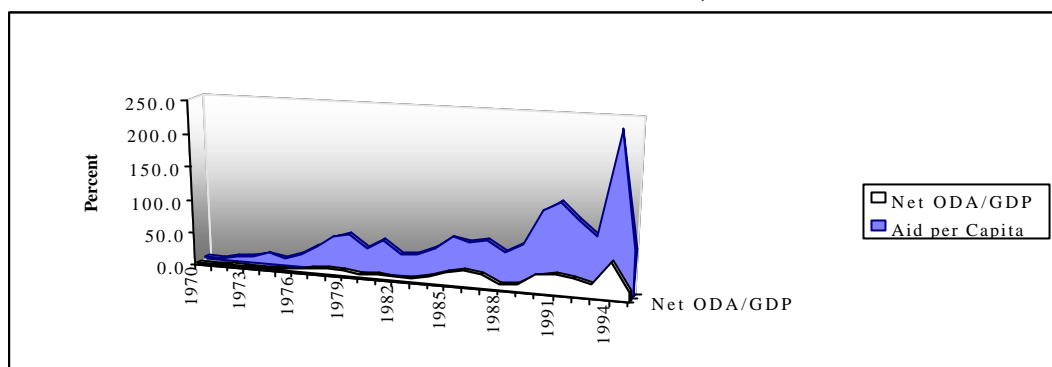
2.3.3 Debt Burden

Another major factor that has reduced resources for poverty reduction is the heavy debt burden, which has exerted a significant crowding out effect on social expenditures. Over the years, debt service has on average accounted for 10 percent of the GDP, while all the social sectors together have accounted for only 5 percent. The inadequate expenditures on economic and social services have contributed to the debilitation of the country's stock of human and economic capital and this in turn has constrained growth. Zambia needs debt relief.

2.3.4 Excessive External Dependence

The absence of growth and the huge debt burden have made external funding a necessity. External funding constituted, for instance, 89 percent and 84 percent respectively of the total spending in the water and sanitation sector in 1995 and 1996, compared to 31 percent in 1990. In 2001, 53 percent of the national budget was expected to be funded from outside. Chart 2.1 shows some macro measure of the extent to which Zambia is dependent on aid, reaching a peak in 1995 but falling thereafter as donors reduced support.

CHART 2.1: External Aid Flows, 1970-1994



External funding, however, has tended to create a paradoxical situation in Zambia. Funds from international cooperating partners would be forthcoming only if the country is current on debt servicing. As a result, nearly half the inflow of external assistance has tended to flow out again in the form of debt service payments.

External funding also depends on the donors and the Zambian Government being congruent in their views on economic and political governance. The lack of such congruence has led to a drastic reduction in donor assistance since the latter half of the 1990s. In any case, Zambia is today dangerously dependent on aid, but still cannot finance all her needs. Should donor sentiments err towards reducing aid further then poverty levels will rise sharply.

2.3.5 Unsatisfactory Prioritisation

Even within the limited resources, poverty reduction may not get its due share with wrong prioritisation, misdirection of resources, and lack of transparency in their utilisation. For instance, to date Zambia has severely fallen short of fulfilling the benchmarks for allocation to areas of priority human concerns prescribed by the Human Development Ratio and the 20:20 Initiative.

2.3.6 Inadequate Social Safety Nets

Vis-à-vis the pervasive poverty situation, the provision of social safety nets has been relatively limited. Social safety net expenditures over the years have been declining in real terms. Between 1998 and 1999 for instance, the community, social and personal services sector that includes activities in the area of community development and social services registered a decline in real value added from K178.8 billion to K 175.8 billion.

The main avenue through which social safety net activities are undertaken is the Public Welfare Assistance Scheme (PWAS). While the PWAS does cover a broad canvas of activities, the financial allocations made are meagre. In 1999, only K2.8 billion out of a K4 trillion budget was allocated. Of this only 54 percent was actually released by mid-December 1999 (Republic of Zambia: *Economic Report 1999*). Again, the number of applicants for assistance has been growing over the years rendering, the PWAS increasingly inadequate. Of the 228,558 applicants who sought assistance in 1999, only 29 percent received assistance. Table 2.8 shows some recent trends.

Table 2.8: Applicants, beneficiaries, and disbursements under the Public Assistance Welfare Scheme

| | 1996 | 1997 | 1998 | 1999 |
|------------------------------|---------|---------|---------|---------|
| Applicants | 124,802 | 139,238 | 128,077 | 228,558 |
| Beneficiaries | | 38,506 | 15,088 | 66,210 |
| Amount released (K' billion) | | 0.68 | 1.13 | 1.52 |

Source: Republic of Zambia: *Economic Report 1999*

One safety net measure that was introduced in the health sector is a policy of exemptions from payment of user fees that were introduced in 1993. There are four groups of exemptions based on age, disease, and income. Children under the age of 5 and those aged 65 years and above are exempted. All antenatal and postnatal episodes as well as chronic illnesses such as TB, STD, and HIV/AIDS are exempted. Those who are unable to pay can seek exemption under the Health Care Cost Scheme operated through the PWAS. In addition, all those affected by disaster or involved in accidents are also exempted from payment of user charges. However, there have been inequities in the manner in which the exemption policy has operated. Research has shown that there have been very high errors of exclusion and inclusion. Those who can afford to pay or are ineligible under the criteria have been included while many that were eligible have been excluded.

