

# **Disparities of Poverty in Eastern Africa: Ethiopia and Kenya**

Lara Jakiel

## ***Abstract***

*This article analyzes the phenomenon of poverty in the neighboring East African nations of Ethiopia and Kenya. The article first examines each country's income per capita and the prevalence of income poverty among its citizens. It then considers the elements that may result in poverty differences between these countries, including a lack of access to education, fragile food security, and poor healthcare. This article also illustrates the overall effect poverty has on the welfare of citizens in Ethiopia and Kenya and explores actions the Ethiopian and Kenyan governments have taken and could take in the future to foster economic growth and eliminate poverty in their countries.*

## **I. Introduction**

Ethiopia and Kenya are geographically close countries in Eastern Africa, but both nations experience poverty and its repercussions at differing levels. The two neighbors fail to provide sufficient education and healthcare for their citizens; likewise, many people experiencing poverty live in rural areas, stressing the importance of agriculture.

Children who do not receive an education typically remain illiterate throughout their adult lives and lack the skills necessary for job opportunities. Any citizen who does not receive proper healthcare is vulnerable to diseases and death, causing them to lead unproductive lives. Many rural communities face shortages in fertile land and livestock, lack access to urban areas, and are not adequately prepared to deal with varying climate conditions and unstable food security. All of these factors determine whether or not an economy grows, and economic growth is vital to eliminating poverty.

This article compares and contrasts the different dimensions of poverty in Ethiopia and Kenya. Ethiopia is considered to be a low-income country by the World Bank, while Kenya is a lower middle-income country.<sup>1</sup> Following this introduction, the article begins with a brief literature

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<sup>1</sup> World Bank (2015).

review and an overview of some empirical background data. The subsequent discussion section focuses on three contributing factors to poverty. The first sub-section of the discussion section discusses education, and how each country differs in terms of school enrollment. The second sub-section discusses agriculture and food security, and how closely agriculture and food security are intertwined with malnutrition and poverty. The third sub-section relates to health, and how healthcare spending varies between the two countries. The fourth and last sub-section of the discussion section provides some possible future policies/solutions. The last section of this article provides some conclusions.

## II. Brief Literature Review

Due to the many dimensions of poverty affecting Ethiopia and Kenya, a variety of academic literature exists discussing the varying poverty levels and elements in these two countries. This brief literature review focuses on five studies written in this millennium by individual researchers or a group of researchers, mostly from Ethiopia and Kenya.

- Fra von Massow (2000) wrote an article entitled “*We Are Forgotten on Earth’: International Development Targets, Poverty, and Gender in Ethiopia.*” This article studies the lives of individuals living in poverty in Ethiopia and determines what barriers in place prevent them from accessing crucial services, such as health-care and education. Von Massow’s research study examines the correlation between such a lack of services and poverty, resulting in income poverty and other dimensions of poverty.
- Yared Amare (2002) focuses on the aspects contributing specifically to rural poverty by studying two differing Ethiopian communities in North Shewa. Amare looks at rural households and their ability to access certain agricultural tools that are necessary for higher cultivation, examining the relationship between reduced access and poverty. Amare’s paper also examines the importance of beneficial relationships between rural households when it comes to dealing with the looming threat of poverty.
- Alice Atieno Oluoko-Odingo (2009) looks at the connection between poverty and food security in Kenya. Her paper discusses a number of ways in which Kenya’s supply of food is affected, such as by climate change and population growth, and how these changes mainly harm rural households. Oluoko-Odingo suggests ways in which Kenya’s government might address this food security problem in the future, should it choose to relate a lack of food security to inequality among individuals.
- This idea of a connection between poverty and food security in Kenya expands also through the work of Mary Khakoni Walingo (2006), who looks at the importance of including educational elements in agricultural development plans in Kenya. Her article finds that individuals who are uneducated do not benefit fully from current development plans when compared with educated individuals, due to not fully understanding the information presented to them. Thus, Walingo believes that all individuals involved in agriculture, particularly women who are becoming increasingly involved, must receive proper education and training in order to carry out agricultural development plans and poverty reduction strategies.
- Paul Okwi et al. (2007) examine the connection between increased poverty and land variability in the rural areas of Kenya. This article looks at how different geographic

variables, such as soil fertility, land elevation, proximity of nearby bodies of water, and quality of roads contributes to the levels of poverty across Kenya. Okwi et al. also discuss how policy changes and the allocation of money toward neglected geographical areas ultimately decrease poverty levels.

