ADDIS ABABA UNIVERSITY

SCHOOL OF GRADUATE STUDIES

URBAN POVERTY AND THE HOUSING CONDITION OF THE POOR IN ADDIS ABABA A CASE STUDY OF SELECTED KEBELES IN CENTRAL ADDIS ABABA

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Approved By Examining Board

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URBAN POVERTY AND THE HOUSING CONDITION OF THE POOR IN ADDIS ABABA: A CASE STUDY OF SELECTED KEBELES IN CETNRL ADDIS ABABA

A THESIS PRESENTD TO
THE SCHOOL OF GRADUATE STUDIES
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GEOGRAPHY

BY

DANIEL GEBRETSADIK

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Daniel Gebretsadik

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Abbreviations

CSA	-	central statistical Authority
CSO	-	Central Statistical office
FAO	-	Food and Agricultural organization
GNP	-	Gross National Product
HH	-	Household
HHH	-	Household Head
IFPRI	-	International Food policy Research Institute
ILO	-	International Labour Organization
JASPA	-	Jobs and skills programme for Africa
LDCs	-	Less Developed Countries
MDCs	-	More Developed Countries
MOPED	-	Ministry of Planning and Economic Development
NGO	-	Non-Governmental Organization
RRC	-	Relief and Rehabilitation commission
SSA	-	Sub-Sahara Africa
UN	-	United Nations
UNDP	-	United Nations Development progrmme
WB	-	World Bank
WDR	-	Word Development Report
JASPA	-	Jobs and Skills Programme of Africa
IFPRI	-	International Food Policy Research Institute

ABSTRACT

Like in other developing countries, population factors in Ethiopia have long been recognized as among the important variables of development. Urbanization in the country is now proceeding in situation where economic development and resource availability are not in congruence with requirement of the population.

Since the last decade or so, Addis Ababa like others cities of the Third world has been experiencing accelerated population growth rates. During the same period, poverty has also become a serious problem in the city.

Poverty is a reality that needs to be studied and then eradicated. In order to reduce or eliminate, it is first necessary to have a reliable poverty profile. This study, therefor, aims at assessing the condition of poverty in selected Kebeles of central Addis Ababa.

The date used in this study was gathered through a questionnaire survey that covered 400 households in selected Kebeles of central Addis Ababa.

As the findings of this study reveal, 47.7% of the overall interviewed households are below the food poverty line(could not afford the cost of minimum food consumption basket) with an average of about 21% food shortfall (food consumption gap) to reach the food poverty line. Considering total poverty, the incidence of poverty increased to 55.5%, while the total consumption gap(depth of total poverty)averaged 25.4%. In spite of the variations observed, Kebeles with high incidence, depth and severity of both food and total poverty include Kebele 09 Wereda 02, Kebele 13 of Wereda 06, Kebele 32 of Wereda 07, Kebele 20 of Wereda 09, Kebele 21 of Wereda 14 and Kebele 20 of Wereda 15 and Kebele 35 of Wereda 18. It also appears from the findings of this study that the relative contribution of these Kebeles to the overall features of poverty in central Addis Ababa is quit high, which perhaps provide insight in to the nation that poverty has Significant regional (spatial) dimension. Evidence from the findings of this study, further indicated important demographic and socio-economic corrects of poverty. Accordingly, poor households are mainly those with big household size, headed by females that are widowed, divorced or separated from their spouses, old, illiterate people or people with low level of education, unemployed and retired people and people with informal occupations. One could also observed the same for households headed by people whose main source of income is with remittance or pension.

Housing is a highly visible dimension of poverty. Accordingly, it was found that sizeable proportion of poor households live in structurally poor(law quality) rented housing units under over crowded condition where basic housing facilities and amenities are often lucking.

CHAPTER ONE

1. INTRODUCTION

Although poverty is as old as the human race itself, the concern that most of us feel for its victims is of recent origin. Since the past few decades (primarily since W.W.II) the issue of poverty has been a great cause for concern, not just in Ethiopia but in global context.

Analysis of poverty first and for most requires to clearly define the concept of " poverty " itself. However, there appears to be no general agreement on the definition of poverty. There is no theoretical framework which analyses poverty in its entirety (Altimir, 1982). The problem arises form the fact that the concept of poverty is multifaceted. It involves social, economic, political, cultural and environmental well-being. As a result, it is difficult to define and measure adequately all the dimensions of hardship people in poverty face.

In spite of these problems, many definitions have been suggested. For instance, as indicated by the World Bank (1990) poverty can be defined as the inability to attain a " Minimal standard of living ". As pointed out by Sharp, Register and Leftwich (1992) poverty is concerned with the relationship between " minimum needs" of people and their ability to satisfy those needs. Thus, poverty is a situation where people measured standard of living, which is now conventionally measured in terms of income /expenditure, is below a minimum acceptable level of consumption (Getahun, 1999).

Perception of poverty has evolved historically, and varies tremendously from culture to culture. Criteria for distinguishing the poor form the non-poor tend to reflect specific national priorities and normative concepts of welfare and right. In general, as countries become wealthier the perception of the acceptable minimum level of consumption also changes (WB: 1990). Thus, it should be stressed form the beginning that the concept of poverty is fundamentally relative (WB:1990; Emebet, 1996; Getahun ; 1999)

Today, poverty and poverty alleviation issues are undoubtedly important for policy formulation purpose in a country like Ethiopia where widespread poverty prevails and affects a significant number of both urban and rural population. For instance, a study by the government (cited in Getahun, 1999), indicated that 63% of the estimated total urban population of 7.3 million and 37.4% of the estimated total rural population of 42.2 million were poor.

During the last few decades, Ethiopia has been undergoing rapid urbanization. With such rapid urbanization, urban poverty has become a serious problem for the country. Accordingly, a number of poverty targeted programs have been designed and efforts have been made by the national government, domestic and foreign NGOs, and community based organizations to mitigate the problem. Most of these efforts, however, ended up with a very limited degree of success as they were of limited duration, fund and coverage of all the available beneficiaries (Yassin, 1997).

Recently, the World Bank (1990) recommended broad based economic growth, which generate efficient income earning opportunities and improved access to various social amenities and social safety nets for vulnerable groups as poverty reducing strategy. Accordingly, the current Five Year Development Program has also

focused mainly on promoting the participation of communities in identification of micro projects and increasing the poor access to micro-credit for small investments and social safety net for vulnerable groups as important areas of intervention in the effort of urban poverty reduction. However, to assess progress towards poverty reduction it is first necessary to have a reliable poverty profile i.e. its location , extent and characteristics.

1.1. Statement of the Problem

Today, one of the most widely observed and acutely felts social as well as economic problems of Addis Ababa is poverty. Urban poverty, as is usually the case in most cities of LDCs, is tied to the growth of urban population. Addis Ababa, like other cities of LDCs, has been the locus of increasing population concentration mainly as the result of a considerable in-flow of migrants from both rural and urban areas and due to the already existing high rates of natural increase.

The economic base of the city, on the other hand, is grossly inadequate to provide decent housing, gainful employment and other basic urban facilities such as education, health and sanitation for the rapidly increasing population (Solomon , 1985; Kebede, 1994; Turfat, 1996; Yassin , 1997). As a result, there is a growing discrepancy between rates of population growth and needs of urban amenities. The overall effect of the situations is thus, the creation of serious social crisis and widespread poverty.

Goitom (1995) indicated that a considerably large proportion of the population of the city is suffering from poverty. For instance, in 1990, 45.6% of the overall population of the city were poor. In 1991, the incidence of poverty increased to 51.4%, while it became 63% in 1992. Evidence from the World Bank data (cited in Getahun, 1999) indicated that, if 244 Birr per month for a family of five is considered as a poverty

line for urban areas, 60% of the overall population of Addis Ababa were (below the poverty line) in 1992.

The same source indicated that 50-60% of the households in the capital subsist on income less than 200 Birr per month, which is below the urban poverty threshold (244 Birr) . The above estimations generally show that more than half of the population of Addis Ababa had in-sufficient income to purchase the most basic stable food and non-food items in 1992.

More recently, Mohammed and Simon (1995) have indicated that about 46% of the sampled households in Addis Ababa subsist on a monthly incomes of less than 200 Birr . Thus, In view of the1992 estimated urban poverty threshold (244 Birr) of the World Bank, 46% of the sampled households in the city were poor. Accordingly Mekonnen (1996) has indicated that about 44% of the overall population of Addis Ababa were poor in 1994. On the other hand, based on the 1994 urban socio-economic survey, Trufat (1996) has estimated the incidence and depth of food poverty in the city at about 43% and 17%, respectively. This means that, 43% of the total population of the city were below food poverty line with an average of a 17% food short fall to reach the food poverty line in 1994.

The rapid growth of the city's population that has been observed since the last few decades leads not only to the increase of the number of poor but also to a corresponding increase of the demand for urban basic services such as housing, education, health and sanitary facilities.

One of the major consequences of such a rapid growth of the city's population is the large-scale appearance of unmet housing needs. Emphasizing the magnitude of housing shortage in the city, Solomon (1885) indicated that the average annual rate

of housing out put accounts only from one -third to one -fourth of the total annual average housing needs. As the result of such discrepancy between housing needs and rates of housing construction, thousands of poor people in the city are now forced to dwell in highly congested and unsanitary conditions in slums, squatters and even on streets, open places and verandas.

For instance Hicks (1992) in (Solomon, 1993) indicated that there were a total of 40.2 thousand ex-servicemen along with their families (about 139.5 thousand) and about 56 thousand displaced people in the city receiving assistance form RRC by the end of 1992. Add to this, since the last decade there has been continuous in-flow of demobilized soldiers, displaced ethnic migrants, and returned refugees in to the city. These and other related factors ,therefore, could further compound poverty exacerbate , housing shortages and cause a host of interrelated problems in the city.

1.2 The Objectives of the Study

Poverty is a reality that needs to be studied, understood and eliminated. Thus, there is a need to address the issue of poverty and incorporate poverty alleviation programs into the development strategy of Ethiopia.

Experiences, however, have proven that the formulation and effectiveness of poverty alleviation policies and programs depends to a large extent on a better understanding of its location, extent and characteristics. Thus, the main objective of this study is to assess the present overall condition of poverty in central Addis Ababa.

In particular, this study has the following specific objectives.

1. To assess the spatial variation of households income and expenditure levels and patterns in the study area.
2. To assess the magnitude of change in households income level since the structural adjustment was introduced in 1990.
3. To measure the incidence, depth and severity of both food and total poverty and find out the relative 'contribution' of each Kebele to the overall features of poverty in central Addis Ababa.
4. To ascertain the major demographic as well as socio-economic correlates of poverty in the study area.
5. To examine the living conditions of the poor by demonstrating effects of poverty on their housing conditions.
6. To provide a spur for effective implementation of any poverty targeted programs, which aim at improving the living standards of the poor.

1.3 Methodology

Towards the achievement of intended objectives of the study, the following techniques of data collection and analysis have been used.

1.3.1 Method of Data Collection

Both primary and secondary data have been used in this study. The secondary data were gathered from different sources including official documents, records, survey reports of various organizations and other related literature. The primary data used in this study were obtained through a questionnaire survey, which was conducted in February, 2001.

During the questionnaire survey both stratified and systematic random sampling techniques have been used. Since the households of each wereda are mostly from different income / expenditure groups, it is not uncommon to find considerable difference in the levels of average monthly household expenditure between individual wereda of Addis Ababa. Therefore, for the purpose selecting the primary sample weredas, the existing weredas of Addis Ababa were stratified into different strata based on average monthly household expenditure using percentile classification (Table 1).

Table 1: Distribution of weredas of Addis Ababa by level of average monthly household expenditure (using percentile classification).

Household expenditure	wereda
Below 25th percentile (18526.88 Birr)	1,9,12,13,14,22
Between 25th and 50th percentile (18526.89 -23760.82 Birr)	2,3,5,8,11,18,25
Between 50th and 75th percentile (23760.83 - 283331.55Birr)	7,19,20,21,23,243
Above 75 th percentile (283331.56 Birr)	4,6,15,16,17

Source: Yassin Worku (1997): Poverty in Addis Ababa: A case study of selected kebeles in Eastern Addis Ababa, A.A.U, P.30 and 32.

In ordered to select the first 12 primary sample weredas, three weredas in each of the four separate strata were selected(which were all from central Addis Ababa). These include wereda 9, 14 and 22 (below 25th percentile), wereda 2,3 and 18 (between 25th and 50th percentile), Wereda 7, 20 and 21 (between 50th and 75th percentile) and Wereda 4 , 6 and 15 (above 75th percentile). Then, one Kebele in each primary sampling wereda was selected to form a total of 12 secondary sample kebeles (see Table 4)

Since there is spatial variation in the average households expenditure, special care was taken to maintain optimal spatial allocation of samples. Thus, kebeles which have central, intermediate and peripheral location were represented within the sample kebeles (see Map 2).

Based on their total number of households, each kebele then proportionally represented within the target sample size of 400 households (2.5% of the total number of households in sample kebeles) which was considered to be sufficient to have fair representation of households in the sample kebeles in addition to some constraints such as available time, finance and research materials.

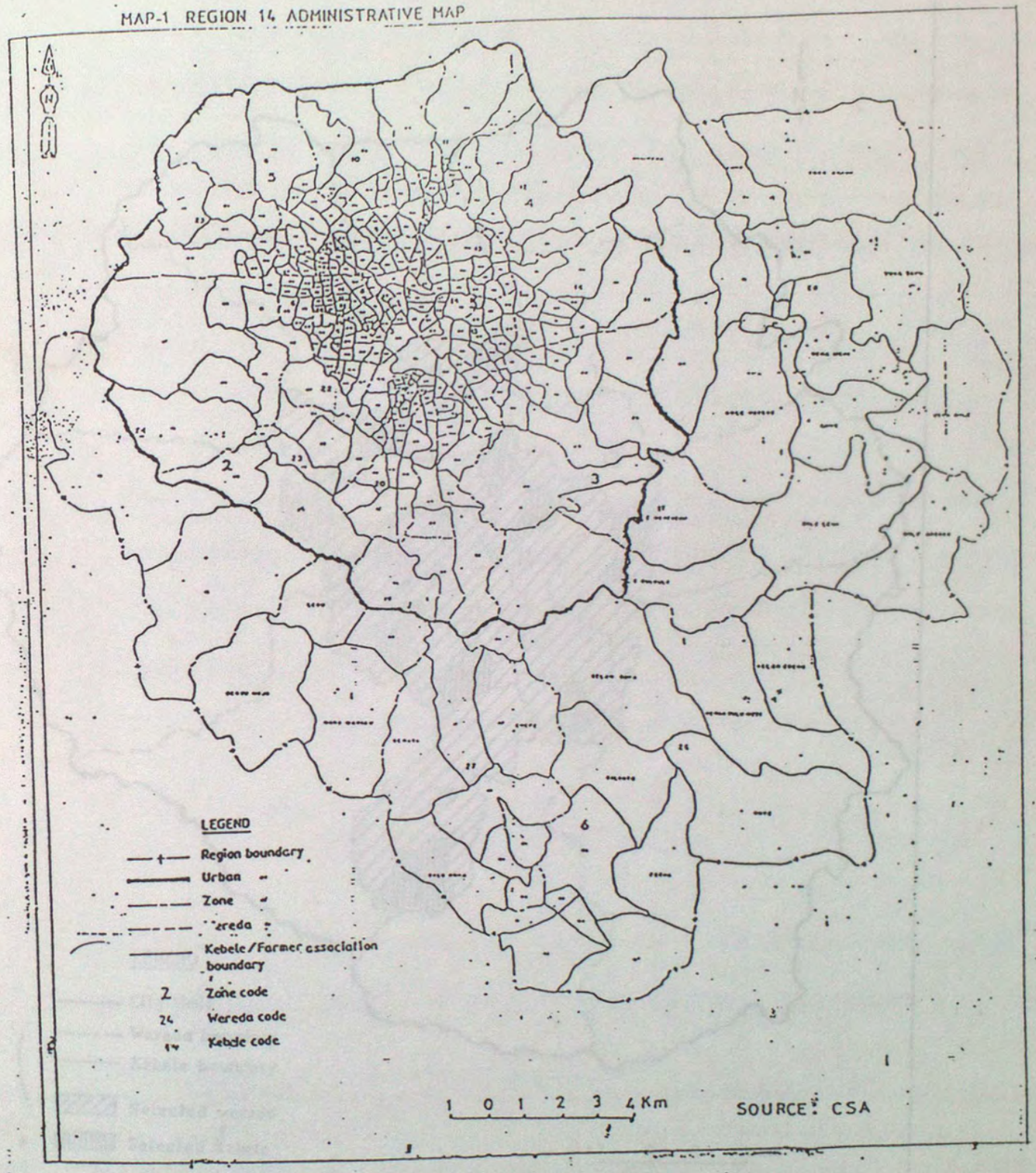
Table 2 Distribution of sample households by wereda and kebele

Wereda	Kebele	Number of households			Spatial location
		Wereda	Kebele	Sample	
2	09	8,689	1,124	29	Intermediate
3	33	16,769	1,079	28	Center
4	40	13,198	956	25	Center
6	13	12,943	2,002	51	Intermediate
7	32	15,454	1,788	46	Center
9	20	10,188	1,454	37	Periphery
14	21	12,838	1,662	43	Center
15	20	13,730	859	22	Periphery
18	35	12,513	1,167	30	Periphery
20	52	15,583	1672	43	Periphery
21	30	16,533	699	18	Intermediate
22	07	7,628	1,111	28	Intermediate
Total		156,066	15,573	400	

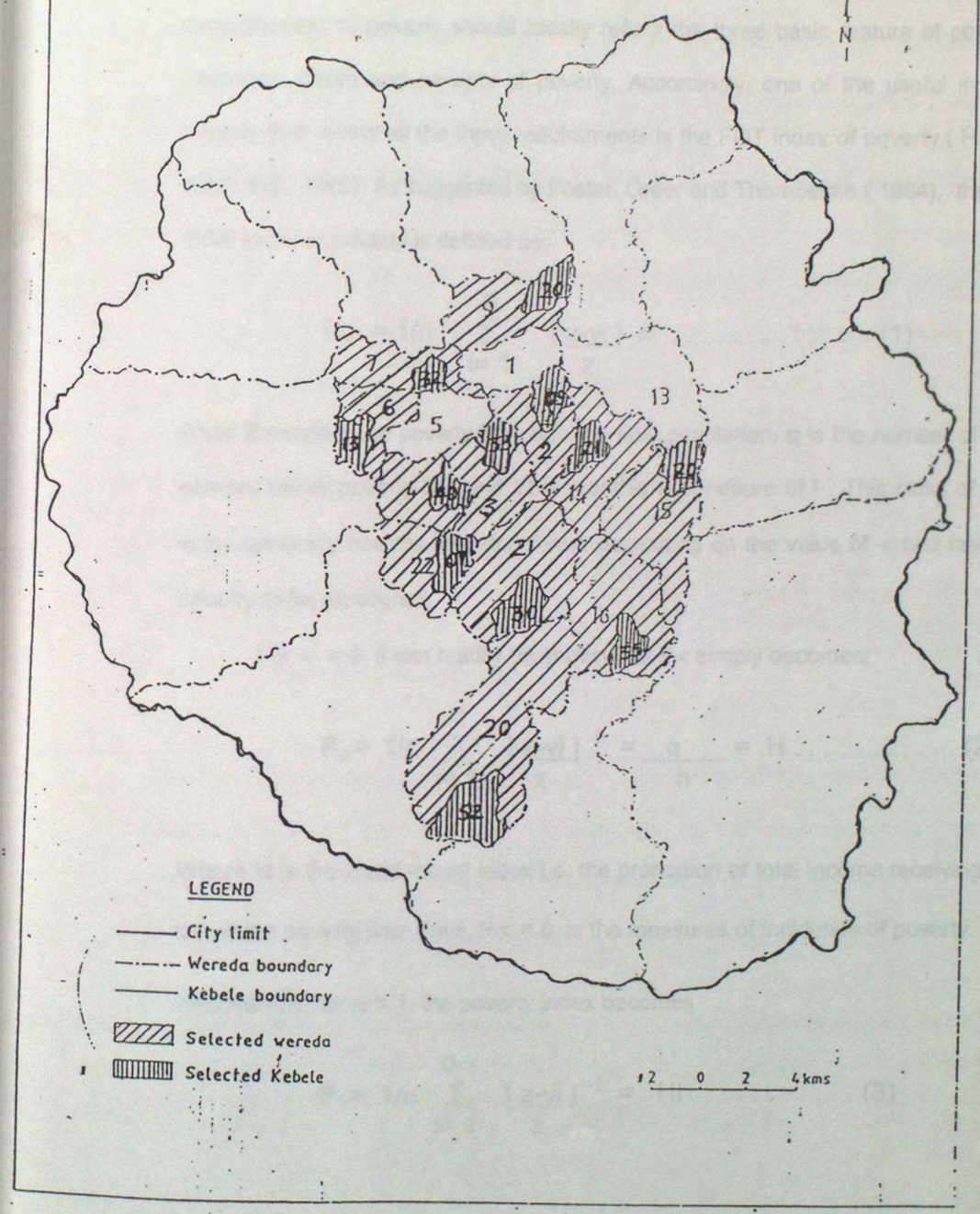
Source : CSA (1995) The 1994 Population and Housing Census of Ethiopia, Results for Addis Ababa, Table 2.2 , P.12 ,13,14,15, 16 and 17

Finally, to select the sample households in each kebele, systematic random sampling procedure has been used i.e. households were selected from the general list of residential house number of respective kebeles (which were used as sampling fram) at a fixed interval from a random start. In this way, the required 400 households were interviewed at the time of the survey.

MAP-1 REGION 14 ADMINISTRATIVE MAP



MAP-2 SELECTED WEREDAS AND KEBELES OF THE CITY



1.3.2 Method of Data Analysis

One of the basic issues that arise in the analysis of poverty is a choice of a single index to measure poverty. As pointed out by the World Bank (1990) any index of measurement of poverty should ideally reflect the three basic feature of poverty i.e incidence, depth and severity of poverty, Accordingly, one of the useful indices of poverty that meets all the three requirements is the FGT index of poverty.(Hagenas, 1986; WB, 1990). As suggested by Foster, Greer and Thornbecke (1984), the FGT index of poverty is defined as:-

$$P_{\alpha} = 1/n \sum_{i=1}^{q} \left[\frac{z-yi}{z}\right] \alpha \quad \ldots\ldots\ldots\ldots \quad (1)$$

Were **Z** denotes the poverty line, **n** is the total population, **q** is the number of income earners below poverty line and **YI** is monthly expenditure of **I** . This class of poverty index generally has the following forms depending on the value of α and features of poverty to be measured.

For $\alpha = 0$, it can readily be shown that $P\alpha$ simply becomes;

$$P_o = 1/n \sum_{i=1}^{q} \left[\frac{z-yi}{z}\right]^0 = \frac{q}{n} = H \ldots\ldots\ldots\ldots (2)$$

Where **H** is the Head -count index i.e. the proportion of total income receiving people below the poverty line. Thus, $P\alpha = 0$ is the measures of incidence of poverty.

Alternatively, for $\alpha = 1$, the poverty index becomes

$$P_1 = 1/n \sum_{i=1}^{q} \left[\frac{z-yi}{z}\right]^1 = HI \ldots\ldots\ldots\ldots (3)$$

Where

$$I = 1/q \sum_{i=1}^{q} \left[\frac{z-yi}{z}\right] \qquad \ldots\ldots\ldots\ldots \quad (4)$$

Thus, **HI** is the " income gap" ratio. **I** is simply the average of the poverty gaps expressed as a fraction of the poverty line. $P\alpha = 1$ or **HI**, therefore, takes into account how poor the poor are and reflects both the incidence of poverty (as reflected in H) and its depth (as reflects in I).

The $P\alpha = 1$ measure , however, is insensitive to income distribution among the poor . For this to be selected in the index , greater weight has to be given to the poorest income earning units Thus, for $\alpha = 2$

$$P\,2 = 1/n \sum_{i=1}^{q} \left[\frac{z-yi}{Z}\right]^2 \qquad \ldots\ldots\ldots\ldots \quad (5)$$

Which is interpreted as " the mean of the squared proportionate poverty gap. Thus, $P\alpha = 2$ of a measure of severity of poverty.

This class of poverty index (FGT) is also flexible in that it helps us to obtain poverty indices for each socio-economic group as well as to generate "overall " poverty index. Thus, if the study population consist of m groups , then the " overall' poverty index ($P\alpha$) can be obtained as:

$$P\alpha = \sum_{i=1}^{m} X\,j\,P\alpha j \qquad \ldots\ldots\ldots\ldots\ldots \quad (6)$$

Where P_α is the poverty index of group j and X j is the population weight of group j (j=1, m), where $\sum Xj=1$. The " contribution " of each group (Pcj) to the "overall" poverty can then be obtained as:

$$PCj = \frac{Xj \, . \, P\alpha j}{P\alpha} \qquad \text{---------- (7)}$$

In order to indicate the degree of relationship between the dependent variable and some selected independent variables, bivariate correlation analysis (Pearson's product moment coefficient of correlation) has been employed. In addition, chi-square (X2) test has been used to test variations in some frequency observations.