Exemption mechanisms, even if they worked as intended, could contribute to service provision but would not necessarily address inequalities in the use of services related to income or distance to health facility. The poorest sections of the population are found in remote areas that are not easily accessible. For example, households in several districts in Central, Northern, and Western Provinces have an average of more than 60 kilometres to the nearest health facility and an average of more than 50 kilometres to the nearest transport facility. Exemption schemes can barely benefit them.

The government has set up the Zambia Social Investment Fund (ZAMSIF) in the Ministry of Finance and Economic Development with World Bank support. One of its main objectives is to achieve sustainable improved availability and use of quality basic social services by beneficiary communities and specific vulnerable groups.

2.3.7 HIV/AIDS and the Tripod of Barriers

Human capital formation that is necessary to generate sustained growth is impeded not only by lack of adequate social sector expenditures but also by another major factor, namely the high incidence of HIV/AIDS. 20 percent of the adult population is stricken by this disease and related opportunistic infections.

In essence, the high levels of poverty, the high debt burden and the high incidence of HIV/AIDS are mutually reinforcing and together constitute a tripod of formidable barriers to the country's development. Hence, efforts at poverty reduction cannot bear sufficient fruit unless complemented by simultaneous efforts to address the problems of debt and HIV/AIDS.

2.4 Views of the Poor on Causes of Poverty

In analysing the causes of poverty, it is also important to look at the phenomenon through the eyes of the targeted communities themselves, particularly at the household level. The PRSP process has emphasised the importance of this aspect. How do households define the poverty situation and their felt needs/priorities; what do families adopt as coping strategies in the light of limited access to resource; are there major differences in perceptions between the government and the poor regarding the causes of poverty and how they should be tackled? These and related questions form the basis of the poor's definition of their condition.

A number of studies have been undertaken in Zambia that included participatory poverty assessments, whereby the poor have been able to express their own conception of poverty and how it could be addressed. The first comprehensive analysis was the 1994 World Bank report, *Zambia Poverty Assessment*. Moreover, under the periodic sector performance analysis by the Institute of Economic and Social Research that monitored the operations of the Agricultural Sector Investment Programme (ASIP), participatory assessments also revealed the ‘voices of the poor’ regarding poverty as it relates to agriculture. Similarly, under the Ministry of Finance and National Planning and in the context of the Study Fund, several phases of *Beneficiary Assessments* have been financed and undertaken to bring out the views of the poor. In addition to this, the PRSP preparatory process also involved countrywide consultations regarding the poor people’s views on the causes of poverty and how they should be addressed.

Generally, the poor, particularly those in rural areas, see failures of agricultural sector policies as having contributed significantly to their poverty conditions. The late arrival of agricultural inputs; inadequate infrastructure support; absence of agricultural finance/credit; weak extension services; expensive agricultural inputs; and absence of protection from scrupulous buyers of agricultural products are among the highlighted concerns in most of these studies. Other major concerns include livestock diseases in some rural areas, poor road infrastructure, lack of jobs, poor access to health due to distance to health centres, long distance to safe and clean water sources, and poor but expensive education. In urban areas, the greatest expressed concern is lack of gainful employment opportunities, and poor and expensive health and education facilities. Late payments of retirement benefits are also often cited.

A recent study¹ that included a focus on Luapula Province (representing the typical rural poor regions) and two slums in Lusaka (for urban areas) sheds light on the poor’s concepts and perceptions of poverty. For Luapula, the results of the study revealed that the concept of a ‘good life’ among the households revolved primarily around farming. Farming, thus, constituted the perceived source of livelihood that would meet the household’s basic needs and requirements. Working hard on one’s own land is generally associated with the facilitation of a good life. Income from sources other than farming is also perceived to be an important add-on to the ingredients that facilitate a good life. Ability to *access* sufficient food and better health, safe water, and educational facilities is also a measure of a ‘good life’ and has ranked highest next to farming in the rural households’ responses. The community often associated the state of being poor to the physical and social condition of those affected. Laziness, being old, orphans, the chronically ill, and the disabled have frequently been associated with the state of being poor. The responses from Luapula are given in Table 2.9.

¹ Saasa, O.S. (2002), *Aid and Poverty Reduction in Zambia: Mission Unaccomplished*, Uppsala, Nordic Africa Institute (forthcoming).