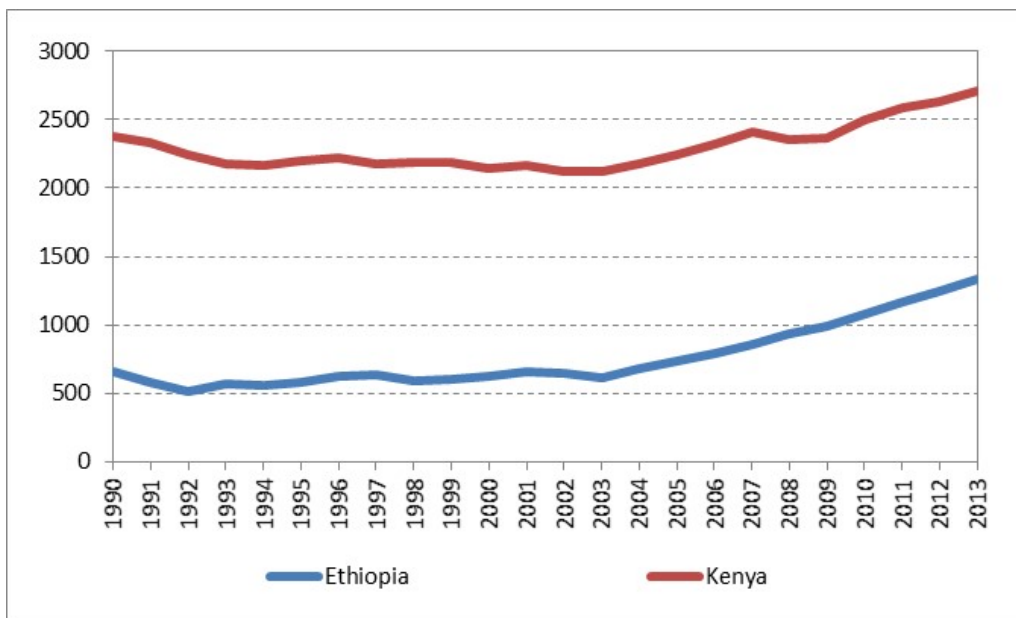
### III. Empirical Background

Examining a country’s gross domestic product (GDP) divided by its population, i.e., average GDP per capita, is one of many ways to examine the economic status of a country’s people. Although income inequalities are prevalent and must be taken into account when examining average GDP per capita, the variable is still useful to compare the average citizen’s living situation across countries, especially if GDP per capita is adjusted for purchasing power parity (PPP). Figure 1 shows the PPP-adjusted GDP per capita for all available years in Ethiopia and Kenya.

As shown in Figure 1, Ethiopia’s GDP per capita fluctuated moderately from 1990 to 2003, with slight decreases and slight increases, hence was in 2003 at about the same level as it was in 1990. During 1990-2003, Ethiopia’s lowest GDP per capita was \$516 in 1992, while the highest during this period was \$656 in 2001. Starting in 2004, Ethiopia’s GDP per capita began to rise sharply, reaching a GDP per capita of approximately \$1,336 in 2013.

Comparing Ethiopia with Kenya, we first of all see that Kenya’s GDP per capita has always been much higher than that of Ethiopia’s; more than three times in 1990 and about twice in 2013. Second, Kenya’s sustained increase in income per capita came a few years later than in Ethiopia as Kenya’s GDP per capita fluctuated from 1990 to 2009, with more solid increases happening only from 2009 to 2013. Kenya’s lowest GDP per capita was \$2,120 in 2002, while the highest GDP per capita was \$2,705 in 2013.

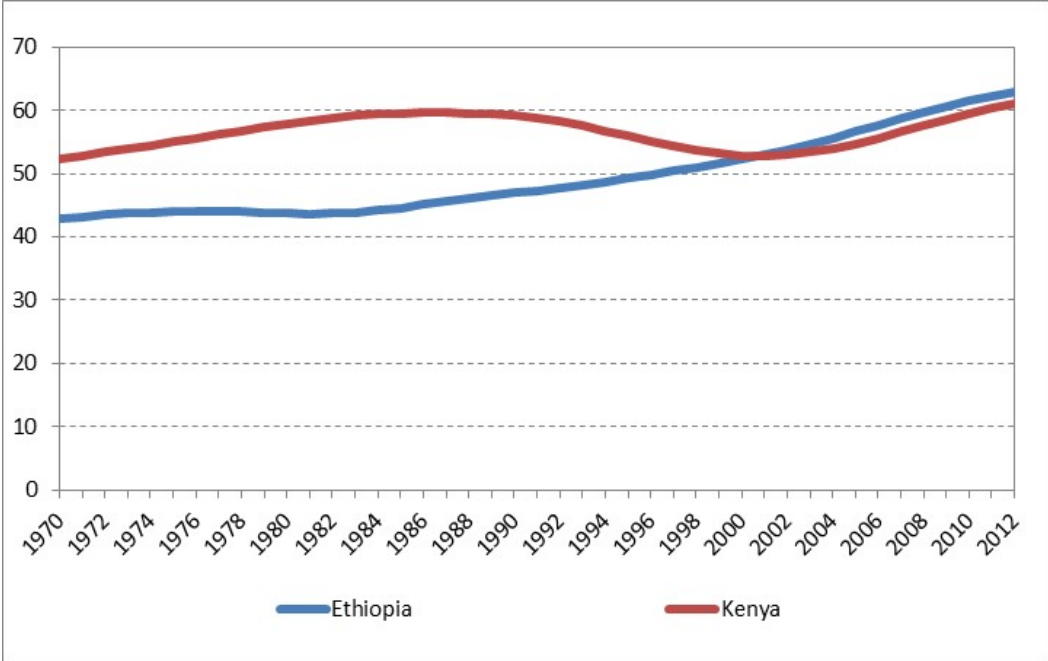
**Figure 1: GDP per capita, PPP in Constant 2011 International Dollar, 1990-2013**



Source: Created by author based on World Bank (2015).

Figure 2 shows the life expectancy at birth for Ethiopia and Kenya from 1970-2012. The graph shows that life expectancy has been increasing slowly, yet steadily, since 1970 in Ethiopia, while it initially increased more in Kenya during 1970-1986 but then declined during 1986-2001 (largely due to HIV/AIDS), and then finally increasing again since 2001. In 1970, the life expectancy in Kenya was significantly higher than Ethiopia's—approximately 52 years in Kenya compared to 42 years in Ethiopia. Due to these different evolutions, Ethiopia has now slightly surpassed Kenya's life expectancy, reaching 63 years in 2012, while that of Kenya stood at 60 years in 2012.