1.4 Significance of the study

A clear understanding of the level of poverty has considerable significance in leading to sustainable development. Consequently, in order to take sound measure towards poverty alleviation, it is first necessary to have a reliable poverty profile.

This study generally aims at investigating the major demographic and socio-economic correlates of poverty in central Addis Ababa. Thus, it is hoped that this study will make significant contribution by providing up-to-date information for effectiveness of any poverty-oriented policies and programs of the national government, domestic and foreign NGOs and community based organizations.

Specifically, this study shall make significant contribution to the issues of urban poverty by providing:-

I) Up -to Date Information about the living condition as well as spatial distribution of the urban poor, which could help to identify " target " poverty groups for any type of intervention of urban poverty reduction.

II) Up-to-date information on the association between urban poverty and its demographic correlates such as age, sex , family size, migration status, etc. and its socio-economic correlates such as income level nature of employment , level of education, etc.

III) A background information for those scholars who want to conduct future studies on urban poverty and other related issues.

CHAPTER TWO

2. REVIEW OF LITERATURE

2.1. Review of Urbanization

Mankind has lived on earth for thousands of years but for most part of these years without cities. In view of history, cities and urban places are, therefore, comparatively recent social inventions, having existed a scant 5500 years (Davis, et al,1969). Ancient cities were small and surrounded by overwhelming majority of rural people. However, Urbanized societies of today, in which a majority of the people live crowded together in towns and cities, represent a new and fundamental step in man's social evaluation.

It is commonly agreed that the process of urbanization is evolutionary. However, It was since the 19th century that growth in urbanization began to undergo rapid transformation. For instance, in 1800 only 2.4% of the total the world population lived in urban areas. However, as the result of massive urbanization which took place since then, it increased to 9.2% by 1900 (Population Reference Bureau, 1990) and reached at a level of 28.9% by 1950 (NU,1995).

Since the middle of the 20th century, rapid urbanization has become an emerging phenomenon and there has been an increasing trend in the levels of global urbanization. As shown in Table 3, the proportion of global urban population which was 29% in 1950 rose to 36.6% in 1970 . At present, 44.8% of the world's population lives in urban areas. It is also estimated that , by the year 2025, 61.1% of global population will be residing in urban areas.

On the basis of the proportions of people living in urban areas, however, the world pattern of urban population remains to be dominated by More Developed Countries

(MDCs). For instance , 55% of overall population of MDCs lived in urban areas in 1950. The corresponding figure rose to 68% in 1970. At present , 75% of the total population of the MDCs are found in urban areas. It is estimated that by the year 2025, 84% of overall population of these countries will be residing in urban areas (Table 3).

As regard to Less Developed Countries (LDCs), only 17% of the population reside in urban areas in 1950, and the corresponding figure rose to 25.1% in 1970 . At present, 37% of the total population of LDCs live in urban areas and projected to reach a level of 57% by the year 2025 .This means that LDCs will comprise 80% of the world's urban population by the year 2025 (Table 3).

Table 3: Levels of urbanization: Estimates and projection (1950-2025) by regions (Number in '000)

Region	1950		1970		1994		2025	
	No	%	No	%	No	%	No	%
World	737852	29.2	1352785	36.6	2520510	44.8	5065334	61.1
More Developed countries	4421133	54.7	679979	67.5	907803	74.7	1040049	84.0
Less Developed countries	295720	17.3	675849	25.1	1652706	37.0	4025286	57.0
Africa	32824	14.7	83806	23.0	239604	33.8	804239	53.8

Source : United Nation (1995): World Urbanization Prospects the 1994 Revision, Estimates and Projection Urban and Rural Populations and of urban Agglomerations, Department of Economic and Social Information and policy Analysis, New York, Table A , A2, and A3, P. 74, 78 and 79.

Like other LDCs, African countries have also been in the process of rapid urbanization. As clearly indicated in Table 3, the proportion of urban population which

was 14.7% in 1950 increased to 23% in 1970. At present, 33.8% of the total population of Africa live in urban areas. It is also projected that 53.8% of Africa's population is expected to live urban areas. One important point that needs mentioning here is that there has been an increasing tread in the levels of urbanization in both More and less developed countries, in spite of the variations in the magnitude of growth trends they have been passing through since 1950.

Today, More Developed Countries (where more than 2/3rd or 74.7% of the total population live in urban areas) are by far most urbanized. In contrary, LDCs (where only 37% of their overall population live in urban areas) are predominantly rural. This clearly indicates that, the vast majority of people in LDC still live in rural environments.

It should be noted that the proportion of urban population figure presented in Table 3 revealed the importance of the trends of change in the rates of urban growth. The provisional urban population growth rate figures which are here being compared are shown in Table 4. As these figures indicate, the average annual urban population growth rate of the world during the period 1950-1955 was 3.16% . Since then, it declined to 2.57% in the period 1970-1975 but increased to 2.65% in the period between 1985-1990. At present, the world's urban population is growing at the rate of 2.49% per annum. It is also projected that the world's urban population will be growing at the rate of 2.4% during the period 2000-2005.

As far as the pace of urban growth in MDCs is concerned, the urban population growth rate figures in Table 4 have revealed a trend of decline. As can be seen in Table 4, urban population of MDCs was growing at the rate of 2.33% during 1950-1955, at the rate of 1.49% during 1970-1975 and at the rate of 0.90% during 1985-1990. At present , urban population of MDCs is growing at an average rate of 0.68%

per annum. It is also projected that urban population of MDCs will be growing at the rate of 0.63% during the period 2000-2005.

Table 4: Urban population growth rates (%) estimates and projections (1950-2005) by region/ country.

Region/ Country	1950-1955	1970-1975	1985-1990	1995-2000	2000-2005
World	3.16	2.57	2.65	2.49	2.40
More Developed countries	2.33	1.49	0.90	0.68	0.63
Less Developed countries	4.35	3.60	3.76	3.38	3.15
Africa	4.54	4.34	4.34	4.29	4.18

Source: United Nation (1995): World Urbanisation Prospects: The 1994 Revision, Estimate and Projections of Urban and Rural populations and of urban Agglomerations, Department of Economic and Social Information's. Department of Economics and Social Information and Policy Analysis, New York, Table A6, P. 110

In spite of the low level of urbanization in LDCs, these countries, however, have been passing through the fastest urban population growth treads. Table 4 demonstrates that the rapid pace of urbanization since 1950s have been in LDCs. For instance, urban population of LDCs was growing at the rate of 4.35% in period between 1950 and 1955. The corresponding growth rate figure in the period between 1970 and 1975 slightly declined to 3.60%. During the period between 1985 and 1990, the growth rate figure increased to 3.76%. Currently, urban population of LDCs is growing the rate of 3.38% per annum, and it will be growing at the rate of 3.15% in the period 2000-2005. This clearly indicates that urban population growth rates in LDCs are higher than those in the MDCs. In fact, the current pace of urban growth in LDCs is higher than those of the industrialized countries at the time they were urbanizing most rapidly (Hardiman and Midgley, 1989).

In Africa, since the last four decades, urban areas have been experiencing rapid population growth. For instance, Africa's urban population was growing at the rate of 4.45% during 1950-1955, 4.34% during 1970-1975 and 4.34% during 1985-7990. Various statistics, however, have shown that the actual rates of urban population growth of the region during these periods were higher than estimated growth rate figures. Nonetheless, it should be noted that though Africa is the least urbanized of the major wold regions, it is currently undergoing the highest rate of urban growth. The level of urbanization in Africa, however, varies considerably from sub- region to sub -region. For instance. In 1994, southern Africa is the most urbanized sub- region where about 48% of overall population live in towns and cities followed by Northern African (45%), Western Africa (36%), and Central Africa (33%). On the other hand, Eastern Africa where only 21% of overall population is urban , is the least urbanized sub- region. (UN, 1995).

It commonly understood that massive rural - urban migration is a fundamental force of urban population growth that is being experienced by LDCs. As studies show (UN, 1969; Solomon 1985) such rural - urban migration movements in these countries are typically characterized by a more rapid growth of the population in the primate or larger cities than in the smaller ones. As clearly indicated by Solomon (1985) the presence of diversified economic activities in primate or bigger cities enable them to provide rural migrants with more job opportunities (mostly in the informal sector) than smaller cities and this makes primate cities more attractive for rural migrants who is looking for advancement. Consequently, 'primate' cities of LDCs as they have been, remain to be a locus of increasing population concentration.

2.1.2. Urbanization in Ethiopia , Levels, Trends and Patterns.

In this section, attempt is made to describe the overall picture of the urbanization process in Ethiopia. A number of research findings (Mesfin, 1965; Akalu, 1967; Horvath, 1969; Alula, 1974; Pankhurst, 1985) have shown that, though pre 20th Ethiopia was predominantly rural it was not without some forms of urban development. Generally, the origin of urban development in the country goes back to the time of Axumite civilisation where Axum was believed to have been a center of politics and innovation. The medieval towns of Lalibela and the 18th century Gonder were also some among pre- 20th century indigenous pre- industrial towns that emerged following Axum. Evidence from the above writings, however, indicated that much of the pre 20th urban history of Ethiopia has been marked by a great deal of discontinuity. Physical factors (rugged to topography which created obstacles to transport and communication), social factors (underdevelopment of vital occupations of urban character such as craftsmanship) and political factors (internal conflict and external aggression) have in combination acted as a forces of impediments on the luck of permanency and development of urban centers during pre 20th century Ethiopia. As a result, as pointed by Akalu (1967) , until the end of the 19th century the process of urbanization was cyclical rather than a commutative phenomena.

At the end of the 19th century, the concentration of political power in the hards of Meneilk along with the emergence of stable government and establishment of Addis Ababa as permanent seat of the state, however, has aid the foundation for incipient urban development in the country. The new trend in the emergency of urban system in the country since then was facilitated by a number of factors that started to develop during this period. For instance, the emergence and development of towns

like Dire Dawa, Awash, Nazreth, Mojo, DebreZeiet and Akaki were the results of the role that the railway played in the formative years of Ethiopia urbanization.

Urbanization in the country was further accelerated during the Italian occupation (1930-1941) , which Alula (1983) marked as "a watershed " of Ethiopian urbanization. Despite its short duration, it provideds the basic ingredient of an urban system. For instance, the building of road net work which stimulated the emergency of new towns which Horvath (1969) maintained as Kombolcha, Sendafa, Jimma, Bonga, Azezo, etc. Since the 1950s, there has been accelerated urban growth in the country. These developments were related to the emergence of large numbers of import substitution industries, development of mechanized farms as well as the socio- economic environment that prevailed in the country during the late 1950s through the 1960s and early years of 1970s. As a result, new towns such as Awash Arba Minch, Wonji, Dubti and few others were founded and others such as Bahir Dar, Asela, Nazareth and Dire Dawa were expanded from small villages in to major urban Centres (Kebede, 1994).

Although this phenomenal growth in the number of cities and of city dwellers was taking place for a long period, it was only since the last few decades that Ethiopia began to undergo through accelerated pace of urbanization. Consequently, profound changes have been observed in the levels and trends of urbanization in the country.

Table 5: Levels and rates of urbanization in Ethiopia (1967-1994)

Levels of urbanization			Rates of urbanization	
Year	Urban population '000	Percent of total population	Period	Urban population Growth rate (r*) in percent
1967	1,870	7.6	-	-
1975	3,195	11.8	1967-1975	7.12
1984	4,357	10.3	1975-1984	3.44
1994	7,323	13.6	1984-1994	5.19

Source:
1. CSO, 1968
2. CSO, 1976
3. CSA, 1985
4. CSA, 1995

As shown in Table 5, the proportion of urban population, which was 7.6% (1.8 million) in 1967 rose to 11.8% (3.1 million) in 1975. Though this figure declined to 10.3% (4.3million) in 1984, it again increased to 13.6% (7.3 million) in 1994. At present, about 15% of the total population of Ethiopia believed to be living in urban areas. . This is low when compared to with those of Ethiopia's counterparts in Eastern Africa such as Zambia (43%), Mozambique(34%) Kenya (28%) and Tanzania (24%)(UN,1995). As the growth rate figures presented in Table 5 indicate, during the period 1967-1975, . Ethiopia's urban population growth rate was 7.12%, but during the period 1975-1984 , it declined to 3.4% . At present , the urban population of the country is growing at the rate of 5.1% per annum (almost double the present world's average urban population growth rate of 2.49%)

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* $r = 1/n \ln \frac{p_u^{t+n}}{p_u^t}$, where, p_u^t is initial urban population and p_u^{t+n} is urban population after time n.

However, it should be noted that the current urban population growth rate of the country (5.19% per annum) is one of the highest in the world.

2.1.2.1. The Growth of Addis Ababa

Ethiopia had an early civilization. The process of urban development has a long history in the country. As discussed above, until to the end of the 19th century much of the urban history of Ethiopia has been marked by a great deal of discontinuity. It was only at the end of the last century i.e. following the concentration of power in the hands of Menelik and the emergence of a stable government the and establishment of Addis Ababa as a permanent seat of that state that urbanization in its modern sense of the process began to take a new shape in contemporary Ethiopia.

Generally, differences of opinion as exist to when Addis Ababa was established. For instance, Jelaludin (1994) indicated that Entoto was serving as the capital of Menelik until the capital was moved to Addis Ababa in 1880. The City council of Addis Ababa (1985), On the other hand, has put the year 1886/87 as a time when Addis Ababa was established. However, Solomon (1985) has concluded this issue by saying that Addis Ababa was established some times in between 1880 and 1890.

Addis Ababa is now more than 100 years old. During the last 100 years or so, the city has been experiencing rapid population growth mainly due to the influx of large numbers of people to the city as well as due to high natural growth.

One of the earliest estimates made for the size of the city's population is that of Merab (1909) who stated that (cited in Jelaludin, 1994) Addis Ababa had a population of 60,000 in the year 1910. Accordingly, the US commercial and Economic Survey of 1927 (Cited in Jelaiudin, 1994) estimated the size of the population of the city to be 70,000. Subsequent estimates also reflected the city's steady growth. Accordingly, in 1935 the total population of the city was found to be

100.000 and increased to 317, 819 in 1951, i.e. a three- fold increment within 16 years. By 1990, it became 1,792, 699 i.e. a six - fold increment within 40 years. (Solomon, 1985). The 1984 and 1994 population and Housing census obtained a figure of 1,423,111 and 2,112,737, respectively. Compared to the 1984 population size of the city (1,423,111), the 1994-population size has shown a 3.26% increase within 10 years.

Since 1930s, the city has passed through irregular pattern of population growth. This illustrated by varying annual growth rates of the city's population during different periods: 12.1% during 1935-1952, 4 % during 1952-1961, 6.7% during 1961-1978 and 3% during 1978-1984 (Solomon, 1985) and 3.8 % during 1984-1994 (CSA, 1995).

During the last few decades, the population of the city has grown so fast that at present (1994) Addis Ababa, the national capital, houses 2,112,737 persons (28.4% of the total urban population of the country) (CSA, 1995). However such rapid growth of the city's population with out parallel development of the city's socio - economic conditions, therefore, poses serious urban problem i.e, urban poverty Thus, poverty is becoming an increasing socio-economic problem in Addis Ababa. .

2.2. Review of Urban Poverty

Poverty is one of the most serious problems of the world . This has always been so, but it has became the focus of great concern for nations and large numbers of people primarily since the last four / five decade.

2.2.1. Global levels

One of the major problems encountered in the analysis of poverty is poor quality of the available demographic and socio- economic data. Nonetheless, various estimates have been made on the extent of global poverty. One of the earliest

estimates available is that of FAO (1986) which gives the number of the worlds poor people as a figures between 370 million and 800 million in early 1970. Heonard (1989) as cited in Yassin (1997) put the number of poor at nearly 2 billion. This means that 40% of the world's 5.3 billion people were poor.

It is commonly agreed that the general levels of living tend to be very low for a significant proportion of the world's poor population. This low levels of living (poverty) is manifested in the form of low income, inadequate housing, malnutrition, poor health and poor sanitation, limited or no education, etc. Thus, the world's poor population as they have always been, still live in the shadow these old enemies.

According to the WB (1997) estimates, nearly one- quarter of the world's population (1.3 million people) live and continue to live in absolute poverty earning less than $ 1per day. According to ketes (cited in yassin, 1997), 100 million people were completely homeless in 1990. As indicated by the WB (1997), 200 million children under the age of five still suffer from malnutrition. A total of 2 million death in children occur annually due to vaccine preventable diseases and 30% of the worlds population is still with out safe water and sanitation. In addition, Heonard in (yassin, 1997) indicated that about 1 billion people were illiterate in 1989.

Today, one of the most pressing moral, political, and socio- economic issues is Third world poverty. It is known that poverty has becoming increasingly servere in LDCs since the past few decades. For instance, in 1969 , about 835 million people lived in poverty in all LDCs. Of these, 74.2% (620 million) were in Asia , 19.7% (165 million) in Africa, 5.9% (50 million) were in Latin America. (WB, 1993).

In 1985, if US $ 370 and 270 were considered as upper and lower poverty lines, respectively, about 1,115 million (1.1 billion) people of LDCs live in poverty i.e. their annual consumption was less than US $ 370 , the upper poverty line. This is roughly

1/3rd of the total population of LDCs. Of these, 630 million (18% of the total population of LDCs) were extremely poor, i.e. their annual consumption was less than US $ 275 , the lower poverty line (WB, 1990). In the same year (1985), about 185 million people live in poverty in SSA. That was 16% of the total poor people of LDCs. In 1990, the number of poor people in SSA increased to 216 million. That is an increase of 32 million poor people within five years. During the same period (1985-1990), the number of poor people in all LDCs increased by 82 million, of these 25.6% were in Latin America and Caribbean, 15.8% were in Middle East and North Africa and 24% were in South Asia (WB, 1993). Here it should be noted that SSA accounts for a smaller percentage of the world's population, but for disproportionately high share of global poverty.

Evidence from Various studies (Todaro, 1977; FAO. 1986; WB, 1990; Lipton and Ravllion, 1993) indicated that poverty in many countries has significant regional (rural urban) dimensions. Analysis of the general patterns of poverty, as they are known in LDCs, indicate that the highest incidence and severity of poverty are still found in rural areas (Lepton and Revllion, 1993). Thus, poverty is predominantly rural (Getahun, 1999). However, it should be stressed that though poverty is predominantly rural, there are now disquieting evidences that poverty in urban areas is persistent and growing (Rogers, 1989).

Urban poverty is usually tied to urban population growth. As studies show (Desalegn, 1984; Cohen and Lssaksson, 1988; Kebede, 1991; P. Alula, 1992 ; Kebede , 1994) rural population pressure, environmental degradation and low productive subsistence agriculture expose the rural people to extreme vulnerability to food shortage. This pushes people to abandon their farms and migrate to the urban areas mainly, as stated by Todaro (1977) and Alula (1993) in search of employment. Urban areas in return offer

rural migrants a possible escape from poverty. This clearly indicates that rural poverty undoubtedly contributes to urban population growth and hence to the increase of urban poverty. Thus, urban poverty remains ... a reflection of rural poverty.;

Although the only immediate route out of poverty for many of the rural poor is migration to cities in hope of obtaining higher income and better employment , no adequate provisions are available for these new migrants. Consequently, they place increasing strain on existing urban economies and intensify competition in the general living conditions of urban population and thereby aggravate urban poverty. As Tolley and Vinod (1987:47) put it :-

> "Given the level of development, rural - urban migration help to reduce difference in real incomes between urban and rural areas and bring about an increase in urban poverty "

Since the last few decades, urban poverty in LDCs has became more acute as people (mainly from rural areas) have flocked to cities.For instance the 1989 world Bank report indicated that (cited in Menendez, 1991), about 330 million urban people (28% of the overall world's urban population) were poor. Of these, 45% (55.5 million) were in Africa, 23% (136.5 million) were in Asia 34% (59.5 million) were in Europe, Middle East and North America and 27% (27.3 million) were in Latine Americas and Carribean.

Social indicators also show the worsening aspects of the problem of urban poverty. For instance, 30% of the overall urban population of LDCs have no access to safe water, 40% have no proper sanitation and 40 - 50% live in slums and informal settlements (UN, 1986/87)

Hence, emphasizing on the unhealthy process of urbanization in LDCs , Goldscherie (1980:59) wrote the following:

> ". . . instead of standing as a symptom of socio-economic growth, urbanization in developing countries is often one of the most conspicuous dimension of continued povery"

Generally, in coming years as urban population growth continues through out of the developing world, urban poverty promises to became increasingly severe.

2.2.2. Urban Poverty in Ethiopia

Today, Ethiopia, with long and rich history, is just about one of the poorest countries in the world. For instance, based on 1998 World Bank report, Dejene (1999) indicated that Ethiopia with a GNP of U.S $ 6.5. billion (only with a GNP per capita of U.S $100) in 1997 is one of the poorest countries in the world.

Notwithstanding the inadequacies of data, there is no doubt that the incidence of poverty in Ethiopia is very high . As indicated in the recent estimates of the world Bank (1992), 27.3 million people (51% of the total population of the country) were poor. Accordingly, estimates of proportion of population suffering from chronic food insecurity ranges from one third to more than one- half (WB,1996)

Like other LDCs, the rapid pace of urban population growth which Ethiopia has been experiencing since the middle of the 20th century has now reached a level that poverty, housing shortages, unemployment etc are becoming an increasing urban socio-economic problems.

Evidence from ILO/ JASPA (1976 and 1978) report (cited in Alula , 1983) indicates the percentage of urban population of Ethiopia living in poverty in late 1970s in the order of 50% to 60% .The same source indicates that, in 1973, the incidence of food and total poverty in urban areas of Ethiopia were 35.4% and 59.5%, respectively.

As reported by the World Bank (1992) , if 244 Birr per month for a family of five is considered as poverty line for urban areas, 58% (4 million) of the estimated total urban population of Ethiopia were poor. On the other hand, study by the Government (1993) indicates that (cited in Getahun, 1999),63% of the estimated total urban population of Ethiopia were suffering from poverty in 1993.

An important point worth mentioning while dealing with urban poverty is the level of monthly urban household income. It is known that a large proportion the urban households have low level of monthly income. This typically illustrated, in the findings of ILO/ JASPA (cited in Getahun, 1999) which presents the proportion of the urban population of the country as 63%. Bigstone and Negatu (1999:2), in their analysis of levels and distribution of income in urban Ethiopia, indicated that 47% of the total sample urban households had total monthly incomes of less than 300 Birr .

In addition to low monthly household income, urban poverty is manifested in the form of poor housing conditions (one of most visible dimensions of poverty) . In this regard, a common feature of urbanization in Ethiopia is similarity of the urban centers in their physical structure (housing conditions). It is commonly agreed that urban housing conditions in Ethiopia, except in few a cases, are still typified by poor constructional materials.

As studies show, 90% of the country's urban population live in sub- standard houses which are poorly constructed from wood and mud and lacking the minimum amenities (MUDH and UNICEF, 1983: Asrat , 1987). For instance, out of the total urban housing units, 92% have no batting facilities, 49.7% have no toilet facilities of any kind, 39.9% have no Kitchen facilities and 39% of the housing units were over crowded (Kebede, 1994).

The problem of unemployment in these urban centers of Ethiopia is also very serious. For instance, according to Kedede (1994), out of the country's total urban labour force,

the proportion of people seeking some form of gainful employment was over 40% in 1994. In addition, 73% of the total urban population have no access to safe water and 45% have no access to primary health care (WB, 1998). In Ethiopia urban poverty is also manifested in the form of low level of education. This is typically illustrated by overall urban illiteracy rate i.e 65% (WB, 1998/99).

So far, in Ethiopia, various poverty targeted programs have been designed and efforts have also been made to alleviate urban poverty. Despite these efforts, slight improvements were registered. For instance, between 1994 and 1997, 15.7% of the total urban population of the county have moved out of poverty, while 13.6% have crossed the poverty line in to opposite direction (Getahun, 1999).

Therefore , there is no gainsaying the challenges and importance of economic development of this large and very poor country with significant implications for global poverty.

2.2.2 poverty in Addis Ababa

Experience has proven that as urban areas grow in population, government and the community face increasing pressure to provide services and infrastructure facilities and effectively co -ordinate and manage the development of cities and towns.

Since the last few decades, due to both high rates of natural increase and the arrival of large number of migrants, the population of Addis Ababa has been rapidly increasing thereby compounding the city's problem of poverty. For instance,

ILO/ JASPA (cited in Goitom , 1995) indicated that 51% (504.9 thousand) overall population of Addis Ababa were poor in 1976, whereas corresponding figure increased to 56% (630.2 thousand) in 1978. The same source indicated that the incidence of food poverty was 33 % (326.7 thousand) in 1982, but it increased to 34%(382.6 thousand) in 1978.

As indicated by the World Bank (1982), if 135 Birr per month for a family of 5.3 is considered as poverty line for urban areas, 69% of overall households of Addis Ababa were poor. i.e, had income below the absolute poverty threshold in 1982. The world Bank (1992) indicated that, if 244 Birr per month for a family of fives is considered as poverty line for urban areas, 60% (1.14 million) of the estimated 1.9 million total population of Addis Ababa were poor. That is 28.5% of the estimated 4 million total urban population of the country .