Table 2.9: Perceptions of a ‘good life’ by the poor: Luapula Province

| Characteristics of a ‘good life’ | % |
|---|----------|
| Farming (for food and a surplus to sell) | 60.0 |
| Plenty/enough food available | 47.5 |
| Ability to send children to school | 27.5 |
| Good clothing | 27.5 |
| Income from business or employment | 17.5 |
| Good health and health care | 15.0 |
| Happiness in family and relations | 12.5 |
| Hard work; to work for oneself | 10.0 |
| Safe water | 7.5 |
| Good road | 7.5 |
| Development activities in community group | 7.5 |
| To be able to assist others | 7.5 |
| Keeping livestock | 5.0 |
| Going to church | 5.0 |
| Being clean | 5.0 |
| Good house | 5.0 |
| Electricity | 2.5 |
| Toilet and rubbish pit | 2.5 |

For urban areas, Chipata and George compounds in Lusaka were covered in the same study. In the urban areas, having food, money and employment were the top three perceived attributes of a good life that defined the poverty condition (see Table 2.10). The perceptions seem to correlate quite closely to what obtains in current literature on poverty. Food ranking highest in this study suggests that the CSO food-basket approach is, to some extent, quite relevant to measuring poverty in Zambia. It is equally noteworthy that the difference between the responses in Lusaka and those in Luapula are marginal. For example, whereas the respondents in Luapula ranked farming as the highest sign of a ‘good life’ (and put food as second ranking), there really is no major difference with what the rural dwellers are saying. Moreover, while both rural and urban responses rank having money as being among their top categories of a ‘good life,’ differences of perceptions emerge regarding how it could best be earned. Whereas the rural people see agriculture as the source of a ‘good life,’ urban-based poor people see this as coming from ‘having enough money’ through ‘employment’ and ‘being in business’.

Table 2.10: Perceptions of a ‘good life’ by the poor: Lusaka

| Characteristics of a ‘good life’ | % |
|---|----------|
| Having enough food | 65.0 |
| Having enough money | 40.0 |
| Being in employment | 35.0 |
| Running a business | 27.5 |
| Having good clothes | 27.5 |
| Being able to send children to school | 25.0 |
| Ownership of a house (shelter) | 22.5 |
| Ability to pay for health services (health) | 15.0 |
| Leading a generally happy life | 12.5 |
| Having all essentials in the household | 12.5 |
| Living in a clean environment | 10.0 |
| Leading a good spiritual life | 7.5 |
| Ownership of a vehicle | 2.5 |

While some factors are given prominence as poverty indicators in existing literature, the poor seem to place little or no weight on them. For example, it appears that good sanitation is not perceived to be as important to the community interviewed as it is presented in existing literature. Good sanitation is perceived to be a defining variable for a 'good life' by only 10 percent of the respondents in the two compounds in Lusaka and even lower, at 7.5 percent, among the rural poor.² On the other hand, existing literature on poverty is generally mute on some indicators of poverty that are given prominence by the respondents. For example, although clothing is not mentioned in most literature, it ranked highly (at 27.5 percent) among the urban poor community and, phenomenally coincidental, at the exact percentage in rural areas. 'Unhappiness' in a home is another factor that 12.5 percent of the urban poor households recognised as an indicator of poverty, although it is scantily mentioned in most literature sources on poverty. Respondents argued that in a poor home, peace was rare as quarrelling between husband and wife was very common. The important message here is that, for the poor, emotional well-being is important and, thus, to define the poor using primarily material possessions misses a lot from the perspective of the poor themselves.

2.5 Relating the Poverty Analysis to the Poverty Reduction Strategy

The causes of poverty in Zambia identified above are all important. However, special attention is being placed on the lack of tangible economic growth in the last thirty years while population continued to grow. The consequences for this on poverty were already outlined. It has, therefore, been considered appropriate that Zambia's first PRSP should place high premium on strategies for reviving broad-based economic growth. These strategies are elaborated in both macroeconomic and sectoral issues in their relevant chapters. However, issues of human capital development as reflected in education, health, HIV/AIDS, water and sanitation are also widely covered and, in fact, are together accorded around a third of the PRSP budget.

In both the productive and the human development initiatives, this PRSP has inbuilt safety net measures. In agriculture, industry, mining, and tourism for example, the PRSP has designed programmes targeted at small-scale informal operators even as it encourages medium- and large-scale operators. These initiatives recognise that they just touch a small fraction of the income poor but, at the same time, it is difficult to do more at once in a situation where 73 percent of the people are poor: it is impossible to target nearly three-quarters of the country. On health and education, the policy of supplying free basic services to all goes a long way towards providing safety nets for human development. This is augmented by additional targeted support (for example education bursary schemes) to those who need but cannot afford services that are not free. Again, not every need can be covered but Zambia recognises that unlike after independence when she had the money, she can no longer afford to provide universal free education and health. However, she recognises that through better governance and enhanced efficiency in the administration of her resources, including those specifically meant for safety nets, she would reach more needy people. Improved governance and good implementation of the PRSP are, therefore, important objectives.

² This may explain less the non-importance of sanitation and more the need to educate the poor on the importance of better sanitation.