Figure 2: Life Expectancy at Birth (in years), 1970-2012

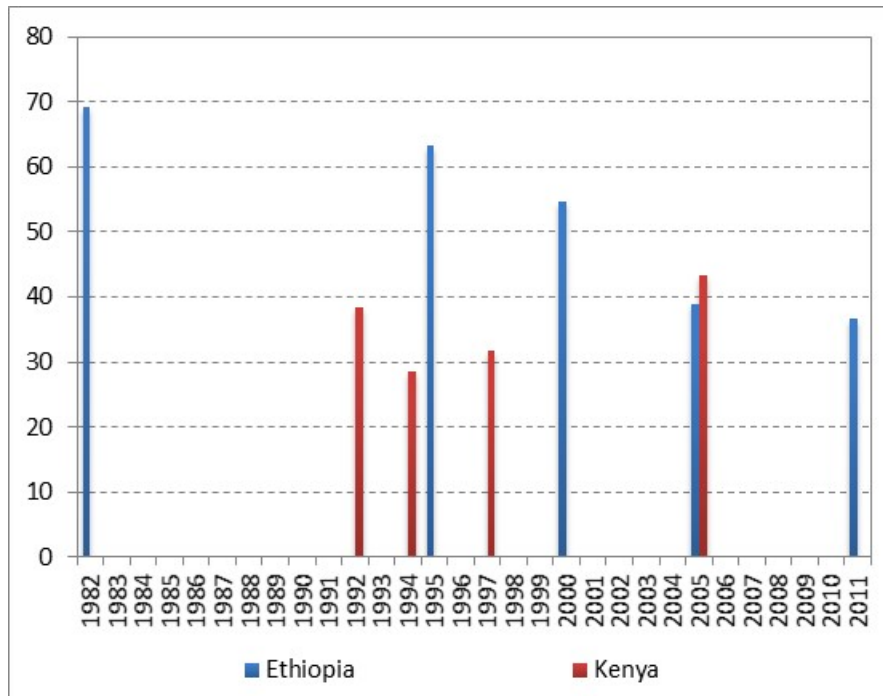


Source: Created by author based on World Bank (2015).

Figures 3 and 4 examine the headcount ratios for both countries, respectively, at \$1.25-a-day and at \$2-a-day, for all the years such data is available. Looking at the headcount ratio at \$1.25-a-day (Figure 3), Ethiopia's percentage of people living below this level of poverty varied from about 37 percent to 69 percent, reaching its lowest headcount ratio of 37 percent in 2011. While Ethiopia's headcount ratio at \$1.25-a-day has decreased overall, Kenya's has increased, reaching 43 percent in 2005.

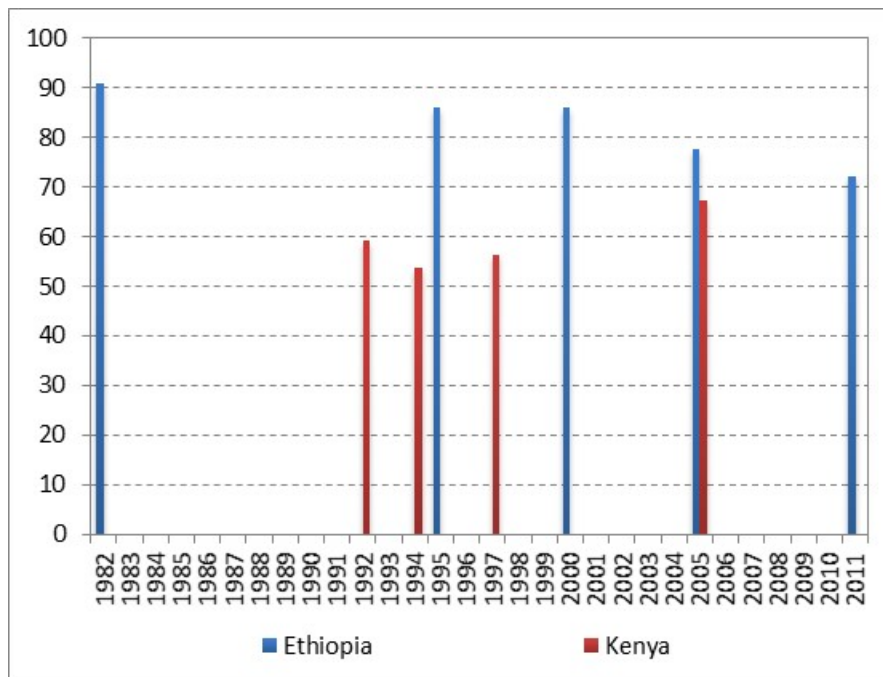
Looking at the poverty headcount ratio at \$2-a-day (Figure 4), Ethiopia's percentage varied slightly, ranging from 72 percent to 91 percent, reaching its lowest ratio of 72 percent in 2011. Similar to the data shown in Figure 3, Kenya's poverty headcount ratio has increased, reaching 67 percent in 2005. Using the data shown in Figures 3 and 4, Kenya has a higher poverty headcount ratio at \$1.25-a-day, while Ethiopia has a higher headcount ratio at \$2-a-day. Overall, Ethiopia has made slight progress, while poverty headcount ratios in Kenya appear to be increasing. Kenya's high poverty headcount ratio is interesting considering its higher GDP per capita. Hence, Kenya's GDP per capita is distributed far more unequal than Ethiopia's.

**Figure 3: Poverty Headcount Ratio at \$1.25-a-day (PPP) (percent of population)**



Source: Created by author based on World Bank (2015).

**Figure 4: Poverty Headcount Ratio at \$2-a-day (PPP) (percent of population)**



Source: Created by author based on World Bank (2015).