Goitom (1995), in his study of aspects of poverty in Addis Ababa, has estimated the incidence of total poverty in the city at 45% (882.3 thousand)in 1990. The corresponding figure in 1991 increased to 51% (1 million), whereas it reached 63% (1.3 million) by 1992.

The same source indicated that the proportion of food poor (the number of people who could not afford the cost for minimum food consumption basket) increased from 35.3% (686.3 thousand) in 1990 to 39.7% (803.6 thousand) in 1991 and reached a level of 48.4 % (1 million) by 1992. Solomon (1993) based on household head income, has obtained a figure of 67.5% (1.8 million) and 57% (1.5. million) for the incidence of total and food poverty in the city 1992, respectively. For the same year, based on combined house hold income, he has estimated the incidence of total and food poverty in the city at 53.3% (1.4 million) and 43.2 % (1 million), respectively.

As studies show, the weight of poverty falls most heavily on certain household groupings. Accordingly one would expect high incidence of poverty among female headed, widowed and separated/ divorced households. One would expect the same among bigger households and households headed by old, less educated, self employed and retired people. For instance, Solomon (1993) indicated that 72.2 % of overall female sample household heads earn a monthly income of 100 Birr or less, while only 27.5 % of

overall male sample household heads were in the same income group. Yassin (1997) indicated that 52% of overall female headed sample households were poor, while 40% of overall male headed sample households were so classified. The same source indicated that the prevalence of poverty is high among widowed (52.7%) and separated / divorced families (53.7%) bigger families (66.3%) and among families headed by less educated people (61.2%)

As discussed before, poverty is multifaceted. It manifests it self in various forms. Thus, in addition to low income, problems such as poor housing conditions and unemployment are also at the core of poverty .

Housing condition also show the worsening aspects of poverty in the city. For instance, Solomon (1985) , based on the 1978 CSO report, has concluded that 5% of overall housing units in the city had to be demolished, 20% required expensive maintenance, while 46% required limited maintenance. He has also estimated the commutative back log of dwelling deficit in the city at about 130,000 housing units.

As pointed out by Yassin (1997) a lot of people in Addis Ababa tend to suffer from low quality housing as the great majority of the residential houses are traditional 'chicka' type with limited time span, which MUDH and UNICEF (1983) and Asrat (1987) named as " Sub - standard houses". It is commonly agreed that sizeable proportion of households in the city are among low income groups, hence, unable to construct decent dwelling units or rent better quality houses. Consequently, the majority of poor people live in Kebele houses paying low rent as they are mostly poorly constructed from wood and mud and lack the minimum housing amenities. For instance, 55.4 % of overall sample households in the city were renters. Of these,

CHAPTER THREE

3. Distribution on Income and Expenditure

3.1 Income distribution

An understanding of the nature of income distribution among a population is central to any analysis of poverty. Thus, in this section, an attempt is made to assess the nature of income distribution among surveyed household heads of central Addis Ababa. The percentage distribution household heads by income group cross classified by Kebele is presented in Table 6. The results show that 47% of the surveyed household heads earn a total monthly income of less than 300 Birr each, and about 45% between 300 and 800 Birr, while the remaining 8% earn total monthly income of 800 Birr and above (see also Figure 1). As can be seen form Table 6, the proportion of low income household heads (heads with total monthly income of less than 300 Birr) is highest in Kebele 20 Wereda 15 (77.1%) followed by Kebele 21 of wereda 14 (74.3%) and Kebele 20 of Wereda 09 (64.8%). As regard the proportion of household heads in the middle income category (300 to 799 Birr), it is highest in kebele 52 of Wereda 20 (65%) followed by Kebele 30 of Wereda 21 (61%) and Kebele 07 of Wereda 22 (59.9%). Accordingly, the highest proportion of household heads with . total monthly income of 800 Birr and above is recorded for Kebele 13 of wereda 06 (19.5%) which is followed by Kebele 07 Wereda 22 (17.8%), Kebele 40 of Wereda 04 (12%) and Kebele 30 of wereda 21 (11.1%).

The overall monthly total household head income for the study area averaged 322 Birr, ranging from 571 Birr in kebele 30 of wereda 21 to 233 Birr in kebele 21 of wereda 14.

Table 8: Distribution of household Heads income by Income group and Kebele(Percent)

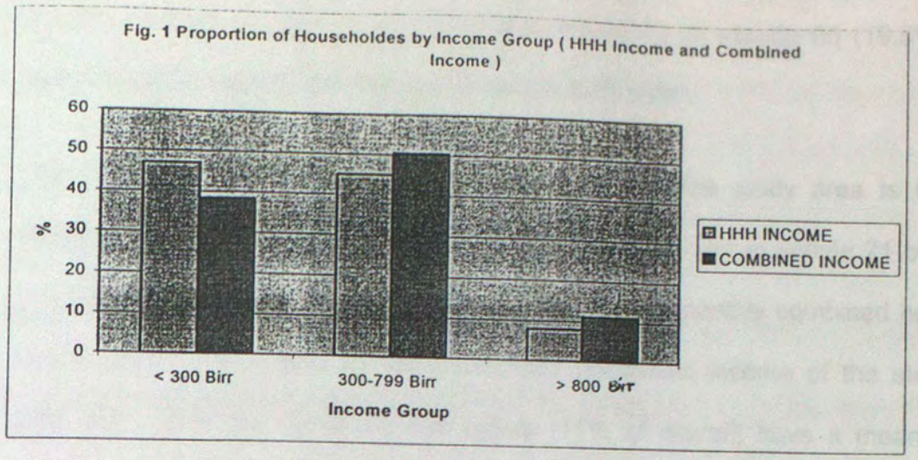
Income Group(Birr)	Worda/Kebele												
	02/09	03/33	04/40	06/13	07/32	09/20	14/21	15/20	16/35	20/52	21/30	22/07	Total
<50	6.8	3.5	-	-	6.5	16.2	18.6	13.6	10.9	4.6	-	-	7.0
50-99	17.2	-	20.0	13.7	15.2	10.8	16.2	-	13.3	-	11.1	10.7	10.0
100-199	14.0	21.4	4.0	11.7	19.5	5.4	20.9	36.3	10.0	11.6	11.1	17.8	14.5
200-299	10.3	14.4	20.0	9.08	13.0	32.4	18.6	27.2	16.6	16.2	16.6	10.7	16.2
300-399	31.0	17.8	28.0	9.8	28.2	16.2	9.3	4.5	26.6	20.9	-	21.4	18.2
400-499	10.3	21.4	8.0	11.7	8.6	10.8	4.6	-	10.0	30.2	27.7	14.2	14.2
500-599	7.0	7.1	8.0	11.7	8.6	5.4	4.6	9.0	6.6	9.3	22.2	7.1	8.2
600-799	3.4	10.7	-	1.9	-	-	2.3	9.0	3.3	4.6	11.1	14.2	3.7
800-1499	-	3.5	4.0	11.7	4.3	2.7	2.3	-	-	-	-	10.7	4.2
≥1500	-	-	8.0	7.8	-	-	2.3	-	3.3	4.6	11.1	7.1	3.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Mean Monthly Income	336	403	359	443	399	289	233	244	320	418	571	468	322
Average Household size	7.8	6	5.8	6.4	7.7	7.0	5.0	4.5	5.6	5.4	7.1	5.4	6.1
Mean Monthly Per Capital	43	67	62	69	52	41	47	54	57	77	80	86	53
Number of Sample Households	29	28	25	51	46	37	43	22	30	43	18	28	400

As can be seen in Table 6, out of the total surveyed Kebeles, four kebeles (1/3rd of overall) have average monthly total household head income below the overall average household head income of the study area(322 Birr), while the remaining eight Kebeles (2/3 of overall) have above this overall average.

The mean monthly per capita household income for the study area is 53 Birr. Across surveyed Kebeles, as presented in Table 6, the highest mean monthly per capita household head income is recorded for kebele 07 of wereda22 (86 birr) following by kebele 30 of wereda 21 (80 Birr) and kebele 52 of wereda 22 (77 Birr), while the lowest is recorded for kebele 20 of werda 09 (41 Birr) followed by Kebele 09 of Wereda 02 (43 Birr) and Kebele 21 of Wereda 14 (47 Birr). An interesting point worth mentioning here is that Kebele 09 of wereda 02 and Kebele 32 of wereda 07, which have mean monthly household head income above the overall average of the study area (322 Birr), are included in low income per capita kebeles. This may due to fact that these two kebeles have relatively large average household size (7.8 and 7 persons, respectively) relative to their mean monthly household head income. On the other hand, kebele 20 of wereda 15 and kebele 35 wereda 18, which have a mean monthly household head income below the overall average of the study area, are included in high per capita kebeles as they have a mean monthly per capita household head income (54 and 57 Birr, respectively) above the overall average of the study area and this may result from their low average household size (4.5 and 5.6 persons, respectively) relative to their mean monthly household income.

Table 7: Distribution of combined household Income by income group and kebele (Percent)

Income Group (Birr)	02/09		04/40	06/13	07/32	09/20	14/21	15/20	18/35	20/52	21/30	22/07	Total
< 50	-	-	-	-	2.1	8.1	13.9	13.6	6.6	-	-	-	3.7
50-99	10.3	-	8.0	9.8	17.3	10.8	13.9	-	6.6	-	-	-	7.5
100-199	17.2	17.8	8.0	15.6	17.3	13.5	23.2	22.7	13.3	13.9	-	17.8	15.7
200-299	10.3	14.2	16.0	5.8	8.6	21.6	16.2	18.1	13.3	6.9	5.5	3.5	11.5
300-399	24.1	10.7	8.0	3.9	21.7	16.2	6.9	9.0	26.6	16.2	-	3.5	12.7
400-499	13.7	21.4	16.0	-	-	13.5	4.6	4.5	3.3	27.9	11.1	17.8	15.2
500-599	13.7	14.2	16.0	15.6	13.0	8.1	9.3	18.1	10.0	11.6	33.3	17.8	14.0
600-799	10.3	17.8	8.0	5.8	-	-	6.9	-	13.3	11.6	16.6	14.2	8.7
800-1499	-	3.5	8.0	11.7	2.1	5.4	2.3	4.5	-	2.3	16.6	17.8	5.7
≥1500	-	-	12.0	7.8	2.1	2.7	2.3	9.0	6.6	6.9	16.6	7.1	5.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Mean Monthly Income	336	423	423	53	463	359	315	432	540	527	786	672	660
Average Household size	7.8	6	5.8	6.4	7.7	7.0	5.0	4.5	5.6	5.4	7.1	5.4	6.1
Mean Monthly per Capita	46.9	70.5	72.5	83.5	60.1	51.2	63.0	96.0	96.4	97.5	110.0	124.4	108
Number of sample households	29	28	25	51	46	37	43	22	30	43	18	28	400



Like in other developing countries, extended family system is quite common in Ethiopia. This may have resulted from the fact that parents want to have large number of children due to the well founded needs that they have either for labour, security, status or other related benefits provided by children. Accordingly, several members of households in Ethiopia may earn incomes either through formal or informal activities (Mekonnen, 1995) and this conditions, no doubt, has impact on level of monthly household income. Therefore, assessing the distribution of combined household income is imperative.

Considering combined household income, as can be seen in Table 7 the proportion of households in the low-income category (Below 300 Birr) decreased to 38.4%. Contrary to this, the proportion of households in the middle income (300 to 799 Birr) and upper income category (800 Birr & above) increased to 50% and 11.2%, respectively (See also Fig 1). It also appears from Table 7 that the proportion of households in the low income category (Below 300 Birr) is still higher in Kebele 21 of wereda 14 (67.2%), Kebele 20 of wereda 15 (54.4%) and kebele 35 of wereda 18 (39.8%), while the proportion of households in the upper income category (800 Birr and above) is still higher in kebele 30 of wereda 21 (33.2%), kebele 07 of wereda 22

(24.9%), Kebele 40 wereda 04 (20%) and kebele 13 of wereda 06 (19.5%); even though there are some rank reversal effects in both cases.

The mean monthly combined household income for the study area is 660 Birr, ranging from 786 Birr in kebele 30 of wereda 21 to 315 Birr in kebele 21 of wereda 14. Overall, ten kebeles (83% of the total) have mean monthly combined household income below the overall average combined household income of the study area (660 Birr), while the remaining two kebele (17% of overall) have a mean income above the overall average value of the study area. These include kebele 30 of wereda 21 (786 Birr) and kebeles 07 of wereda 22 (672 Birr). Nonetheless it should be noted that the overall pattern of distribution observed for mean monthly combined household incomes as a whole also holds for per capita income distribution, where only these two kebeles (kebele 30 of wereda 21 and kebele 07 of wereda 22) have mean monthly per capita combined household incomes above the overall average value of the study area (108.1 Birr).

The survey recorded the sex, age, marital status, ethnic origin, religious affiliation, educational status and main source of income of each individual household heads. Based on this information, an attempt has been made to assess the distribution of monthly incomes of the surveyed household heads of the study area.

The distribution of household heads by income groups and gender is shown in Table 8. The results show that the majority (63.5%) of the female sample household heads are found in the low-income category (monthly incomes below 300 Birr), while the corresponding figure is only 35.3% for male household heads. Accordingly, the proportion of female and male household heads in the middle-income category (300 to 799 Birr) is 32.6% and 53.4 % , respectively.

As regards those in the high income category (800 Birr and above), the proportion of female household heads is only 3.4 % and the corresponding figure for male household heads is 10.9%. This clearly indicates that male headed households are found predominantly in the middle and upper income categories, while female headed households belong mainly to the low income category. This is perhaps due to the reason that most of female house hold heads covered by the survey are engaged in various forms of self employment such as street vending, petty trade and other small scale commerce from which they obtain their low daily income. Thus, it is not difficult to see that female headed households are highly vulnerable to the problem urban poverty and hence need priority in any policy intervention against urban poverty.

Distribution of household heads by income groups and age is presented in Table 8. As indicated in the table the proportion of household heads in the low income category (below 300 Birr) is highest (64.8%), among old household heads (with ages of 60 years and above), while the corresponding figure is 33.1% for household heads with ages between 30 and 59 years and 27.6% for young household heads (with ages below 30 years). In the middle income category (300-799 Birr) the proportion of household heads with age of 60 years and above is only 27.1%, while this figure is 52.3% for household heads with age of 30 years or below . The comparative figure for those with ages between 30 and 59 years is 45.5% As far as the proportion of household heads in the upper income category (800 birr and above) is concerned, it is 14.7% for household heads of young age (Below 30 years) and 6.1% for household heads of middle age (30 to 59 years), while it is only 3% for those of in the old age (60 years and above).

This clearly indicate that old household heads i.e. heads with age of 60 years and above who have reported relatively low monthly income are most likely poor. This is perhaps resulted from the fact that to wards old age people either get retired or lose their jobs due to ill heath and hence of the appear to have low monthly income.

Significant variation in the distribution of monthly income is also observed among household heads depending on their marital status. It appears from Table 8 that the proportion of household heads in the low income category is highest (80.1%) among the widowed followed by the divorced/ separated (56%), married (41.1%) and single (40.1%). Accordingly, more than half (62%) of the single household heads covered by the survey have monthly incomes between 300 and 799 Birr, while this proportion is 49.8% for the married, 36% for the divorced / separated and 10.5% for the widowed household heads. Considering the upper income category (monthly income of 800 Birr and above), the proportion of single and married household heads is higher than that of widowed and divorced /separated household heads. This can be illustrated by the provisional proportion figure for the single (10.8%) and the married household heads (8.5%) as compared to the corresponding proportion for the widowed (2.3%) and divorced /separated household heads (8%). Then an interesting conclusion that one may bring out from the above analysis is that the majority of the widowed and divorced / separated household heads covered by the survey who have reported low monthly income i.e. below 300 Birr per month are more likely poor.

This perhaps associated with fact that following either the termination of marriage or lose of marriage partner due to death, household income in most cases significantly declines and hence these family groupings usually appear to have low monthly income.

Table 9 : Distribution of Household Heads income By Income group and Ethnic origin and Religious Affiliation of Household Head (percent)

Characteristics of HHH	Income Category										Total
	<50	50-99	100-199	200-299	300-399	400-499	500-599	600-799	800-1499	≥1500	
Ethnic Origin of HHH											
Amahara	10.6	15.6	17.0	18.4	14.8	5.6	11.3	2.1	2.8	1.4	35.2
Oromo	9.0	6.4	12.9	27.2	15.5	15.5	3.8	1.2	2.6	1.2	19.2
Gurage	3.8	6.7	15.0	13.5	29.1	15.5	7.7	3.8	2.9	3.8	25.7
Tigreway	3.6	7.2	9.0	3.6	16.3	23.6	7.2	9.0	10.9	9.0	13.7
Others	-	8.6	13.0	8.6	-	34.7	8.6	8.6	8.6	8.6	5.7
Total	7.0	10.0	14.5	16.2	18.2	14.2	8.2	3.7	4.2	3.5	100.0
Religion of HHH											
Orthodox	9.0	12.8	18.1	17.7	20.5	13.2	5.2	2.0	0.3	0.4	71.7
Catholic	-	-	-	5.8	3.9	25.4	19.6	11.7	17.6	15.6	12.7
Protestant	-	-	3.7	11.1	7.4	22.2	18.5	3.7	22.2	14.8	6.7
Muslim	5.7	8.5	14.2	22.8	28.5	-	8.5	5.7	-	5.7	8.7
Total	7.0	10.0	14.5	16.2	18.2	14.2	8.2	3.7	4.2	3.5	100.0

As indicated in Table 9 , there is a significant variation of income distribution among the surveyed households of the study area depending on ethnic origin and religious affiliation of household heads. As indicated in Table 9 about 35.2% of interviewed households heads are Amhara, followed by Gurage (25.7%) , Oromo (19.2%) and Tigreway household heads (13.7%). Household head with ' other' ethnic origin account for only about 6% of the respondents.

It may be observed from the data in Table 9 that that the highest proportion (61.6%) of Amhara household heads have monthly incomes below 300 Birr followed by Oromo (59.4%) and Gurage household heads (36.1%) while the proportion of Tigraway household heads in this income category is only 23.4%. Accordingly, in the middle income category (300 -799 Birr), the proportion of the Amhara and Oromo household heads is 43.8% and 36%, respectively. The comparative figures are 56.1% for Tigreway and 56% for Gurage household heads. Similarly, as Table 9 shows, only 4.2% of Amhara and 3.8% of Oromo household heads receive a monthly income of 800 Birr and above. The corresponding figures among the Tigraway and the Gurage household heads are 19.9% and 6.7% , respectively. This suggests that the majority of Amhara and Oromo household heads who have reported low monthly incomes i.e. monthly income of less than 300 Birr are highly vulnerable to the problem of urban poverty.

As far as distribution of households by income groups and religious affiliation of household heads is concerned, the proportion of household heads in the low income category (below 300 Birr) is 57.6% for the orthodox Christian and 51.2% for Muslim household heads, while the proportion of catholic and protestant household heads in this income category is only 5.8% and 14.8% , respectively. In the middle in come category (300-799 Birr) the proportion is higher among catholic household heads (60.6%) followed by protestant (51.8%), Muslim. (42.7%) and Orthodox household head (40.9%).

Considering the upper income category(800 Birr and above),the proportion among Protestant household heads is highest (37.0%) and then among Catholic household heads (33.2%). On the other hand, only 0.7% of Orthodox and 5.7% of Muslim household heads have reported monthly incomes of 800 Birr and above(seeTable9). In general, the findings show that orthodox Christian and Muslim household heads who have reported relatively low monthly income are more likely to suffer form urban poverty, On contrary, Catholic and Protestant household heads who have reported better monthly income, are relatively economically better -off.

During the survey information was also collected on the educational status of household heads. As presented in Table 10, out of the total household heads, 18.7% have no schooling, whereas 12.5% have religious / traditional education, 17% have gone primary schools and 28.7% have seen secondary schools. Similarly, 9.5% of surveyed household heads have technical /vocational school certificates, 7% have college diploma, 3.7% have first degree, and the remaining 3.7% have postgraduate education.

As the distribution of households heads by income group and educational level reveal, there is substantial difference in monthly income among surveyed household heads depending on their educational level. As presented in Table 10, in the low income category (Below 300 Birr), the proportion is higher among illiterate household heads (71.9%), household heads with religious /traditional level education (70%), and primary level (66.6%) and Junior secondary level of education (50.8%) as compared to their counterparts with senior secondary (33%) and Technical/Vocational education(17.8%). However, none of the household heads with college Diploma, first Degree and post graduate education have monthly incomes of less than 300 Birr.

Table 10: Percentage Distribution of Household Heads income by Income Group and Educational Level of Household Heads. (Percent)

Educational level HHH	Income Category										Total
	<50	50-99	100-199	200-299	300-299	400-499	500-599	600-799	800-1499	≥1500	
No any Schooling	17.3	24.0	18.6	12.0	20.0	22.0	2.6	-	1.3	1.3	18.7
Religious / Traditional	6.0	20.0	28.0	16.0	18.0	6.0	4.0	2.0	-	-	12.5
Primary School	14.4	8.6	15.9	27.1	18.0	7.2	5.7	1.4	-	-	17.2
J.S School	4.2	12.7	19.1	14.8	25.5	10.6	8.5	2.1	2.1	-	11.7
S.S School	-	-	14.7	18.4	22.0	30.8	11.7	1.4	2.9	1.4	17.0
Technical Vocational	-	-	-	17.8	15.7	26.3	21.0	7.8	5.2	5.2	9.5
College Diploma	-	-	-	-	10.7	28.5	14.2	10.7	10.7	7.1	7.0
First Degree	-	-	-	-	-	13.3	6.6	33.3	26.6	20.0	3.7
Post graduate & above	-	-	-	-	-	-	-	-	40.0	60.0	3.7
Total	7.0	10.0	14.4	16.2	18.2	14.2	8.2	3.7	4.2	3.5	100.0

Further, the proportion of household heads in the middle income category (300-799 Birr) is relatively low among less educated household heads i.e. 44.6% and 32.3% for household heads who have no education and for those with religious/traditional education respectively. However, in the same income category, the proportion is 64% among those who have technical / Vocational level education and 53.3% among those who have college Diploma. In the upper income category (800 Birr and above), the proportion of household heads with post graduate education is highest (100%) followed by those with first degree (46.6%), college Diploma (17.8%) and technical / Vocational level of education (10.4%), whereas household heads with Junior Secondary and below level of education put together constitute only 4.7%. Moreover, the data in Table 10 suggests a strong positive correlation between level of education and income. Thus, it appears that the vast majority of household heads who have reported low level of education have low monthly income and thus, are most likely very poor .

As regards heads main source of income, Table 18 shows that wage/salary is the main source of income for about 32% of the interviewed household heads followed by pension (15.5%), formal business (14.7%) and Remittance (7.5%). Only 3.2 % of the household heads reported rent of structure as their main source of income.

It appears from Table 11 that, in the low income category (less than 300 Birr), household heads who have reported informal business as their mains source of income is 79.4%, where as this proportion is 76.5% for those whose main source of income is remittance, 65.9% for those whose main source income is pension and 61.2% for those who have reported rent of structure as their main source of income. The proportion of household heads in this income category is only 22.5% among those who have reported wage/ salary as their main source of income and 7.6% among those whose main source of income is formal business.

Table 11 Distribution of household heads by Income group and main source house hold head of Income (percent)

Characteristics of HHH	Income Category										
	<50	50-99	100-199	200-299	300-399	400-499	500-599	600-799	800-1499	≥1500	Total
Main source of HHH Income											
Wage / Salary	-	6.7	7.8	14.0	14.0	20.3	17.9	7.8	8.5	8.5	32.0
Pension	9.6	14.5	20.9	20.9	14.5	14.5	3.2	1.6	-	-	15.5
Informal Business	9.2	19.5	27.7	23.1	18.5	-	1.8	-	-	-	27.0
Formal Business	-	-	2.6	5.0	33.8	30.5	10.1	6.7	8.4	3.3	14.7
Remittance	36.6	23.3	6.6	10.0	10.0	13.3	-	-	-	-	7.5
Rent from structure	7.6	15.3	15.3	23.0	23.0	-	-	-	7.6	7.6	3.2
Total	7.0	10.0	14.5	16.2	18.2	14.2	8.2	3.7	4.2	3.5	100.0

In the middle income category (300-799 Birr), the proportion of household heads who reported formal business as their main source of income is highest (81.1%) followed by wage/ salary (60%), pension (33.8%) remittance (23.3%). However, it is only those household heads whose main source of income is wage/ salary (17%), rent of structure (15.2%) and formal business (11.7%) that have monthly income of 800 Birr and above. This leads one to the conclusion that household heads who have reported informal business, remittance, pension and rent of structure as main source of income are among the low income household heads group of the study area.

5.2 The Magnitude Of Income Change (1990- 2001)

In this section, an attempt is made to asses whether surveyed households have experienced any income change or not since the structural adjustment effort was introduced. Accordingly the sample household heads were asked to report their own income for the year 1990 and 2001 so as to characterize the overall income change situation over the period so far mentioned.

Out of the total 400 sample household heads covered by the survey, only 71.7% (287) have given the required information, while the remaining 28.2% (113) of the interviewed household heads did not provide the required information due to various reasons. Thus, it should be stressed from the beginning that analysis of household head income change in this study is based on 287 household heads. Table 12 shows the pattern of change in household head income by sex. Out of the total 287 household heads, 50% are males while 49.8% are females. Overall, 36.9% of the household heads have reported that their income has increased. About 29.2% reported that their income has decreased, while the remaining 33.7% of the

household heads have reported that they have not seen any change in their monthly income.

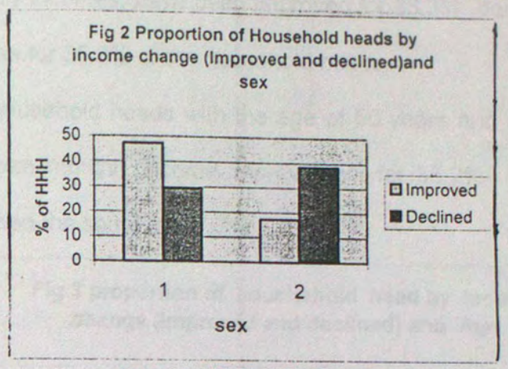
Table 12 Distribution of household head income change by sex

Sex of HHH	Income Change							
	Improved		Declined		No Change		Total	
	No	%	No	%	No	%	No	%
Male	63	61.8 (47.2)	25	31.2 (17.3)	51	52.5 (35.4)	144	50.1 (100.0)
Female	42	38.1 (29.3)	59	68.7 (38.4)	46	47.4(33.1)	143	49.8 (100.0)
Total	105	100 (36.9)	84	100.0 (29.2)	97	100.0 (33.7)	287	100.0 (100.0)

As the general distribution of monthly household head income change by gender reveals, since 1990 there has been improvement in the monthly income for 47.2% and decline for 17.3% of male household heads, while for the remaining 35.4% of male household heads, there has not been any income change at all Accordingly, there has been income improvement for 29.3% and decline for 38.4% of the female household heads. Those whose income did not change accounted for 33% of female household heads.

It should be noted that the proportion of female household heads who have reported improved income is only 38.1%, while this proportions 61.8% for male household heads. However, the proportion of female household heads who have reported declined income is much higher (goes as high as 68.7%),than their male counterparts (31.2%). (See figure 2). This suggests that most male household heads have experienced positive income change, while the reverse is the case for female household heads.

This may provide insight in to fact that female-headed households are more vulnerable to the problem of urban poverty than their male headed counterparts.



Note: 1 = Male 2 = Female

Table 13 indicates the change in the monthly income by age of household heads. Out of the total household heads who have reported improved income, the percentage share of household heads who are in the middle age (30-59 years) is highest (76.4%). On the other hand, out of the total household heads who have reported declined income, those household heads who are in the middle age (30-59 years) constitute 75%, while those household heads who are in the old age (60 years and above) and young age (Below 30 years) account for 20.2% and 4.7% of the household heads, respectively.

Table 13 Distribution of household head Income change by age of

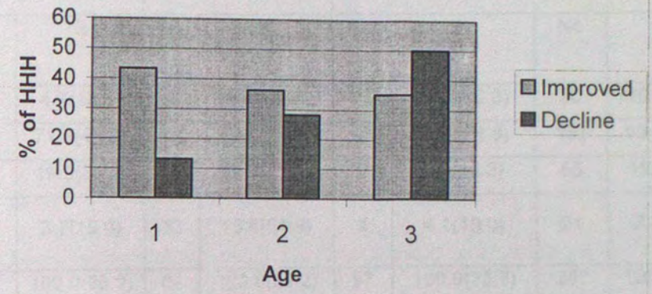
Age group of HHH	Income Change							
	Improved		Declined		No Change		Total	
	No	%	No	%	No	%	No	%
Below 30 years	13	12.2 (43.3)	4	4.7 (13.3)	13	13.4 (43.3)	30	10.4 (100.0)
30-59 years	8	76.4(36.3)	63	75.0 (28.2)	80	82.4(35.8)	223	77.7(100.0)
60 years and above	13	11.3(35.2)	17	20.2(50.0)	4	4.1(11.7)	34	11.8(100.0)
Total	106	100 (36.9)	84	100.0 (29.2)	97	100.0 (33.7)	287	100.0 (100.0)

Coming to each age group, our to the total household heads of young age (Below 30 years), the monthly incomes have been improved for 43.3%, declined for 13.3% and

remained the same for 43.3%. Among household heads in middle age category (30-59 years), monthly incomes have been improved for 36.3%, declined for 28.2% and remained the same for 35.8% of the household heads.

Out of the total household heads with the age of 60 years and above, it is reported that there has been monthly income improvement for 35.2% while it declined for 50.0% and remained the same for 17.7% .

Fig 3 proportion of houshehold head by income change (improved and declined) and Age



Note: 1= Below 30 years 2 = Between 30 and 60 years 3= 60 years and above

As can be seen in Figure 3, the proportion of household heads who have reported improved income is relatively higher (43.4%) among household heads who are in the young age followed by those in the middle age category.,(36.3%) ,while the proportion of household heads who have reported declined income is highest (50%) among household heads who are in the old age followed by those of in the middle age (28.2%) The above analyses, suggest that the income change situation is relatively worse for people who are in old age.

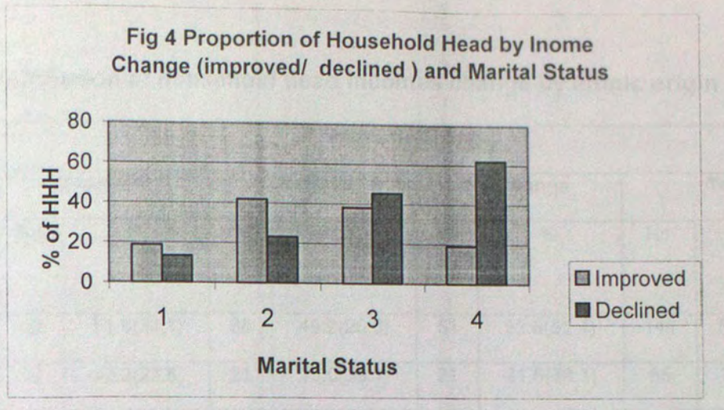
The other important variable that needs to be considered here is marital status. As presented in Table 14 out of the total household heads who have reported improved income, 4.7% are single, 71.6% are married and 19.8% are widowed. The remaining

3.7% are divorced/separated household heads. Among those household heads who have reported declined income, 4.7% are single, 50% are married 29.7% are widowed and 15.4% are divorced/ separated household heads. On the other hand, out of the total household heads who have reported no income change, 21.6% are single, 64.9% are married 9.2% are widowed and the remaining (4.1%) are divorced / separated household heads.

Table 14 Distribution of household incomes change by marital status

Marital Status of HHH	Income Change							
	Improved		Declined		No Change		Total	
	No	%	No	%	No	%	No	%
Single	5	4.7(18.6)	4	4.7(13.3)	21	21.6(70.0)	30	10.4(100.0)
Married	76	71.6(41.9)	42	50,0(23.2)	63	64.9(34.8)	181	63.09100.0)
Widowed	21	19.8(38.1)	25	29.7(45.4)	9	9.2(16.3)	55	19.1(100.0)
Divorced/ Separated	4	3.7(19.0)	13	15.4(61.9)	4	4.1(19.0)	21	7.3(100.0)
Total	106	100.0(36.9)	84	100.0(29.2)	97	100.0(33.7)	287	100.0(100.0)

As the distribution of household head incomes change by marital status reveal, in the proportion of household heads who have reported improved income is highest (41.9%) among the married household heads followed by the widowed (38.1%). As regards the proportion of household heads who have reported declined income, it is found to be highest (61.9%) among the divorced/separated household heads followed by the widowed (45.4%), The comparative figure is only 13.3% among single and 23.2% among married household heads. It should also be noted that decline in the household head income is highly pronounced as compared to improvement among divorced separated and widowed household heads while the reverse is the case among the married and single household heads (see Figure 4)



Note: 1= Single 2= Married 3= Widowed 4= Divorced/ separated

On balance, the data in Table 14 and Figure 4 indicate that there has been some decline in the household heads income among the divorced / separated and widowed household heads.

Variation in income change has also been observed among surveyed household heads depending on their ethnic origin. The results in Table 15 show that, out of the total 287 household heads, it is reported that there has been income improvement for 51.8% of the Amhara,, 16% of the Gurage and 12.2% each for the Oromo and the Tigreway household heads. On the other hand, there has been income decline for 45.2% of Amhara and equally for 25% of Oromo and Gurage and for 47% of Tigreway household heads Out of those who have reported no income change. 52.5% are Amhara. 21.6% are Oromo, 17.5% are Gurage and 8.2% are Tigraeway.

Table 15 Distribution of household head incomes change by ethnic origin

Ethnic Origin of HHH	Income Change							
	Improved		Declined		No Change		Total	
	No	%	No	%	No	%	No	%
Amhara	55	51.8(38.1)	38	45.2(26.3)	51	52.5(35.4)	144	50.1(100.0)
Oromo	13	12.2(23.6)	21	25.0(38.1)	21	21.6(38.1)	55	19.1(100.0)
Gurage	17	16.0(30.9)	21	25.0(38.1)	17	17.5(30.9)	55	19.1(100.0)
Tigreway	13	12.2(52.0)	4	4.7(16.0)	8	8.2(32.0)	25	8.7(100.0)
Others	8	7.5(100.0)	-	-	-	-	8	2.7(100.0)
Total	106	100.0(36.9)	84	100.0(29.2)	97	100.0(33.7)	287	100.0(100.0)

It appears form Table 15 that the proportion of household heads who have reported improved income is highest (52.0%) among Tigreway household heads followed by Amhara (38.1%) and Gurage (30.9%). The proportion of household heads who have reported declined income is equally highest (38.1%) among Oromo and Gurage household heads followed by Amhara (26.3%) and Tigreway (16%).

On balance, the impression one gets from the above analysis is that improvement in household head income is pronounced among Tigreway and Amhara household heads, while decline in household head income is mainly observed among the Oromo and the Gurage household heads and hence, the income change situation is relatively worse for these group of interviewed household heads.

As regards distribution of household heads income change by religion, about 81.1% who have reported with improved income are Orthodox, 66% are catholic, 6.6% are

protestant and the remaining 7.5% of the household heads are Muslim. Considering the total household heads with declined income, the percentage share of Orthodox household heads is 80.9%, while this percentage is only 8.3% for protestant, 10.7% for Muslim household leads. Out of all household heads who have reported no income change, 64.9% are orthodox 17.5% are Muslim, 9.2% are catholic and the remaining 8.2% of the household heads are protestant

Table 16 Distribution of household head incomes change by religious affiliation

Religion of HHH	Income Change							
	Improved		Decline		No Change		Total	
	No	%	No	%	No	%	No	%
Orthodox	86	81.1(39.6)	68	80.9(31.3)	63	64.9(29.0)	217	75.6(100.0)
Catholic	7	6.6(43.7)	-	-	9.	9.2(56.2)	16	5.5(100.0)
Protestant	5	4.7(25.0)	7	8.3(35.0)	8	8.2(40.0)	20	6.9(100.0)
Muslim	8	7.5(23.5)	9	10.7(26.4)	17	17.5(50.0)	34	11.8(100.0)
Total	106	100.0(36.9)	84	100.0(29.2)	97	100.0(33.7)	287	100.0(100.0)

Table 16, shows that the proportion of household heads who have reported improved income is highest (43.7%) among catholic household heads and then among Orthodox Christen household heads (39.6%), whereas the proportion of household heads who have reported declined income is highest (35%) among protestant household heads followed by Orthodox Christian (31.3%)

An important point that needs to be mentioned here that the proportion of household heads who have reported improved income is higher than those of with declined income among orthodox household heads, while the reverse is the case among protestant and Muslim household heads. Further, it should be noted that none of catholic household heads have reported declined income. On balance, the evidence

appears to suggest that there has been some improvement in the household heads income among catholic and Orthodox household heads while there has been some decline among Muslim and protestant household heads.

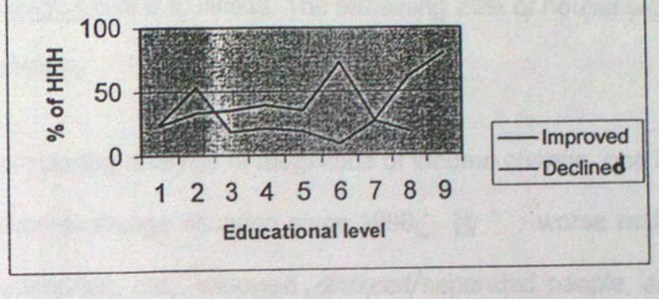
Table 17 Distributions of Household head Income change by educational level

Educational level Of HHH	Income Change							
	Improved		Declined		No Change		Total	
	No	%	No	%	No	%	No	%
No schooling	11	10.3(23.4)	22	26.1(24.8)	14	14.4(29.7)	27	16.3(100.0)
religious/traditional	15	14.1(33.3)	24	28.5(53.3)	6	6.1(13.3)	45	15.6(100.0)
Primary school	19	17.9(35.1)	10	11.9(18.5)	25	25.7(46.2)	54	18.8(100.0)
J.S. school	15	14.1(39.4)	8	9.5(21.0)	15	15.4(39.4)	38	13.2(100.0)
S.S school	13	12.2(35.1)	7	8.3(18.9)	17	17.5(49.9)	37	12.8(100.0)
Technical Vocational	8	7.5(72.7)	1	1.1(9.0)	2	2.0(18.1)	11	3.8(100.0)
Collage Diploma	8	7.5(27.5)	8	9.5(27.0)	13	13.4(44.8)	29	10.1(100.0)
First Degree	13	12.2(61.9)	4	4.7(19.0)	4	4.1(19.0)	21	7.3(100.0)
Postgraduate & above	4	3.7(80.0)	-	-	1	1.0(20.0)	5	1.7(100.0)
Total	106	1.00.0(36.9)	84	100.0(29.2)	97	100.0(33.7)	287	100.0(100.0)

Distribution of household head income change by educational level of household heads is presented in Table 17. It appears from the table that the proportion of household heads who have reported improved income is highest (80%) among household heads who have postgraduate education and among those with have first degree (61.9%), while this proportion is only 23.4% among illiterates and 33.3% among those who have religious/traditional level of education. In contrary, the proportion of household heads who have reported declined income is quite high (53.3%) among household heads who have religious/traditional level of education and then among illiterate household heads (46.8%).

The impression one gets both from Table 17 and Fig.5 is that, though there are certain variations, the proportion of household heads with improved income is generally increases with increasing educational level, while the proportion of household heads with declined income decreases with increasing of educational level of household heads.

Fig 5 **Poportion of Housheld heas by income change (improved and declined) and educational level**



Note: 1= No Schooling
2= religious / traditional
3= Primary School
4= J.S. School
5= S.S. School
6= Technical / Vocational
7= College Diploma
8= First Degree
9 = Postgraduate

This clearly indicate that there has been better income improvement in the household heads income among household heads with high level of education while there has been some decline among those with low level of education.

An attempt has been made to investigate the major reasons for improvement and decline of household heads incomes since 1991. Accordingly, distribution of household heads with improved and declined income by main reason of income change is provided in Appendix 1(a) and (b).

The results show that, of all households with improved income, the majority (58.4%) reported increase of wage / salary of civil servants as the main reason for the improvement of their income, while the remaining household heads reported various reasons such as obtaining part time job (16%), similar job with better salary (12.2%) and better job with better salary (8.4%) . Among households with declined income the majority (53.5%) reported rising cost of living as main reason for the declining of their income . In addition, 16% have reported retirement due to age and8% have reported losing job due to illness. The remaining 20% of household heads gave 'other' reasons.

From the preceding analysis of magnitude of income change, one may obtain an idea that the income change situation since 1990 is worse mainly for households headed by females, old, widowed, divorced/separated people, and people with low level of education, while it is relatively better for male headed households, households headed by people who are in the young and middle age, single and married people, and people with better educational level.

3.3 Expenditure Distribution: (Levels and Patterns)

The level and pattern of household expenditure is a crucial dimension of living standards. In fact, to examine the living condition of a given population, one would normally require data on family income. Though income data can be constructed for individual household members, it is however difficult to obtain satisfactory and reliable data on income, since households often under report their incomes. Beside this, some household members have little or no income of their own because of their position in life cycle. Thus, as indicated by the World Bank (1990), the level of consumption provides a more direct measure of household level of living than income.

Here, total household expenditure includes outlays for purchased Food items such as cereals, pulses, meet, Milk and Milk product, pasta, Rice, Bread, Injera, Fruits vegetables, butter, edible oil, spices stimulants, drinks, etc and non- food items such as housing, water supply, electricity and telephone services, fuel wood and charcoal, building materials, furniture, cloths, education, health and transport services, idir, ekub, bank deposit, insurance, etc. Thus, based on this information, attempt is made to assess the details of levels and patterns of household expenditures.

Data on food expenditure is collected on the basis of a one- month or 30- days recall period. At the time of survey, households were asked to state the quantities of food items they purchased in the previous 30 days and to show how much their expenditures were. Based on the data obtained during the survey (Table18), the total average monthly household food expenditure for the study area estimated to be 271Birr. At kebele level, the highest mean monthly household food expenditure is recorded for kebele 30 of wereda 21(334 Birr) followed by kebele 40 of wereda 04 (328 Birr), while the lowest is recorded for kebele 21 of wereda 14 (192 Birr) followed by kebele 09 of wereda 02 (254 Birr).

A careful examination of Table 18 suggests that the majority (58.3%) of the surveyed kebeles have low mean monthly household food expenditures that are below the overall average value of the study area. These include kebele 21 of wereda 14 (192.90 Birr), kebele 09 of wereda 02 (254.06 Birr) kebele 20 of wereda 09 (254.260 Birr),kebele 33 of wereda 03 (255.14 Birr), kebele 35 of wereda 18 (261 Birr). kebele 20 of wereda 15 (264.09 Birr) and kebele 32 of wereda 07 (267.60 Birr). As the general picture of the spatial distribution reveal, kebeles with low mean monthly

food expenditure are predominantly found in north eastern half part of the study area (see Map 3). However, the remaining five kebeles (41.6% the total) have mean monthly household food expenditure above the overall average for the study area and thus, are relatively economically better off kebeles. These include, kebele, 40 of wereda 04, (328.08 Birr) kebele 13 of wereda 06, (273 Birr) kebele 52 of wereda 20, (326.19 Birr) kebele 30 of wereda 21 (334.44 Birr) and kebele 07 of wereda 22 (301.42 Birr). As regards their location, they are found predominately along the south western part of the study area (See Map3).

Table 18: Distribution of monthly household food expenditure by Kebele

Wereda/ kebele	No of sample households	Monthly Total Food Expenditure (Birr)		Mean monthly Food Expenditure	Average Household size	Per capita Food Expenditure
		Lowest	Highest			
02/09	29	44.50	663.50	254.60	7.8	32.57
03/33	28	80.00	688.00	255.14	6.0	42.52
04/40	25	47.00	887.00	328.08	5.8	56.56
06/13	51	40.50	706.00	273.00	6.4	42.65
07/32	46	66.00	649.00	267.60	7.7	34.75
09/20	37	15.00	633.50	254.26	7.0	36.32
14/21	43	22.00	563.00	192.90	5.0	38.58
15/20	22	99.50	691.75	264.09	4.5	58.68
18/35	30	39.50	679.00	261.60	5.6	46.60
20/52	43	49.50	940.00	326.19	5.4	60.40
21/30	18	58.50	1041.50	334.44	7.1	47.10
22/07	28	90.00	901.00	301.42	5.4	55.81
Total	400	15.00	1041.00	271.93	6.1	44.81

As shown in Table 18, the overall per capita household food expenditure for the study area is averaged to 44.81 Birr. Out of the total surveyed kebeles, six kebeles (50% of the total) have mean monthly per capita food expenditure below the overall overage value for the study area, (44.81 Birr). These include kebele 09 of wereda 02 (32.57 Birr), kebele 32 wereda 07 (34.75 Birr) kebele 20 wereda 09 (36.32 Birr) Kebele 21 of Wereda 14 (38.58 Birr) Kebele 33 wereda 03 (42.52 Birr) and kebele

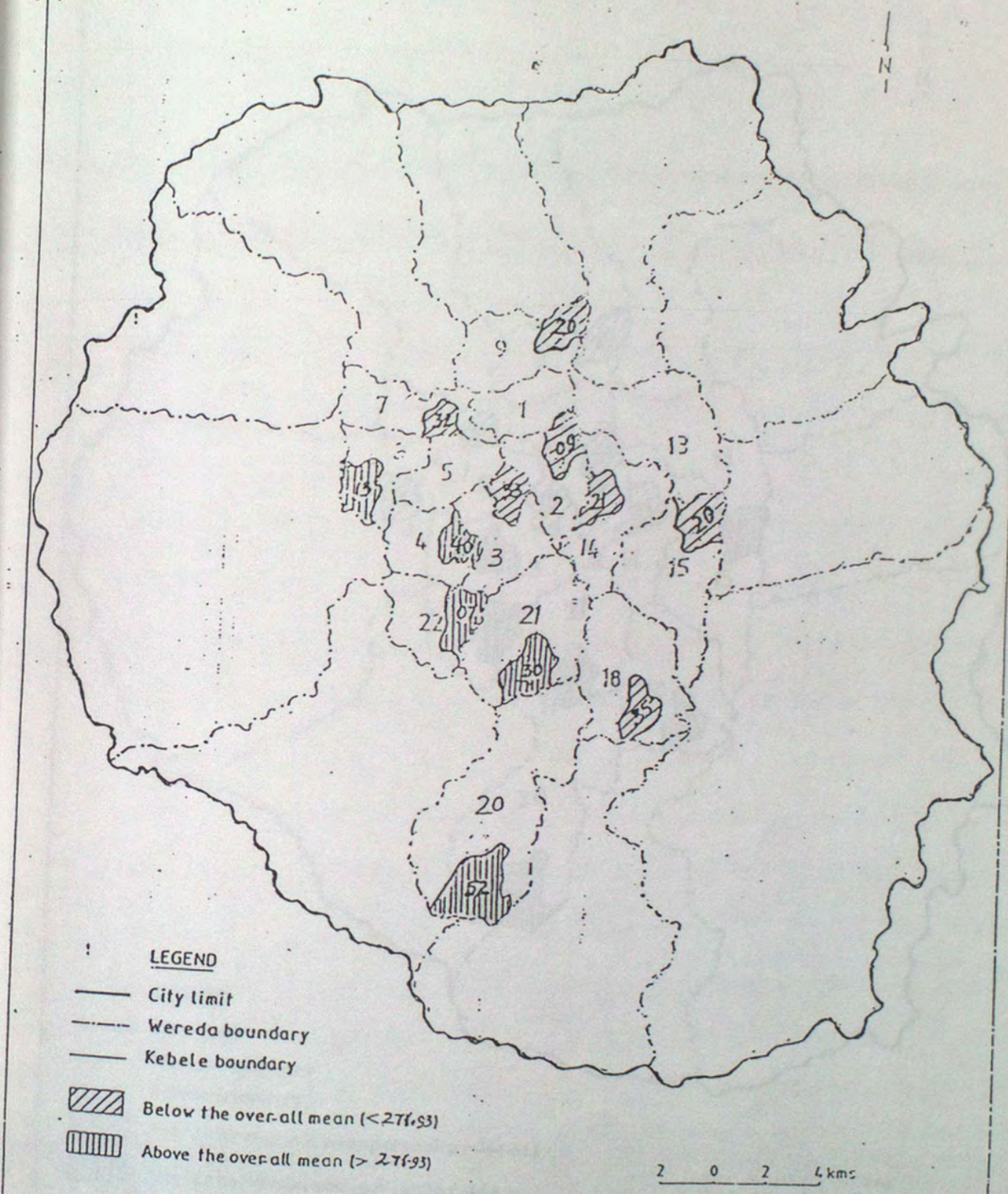
13 of wereda 06 (42.65 Birr). The remaining six kebeles have mean monthly per capita food expenditure above the overall average per capita food expenditure of the study area.

It should be noted that though the mean monthly household food expenditure of kebele 13 of wereda 06 (273 Birr) is higher than the overall average value of the study area (271.93 Birr), it is included in low per capita kebeles since the mean monthly per capita food expenditure (42.65 Birr) is below the overall average per capita food expenditure of the study area (44.81 Birr), This perhaps results both from low mean monthly household food expenditure (273.00 Birr) and large average household size (6.4).