## IV. Discussion

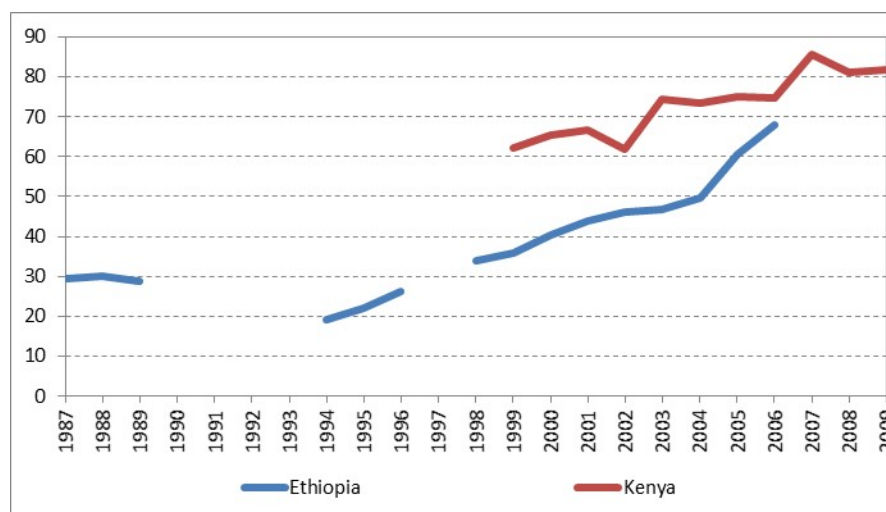
Many factors contribute to poverty in Ethiopia and Kenya. This discussion section will explore three contributing factors: first insufficient education, second fragile food security, and third limited access to healthcare. This discussion section will also briefly look at possible future policies that could be implemented to reduce poverty levels in these countries.

### IV.1. Education

Education is a necessary factor for stimulating a country's economic growth as it allows people to be more productive and provides more opportunities for its citizens. Furthermore, without education, people are less likely to be empowered and the cycle of poverty will continue. Looking at Ethiopia, families repeatedly struggle to send their children to school, as the children are often needed at home to help care for older family members or to assist in cultivating land. For the percent of children who are able to receive a primary education, schools are frequently understaffed, classes are large, and textbooks are limited. These factors result in many Ethiopian children, particularly those living in rural areas, leaving school after the first grade.<sup>2</sup>

Figure 5 shows the percentage of primary school enrollment in Ethiopia and Kenya for all available years. As shown in the graph, primary school enrollment for both countries has overall been increasing. In 2009, Kenya had a primary school enrollment of 81 percent of school age children. Ethiopia's primary school enrollment was 67 percent in 2006. Therefore, although the percentage was increasing and this data is encouraging, over 30 percent of children in Ethiopia were still not attending any form of primary school in 2006.

**Figure 5: Net Primary School Enrollment (percent)**



Source: Created by author based on World Bank (2015).

Kenya's overall higher primary school enrollment rate can be explained simply by the Kenyan government's passing of three Free Primary Education initiatives, passed consecutively in 1974,

<sup>2</sup> Von Massow (2000).

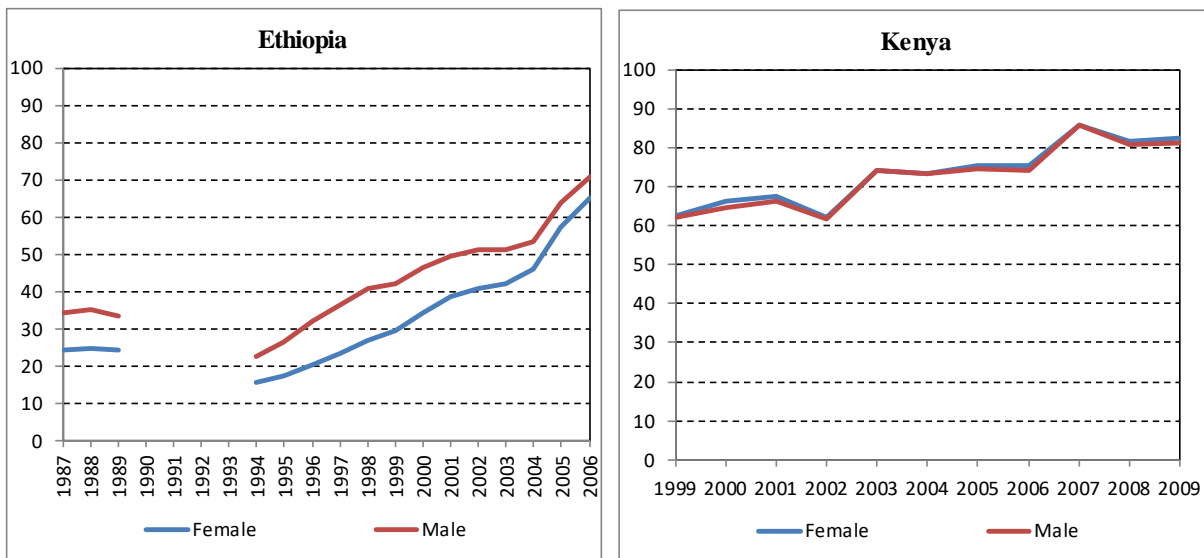
1979, and 2003. These three acts made primary education both free and compulsory for school age children, resulting in this higher level of primary school enrollment ratios.<sup>3</sup>

Conversely, while Ethiopia's enrollment ratio lag behind those of Kenya's, Ethiopia's has made significant progress in recent years in increasing primary school enrollment ratios, nearly catching up with Kenya in 2006. Still, looking at Figures 6 and 7, we can see that Ethiopia has not been as successful as Kenya in terms of providing gender equality in primary education.

Figure 6 shows a consistent, significant difference in the percentage of females enrolled in primary school versus the percentage of males. In 2006, nearly 71 percent of the male school age children attended primary school, while only 65 percent of females were reported as being enrolled. While this is a slight difference, it is still imperative to note that this disparity has been present for decades.