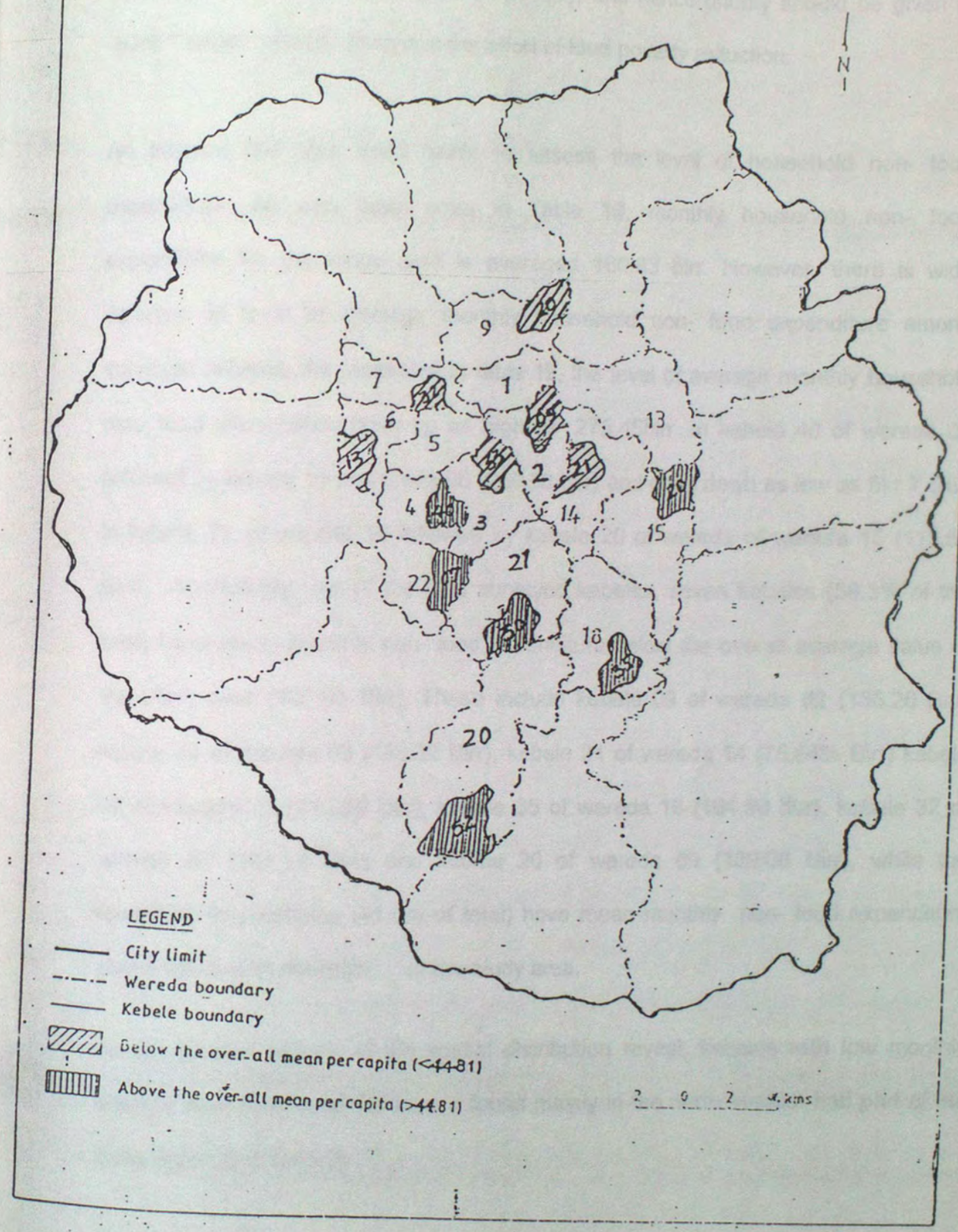
On the other hand, kebele 20 of wereda 15 and kebele 35 of wereda 18, which have mean monthly household food expenditures (264 and 261 Birr, respectively) below the overall average value of the study area (271.93 Birr) are included in high expenditure per capital kebeles. This may be due to the fact that these two kebeles have relatively small average household size (4.5 and 5.6 persons, respectively) in relation to their mean monthly household food expenditure.

As regard general distribution of per capital household food expenditure, with the exception of changes in the case of kebele 20 of wereda 15 and kebele 35 of wereda 18 (both which appear to have monthly per capita household food expenditure above the overall average of the study area) and kebele 13 of wereda 06 (which appear to have monthly per capita food expenditure below the overall average of the study area), the overall pattern observed for distribution of mean monthly household food expenditure as a whole also holds for distribution of monthly per capita food expenditure (See Map 4).

MAP-3. DISTRIBUTION OF MEAN MONTHLY HOUSEHOLD FOOD EXPENDITURE BY KEBELE



MAP 4: DISTRIBUTION OF MEAN MONTHLY FOOD EXPENDITURE PER CAPITA BY KEBELE.



Generally, the above analysis leads one to the conclusion that most of the households in kebeles with low mean monthly food expenditure are most likely suffering from the problems of food poverty, and hence priority should be given to such " target" poverty groups in the effort of food poverty reduction.

An attempt has also been made to assess the level of household non- food expenditure. As can been seen in Table 19, monthly household non- food expenditure for the study area is averaged 180.93 Birr. However, there is wide variation in level of average monthly household non- food expenditure among surveyed kebeles. As presented in table 19, the level of average monthly household non- food expenditure goes up as high as 275.45Birr in kebele 40 of wereda 04 followed by kebele 13 of wereda 06 (269.38 birr) and goes down as low as Birr 7 5.64 in kebele 21 of wereda 14 followed by kebele 20 of wereda of wereda 15 (113.59 Birr). Accordingly, out of the total surveyed kebeles, seven kebeles (58.3% of the total) have mean monthly non- food expenditure below the overall average value of the study area (180.93 Birr). These include kebele 09 of wereda 02 (136.26 Birr) kebele 33 of wereda 03 (160.32 Birr), kebele 21 of wereda 14 (75.64% Birr) kebele 20 of wereda 15 (113.59 Birr), kebele 35 of wereda 18 (164.90 Birr), kebele 32 of wereda 07 (141.14 Birr) and kebele 20 of wereda 09 (139.06 Birr), while the remaining five Kebeles (41.6% of total) have mean monthly non- food expenditure above the overall average of the study area.

As the general picture of the spatial distribution reveal, kebeles with low monthly average non- food expenditure are found mainly in the north eastern half part of the study area. (See Map 5)

Table 19 Distribution of monthly household non-food expenditure by kebele

Wereda/Kebele	No of Sample Households	Monthly Non-Food Expenditure (Birr)		Mean monthly Non-Food Expenditure.
		Lowest	Highest	
02/09	29	45.00	669.00	136.26
03/33	28	22.50	823.00	160.00
04/40	25	33.00	2691.00	275.45
06/13	51	32.00	1208.00	269.38
07/32	46	28.00	792.00	141.14
09/20	37	23.00	605.00	139.06
14/21	43	17.00	735.00	75.64
15/20	22	12.00	94.00	113.59
18/35	30	27.00	928.00	164.90
20/52	43	12.00	1196.00	240.50
21/30	18	57.00	2439.00	237.00
22/07	28	16.00	1082.00	227.39
Total	400	12.00	2691.00	180.93

Distribution of mean monthly household total expenditure is provided in Table 20. The overall average monthly total household expenditure for the study area is 452.86 Birr. As Table 20 reveals, there is substantial variation among surveyed kebeles as regards level of mean monthly total household expenditure. The highest mean monthly total household expenditure is recorded for kebele 40 of weredas 04 (603.53 birr) followed by kebele 30 of wereda 21 (571.44 Birr), while the lowest mean monthly total household expenditure is recorded for kebele 21 of wereda 14 (268. 54 Birr) followed by kebele 20 of wereda 15 (377. 68 Birr). Out of the total surveyed kebeles, seven kebeles (58.3% of overall) have mean monthly total household expenditure below the overall average value of the study area (452.86 Birr). These include kebele 21 of wereda 14 (268.64 Birr), Kebele 20 of werda 15 (377.68 Birr), kebele 09 of wereda 02 (390.32 Birr) kebele 20 of werda 09 (393.32 Birr) Kebele 32 of wereda 07 (408.74 Birr), kebele 33 of wereda 03 (415.46 Birr) and kebele 35 of werda 18 (425,90 Birr), while the rest five kebeles (41.6% of the total) have mean monthly total household expenditure above the overall average of the study area.

MAP-5 DISTRIBUTION OF MEAN MONTHLY HOUSEHOLD NON-FOOD EXPENDITURE BY KEBELE,

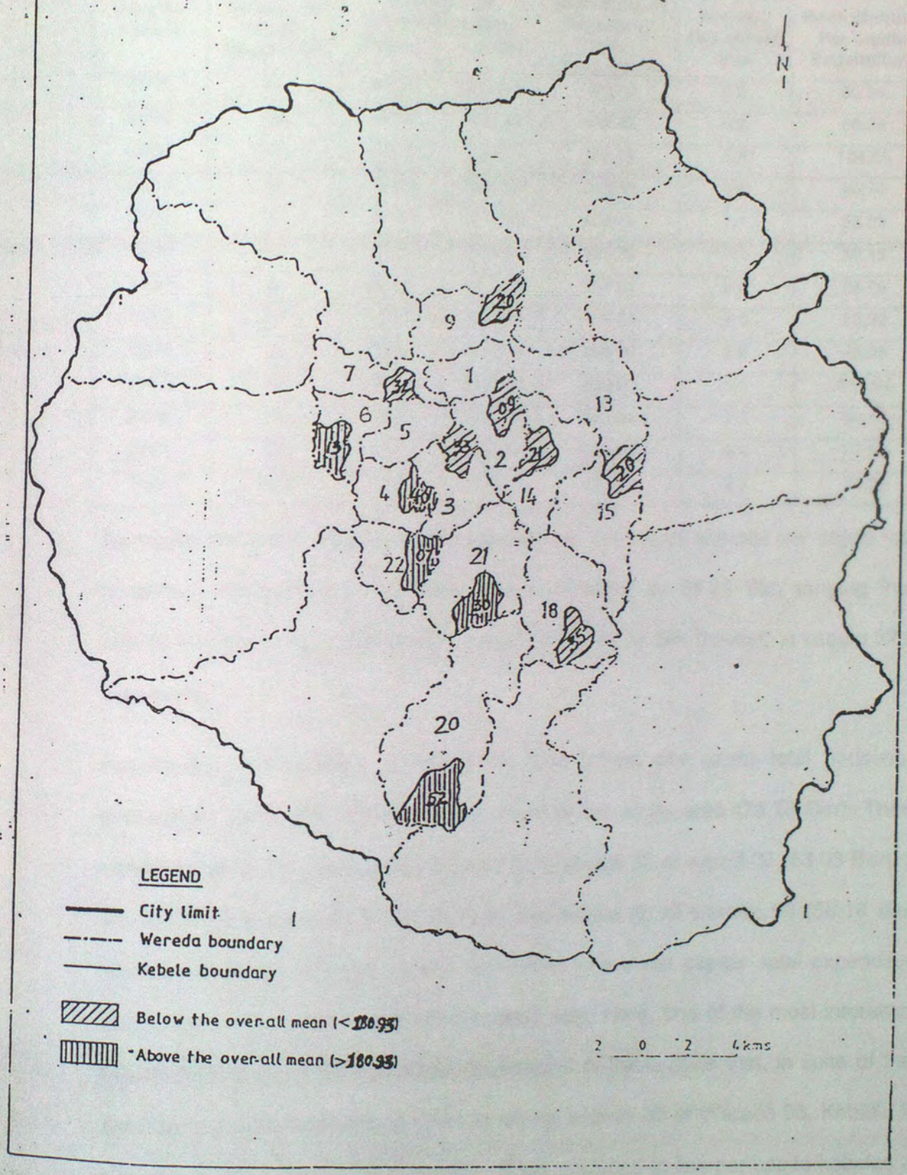


Table 20: Distribution of monthly household total expenditure by kebele.

Wereda/ Kebele	Number of sample Households	Monthly total Expenditure (Birr)		Mean Monthly Household Total Expenditure	Average Household Size	Mean Monthly Per Capita Expenditure
		Highest	Lowest			
02/09	29	89.50	932.50	390.32	7.8	50.04
03/33	28	102.5	1511.00	415.46	6.0	88.39
04/04	25	80.00	3518.00	603.53	5.8	104.05
06/13	51	75.50	1872.00	543.38	6.4	84.74
07/32	46	94.00	1441.00	408.74	7.7	53.08
09/20	37	38.00	1038.00	393.32	7.0	56.18
14/21	43	39.00	931.00	268.54	5.0	53.70
15/20	22	112.00	1285.00	377.68	4.5	83.92
18/35	30	66.00	1607.00	425.90	5.6	76.05
20/52	43	61.50	2036.00	566.69	5.4	104.94
21/30	18	15.50	3301.00	571.44	7.1	80.48
22/07	28	106.00	1841.00	528.81	5.4	97.92
Total	400	38.00	3518.00	452.86	6.1	74.23

As regard per capita total household expenditure, the overall average per capita total household expenditure in the study area is obtained as 74.23 Birr, ranging from 104.94 Birr (highest) in kebele 40 of wereda 04 to 53.08 Birr (lowest) in kebele 52 of wereda 20.

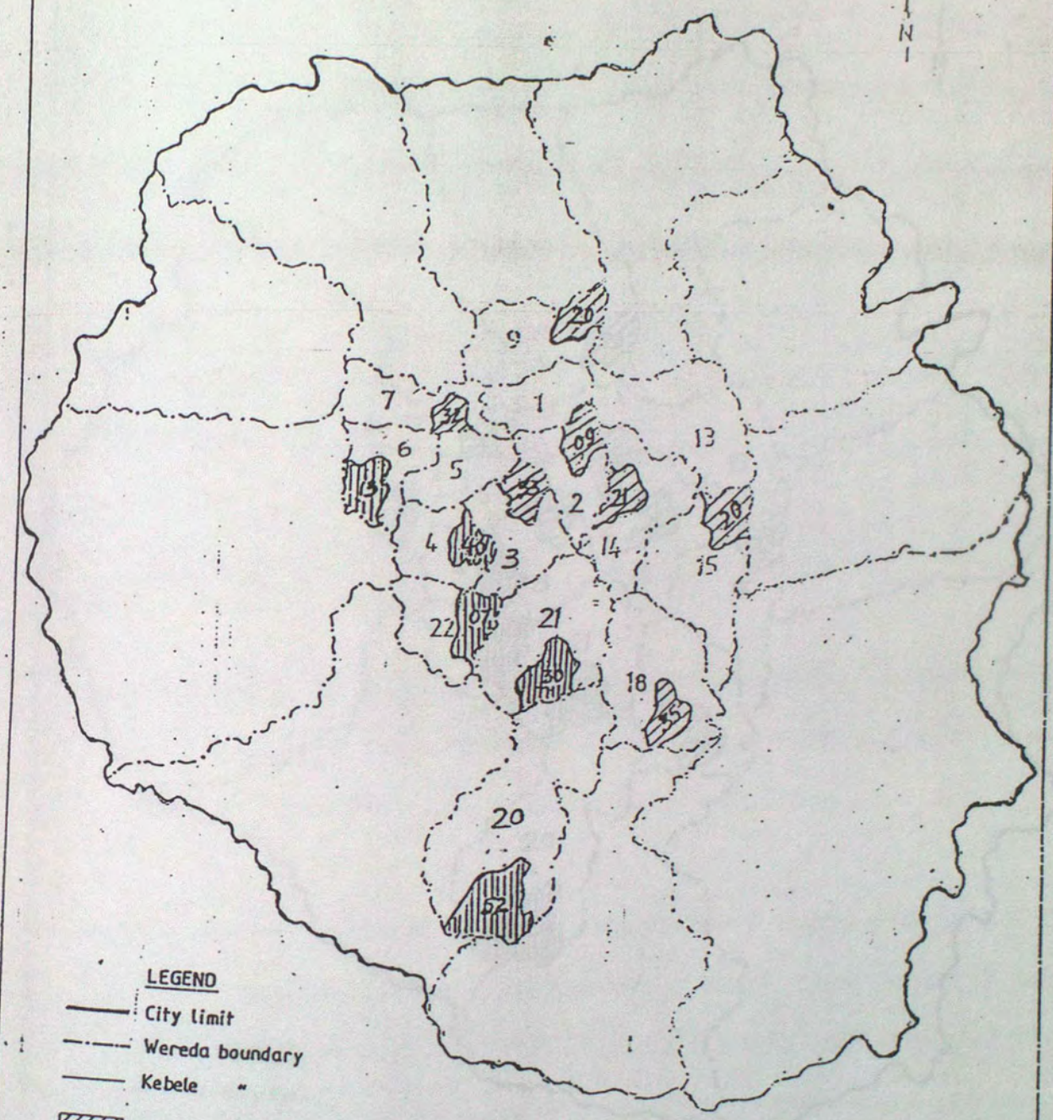
Accordingly, four kebeles (33.3% of the total) have per capita total household expenditure below the overall average value of the study area (74.23 Birr). These include kebele 09 of wereda 02 (50.04 Birr), 2) kebele 32 of wered 07 (53.08 Birr), 3) kebele 21 of wereda 14 (53.70 Birr), 4) and kebele 20 of wereda 09 (56.18 Birr), while the rest eight kebeles (66.6% of the total) have per capital total expenditure above the overall average value of the study area. Here, one of the most interesting results that emerges from a careful examination of Table 20 is that, in spite of their low mean monthly total household expenditure, keblele 33 of Wereda 03, Keblele 20 Wereda 15 and kebele 35 of wereda 18 are included in low per capita kebeles as

they have has per capita total household expenditure (88.39 Birr, 83.92 Birr and 76.05 Birr, respectively) above the overall average value of the study area (74.23 Birr). This is mostly likely result form their small average household size (6, 4.5 and 5.6 respectively). This clearly indicates the strong negative correlation between household size and per capita household expenditure.

As indicated earlier, more than half (58.3%) of the surveyed kebeles have mean monthly total household expenditure below the overall average value of the study area. These include kebele 09 of wereda 02, kebele 33 of wereda 03, kebele 32 of wereda 07, kebele 20 of wereda 09, kebele 21 of wereda, 14 kebele 20 of wereda 15 and kebele 35 of wereda 18 (see Table 20). As can be inferred form Map 6, these kebeles are found mostly in the central and extreme north- astern part of the study area. As regards distribution of monthly per capita total household expenditure, with exception of changes in the case of kebele 33 of wereda 03, kebele 20 of wereda 15 and kebele 35 of wereda 18, which appear to have per capita total expenditure above the overall average of the study area, it follows the general distribution pattern of mean monthly total household expenditure of the study area (see Map 7)

In addition to household expenditure, in this section, an attempt is also made to assess the patterns of monthly household expenditure. Thus, based on the general consumption pattern of surveyed households, the budget share devoted for food and non- food ítems in relation to mean monthly total households expenditure is shown in Table 21.

MAP- 6 DISTRIBUTION OF MEAN MONTHLY HOUSEHOLD TOTAL EXPENDITURE BY KEBELE,



MAP-7 DISTRIBUTION OF MEAN MONTHLY HOUSEHOLD TOTAL EXPENDITURE PER CAPITA BY KEBELE,

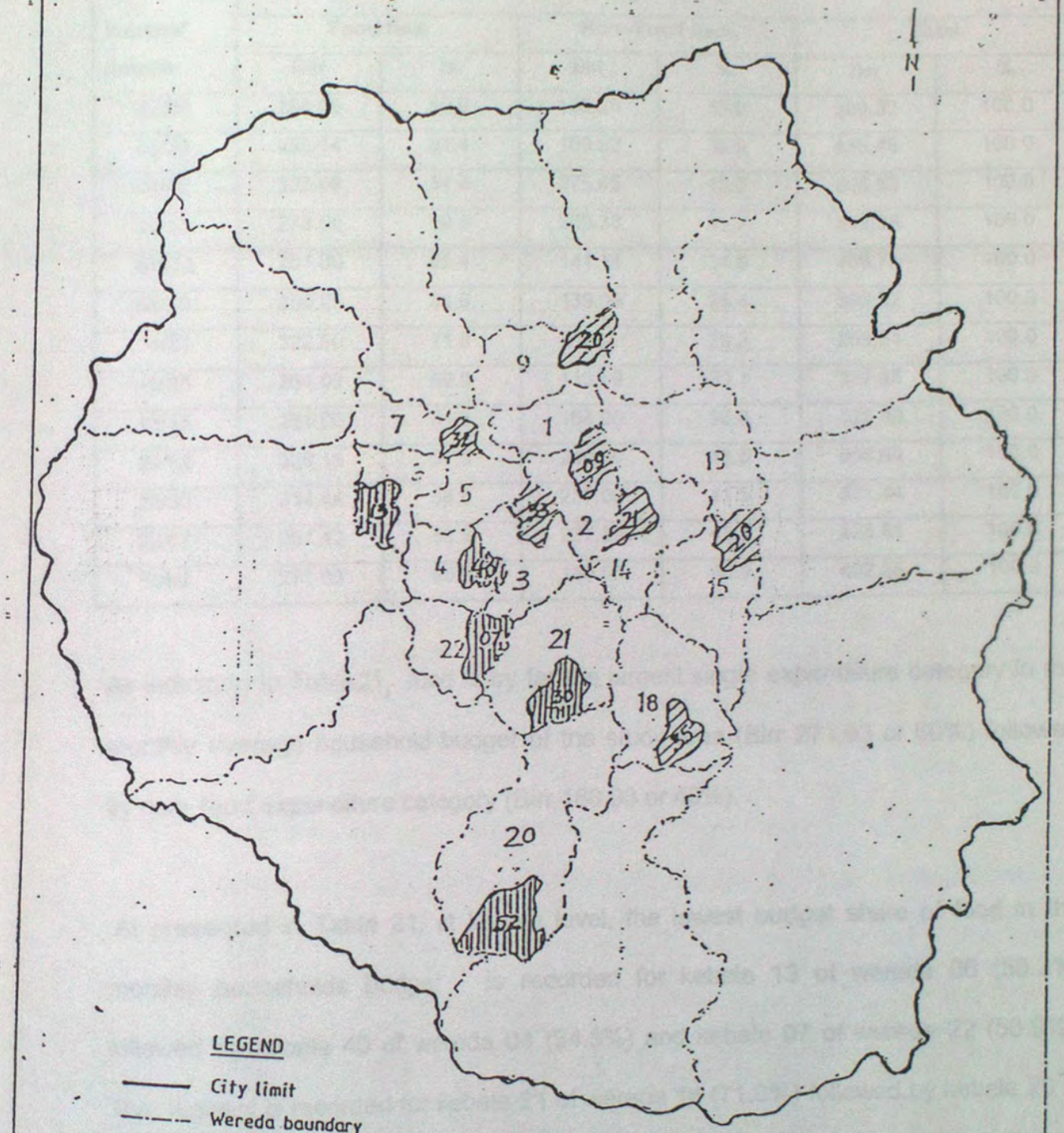


Table 21: The share of food and non- food expenditure in the monthly households budget by kebele

Wereda/ Kebele	Budget Share					
	Food item		Non- Food item		Total	
	Birr	%	Birr	%	Birr	%
02/09	254.06	65.0	136.26	35.0	390.32	100.0
03/33	255.14	61.4	160.32	35.9	415.46	100.0
04/40	328.08	54.3	275.45	45.7	603.53	100.0
06/13	273.00	50.3	269.38	49.7	542.38	100.0
07//32	267.60	65.4	141.14	34.6	408.74	100.0
09/20	254.26	64.6	139.06	35.4	393.32	100.0
14/21	192.90	71.8	75.64	28.2	268.54	100.0
15/20	264.09	69.9	113.59	30.1	377.68	100.0
18/35	261.00	61.2	164.90	38.8	425.90	100.0
20/52	326.19	57.5	240.50	42.5	566.69	100.0
21/30	334.44	58.5	237.00	41.5	571.44	100.0
22/07	301.42	56.9	227.39	43.1	528.81	100.0
Total	271.93	60.0	180.93	40.0	452.86	100.0

As indicated in Table 21, food is by far the largest single expenditure category in the monthly average household budget of the study area (Birr 271.93 or 60%) followed by non- food expenditure category (Birr 180.93 or 40%).

At presented in Table 21, at kebele level, the lowest budget share of food in the monthly households budget is recorded for kebele 13 of wereda 06 (50.3%) followed by kebele 40 of wereda 04 (54.3%) and kebele 07 of wereda 22 (56.9%). The highest is recorded for kebele 21 of wereda 14 (71.8%) followed by kebele 20 of wereda 15 (69.9%) and kebele 32 of wereda 07 (65.4%). Additionally, the impression one can gets from Table 21 is that the budget share for food in five (41.6%) of the surveyed kebeles is below the overall monthly average budget share of the study area (60%). It should also be noted that, in the same kebeles, the budget share for

non- food items is higher than the overall overage of the study area (40.0%). and this clearly indicate that households of these kebeles are relatively economically well–off in their total consumption level. These includes kebele 40 of wereda 04, kebele 13 of wreda 06, kebele 52 of wereda 20, kebele 30 of werda 21 and kebele 07 of wereda 22.

It is clear that urban poor spend much of their monthly budget on food (WB, 1990). Along this line, Braun (1987) has indicated that urban low income (poor) households spend about 60 to 75 percent of their monthly income of food. Accordingly, the impression one can get from Table 21 is that , among poor kebeles, the budget share for food no were falls below 60% (about 61.2% in kebele 35 of wereda 18 and rise to 71.8% in kebele 21 of wereda 14), indicating the low budget share of non- food items (less than 39%) in the monthly average household budget. This is mainly associated with the fact that most of the respondents of these keblels have low level of education and for most of them informal business, pension, remittance and rent of structure are the main sources of income (see app. 5). According to the findings of this study so far noted, these family groupings have low level of monthly income, and hence, appear to have low level of monthly food and total expenditure. It was also found that most of the households in this Kebles are characterized by large size (see App. 3). It appears from a careful observation of Appendix 7 (a) and (b) that household size has a positive correlation mainly with households food expenditure as compared to total expenditure. This, suggest that larger households spend most of their monthly income on food.