Ultimately, fewer females are enrolled in school in Ethiopia due to gendered labor divisions. Young girls are needed at home to assist their mothers with domestic duties, a responsibility that is forced upon them by Ethiopian gender roles. Many Ethiopians do not feel empowered to change the gender roles currently in place, so they do not feel the need to value and encourage girls' education.<sup>4</sup>

**Figure 6 and 7:**  
**Female and Male Net Primary School Enrollment (percent) in Ethiopia and Kenya**



Source: Created by author based on World Bank (2015).

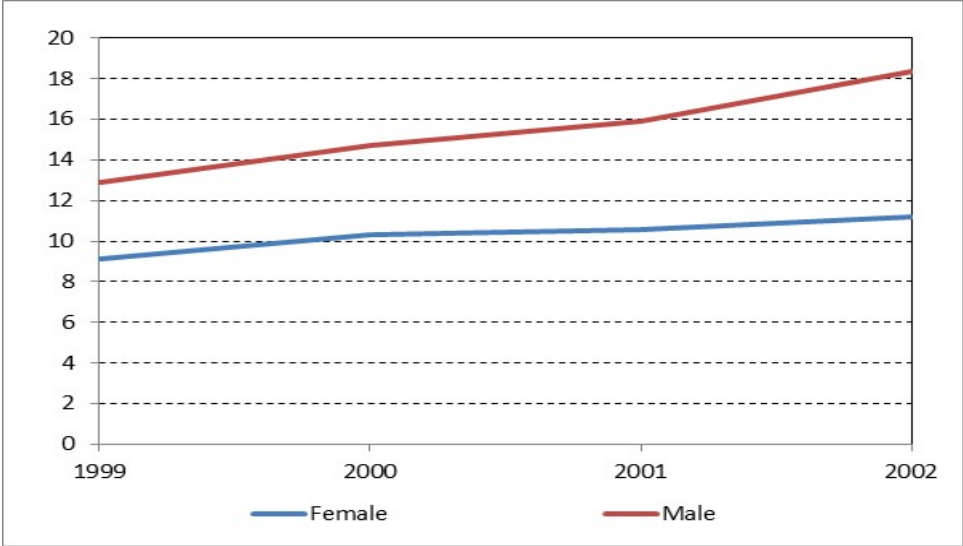
Looking at figures 8 and 9, it is clearly visible that school attendance levels are lower at the secondary level than the primary level, and this applies to both, Ethiopia and Kenya. Furthermore, the gender gap in education becomes more apparent, especially in Ethiopia (Figure 8), but also to

<sup>3</sup> Somerset (2009).

<sup>4</sup> Von Massow (2000).

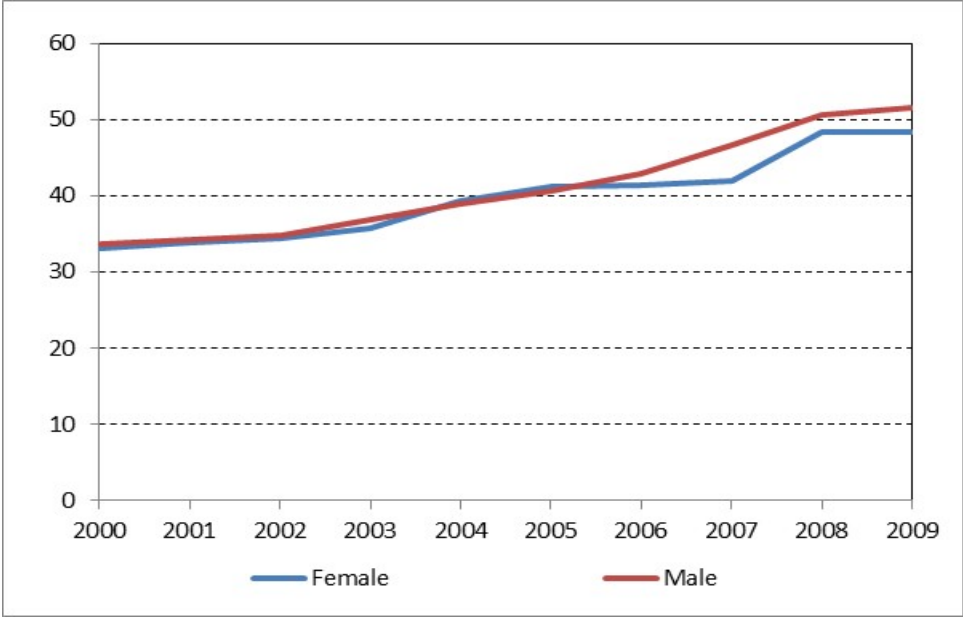
some degree in Kenya (Figure 9). In the case of Kenya, in 2009, nearly 52 percent of males were enrolled in secondary school, compared to 48 percent of females.

**Figure 8: Ethiopia’s Net Secondary School Enrollment for Females and Males (percent)**



Source: Created by author based on World Bank (2015).

**Figure 9: Kenya’s Net Secondary School Enrollment for Females and Males (percent)**



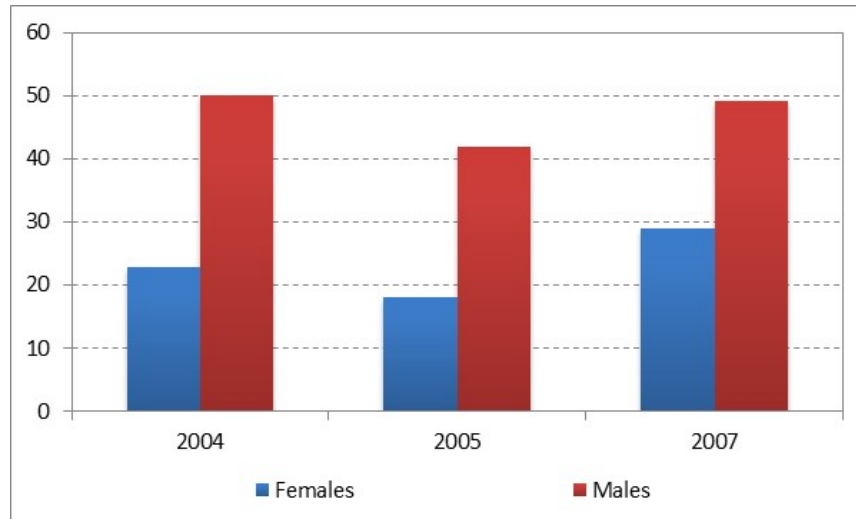
Source: Created by author based on World Bank (2015).