Generally, the above analyses indicate that people in these seven kebeles (Kebele 09 wereda 02, kebele 33 of wereda 03, kebele 32 of wereda 07, Kebele 20 of Wereda 09 Kebel 21 of Wereda 14, Kebele 20 of woreda 15 and kebele 35 of wereda 18) are highly vulnerable to the problem of urban poverty, and hence should be considered as "target" poverty groups in the effort of urban poverty reduction.

CHAPTER FOUR

4. Poverty profile of the surveyed Kebeles of central Addis Ababa

4.1 Measuring Poverty

Poverty is multi-faceted. It involves the social, economic, political, cultural and environmental well-being .Consequently, it is difficult to capture it in a single indicator.

Measuring poverty typically differentiates between absolute and relative poverty. Absolute poverty refers to a situation where households are unable to lead a minimum desirable level of living. This way of measurement, therefore assumes the identification of the minimum level of living (the minimum needs and the amount of money required to satisfy those needs). Relative poverty, on the other hand is primarily concerned with the distribution of income among population. In the case of relative poverty, a person may be considered as poor, it not necessarily because he is deprived of the basic consumption needs, rather because of he is less well-off as compared to others. This way of measurement, thus shows income inequality rather than absolute poverty.

Two broad issues that consequently arise in the measurement of poverty are the establishment of poverty line and a choice of a single index to measure poverty. In this section, an attempt is made to establish poverty line and select a single index of poverty so as to provide the poverty profile of surveyed kebeles of central Addis Ababa.

4.1.1 The Poverty line

In spite of the difference in the concept of both absolute and relative ways of measuring poverty, both ways of measuring poverty refer to a cross cutting level

below which people are categorized as poor . Thus, people are counted as poor when their measured standards of living, which is now conventionally measured in terms of income or expenditure, is below a minimum acceptable level, which is the poverty line(Getahun, 1999).

Poverty line is the corner stone in the task of measuring poverty and constructing poverty profile for a given group or sub group of population . However, it should be stressed from the beginning that for many purposes what matters is not the precise location of some poverty lines, but rather the poverty comparison that is made across data, sub groups and policies (Yassin, 1997). In addition , in countries like Ethiopia where there is lack of precise information on household income and expenditure , establishment of precise poverty line (cost of a minimum consumption basket) is difficult . Thus, in this study, attempt is made to establish poverty lines for Addis Ababa based on previous estimations available for the city.

So far, a number of poverty lines were established for Addis Ababa by taking expenditure level as a proxy variable to assess the relative welfare levele of households. Most of these estimations were made on the basis of " basic need" approach of Rewntree's poverty line(cited in Hagenaars ,1986) which is defined as :

$$Z = Co + Oc_o$$

Where, Z is poverty line, Co is a minimum cost of food items and Oc_o is a minimum cost of non-food items. Thus, it should be noted that the poverty line (Z) constitute the cost of a minimum consumption basket based on the food

necessary for a certain recommended calorie intake as well as the cost of basic non-food items which is consistent with the spending pattern of the poor.

Table 22 Estimated poverty lines for Addis Ababa

Year	Calorie	Average family size	Food items	Non- food items	Total poverty line
1976(1)	2330	4.5	46.7	30.2	76.9
1978(1)	2330	4.5	56.1	37.7	93.8
1979(1)	2330	4.5	62.0	43.5	105.4
1982(1)	2330	4.5	78.1	55.3	133.4
1992 (2)	2100	5	193.1	50.8	244.2
1992(2)	1700	5	159.1	50.8	209.9
1994 (3)	2100	5	294.3	-	-
1994(4)	2100	5	259.8	-	-
1996(5)	2100	5	197.4	126.2	323.6

Source: 1) Vali Jamal , 1982 2) World Bank,1992 3) Mekonen Tadesse, 1995
4) Turfat Bekele ,1996 5) Yassin Worku, 1997

As can be seen from Table 22, there are appreciable difference among various estimates of poverty line. For instance, the World Bank has estimated the total poverty line for the city at about 244.2 Birr i.e. 193.4 Birr for food and 50.8 Birr for non-food items (based on a calorie intake of 2100) in 1992. For the same year, it provided a total poverty line of 209.9 Birr i.e 181.6 Birr for food and 50.8 Birr for non- food items (based of a minimum calorie intake of 1700). These estimations, however, have their own drawbacks such as underestimating minimum cost of nonfood items (50.8 Birr) which fall far short of the present cost situation in the city and calorie intake (1700) as compared to the recommended figure (2100) of Ethiopian Nutrition Institute.

Based on the 1994 urban rural household survey, Mekonen (1995) and Turfat (1996) set the food poverty line at about 294.3 Birr and 259.8, Birr, respectively. However, they did not obtain the minimum cost for non - food item and hence, did not establish total poverty line for the city.

As can be seen from Table 22, the estimations made by I.L.O both for the minimum cost of food and non-food items, have shown a consistent increase during the successive years (1976 – 1982). Consequently, the minimum cost of total consumption basket (total poverty line) has also showen consistent increase. On the other hand, the findings of Goitom(1996), Yassin (1997) and more recentlyl from Dejene (1999), indicated the rising cost of living in the city. Thus, in view of consistently rising living cost in the city, the use of the above estimation of I.L.O as a base to determine the present poverty line for the city, perhaps enhanced its credibility. Accordingly, using the 1982 estimations of ILO and the recommended calorie intake (2100) and average family size (5) , as well as inflation indices of Addis Ababa Yassin (1997) has estimated the total poverty line for the city at about 323.6 Birr i.e 197.4 Birr for food items and ßirr 126 .2 for non- food items for the year 1996 (Table 22). This estimations, are used in this study as base to determine the present poverty line (food and total poverty line) for city.

In order to determine the present poverty line for the city inflation indices for the city since 1996 have been calculated based on consumer price index of Addis Ababa.

Table 23: The present estimated poverty lines for Addis Ababa

Year	Calorie intake	Average Family Size	Poverty line			Inflation Indices	
			Food	Non food	Total Poverty	Food Index	General Index
1996	2100	5	197.4	126.2	323.6		
1997	2100	5	191.6	127.3	318.9	-0.029	0.009
1998	2100	5	192.2	129.1	321.3	0.003	0.014
1999	2100	5	199.5	130.3	329.8	0.038	0.009
2000	2100	5	214.1	135.8	349.9	0.073	0.042
2001	2100	5	204.7	136.3	341.0	-0.044	0.004

Note: The estimation of poverty line for the year 2001 takes in the consideration inflation indices from September to January 2001.

Source: CSA (2000 / 2001) Report on consumer price index of Addis Ababa, Information no A.A. Rev. 33-37, 2000/2001.

Accordingly, as can be seen form Table 23, the minimum cost of both food and non-food items generally have shown consistent increase since 1997. Consequently, the cost of minimum total consumption basket (Total poverty line) has also shown consistent increase, though it slightly declined from 349.9 Birr in 2000 to 341.0 Birr in 2001 as clearly reflected by the fall in cost of minimum food consumption basket.

As presented in Table 23, the current cost of minimum food consumption basket (food poverty line) is estimated at 204 .7 Birr , whereas the minimum cost for non - food items is obtained as 136.3 Birr . Then, the present minimum cost of total consumption basket (total poverty line) for city is set at 341 Birr. These poverty line, is, thus, used in this study to draw the poverty profile.

4.2 The poverty Measures

As discussed before, any index of poverty should reflect all the three dimensions of poverty i.e. incidence, depth and severity of poverty. Accordingly, one of the most

useful index of poverty that meets all the three requirements is the FGT index of poverty (Hagenaars, 1986; WB,1990). It is clear that , the FGT index of poverty permits us to specify $\propto$ (where $\propto$ 0, 1 and 2), and there by select an index that reflect our aversion to poverty. Thus, the FGT index of poverty is used in this study to measure the incidence, depth and severity of poverty in the surveyed Kebeles of central Addis Ababa.

The FGT index of poverty as used in this study, defined as: -

$$P\propto = 1/n \sum_{i=1}^{q(F)} \left[\frac{Z(F) - Yi(F)}{Z(F)} \right]^{\propto} \text{ and / or } P\propto = 1/n \sum_{i=1}^{q(T)} \left[\frac{Z(T) - Yi(T)}{Z(T)} \right]^{\propto}$$

Where, Z(F) = Food Poverty line Z (T) = Total Poverty line

Yi (F) = Food Expenditure of i Yi (T) = Total expenditure of i

q (F) = Number of food poor q(T) = Number of total poor

n = total population

As indicated above, measuring the three basic features of poverty can be achieved by assuming values of $\propto$ in excess of unity ($\propto$ = 0,1 and 2), then

$\propto = 0$, F_0 and T_0 reflects incidence of food and total poverty, respectively.

$\propto = 1$, F_1 and T_1 reflects depth of food and total poverty, respectively.

$\propto = 2$, F_2 and T_2 reflects severity of food and total poverty, respectively.

In this section, based on estimated poverty line of the city (Table 3) and using the FGT index of poverty, attempt is made to measure the incidence, depth and severity of both food and total poverty of surveyed kebeles. Accordingly, the indices of

incidence, depth and severity of food poverty both for the surveyed kebeles and study area are provided in Table 24. As can be seen in the table, the incidence of food poverty in the study area is about 47.7%, while the depth of food poverty in the study area is 21% . This clearly indicates that, nearly 47.7% of the total surveyed households of the study area are below the food poverty line with an average of a 21% food short fall to reach the food poverty line.

It can be observed from Table 24 and Figure 6 that there is substantial variation across surveyed kebeles as regard incidence of food poverty . The highest incidence of food poverty (as given by F_0) is recorded for Kebele 21 of wereda 14(69%) followed by kebele 20 of wereda 09 (56.7%) , kebele 09 of wereda 02 (55.1%) and kebele 32 of wereda 07 (50.%).Besides this, comparable proportion (49%) of households in kebele 13 of wereda 06 are also below food poverty line (could not afford the cost of the minimum food consumption basket). Contrary to this, the lowest incidence of food poverty is recorded in kebele 40 of wereda 04 (24%) followed by kebele 30 of wereda 21 (33.3%) , kebele 33 of wereda 03 (39.2%) and kebele 52 of wereda 20 (39.5%).

As given by F1 in Table 24, the depth of food poverty is highest in kebele 09 of wereda 02 (27.8%), kebele 13 of wereda 06 (27.7%), kebele 20 of wereda 09 (25.7%) and kebele 32 of wereda 07 (25.2%) . It should be noted that the depth of poverty in these kebeles is higher than the overall average food short fall (food poverty gap) of the study area (21%). This perhaps indicates that the level of food expenditure of most of the surveyed households of these kebeles is far below the estimated cost of minimum food consumption basket or food poverty line (204. Birr).

This leads one to the conclusion that most of food poor households of these

kebeles are among the poorest family groupings as regard level of food consumption expenditure.

Table 24: Estimated indices of food poverty

Wereda / Kebele	Number of sample households	F_0	F_1	F_2
02/09	29	0.551	0.278	0.163
03/33	28	0.392	0.161	0.085
04/40	25	0.240	0.064	0.021
06/13	51	0.490	0.277	0.097
07/32	46	0.500	0.252	0.174
09/20	37	0.567	0.257	0.158
14/21	43	0.697	0.340	0.236
15/20	22	0.454	0.206	0.111
18/35	30	0.433	0.170	0.070
20/52	43	0.395	0.127	0.039
21/30	18	0.333	0.079	0.030
22/07	28	0.428	0.135	0.067
Total	400	0.477	0.210	0.116

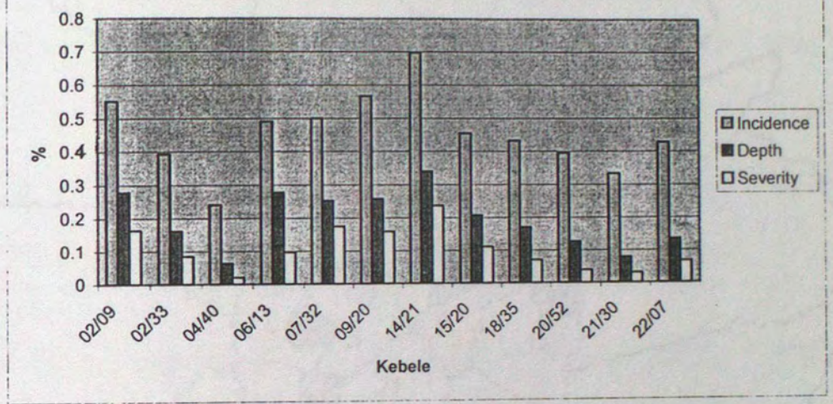
P_α = Indicates food poverty

As shown in map 8, these kebeles are found mainly the northwestern part of the study area. On contrary, as presented in Table 24 and Figure 6 , the lowest food short fall (depth of food poverty) is registered in kebele 40 of wereda 04 (6.4%) and then in kebele 30 of wereda 21 (7.9%) kebele 52 of wereda 20 (12.7%) and kebele 20 wereda 15 (20.6%), which is below the overall average food poverty gap of the study area.

An attempt has also been made to measure the severity of food poverty. As presented in Table 24 the index of severity of food poverty (as given by F_2) for the study area as a whole is about 11.6%. However, the index of severity of food

poverty goes as high as 23.6% for kebele 21 of wereda 14 followed by kebele 32 of wereda of 07(17.4%), kebele 09 of wereda 02 (16.3%) and kebele 20 of wereda 09 (15.8%). It goes down as low as 2.1% for kebele 04 of wereda 04 followed by kebele 30 of wereda 21(3%) kebele 52 of wereda 20 (3.9%), kebele 14 of wereda 22 (6.7%); kebele 35 of wereda 18(7%) and kebele 20 of Wereda 15 (11.1%) (see Figure 6).

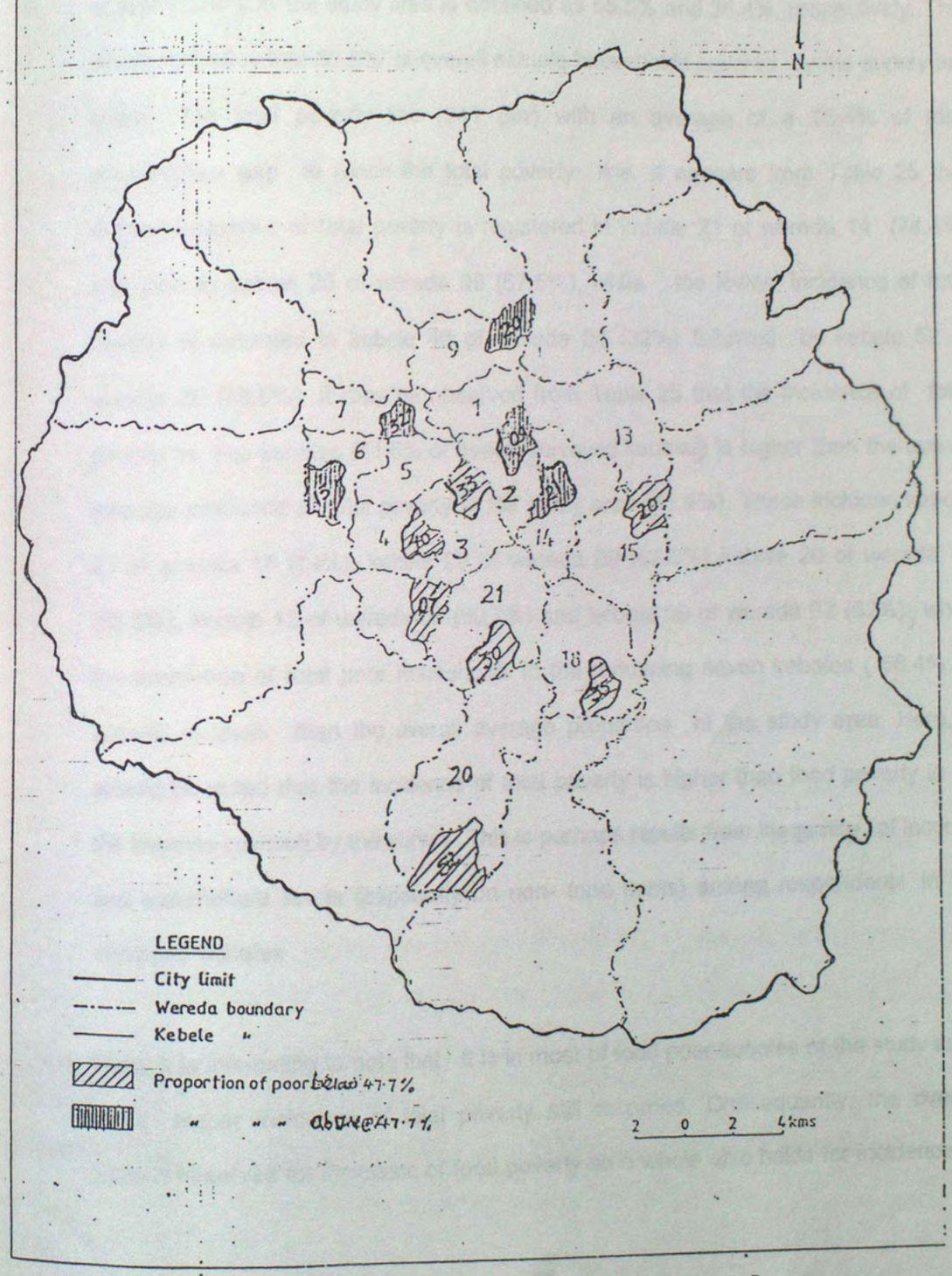
Fig.6 Incidence , Depth and Severity of Food poverity by Kebele



Generally, out of the total kebeles covered by the survey, five kebeles (41.6% of overall) are identified as food poor. These include kebele 21 of wereda 14, kebele 20 of wereda 09, kebele 09 of wereda 02, kebele 32 of wereda 07 and kebele 13 of wereda 06, whereas the remaining seven kebeles (58.4% of overall) are relatively economically well-off.

As the general spatial distribution of surveyed kebeles reveal, those surveyed kebeles with higher proportion of food poor households (higher incidence of food poverty) are found predominately in northern and northwestern part of the study area (see map 8).

MAP-18 INCIDENCE OF FOOD POVERTY BY KEBELE



The indices of incidence (T_0), depth (T_1) and severity (T_2) of total poverty in the study area are provided in Table 25. As can be seen in the table, the incidence and depth of total poverty in the study area is obtained as 55.5% and 25.4%, respectively. This clearly indicates that 55.5% of overall sample households covered by the survey are below the total poverty line (341 Birr) with an average of a 25.4% of total consumption gap to reach the total poverty line. It appears from Table 25 that highest incidence of total poverty is registered in kebele 21 of wereda 14 (74.4%) and then in kebele 20 of wereda 09 (67.5%), while the lowest incidence of total poverty is recorded in kebele 40 of wereda 04 (32%) followed by kebele 52 of wereda 20 (46.5%). It may be observed from Table 25 that the incidence of total poverty in five kebeles (41.6% of ~~overall~~ surveyed kebeles) is higher than the overall average incidence of total poverty in the study area (55.5%). These included kebele 21 of wereda 14 (74%), kebele 20 of wereda 09 (67.5%) kebele 20 of wereda 15 (63.5%), kebele 13 of wereda 06 (60.7%) and kebele 09 of wereda 02 (62%), while the proportion of total poor households in the remaining seven kebeles (58.4% of ~~overall~~) is lower than the overall average proportion of the study area. Here, it should be noted that the incidence of total poverty is higher than food poverty in all the kebeles covered by the survey. This is perhaps results from inequality of income and expenditure levels (especially on non- food items) among respondents in the surveyed kebeles

Here, It is interesting to note that it is in most of food poor kebeles of the study area that higher incidence of total poverty still recorded. Consequently, the overall pattern observed for incidence of food poverty as a whole also holds for incidence of

total poverty. However, kebele 32 of wereda 07 where there is high incidence of food poverty is excluded from total poor Kebeles this is do you to there is no that much significant variation in the distribution of households as regards food expenditure levels and pattern since poor households spend more on food items and hence have perhaps comparable level of monthly food expenditure as compared to the better off ones. Here the reverse is the case for kebele 20 of wereda15.

Table 23: Estimated indices of total poverty.

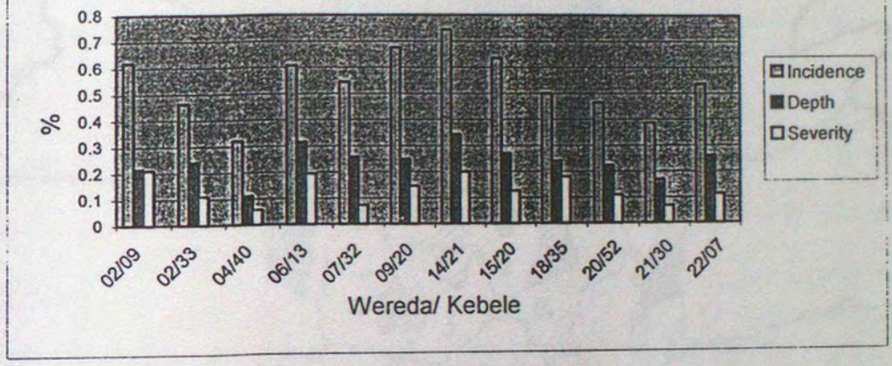
Wereda/ Kebele	Number of sample households	T_0	T_1	T_2
02/09	29	0.620	0.215	0.210
03/33	28	0.464	0.239	0.110
04/40	25	0.320	0.110	0.057
06/13	51	0.607	0.315	0.193
07/32	46	0.543	0.258	0.072
09/20	37	0.675	0.249	0.145
14/21	43	0.744	0.344	0.198
15/20	22	0.635	0.271	0.126
18/35	30	0.500	0.240	0.179
20/52	43	0.465	0.223	0.108
21/30	18	0.388	0.169	0.066
22/07	28	0.535	0.261	0.112
Total	400	0.555	0.254	0.136

As can be seen from Map 9, Kebeles with high proportion of total poor household are found predominantly in the north eastern and extreme western part of the study area. As presented in Table 23, the depth of poverty (total poverty gap) for the study area is averaged to 25.4%, raging from 34.4% in kebele 21 of wereda 14 to 11% in kebele 40 of wereda 04. Out of the total kebeles, the depth of total poverty in five of the kebele is higher than the overall average total poverty gap of the study area (25.4%). These include kebele 21 of wereda 14 (34.4%), kebele 13 of wereda 06 (31.5%), kebele 20 of wereda 15 (27.1%) and kebele 32 of wereda 07 (25.8%). The depth of total poverty in the remaining seven of kebele is relatively low, i.e. lower than the overall total poverty gap the study area. The other basic features of poverty that has to be considered is severity of total poverty. The provisional indices of severity of total poverty (as given by T2) being

compared here is provided in Table 4. The overall index of severity of total poverty for the study area is obtained as 13.6% .