The effects of low school enrollment rates are unmistakable when regarding literacy rates. Figures 10 and 11 illustrate the detrimental influence low school enrollment has on literacy rates for adult



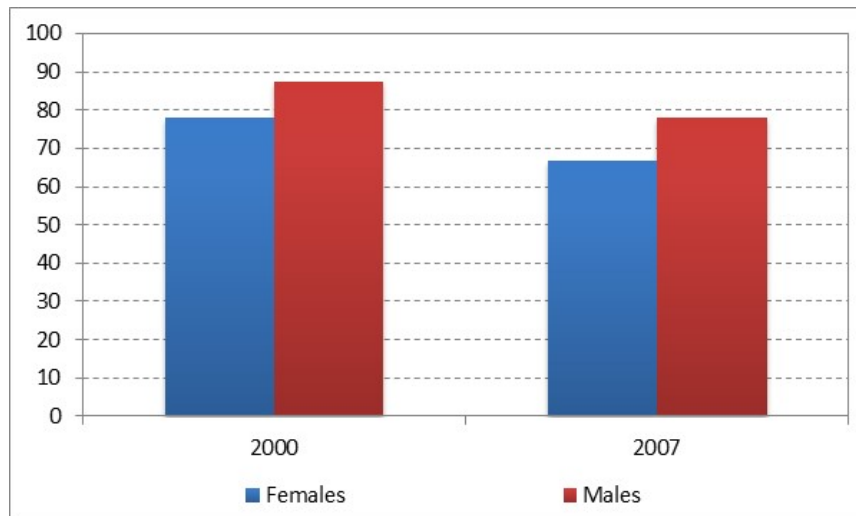
females and males (ages 15 and above). Consistent to Ethiopia’s lower school enrollment ratios, literacy rates in Ethiopia are also substantially below those of Kenya. Despite Kenya’s increasing school enrollment rates, the gender gap in secondary education seems to also lead to a gender disparity in literacy rates. Illiteracy, in turn, prevents children from developing skills and seeking job opportunities in their futures, resulting in adults who live unproductive, poverty-stricken lives.

**Figure 10: Ethiopia’s Literacy Rate by Gender, Ages 15 and Above (percent)**



Source: Created by author based on World Bank (2015).

**Figure 11: Kenya’ Literacy Rate by Gender, Ages 15 and Above (percent)**



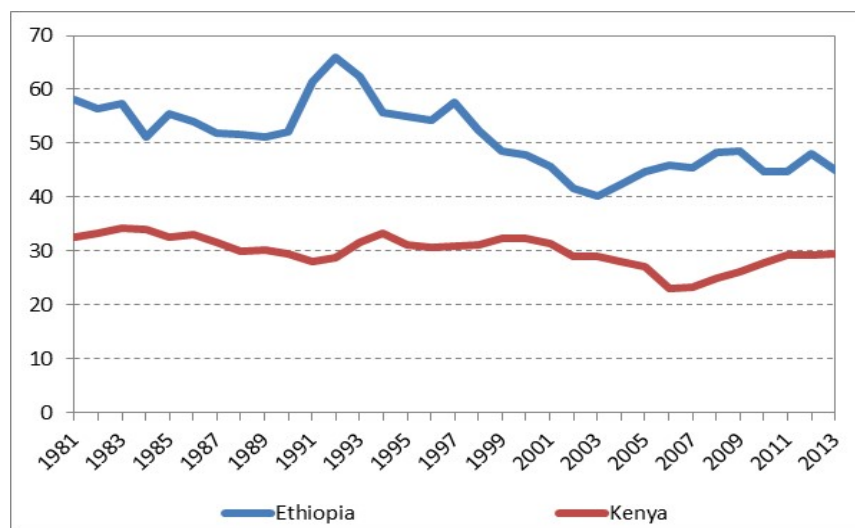
Source: Created by author based on World Bank (2015).

#### **IV.2. Agriculture and Food Security**

The GDPs of both Ethiopia and Kenya are significantly impacted by agriculture, as expressed in Figure 12. Despite the fact that the value added by agriculture to GDP in Kenya is now about 30

percent, it is still the case that about 70 percent of Kenyans depend on some form of agricultural work for employment.<sup>5</sup> In Ethiopia, 75 percent of women and 83 percent of men are employed in the agriculture sector, based on 2005 data.<sup>6</sup> However, many of the people residing in rural areas and working in agriculture live in poverty. In Ethiopia, it was estimated that the headcount for the “proportion of the rural population that fell below the poverty threshold was 47.5 percent in 1999”.<sup>7</sup> In Kenya, the rural poverty headcount ratio was 49.1 percent of the rural population in 2005, nearly half of the rural population.<sup>8</sup>

**Figure 12: Agriculture Value Added (percent of GDP)**



Source: Created by author based on World Bank (2015).