Accordingly, at kebele level, the highest severity of total poverty is recorded for kebele 09 of wereda 02 (21%) , kebele 13 of wereda 06 (19.3%) kebele 35 of wereda 18 (17.9%) while the lowest severity of total poverty is recorded for kebele 40 of wereda 04 (5.7%) followed by kebele 30 of wereda 21 (6.6%), kebele 32

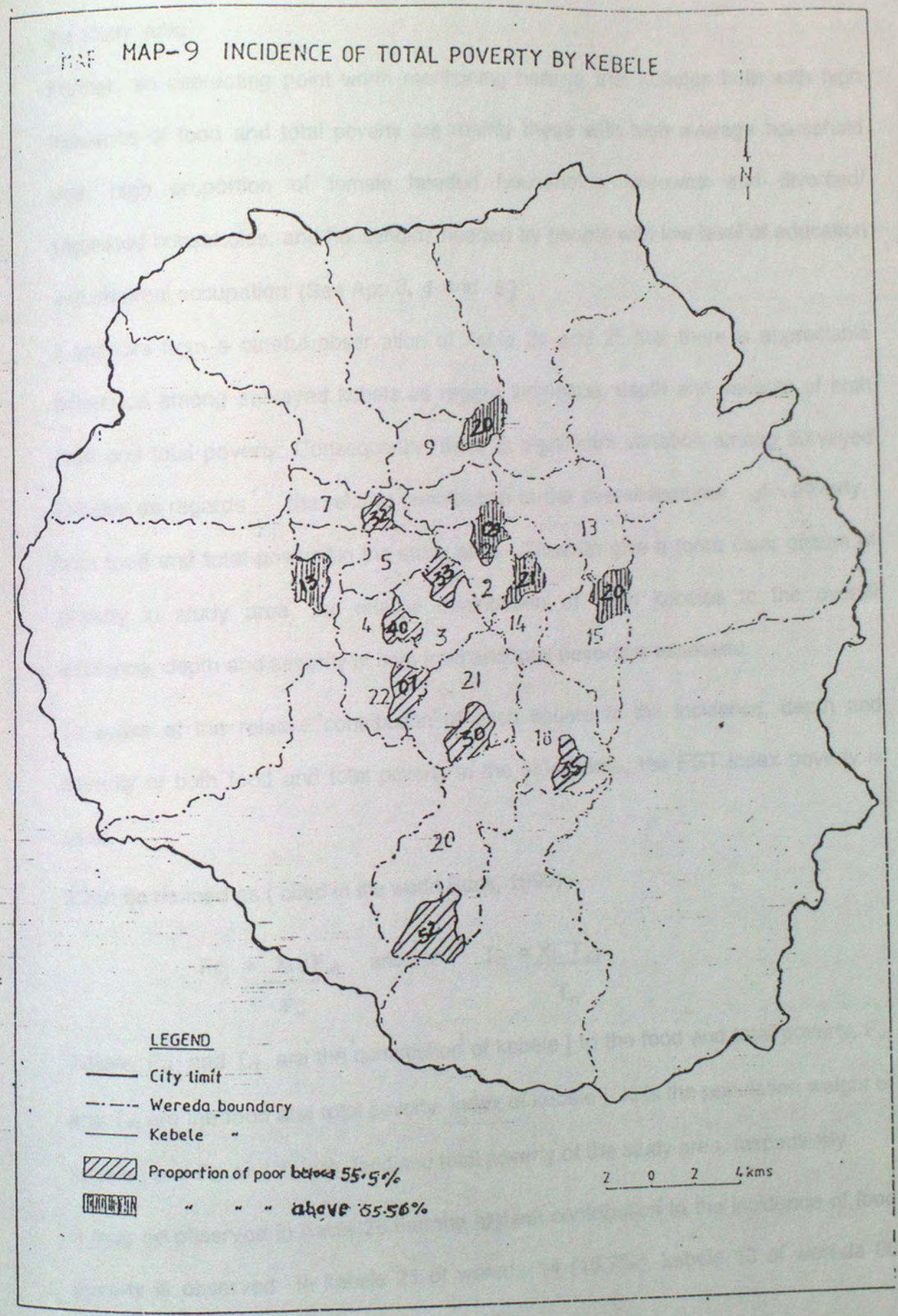
Fig 7 Incedence. Depth and Severity of Total Poverity by kebele



In general, out of the total kebeles covered by the survey, the proportion of total poor household in five Kebeles (41.6% of the total) Is higher than the overall average proportion of the study area . These include kebele 21 of wereda 14, kebele 20 of wereda 09 kebel 20 of wereda 15 kebele 13 of wereda 06 and kebele 09 of wereda 02.

The preceding analysis as a whole may lead one to the conclusion that kebele 40 of wereda 04 , kebele 30 of wereda 21, kebele 33 of wereda 03, and kebele 52 of wereda 20, which have comparatively low proportion of food and total poor households , are relatively economically well off or better-off kebeles . Contrary to this, kebele 21 of wereda 14 , kebele 09 of wereda 09, kebele 20 of wereda 15, kebele 09 of wereda 02 and kebele 13 of werda 06, where large proportion of

MAP-9 INCIDENCE OF TOTAL POVERTY BY KEBELE



food and total poor households reside, are among the poor kebele groupings of the study area.

Further, an interesting point worth mentioning here is that kebeles both with high incidence of food and total poverty are mainly those with high average household size, high proportion of female headed households, widowed and divorced/ separated households, and households headed by people with low level of education and informal occupation (See App.3, 4 and 5)

It appears from a careful observation of Table 24 and 25 that there is appreciable difference among surveyed kebele as regard incidence, depth and severity of both food and total poverty. Consequently, there is significant variation among surveyed kebeles as regards the relative 'contribution' to the overall features of poverty (both food and total poverty) in the study area. Thus, to give a more clear picture of poverty in study area, the relative 'contribution' of each kebeles to the overall incidence, depth and severity of both food and total poverty is assessed.

To arrive at the relative 'contribution' of each kebele to the incidence, depth and severity of both food and total poverty in the study area, the FGT index poverty is used

It can be defined as (cited in the world Bank, 1990):-

$$Fc_j = \frac{X_j \cdot F_{\alpha j}}{F_\alpha} \quad \text{and / or} \quad T_{cj} = \frac{X_j \cdot T_{\alpha J}}{T_\alpha}$$

Where, F_{cj} and T_{cj} are the 'contribution' of kebele j to the food and total poverty, $F_{\alpha j}$ and $T_{\alpha j}$ are the food and total poverty index of kebele j, X_j is the population weight of kebele j and F_α and T_α are food and total poverty of the study area, respectively.

It may be observed in Table 26 that the highest 'contribution' to the incidence of food poverty is observed in kebele 21 of wereda 14 (15.7%), kebele 13 of wereda 06

(13%) and kebele 32 of wereda 07 (12%), while the lowest contribution is exhibited both in kebele 40 of wereda 04 and kebele 30 of wereda 21 (where their contribution is only 2% each) and then in kebele 20 of wereda 15 (5.2 %), kebele 33 of wereda 03 (5.7%) and kebele 07 of wereda 22 (6.2%).

Table 26: The Relative contribution of Surveyed kebeles to food and total poverty in central Addis Ababa .

Wereda/ kebele	Number of sample Households	Percentage Contribution					
		Food Poverty			Total Poverty		
		F_0	F_1	F_2	T_0	T_1	T_2
02/09	29	8.3	9.5	10.1	8.0	6.0	11.1
03/33	28	5.7	5.3	5.1	5.8	6.5	5.6
04/40	25	3.1	1.9	1.3	3.6	2.7	2.6
06/13	51	13.0	16.8	10.6	13.9	15.8	18.0
07/32	46	12.0	13.8	16.8	11.2	11.6	6.0
09/20	37	10.9	11.9	12.5	11.3	9.1	9.8
14/21	43	15.7	17.5	21.8	14.4	14.5	11.4
15/20	22	5.2	5.3	5.2	6.2	5.8	8.0
18/35	30	6.8	6.0	4.5	6.7	8.0	6.9
20/52	43	8.9	6.5	3.6	9.0	9.4	8.5
21/30	18	3.1	1.6	1.1	3.1	2.9	2.1
22/07	28	6.2	4.5	4.0	6.7	7.1	5.7
Total	400	100.0	100.0	100.0	100.0	100.0	100.0

As regards relative contribution of each kebele to the depth of food poverty, relatively the highest contribution is recorded for kebele 21 of wereda 14 (17.5%), kebele 13 of wereda 06 (13.8%) and kebele 32 of wereda 07 (13.8%), while the lowest contribution is observed in kebele 30 of wereda 21 (1.6%), kebele 40 of wereda 04 (1.9%) and kebele 07 of wereda 22 (4.5%). Among the surveyed kebeles, the contribution to the overall severity of food poverty in study area is highest for kebele 21 of wereda 14 (21.8%), followed by kebele 32 of wereda 07 (16.5%) and

kebele 20 of wereda 09 (12.5%). The contribution to the overall severity of food poverty is lowest in kebele 30 of wereda 21 (1.1%), followed by kebele 40 of wereda 04 (1.3%), kebele 52 of wereda 20 (3.6%) and kebele 07 of wereda 22 (4%).

An important point that needs to be mentioned here is that in spite of the slight change observed, most of the kebeles which have relatively higher contribution to the overall features of food poverty are still have higher contribution to overall feature of total poverty in study area.

Studies have shown that poverty has significance regional dimension (WB 1992) Accordingly, it appears form this study that there is significant variation among surveyed kebeles as regard incidence depth and severity of both food and total poverty which perhaps confirmed the above generalization.

4.3 Characteristics of The poor

In this section, attempt is made to examine the demographic and socio-economic characteristics of sample household heads of the surveyed kebeles so as to ascertain the major demographic and socio economic correlates of poverty.

One of the most important characteristics of households that need to be considered is household size. Accordingly, poverty profile by household size is provided in Table 27. Out of the total households covered by the survey the proportion of households with household size of 5-6 persons and 9 persons and above is relatively higher i.e. about 25.% each, while this proportion is only 7.5% for households with household size of 1-2 person and persons while this figures is 19% for those with 3-4 persons.

NB: The classification of poor and non-poor households is done based on total poverty.

Table 27: Poverty profile by household size.

Household Size	Distribution of households				Total sample households	
	Poor		Non-Poor			
	No	%	No	%	No	%
1-2 persons	9	4.0(30.0)	21	11.7(70.0)	30	7.5(100.0)
3-4persons	34	15.3(44.7)	42	23.5(55.2)	76	19.0(100.0)
5-6persons	49	22.0(48.0)	53	29.2(51.9)	102	25.5(100.0)
7-8persons	58	25.2(63.7)	33	18.5(36.2)	91	22.7(100.0)
9person and above	72	32.4(71.2)	29	16.2(28.7)	101	25.2(100.00)
Total	222	100.0(55.5)	178	100.00(44.5)	400	100.0(100.0)

As shown in Table 27 (in parentheses)., . there is variation in the proportion of poor and non-poor households in each household size category. Out of the total households in the smallest household size category (1-2 persons), the proportion of poor households is only 30%, while this proportion is 70% for better-off households. Contrary to this, out of the total households in the largest household size category (9persons & above), the proportion of poor households is 71.2%, while this proportion is only 28.7% for better-off households. As presented in Table 27, the proportion of poor households increases with increasing household size, while this proportion decreases for better-off households. This indicate that poor households are characterize by a large size.

A chi-square (x2) test was used to test whether or not there are statistically significant differences as regards the economic position among the interviewed households with different household size. The result of the test shows that there is statistically significant variation as regards economic position among interviewed households with different households size. This is confirmed at 95 percent confidence level (see App.2)

Evidence from various studies (Sharp, Register and Leftwich, 1992; Lipton and Ravllion, 1993; Getahun, 1999), indicateds that bigger household size most likely explains high incidence of poverty. This has, in fact been confirmed in this study.

Out of the total households covered by the survey, 56.5%,(286) are male headed, while the remaining 43.5% (174) are female headed households. As can be observed in Table 28 only 43.8% of the total male headed households are poor and the remaining 56.2% are better-off households. On the contrary, out of the total female headed households, the proportion of poor female headed households is 70.6%, while this proportion is only 28.9% for better-off households.

As pointed out by Getahun (1999), in Urban Ethiopia, the sex of the head of the household has significant contribution to poverty. Accordingly, the results of this study appears to suggest that female headed households have higher probability of being poor than their male headed counter parts.

This, further appears to confirm the previous findings such as that of Hagenaars (1986), Sharp, Register and Leftwich (1992), Yassin(1997) and Getahun(1999) who have indicated that female headed households are susceptible to falling in to poverty.

Table 28: Poverty profile by sex, age and marital Status of household heads.

Chrematistics of HHH	Distribution of households				Total Sample house holds	
	Poor		Non-Poor			
	No	%	No	%	No	%
Sex of HHH						
Male	99	44.5 (43.8)	127	71.3 (56.1)	226	56.5 (100.0)
Female	123	55.5(70.6)	51	28.6(29.3)	174	43.5 (100.0)
Total	222	100.0 (55.5)	178	100.0(44..5)	400	100.0 (100.0)
Age of HHH						
Below 30	28	12.6 (49.9)	33	18.5 (54.1)	61	15.2 (100.0)
B/n 30-59	154	69.3 (56.4)	119	66.8 (43.5)	273	68.2 (100.0)
60 and above	40	18.0(60.6)	26	14.6 (39.3)	66	16.2 (100.0)
Total	222	100.0 (55.5)	178	100.0 (44.5)	400	100.0 (100.0)
Marital status of HHH						
Single	40	18.0 (48.7)	42	23.5 (51.2)	82	20.5 (100.0)
Married	108	48.6 (51.9)	100	56.1 (48.0)	208	52.0 (100.0)
Widowed	59	26.5 (69.4)	26	14.6 (30.5)	85	21.2 (100.0)
Divorced/separates	15	67 (60.0)	10	5.6 (40.0)	25	6.2 (100.0)
Total	222	100.0 (55.5)	178	100.0 (44.5.)	400	100.0 (100.0)

As shown in Table 28, out of the total interviewed household heads, 68.2% are found in middle age group (30-59), 16.2% in the old age group (60 years and above) and the remaining 15.2% are found the young age group (below 30 years). Here, good picture of age differential aspects of poverty may be brought out, if one compares the proportion figures of poor and better-off household heads in each age group. As presented in Table 28 (in parentheses), out of the total heads who are below 30 years of age, 46% are poor and the remaining 54% are better-off. Of all the middle aged household heads (those with 30 to 59 years of age), more than half (56.4%) are poor and the rest 43.5% are economically better -off. Similarly, out of the total old household heads (those with the age of 60 years and above), the majority (60.6%) are poor, while this proportion is only 39.3% for better -off household heads.

It may be observed form Table 28 that, the incidence of poverty increases with increasing age. Consequently, the proportion of better off household heads decrease with increasing age, as one would expect. Thus, the incidence of poverty is quite high among old household heads, followed by household heads of middle age, while it is relatively low among young household heads.

Various studies such as that of Hagenaars (1986), world Bank (1990) and Lipton and Ravllion (1993) and Getahun (1999) have shown that incidence of poverty is quite high among old people. The results of this study, thus, appears to substantiate the validity of this generalization.

The other important characteristics of household heads that need to be considered is marital status. As Table 28 shows out of the total interviewed household heads, 20.5% are single, 52.0% are married, 21.2% are widowed and the remaining 6.2% are divorced/separated household heads

To provide the contribution of marital status of household heads to the incidence poverty more clearly, assessing distribution of poor and better-off household heads by each type of marital status is, perhaps, imperative. Accordingly, as presented in Table 28, the proportion of poor household heads is relatively low among the single (48.9%) and the married household heads (51.9%) as compared to the widowed (69.4%) and divorced/separated household heads (60.0%). In Contrast to this, the proportion of better-off household heads among the single is 51.2% and that of the married household heads is 48.4%. This is relatively higher as compared the corresponding proportion among the widowed (30.5%) and the divorced /separated household heads (40%).

A Chi-square (X^2) test was used to test whether or not there were statistically significant differences among the interviewed household heads with different marital status as regards their economic position. The results of the test showed that there

was a statistically significant variation as regard economic position among interviewed household heads that have different marital status. This is confirmed at 95 percent of confidence level. Thus, one may conclude that higher incidence of poverty is associated also with marital status, if the head of the household is widowed, divorced or separated. As shown in table 29 there is variation in the incidence of poverty among household heads with different ethnic background. As presented in the table, out of the total household heads covered by the survey, 35.5% are Amhara, 25.7% are Gurage, 19.2% are Oromo, and 13.7% are Tigreway household heads. Household heads with 'other ' ethnic Origin constitute 5.7% of the surveyed household heads. It appears from Table 29 that the incidence of poverty among Gurage household heads is highest (68.9%) followed by Oromo (54.5%), while it is lowest among Tigreway household heads (9%). On the other hand, the proportion of better-off household leads is highest (63.6%) among Tigreway household heads and then among 'others' house hold heads(45.4%), while it is lowest among Gurage household heads (31.%).

Generally, the above analysis may lead one to the conclusion that in all but one ethnic group i.e. Tigreway, significant proportion of interviewed household heads are poor and hence, they are among the poor household heads groupings of the study area.

Table 29: poverty profile by ethnic origin and religious affiliation of household heads

Characteristics of HHH	Distribution of Households				Total sample household	
	Poor		Non-Poor			
	No	%	No	%	No	%
Ethnic origin of HHH						
Amhara	77	34.6 (54.2)	65	36.5(45.7)	142	35.5 (100.0)
Oromo	42	18.9 (54.5)	35	19.6 (45.4)	77	19.2 (100.0)
Gurage	71	31.9 (68.9)	32	17.9 (31.0)	103	25.7 (100.0)
Tigreway	20	9.0 (36.3)	35	19.6 (63.6)	55	13.7 (100.0)
Others	12	5.4 (52.1)	11	60.1 (47.8)	23	5.7 (100.0)
Total	222	100.0 (55.5)	178	100.0 (44.5)	400	100.0 (100.0)
Religion of HHH						
Orthodox	174	78.3 (60.6)	113	63.4 (39.3)	287	71.7 (100.0)
Catholic	16	2.7 (30.0)	14	7.8 (70.0)	20	5.0 (100.0)
Protestant	10	4.5 (37.0)	17	9.5 (62.9.)	27	6.7 (100.0)
Muslim	32	13.0 (48.4)	34	20.7 (51.9)	66	16.5 (100.0)
Total	222	100.0 (55.5)	178	100.0 (44.5)	400	100.0 (100.0)

Of all household heads covered by the survey, the majority (71.7%) of the household heads are Orthodox Christian followed by Muslim (16.5%), protestant (6.7%)and Catholic household heads (5%). An interesting point one may bring out from Table 29.is that the incidence of poverty varies among household heads depending on their religious affiliation. Accordingly, the incidence of poverty is quite high among Orthodox Christian (60.6%) and Muslim household heads (48.4%), while the incidence of poverty among Catholic and Protestant household heads is only 30% and 37%, respectively. On the other hand, the proportion of better-off household heads is highest (70%) among Catholic and than among Protestant household heads (62.9%), while this proportion is only 39.3%for Orthodox and 51.9% for Muslim household heads. It can than be concluded that Orthodox and Muslim household

highly vulnerable to urban poverty as compared to Catholic and Protestant household heads.

Table 30. Poverty profile by Educational level and main source of income of household heads.

Characteristics of HHH	Distribution of Households				Total sample household	
	Poor		Non-Poor			
Educational level of HHH	No	%	No	%	No	%
Illiterate, traditional & religious level	91	40.9(72.8)	34	19.1(27.2)	125	31.2(100.0)
Primary level	46	20.7(66.6)	23	12.9(33.3)	69	17.2(100.0)
Secondary level	58	26.1(45.2)	57	32.0(49.5)	115	28.7(100.0)
Technical/vocational & above level	27	12.1(29.6)	64	35.9(70.2)	91	22.7(100.0)
Total	222	100.0(55.5)	178	100.0(45.5)	400	100.0(100.0)
Main source of HHH Income						
Wage/salary	52	23.4(40.6)	76	42.6(59.3)	128	32.0(100.0)
Pensions	45	20.2(72.5)	17	9.5(27.4)	62	15.5(100.0)
Informal business	86	38.7(79.2)	22	12.3(20.3)	108	27.0(100.0)
Formal business	18	8.1(30.5)	41	23.0(69.4)	59	1417(100.0)
Remittance cent,& others	21	9.4 (48.8)	22	12.3(51.1)	43	10.7(100.0)
Total	222	100.0(55.5)	178	100.0(45.5)	400	100.0(100.0)

As can be seen in Table 30, of all interviewed households heads, 31.2% either have no education or have traditional/religious level of education. The remaining household heads have primary (17.2%),Secondary 28.7%), and Technical/vocational and above level of education (22.7%). An interesting idea, perhaps, one may obtain from a careful observation of Table 30 is that there is a remarkable inverse relationship between incidence of poverty and level of education. It may be observed from the table that the proportion of poor household heads significantly decreases with increasing level of education. This is illustrated by the incidence of poverty among household heads who have no education or have traditional/religious .

education (72.8%), primary (66.6%), secondary (45.2%) and technical/vocational education (only 29.6%). Comparatively, the proportion of better-off household heads increases with increasing level of education, rising form 27.2% among household heads who have no education or traditional/religious education to 70.3% among household heads with technical/ vocational education or with higher qualification .

As indicated by Sharp, Register and Leftwich (1992) and more recently by Getahun (1999), incidence of poverty is quite high among households headed by those people who have low level of education. The result of this study have also appears to shown that there is high incidence of poverty among households headed by people with low level of education.

Table 30 also shows the main source of income of household heads. Of all household heads covered by the survey, about 32% of the household heads reported wage/salary as their main source of income. This was followed by informal business (27%), pensions (15.5%) and formal business (14.7%), while the remaining 10.7% of the household heads reported that remittance, rent and others as their main source of income. However, it should also be noted that informal business, as main source of income, is pronounced among poor household heads (38.7%), while wage/salary is so identified among better-off household heads (42.6%).

Evidence from the survey data in Table 30, indicateds the association between incidence of poverty and main source of household heads income. It appears from the data that the incidence of poverty is quite high among household heads whose main source of income is informal business (79.2%) and pensions (72.5%). Beside this, there is relatively comparable incidence of poverty (48.8%) among household heads whose main source of income is remittance, rent and 'others'. Among households whose main source income is formal business and wage/salary, the

incidence of poverty is relatively low i.e. 30.5% and 40.6%, respectively. On the contrary, the proportion of better-off household heads is highest (69.4%) among those who reported formal business as their main source of income followed by wage/salary (59.3%). From the above analysis, one may conclude that household heads whose main source of income is informal business, pensions rimittance, and 'others' are more vulnerable to the problem of urban poverty. It should be noted that these family groupings are so identified in the findings of Getahun (1999).

Table 31: Poverty profile by occupation of household heads

Characteristics of HHH	Distribution of households				Total sample households	
	Poor		Non- Poor			
	No	%	No	%	No	%
Occupation of HHH						
Employed by public, state co- operatives and private organization	52	23.4 (41.9)	72	40.4 (58.0)	124	31.0 (100.0)
Self employed, employed by private service employer	110	49.5 (65.8)	57	32.0 (34.1)	167	41.7 (100.0)
Unemployed and home makers, Private Domestic worker	10	4.5 (50.0)	10	5.6 (50.0)	20	5.0 (100.0)
Retired people	49	22.0 (56.3)	38	21.3 (43.6)	87	21.7 (100.0)
Others	1	0.4 (50.0)	1	0..6 (50.0)	2	0.5 (100.0)
Total	222	100.0 (55.5)	178	100.0 (45.5)	400	100.0 (100.0)
Migration Status of HHH						
Migrant	15	6.7 (62.5)	9	5.0 (37.5)	24	6.0 (100.0)
Non- Migrant	207	9.3 (55.0)	169	94.9 (44.0)	376	94.0 (100.0)
Total	222	100.0 (55.5)	178	100.0 (45.5)	400	100.0 (100.0)

As a regard poverty profile across occupation contours, the results in Table 31 clearly indicated that the incidence of poverty is quite higher among self employed and private service employee (62.2%) and then among retired people (56.3%), while it is relatively low among public, state, co-operative and private sector employee (41.9%).

Consequently, the proportion of better-off household heads among public, state, co-operative and private sector employees in highest (58%) .

It should be stressed that a much picture of poverty could have been brought out if street venders, hawkers, petty service providers and others without permanently registered dwellings were covered by the survey. Nevertheless, it is possible to conclude that unemployed, homemakers, private household workers, self employed, private service employees, and retired pensioners, home makers are most vulnerable to the problem of urban poverty.

As shown in Table 29, the overwhelming majority (94%) of interviewed households are non-migrant, while the remaining 6% are migrant (came to the city within the last ten years). Though the representation of migrant household heads within the total sample household heads is small, one may obtain some idea concerning the relationship between poverty and migration by examining incidence of poverty among household heads according to their migrations status

It may be observed from the table that, incidence of poverty varies among household heads depending on migration status. Accordingly, there is high incidence of poverty among migrant household heads (62.9%) than non-migrant household heads (55%). On the other hand, the proportion of better-off household heads among non-migrant (44.0%) is higher than migrant household heads (37.5 %)

This, perhaps, indicate that migrant household heads are more vulnerable to the problem of urban poverty than non-migrant household heads. This is due to the fact that migrants (mainly rural migrants) come to the city with low level of education and traditionally acquired skills which might decrease their work participation in the city.

Moreover,, it is most likely that the migrant's knowledge of job openings; educational attainment and their general skill tend at increase with increasing of residence duration. Thus, recent migrants are relatively less successful in getting better jobs (Zechariah, et al, 1969) and hence they may have high probability to begin poor

Generally, evidence from the overall analysis of poverty, indicated important demographic and socio- economic correlates of poverty. Accordingly in light of the findings so far noted, the prevalence of poverty is quiet high in kebeles where there is high proportion of: -

1. larger households (seven persons and more per household). These include kebele 32 of wereda 07 (71.6%), kebele 20 of wereda 09 (56.7%), and kebele 07 of wereda 22 (53.5%) (See App.3).
2. Female headed households. These include kebele 13 of wereda 06 (64.8%), kebele 20 of wereda 15 (54.6%), kebele 35 of wereda 18 (53.4%) and kebele 21 of wereda 14 (53.4%) (See App. 4) Thus, poverty in study area can be said to have a significant gender dimension
3. Households headed by old people: These include kebele 21 of wereda 14 (30.2%), kebele 20 of wereda 09 (21.6%) (See App.4)
4. Households headed by widowed and divorced / separated perople This is the case in kebele 21 of wereda 14 (48.7%), . kebele 20 of wereda 15 (45.3%) and kebele 13 of wereda 06 (37.2%) (See App.4). Thus, high level of poverty is correlated with marital status, if the head of the household is widowed or divorced/ separated.