Despite the high contribution of agriculture to GDP, those employed in agriculture can still face immense poverty, partly due to low cultivation caused by a lack of fertile land and resources available to farmers. In the article “Socio-economic dimensions of rural poverty in Ethiopia, a qualitative study of two highland communities in north Shewa”, Yared Amare (2002) researches the dimensions of poverty affecting two rural communities in Ethiopia. In the Ethiopian communities of Shola Meda and Yezaba, farmers relying on agriculture to survive struggle with limited land and livestock scarcities. Yezaba is also far from Ethiopia’s main urban centers, making it difficult for farmers to turn a profit and still provide for themselves and for their families. When farmers work in geographic areas with property and cattle shortages, far from populous metropolises, they remain unproductive, unsuccessful, and cannot experience economic growth. Other factors contributing to rural poverty include the recurring death of crops and livestock, partly due to negative climatic changes.<sup>9</sup>

The success of agriculture greatly impacts food security, which in turn can determine whether or not one lives in poverty. Food security in this case essentially refers to the obtainability of a

<sup>5</sup> Oluoko-Odingo (2009).

<sup>6</sup> World Bank (2015).

<sup>7</sup> Amare (2002), p. 12.

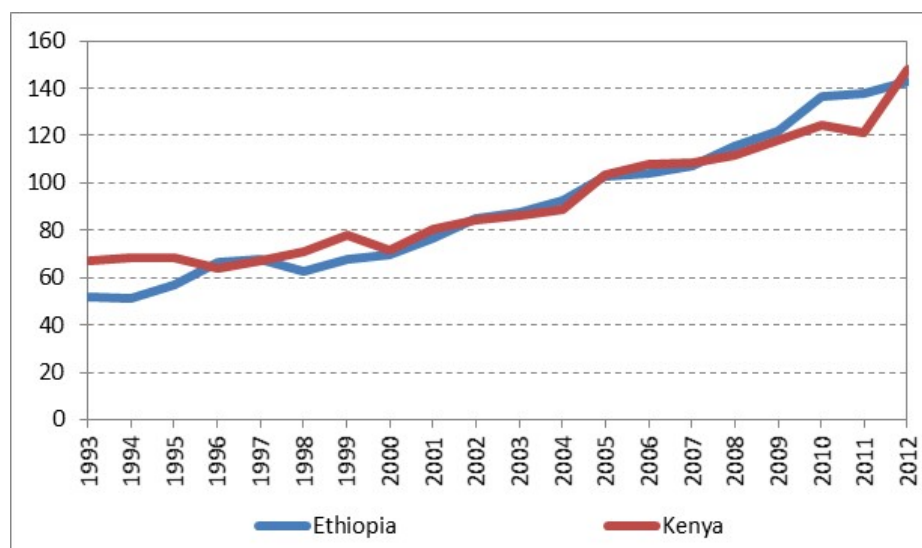
<sup>8</sup> World Bank (2015).

<sup>9</sup> Amare (2002).

satisfactory amount of nourishing foods. Climate variables can especially affect the success of agriculture, mainly during periods of drought and floods. Looking at Kenya, periods of disproportionate drought and flood conditions may cause “crop and livestock losses, human deaths as well as losses of property (...) many households are forced to move to Ethiopia in search of pasture and water, while some of the remaining households are caught up in conflicts over water points and grazing land”.<sup>10</sup> Severe climate conditions are understandably disadvantageous for farmers, leaving them unable to farm their land and provide basic necessities for their families. Malnutrition is an obvious effect of this lack of food security, and leads to vulnerability to illness, death, and low productivity, which contribute to high poverty levels. This issue is also very closely intertwined with education, as many children miss school due to hunger or illness related to malnutrition.<sup>11</sup>

Despite struggling with increasingly severe climate conditions and a lack of resources, the food production index for both Kenya and Ethiopia has increased nearly steadily from 1993 to 2012, as shown in Figure 13. With agriculture’s contribution to GDP and the large number of people employed by the agriculture industry in mind, it is crucial that both governments invest in agriculture to increase food production beyond population growth. Due to more children enrolling in school in Kenya, for example, it is essential that both governments educate women on certain agricultural skills, since many mothers no longer have their children at home to help them tend to farm work. In an effort to promote this necessary education, the Kenyan government developed the Livestock Development Project, which was “designed to improve milk production and food security, as well as to empower women in decision-making at both household and community levels”.<sup>12</sup>

**Figure 13: Food Production Index (2004–2006 = 100), 1993-2012**



Source: Created by author based on World Bank (2015).

<sup>10</sup> Oluoko-Odingo (2009), p. 329.

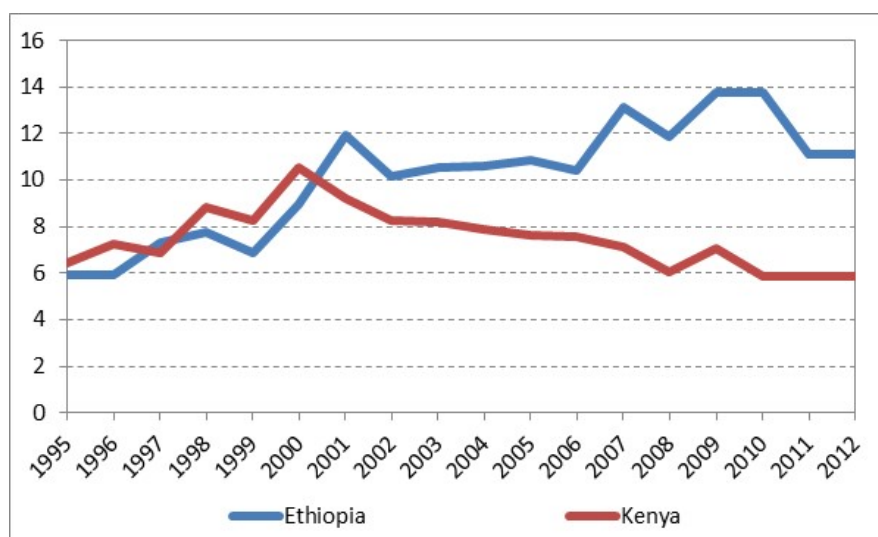
<sup>11</sup> Von Massow (2000).

<sup>12</sup> Walingo (2006), p. 290.

### IV.3. Health

Health is another essential factor to examine when discussing a country's poverty levels. Insignificant healthcare makes individuals vulnerable to both illness and death, which in turn perpetuates a cycle of low productivity and spells out certain poverty. Looking at Figure 14, Ethiopia's government visibly invests more of its money into public health than Kenya's government does, amounting, respectively, to about 11 and 6 percent of government expenditure. Apart from this disparity, Ethiopia and Kenya both spend far too little on public health concerns, and it affects the overall welfare and lifespan of their citizens, as was proven by the life expectancy data shown in Figure 2.

**Figure 14: Public Health Expenditure (percent of government expenditure)**



Source: Created by author based on World Bank (2015).

Despite the country's higher public health government expenditure, in many areas of Ethiopia, healthcare facilities continue to lack sufficient resources, including staff, drugs, and even water and electricity. Women especially are impacted by poor healthcare amenities, showing that an "absence of affordable, nearby clinics limits women's choice to home-based or traditional treatments and birth attendants...and will result in a low productive and economic capacity of the next generation".<sup>13</sup>

### IV.4. Possible Future Policies/Solutions

There are various future policies that could serve as solutions to eliminate poverty in Ethiopia and Kenya. Firstly, Ethiopia should work to implement an education agenda similar to that of Kenya's Free Primary Education initiatives in order to certify that more children enroll in primary schools. Ethiopia should also improve their current school system and guarantee that each primary facility has an appropriate number of teachers and textbooks to supplement the number of school age

<sup>13</sup> Von Massow (2000), p. 48.

children in need of an education. Once Ethiopia improves its primary schools, it then needs to place greater emphasis on secondary school enrollment, in order to boost literacy rates overall among adults ages 15 and above. Lastly, Ethiopia should promote gender equality, perhaps by implementing programs focusing specifically on increasing girls' enrollment ratios and decreasing the number of days girls miss school. In 2000, boys attending school in Ethiopia missed an average of 1 to 2 days per week, while girls typically missed 2 to 3.<sup>14</sup>

Despite Kenya's higher primary and secondary school enrollment ratios, there is still a discrepancy in place between the literacy rates of females and males. Kenya must place an equal value on education for all genders to eliminate this gender barrier. In order to improve literacy rates and secondary school enrollment overall, the Kenyan government could expand their Free Primary Education initiatives to include secondary school reform. While it is unlikely that secondary school could be made free and compulsory for all students, making secondary education more accessible and affordable would positively impact literacy rates for both female and male adults.

In terms of agriculture and food security, both Ethiopian and Kenyan governments rely heavily on agriculture and need to guarantee that every farmer has enough land and livestock to both turn a profit and support their families. The Kenyan government has already implemented the Livestock Development Project, as discussed in IV. 2., in order to improve agriculture production and increase food security. Some more potential solutions to food security disputes include promoting food and cash crops, as well as healthy and drought-resistant crops, among farmers. Crops such as maize and rice are "cheaper and readily available...encourage households to not only grow but also to consume the drought tolerant crops, while also minimizing vulnerability to drought".<sup>15</sup> This sort of initiative would benefit farmers in both Ethiopia and Kenya, by both increasing food security and decreasing the chances of suffering from malnutrition. Lastly, Ethiopian and Kenyan governments must work to construct superior roads and infrastructure between rural and urban areas, in order to increase accessibility for farmers in rural areas.<sup>16</sup>

In order to alleviate the healthcare issues and low life expectancy rates currently facing Ethiopia and Kenya, both governments should invest more in the areas of public health concerns. The United Nations could push for higher spending on healthcare for Ethiopian and Kenyan governments, and work with both countries' governments to require a suitable number of nurses and doctors and a sufficient quantity of medicine in each healthcare facility. Lastly, since so many of these country's citizens live in rural areas, governments could build more quality roads between rural and urban areas and/or construct healthcare facilities closer to rural areas, in order to ensure that rural citizens have access to proper healthcare.

## **V. Conclusion**

In conclusion, while poverty levels in neighboring Ethiopia and Kenya may differ, both countries experience its consequences to some degree. GDP per capita has steadily increased in both countries over the past several decades, with Kenya's GDP per capita remaining significantly higher than that of Ethiopia's. Despite this income poverty difference, overall poverty ravishes areas of both countries, and the factors contributing to these poverty levels are evident in the data

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<sup>14</sup> Von Massow (2000).

<sup>15</sup> Oluoko-Odingo (2009), p. 329.

<sup>16</sup> Okwi et al. (2007).

expressed above. Education, agriculture and food security, and healthcare are all closely entangled with poverty, and investments in any of these zones will foster hope and future economic growth.

Though insufficient, this article has shown the complexities of poverty in Ethiopia and Kenya, and proven that eliminating poverty will not be a simple task for Ethiopian and Kenyan governments. However, government policy, as discussed in this article, is able to positively impact the array of factors affecting poverty. By investing capital and supplies into areas of education, agriculture and food security, and healthcare, governments should expect to see individuals prospering and the quality of life in their nations improving drastically. Ethiopia should follow in the footsteps of Kenya, for example, by instigating an education policy that boosts primary school attendance rates. Both nations must look to one another and encourage the development of necessities, such as roads, healthcare services, schools, agricultural skills, and many more vital contributions to overall livelihood. A reduction in poverty will not occur overnight, but by looking to one another for policy suggestions and possible positive investments, Ethiopia and Kenya can hope to defeat poverty among their communities and promote economic growth. If they want their nations and citizens to thrive in the coming decades, the time for Ethiopian and Kenyan governments to act is now.

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