5. Households headed by people with low level of education. These include kebele 21 of wereda 14 (53.4%) kebele 13 of wereda 06 (50.9%) and kebele 35 of wereda 18 (36.6%) (See App.5)
6. Households headed by self employed and retired people. In other terms, people whose main source of income is informal business and pension. This is typically the case in kebele 35 of wereda 18 (52.9%) (See App 5)

Accordingly, in light of the findings so far noted, kebeles with high level of poverty are mainly typified by low mean monthly and mean monthly per capita income and expenditure.

Therefore, it needs to be pointed out here is that any poverty targeted efforts should give priority to these poor kebeles where the majority of ' target' poverty groups (poor households) reside.

CHAPTER FIVE

5. The Housing conditions and problems of the poor

Housing is one of the basic necessities of man. It considerably influences man's physical mental and social well being. For all accounts, it plays a central role in shaping and determining human life. Therefore, as pointed out by Pioro (1967) adequate and favorable housing conditions are necessary for the welfare and well being of an individual ,a family, and community.

Even though housing is one of the basic necessities of man, million of persons around the world are either homeless or inadequately housed. This is particularly true in the case of the major cities of the developing countries where a growing discrepancy between housing needs and the rate of housing construction has forced millions to live in highly congested and unsanitary conditions in slums squatter settlements and even on streets (Solomon, 1985).

Like other major cities of Less Developed Countries (LDSs), Addis Ababa is facing a serious housing problem . Housing needs in the city are enormous However the rate of production of dwelling units is unable to meet the present demand.Beside this,the existing dwelling units, particularly those administered by kebeles are found in poor conditions and even to make matters worse, they are steadily deteriorating(Kebede 1994,Yassin 1997). Furthermore, the shortage of housing in the city has also worsened in the last years by increased considerable migration to the city which perhaps resulted in overcrowding of residence and homelessness (Mekonnen, 1985).

5.1 Housing of the poor

Housing is a highly visible dimension of poverty. Thus, it largely indicates an individual's social status, income level and to a considerable degree, self image (Hills,1991).

It is commonly agreed that the majority of households in Addis Ababa have monthly incomes that are too low to enable them to construct, buy, or rent decent dwelling units. Under such circumstance, most of the low income (poor) households in the city are forced to live in subs-standard houses under extremely crowded conditions. For instance, in his study, Solomon (1993) indicated that 18% of the total sample household in the income group of 100 Birr and less live under extremely crowded conditions. He also indicated that 71% of the total sample households with monthly income of 50 Birr were renters. The people are no doubt renters of kebele houses (poor quality houses with various state of disrepair)since the rent of these houses is usually as much as low-income household in city can afford. Consequently, to day, in many parts of the city the housing conditions of most the low income households is very poor . In view of this fact, an attempt has been made to assess the housing conditions and problems of poor households of surveyed kebeles of central Addis Ababa.

5.1.1 Tenure Status

Literatures indicate that owing to their economic problems, millions of people through out the world are not capable of having their own private house and thus, are forced to live in rented housing units, especially in those where there is poor sanitary facilities (Laud, 1992).

As shown in Table 32, the majority of the respondents(49.7%) are renters of kebele houses, while 38% are owner occupiers. About 16% of the respondents dwell in rental accommodations owned by others while the remaining live under rent free conditions that is are not paying any rent because most of them are a care takes of some one else's property.

Table 32 : Distribution of house holds by tenure states of housing units.

Tenure status of HHH	Distribution of household heads				Total sample households	
	Poor		Non-poor			
	No	%	No	%	No	%
Owner occupiers	67	30.1	85	47.7	152	38.0
Dwelling in units owned by kebele	144	51.3	53	29.7	167	49.7
Dwelling in units owned by private household	31	13.9	33	18.5	164	16.0
Rent free	10	4.5	7	3.9	17	4.3
Total	222	100.0	178	100.0	400	100.0

Of all poor households ,30.1% live in their own private house, 51.3% rent houses from kebele ,13.9%rent from private households ,while the remaining 4.5% occupied their house under rent free condition . As regard better off household, of all households 47.7% live in their own private house, 29,7% rent houses from kebele and 4.3% of the households occupied their housing unit under rent free condition.

It can then be concluded that a sizeable proportion of the surveyed households of the study area are accommodated in rental houses, the majority of which are owned by the local authorities (Kebeles). Most of these units are lacking in essential housing facilities.

Accordingly, distribution of renter households by amount of monthly house rent is presented in Table 33. As indicated in the table the majority (38.3%) of the households live in rental houses paying low rent (1-10Birr). The remaining renter households live in house with a rent of 11-20 Birr (18.1%) , 21 -50 Birr (24.3%) and 50 Birr and above (19.3%).

Table 33 Distribution of renter households by rent of housing units.

House rent (Birr)	Distribution of household heads				Total renter households	
	Poor		Non-poor			
	No	%	No	%	No	%
1-10.00	87	56.1	8	8.6	95	38.3
11-20.00	34	21.9	11	11.8	45	18.1
21-50.00	27	17.4	33	35.4	60	24.1
50.00 &above	7	4.5	41	44.0	48	19.3
Total	155	100.0	93	100.0	248	100.0

As shown in Table 33, out of the total poor households, about 56.1% of the poor respondents live in units owned by kebele paying from 1 to 10 Birr followed by 1 to 20 Birr per month (21.9%), while for better-off households, these proportions are 8.6% and 11.8%, receptively. The majority (44.5%) of the better-off households live in houses rented for 50 Birr and above followed by those rented from 21to50 birr (35.4%). Further. It can be observed in Table 33 that the proportion of poor households in the low rent categories (1 to 10 Birr and 11 to 20 Birr) is quiet high. Similarly, most of the non-poor households dwell in units with the highest monthly rent categories (above 50 Birr and 21 to 50 Birr). On the whole, the percentage of renter poor households decreases with increase in house rent, while the opposite is true for economically better-off households.

Experience has shown that there is a positive correlations between quality of housing units and their monthly rent. i.e. the lower the rent of housing units, the lower their quality (standard) it became (Yassin, 1997). This may lead one to the conclusion that a sizeable proportion of renter poor households of the surveyed kebeles live in low quality dwellings where basic housing facilities often lacking.

5.12 Room Density

Room density i.e, the number of persons per room, is an important indicater of the level of overcrowding. Experience has proven that high room density is breeding grounds for diseases. In addition, there are suggestions that lack of privacy, high noise levels and other consequences of high room densities may tend to affect heath and lead to maladjustment (CSA, 1995).

Accordingly, based on the United Nations (1967), three categories of density of occupation of housing units could be identified. Under occupied (less than one person per room), adequately occupied (1 to 2.4 persons per room) and over crowded (2.5 or more person per room)

As shown Table 34, out of the total housing units of interviewed households, the majority of the surveyed housing units (59%) are overcrowded, , 35.5% are adequately occupied and the remaining 5.5% of the housing are under occupied

Table 34: Distribution of household by number of persons per room

Number of persons per room	Distribution of households				Total sample households	
	Poor		Non-poor			
	No	%	No	%	No	%
Less than 1	11	4.9	11	6.1	22	5.5
1 to 2.4	72	32.4	70	39.3	142	35.5
2.5& above	139	62.6	97	54.4	236	59.0
Total	222	100.0	178	100.0	400	100.0

A closer observation of the units occupied by poor households shows that 62.6% are over crowded, 32.4% are adequately occupied and the remaining 4.9% are under occupied. Among the units of occupied by better-off households, the proportion of the overcrowded housing units is 54.4%, while those of the adequately and the under occupied housing units are 39.3% and 6.1 %, respectively. This findings does not only depict the high incidence of over crowding of the units occupied by the poor households, but also portray their poor sanitary conditions.

5.1.3. Structure

The predominant type of material used for the construction of buildings have important implications for setting up housing standards. Accordingly, the distribution of housing units of the surveyed households by type of materials used for the construction of wall, floor, roof and ceiling is shown in Table 35. It can be observed form the table that the majority (79.5%) of the units have wood and mud wall followed by wood, mud and stone /cement walls (10.9%). The corresponding proportion is 5% for wood, mud and bricks walls, 2.2% for stone and mud/cement walls. 'Other' type of construction materials used for walls constituted only about one percent.

As table 33 shows that 94% of the units occupied by the poor have wood and mudwalls. Comparatively, 62% of the units occupied by the relatively better-off household have wood and mud walls. Moreover, nearly 22% of the housing units of better-off of households have wood, mud and cement /stone walls and about 10% have blocket and cement walls.

Table 35: Distribution of households by material of construction used for their housing units

Construction materials	Distribution of households				Total sample households	
	Poor		Non- poor			
	No	%	No	%	No	%
Wall						
Wood & mud	208	93.6	110	61.7	318	79.5
wood, mud & Cement	5	2.2	18	10.1	23	5.7
wood, Mud & stone	-	-	21	11.7	21	5.2
wood, Mud& bricks	2	0.9	71	3.9	93	2.2
Blocket & cement	3	1.3	7	9.5	20	5.0
Stone & mud /Cement	2	0.9	4	2.2	6	1.5
Other	2	09	1	0.5	3	0.7
Total	222	100.0	178	100.0	400	100.0
Floor						
Earthen /mud	139	62.6	41	27.5	180	45.0
Cement /concrete	46	20.7	65	36.5	111	27.7
wooden /tiber	17	9.5	38	21.3	55	13.7
Bamboo/reed	11	6.1	2	1.1	1	3.2
Cement brick tile	3	1.6	17	15.1	30	7.5
Plastic	6	3.3	5	2.8	11	2.7
Total	222	100.0	178	1000	400	100.0
Roof						
Iron	221	99.5	172	96.6	391	97.7
Asbestos	1	0.5	6	3.3	9	2.2
Total	222	100	178	100.0	400	100.0
Ceiling						
None	110	49.5	40	22.4	150	37.5
'Mada beria'	48	21.6	30	38.4	78	19.5
Ply wood	15	6.7	27	15.1	42	10.5
Fabric	37	16.6	66	37.0	103	25.7
Plastic	7	3.1	2	1.1	9	2.2
Chip wood	5	2.2	13	7.3	18	4.5
Total	222	100.0	178	100.0	400	100.0

As regards materials used for the construction of roof, the prevalent type of materials (nearly 98%) used for the construction of roof is corrugated iron sheets. Table 33 shows that the difference between the units occupied by households belonging to the two broad income groups in negligible, as far as roofing material is concerned.

Nonetheless, it is important to note that the corrugated lion sheets used by the two may have a considerable difference in quality.

Out of the total housing units of the surveyed households, the majority (37.5%) have no ceiling at all, while 25.7% of the housing units have ceiling made of Fabric followed by 'Madaberia' i.e. made of synthetic sacks (19.5%) and ply wood (10.5%). Housing units with chip wood and plastic ceiling constitute 4.5% and 2.2% respectively.

As presented in Table 35, the proportion of housing units which have no ceiling is quite high among the poor households (nearly half or 50%) as compared to better - off households (22.4%). Apart from this, 21.6% and 16.6% of all housing units of the poor households have ceilings made from 'madaberia' and fabric, respectively. Among better-off households, 38.4%0 and 37% of all housing units have ceilings made of "madaberia" and fabric, respectively. Housing units with ply wood (15.1%) and chip wood ceiling (7.3%) are well represented among housing units of the better-off households.

The results in Table 35 further show that out of all housing units of sample households covered by the survey, the majority (45%) have earth/ mud floors , followed by cement / concrete floors (27.7%) , wooden /Tiber floors (13.7%), and floor of cement bricke tile (7.5%). Bamboo/reed and plastic tile put together comprised about 5.9% of all housing units.

The use of earth /mud for construction of floor is the highest (62.6%) followed by cement/concrete (20.7%) among the poor households. The reverse is the case among the better off households, where the corresponding figures are 36.5% and 24.7%, respectively. Add to this significant proportion of housing units of the better-off

household have wooden/Timber and cement brick tile, while housing units with Bamboo/reed and plastic tile is relatively higher among poor households (see Table 35).

The above analysis on structure of housing units of the surveyed households leads one to the conclusion that the majority of the surveyed households live in low quality houses, which Asrat (1987) and MUDH and UNICEF (1983) described as " sub standard " houses. However, it should be stressed that the housing problem is more serious as in the case of poor households where the overwhelming majority live in such type of structurally poor residential units.

5.2 Housing Facilities and Amenities

5.2.1 Source of water supply and lighting

The availability of sanitary conditions considered to be the most valuable indicator of the quality of the housing unit. As indicated by Cullingworth (1999) to what extent are the living quarters providing water, lighting , toilet, kitchen etc indicates the way the individual or community exist . Thus, the availability of these basic facilities is essential for assuring a suitable environment for the well -being of the population.

Accordingly, distribution of housing units by source of water supply is presented in Table 36. As indicated in Table 36, of the total housing units, the highest proportion (43.2%) obtain water form taps within their compound (private/ shared), while comparable proportion (38.4%) get water from tap outside their compound (public /shared). Only 7.2% of the housing units obtain water form tap in side the house.

It can be observed form the table that the highest proportion (more than half or 51.2%) of the poor housing units get water from tap outside their compound (public /shared) and 26.5% get water from tap within their compound (private/shared), while only 2.2% of the housing unit get water form tap inside the house

Table 36 Distribution of household by source of water and lighting available housing units

Housing Facility	Distribution of households				Total sample households	
	Poor		Non-poor			
Source of water supply	No	%	No	%	No	%
Private tap (inside the house)	5	2.2	24	13.4	29	7.2
Private tap (compound)	44	19.8	93	52.2	137	34.2
Shared tap (in compound)	15	6.7	21	11.7	36	9.0
Public tap (outside compound)	43	19.3	16	8.9	59	14.7
Shared tap (out side compound)	71	31.9	24	13.4	95	23.7
Total	222	100.0	178	100.0	400	100.0
Source of lighting						
Electricity (private mater)	132	59.4	141	79.2	273	68.2
Electricity (shared meter)	62	36.9	33	18.5	115	28.7
Gas, lantern, kerosene etc	8	3.6	4	2.2	12	3.0
Total	222	100.0	178	100.0	400	100.0

Out of the total housing units of the a better off households, the majority (nearly 64%) get water from tap within their compound (Private /shared) and those housing units that get water from tap outside their compound (public/shared) constitute 22.3%, while 13.4% of the housing units get water from tap in side the house. The piped water is recognized as the most effective means of protecting water from pollution and of ensuring its purity, provided that the water system is efficiently administered. Beside this, the availability of tap and protected water supply for the occupants of each set of housing units is essential for the prevention of communicable disease as well as for the cleanliness and general comfort of occupants . In this regard, thus, it is not difficult to see the serious sanitary problems that poor households of the study area are facing so long as the majority of the households obtain water form public/shared taps outside their compound.

Table 36 summarizes data on type of lighting used in the living quarters of the the respondents. In general, the overwhelming majority of the units (96.9%) used electricity as source of lighting, of which 68.2% of the housing units have private

electric meters. Only 3% of the housing units used kerosene lamp and lantern as source of lighting. It also appears from the Table 36 that the proportion of housing units with private electric meter reader is highest (79.2%) among housing units of better-off households as compared to those of the poor households (59.4.5%).

The proportion of housing units with shared electric meters is highest (36.9%) among housing units of poor households as compared to those of the better-off (18.5%).

It is obvious that the use of shared electric meter reader in most cases create certain social problems among households as regards cells electric bills changes and maintenance cost. Thus, the problem is more serious among poor a households where a significant proportion housing units have poor lighting facility.

5.2.2 Availability of kitchen , Toilet and Bathing Facilities

Availability of kitchen toilet and bathing facilities in housing units is essential for assuring a suitable environment for the well being of the population. As Table 36 reveals, 26.5 % of all housing units have no Kitchen at all, while 35% have shared traditional kitchen, 33.2 % have private traditional kitchen and the remaining 5.2% of the housing units have modern kitchen (private / shared). Among poor household, 30.6% the housing units have no kitchen facility at all where as 27.4 have shared private traditional kitchen 41.8% have shared traditional kitchen, 26.4% have shared traditional kitchen and the remaining 11.7% have modern kitchen facility (private/shred), which is non-exist among housing units of poor households. Further, it should be noted that the proportion of housing units which have no kitchen facility and which have shared traditional kitchen and those of which have shared traditional kitchen is higher among poor households, whereas the proportion of housing units with private traditional kitchen is so identified among better off- households.

It can be observed from the table that significant proportion of the poor housing units either have no kitchen facility or have shared traditional kitchen, where sanitation often lucking . In this regard, thus significant proportion poor households of the study area are vulnerable to food sanitary problems.

As regard toilet facility, of all housing units 23% have no toilet at all. About 26.2% have private dry pit toilet and 39.7% have shared dry pit toilet. Only 1.1% of all housing units have flush toilet (private/shared)

As can be observed from Table 35 the proportion of housing units which have no toilet facility and which have shared dry pit toilet is highest (30.6% and 44.5% respectively) among housing units occupied by the poor households as compared those units occupied by better off households ,(13.4% and 33.7% respectively). Contrary to this, the proportion of housing units with private dry pit toilet and private flush toilet is highest (28.6% and 24.1%, respectively) among occupied by the better off as compared to those occupied by the poor ones (24.3 and 4.5 respectively). To sum up, the majority of the poor households either have no toilet facility or have shared dry pit toilet which are often busy and lack proper sanitation.

Finally, the other housing facility that has to be considered is bathing. It appears form Table 36 that, of all housing units, the overwhelming majority (86%) have no bathing facility at all , while the remaining housing units have private piped bath (11.2%) piped shared piped bath (1.5%) and non-piped bath (1.2%). One may also observe that almost all (98%) of the housing units of better- off household have no bathing facility at all. Though comparable proportion (70.7%) of the housing units of better-off households have no bathing facility, significant proportion (25..2%) of the housing units have private piped bath. This perhaps leads one to the conclusion that the poor households of the study area are most likely facing serious sanitary problems.

Table 37 Distribution of households by type of kitchen, toilet and bathing facility available in housing units

Housing Facility	Distribution of household heads				Total renter households	
	Poor		Non-poor			
	No	%	No	%	No	%
Kitchen facility						
No kitchen	68	30.6	38	21.3	106	26.5
Shared kitchen (in compound)	93	41.8	47	26.4	140	35.0
Privet kitchen (outside compound)	61	27.4	72	40.4	133	33.2
Modern kitchen	-	-	21	11.7	21	5.2
Total	222	100.0	178	100.0	400	100.0
Toilet facility						
None	68	30.6	24	13.4	92	23.0
Dry pit toilet (Private)	54	24.3	51	28.6	105	26.2
Dry pit toilet (shred)	99	44.5	60	33.7	199	39.7
Flush toilet (private/shared)	1	4.5	43	24.1	159	1.1
Total	222	100.0	178	100.0	44	100.0
Bathing facility						
None	218	98.1	12.6	70.7	344	86.0
both- tub (private)	-	-	45	25.2	45	11.2
Bath-tub (shared)	2	0.9	4	2.2	6	1.5
None -Piped bath	2	0.9	3	1.6	5	1.2
Total	222	100.0	178	100.0	400	100.0

Generally, Addis Ababa has been experiencing rapid rate of population growth since the last few couples of years due to both high rate of natural increase and drift of large number of people mainly from rural areas. In consequence, poverty is widespread.

It is known that poverty is multifaceted. It manifests it self in various forms and housing is one of the most visible dimension of it. So far, in this study , attempt is made to assess the housing conditions and problems of the poor. The overall analysis appears to suggest that the vast majority of poor households of the study area live in structurally poor dwelling units ,where the basic housing facilities and amenities are either lacking or inadequately provided, which indicates a revealing aspect of poverty in the study area. This leads finally to the conclusion that poverty in the study area manifests itself among others, by poor housing conditions.

CHAPTER SIX

6. Summary of Findings, conclusion and Recommendations.

6.1. Summary of findings and conclusion

In Ethiopia, especially during the last few couple of years, urban areas have been experiencing rapid population growth as a result of both natural increase and net-migration from rural areas. The fact that urban population growth rate markedly exceeds the rate of population growth of the country is some indication of the increasing degree of urbanization being brought about by large scale rural-urban migration.

As studies show, landlessness, low total and per capita production, land degradation and rapid population growth are some of the factors that exposed the rural people to extreme vulnerability to poverty. Accordingly, for many of the rural poor, the possible means of escape from poverty is migrating to cities/towns. However, urban areas are increasingly unable to cope up with their many problems and to accommodate their growing population. The overall effect of this has been the escalation of urban poverty and the creation of many inter related problems.

Addis Ababa, like other cities of the Third World, has been the locus of increasing population concentration. However, the fact is that provision of urban socio economic service in the city are found to be not only inadequate but deteriorating over time. In consequence, poverty has become an increasing social problem. This study, therefore, has set out partly to throw some light on our contemporary understanding of the issues and problems of poverty in central Addis Ababa.

In order to achieve the in tended objectives of the study, a questionnaire survey covering 400 respondents (2.5% of the total number of households of sample kebeles) was conducted in twelve selected Kebeles of central Addis Ababa.

As the general distribution of surveyed households by income group reveal, about 48% of the total sample households heads earn monthly income of less than 300 birr. The proportion of these low income households is quite high in kebele 20 of wereda 15, Kebele 21 of wereda 14 and Kebele 20 of wereda 09, where more than 60% of the sample households heads earn monthly incomes of less than 300 Birr. Four kebeles (1/3 rd of the total) have mean monthly total household head income below the overall average value of the study area (322 Birr). These include Kebele 21 of wereda 14 (233 Birr), kebele 2 of wereda 15 (244 Birr) Keble 20 of wereda 09 (289 Birr) and kebele 35 of wereda 18 (320 Birr). This means that most households of these Kebeles are among low income family groupings and thus are vulnerable to urban poverty.

Considering monthly combined household income, only 38.4% the total sample households earn monthly incomes less than 300 Birr. It should be noted that in spite of the rank variation observed The proportion of this low income family groupings is still higher in kebele 21 of wereda 14 (67.2%), kebele 20 of wereda 15(54.4%) and kebele 20 of wereda 09(54%). Ten kebeles (83% of the total) have mean monthly combined household income below the overall average value of the study area (660 Birr). While the remaining two kebele (only 17.72 of overall) have above this overall overage. These include kebele 30 of wereda 21 (17 Birr) and kebele 07 wereda 22 (672 Birr). The above analysis of distribution of combined household income thus, appears to indicate the role of other family members in household income generation along with the head of the household.

An attempt was also made to assess the distribution of monthly household head income based on sex, age, marital status; ethic origin, religion, educational status and main source of income. It appears from the findings of this study that female

headed households, households headed by the old, widowed, divorced/separated self-employed and retired people and people with low level of education tend to belong to the low income bracket. In fact more than half of the household heads in each case have monthly incomes of less than 300 Birr.

Evidence from the results of this study also indicated that there has been declines in the monthly incomes of households headed by females, the old, widowed and divorced/separated, self employed, retired people, and people with low level of education. Among household heads who have experienced positive income change, the majority have reported increase of wage/salary of civil servants, as main reason of income improvement, while among those who have experienced negative income, changes, most of them have reported increasing cost of living as their main reason of income declines. On balance, the evidence appears to suggest that there has been some income improvement in the monthly household head incomes since 1990.

As regards expenditure levels, only five kebeles (41.6%) have mean monthly food expenditures above the overall average food expenditure of the study area (271.93 birr). These include kebele 30 of wereda 21 (334.44 Birr), kebele 40 of wereda 04 (328.08 Birr) kebele 52 of wereda 20 (326.19birr), kebele 07 of wereda 22 (301.42 Birr) and kebele 13 of wereda 06 (273 Birr). These kebeles are found along the south western part of the study area The remaining seven kebeles with mean monthly household food expenditure below the overall average value of the study area (271.93 Birr) are found predominantly in the north eastern half part of the study area. Considering per capital food expenditure with the exception of changes the cause of kebele 13 of wereda 06 kebele 20 of wereda 15 and kebele 35 of wereda, 18 the same pattern is observed.

Out of the total sample kebeles covered by the survey, only five kebeles (41.6% of the total) have mean monthly total household expenditure above the overall average total expenditure of the study area (452.86 Birr). These included kebele 40 of wereda 04 (603.53 Birr), kebele 30 of wereda 21 (571.44 Birr), kebele 52 of wereda 20 (566.69 Birr), kebele 13 of wereda 06 (543.38 Birr) and kebele 07 of wereda 22 (528.81 Birr). The remaining seven kebele (58.3% of the total have less than this overall average.

An interesting point worth mentioning here is that it is those food poor kebeles of the area where low mean monthly total household expenditure (below the overall average of the study area) is still recorded. Concerning distribution per capita expenditure, with exception of changes in the case of kebele 33 of woreda 03 kebele 20 of wereda 15 and kebele 35 of wereda 18, which appear to have per capita total expenditure above the overall average of the study area, it follows the general distribution pattern of mean monthly total household expenditure,

The empirical findings of this study show that households of poor kebeles (seven kebeles or 58% of overall) spend more than 60% of their monthly income on food items, rising form 61.2% in kebele 35 of wereda 18 to 71.8% in kebele 21 of wereda 14. The share of food items in the monthly households budget in the remaining five better -off kebeles is relatively low i.e. less than 60%.

The result of the study in general showed that , 47.7% of the total sample households covered by the survey are below the food poverty line (food poor) with an average of a 21% food short fall (food poverty gap) to reach the food poverty line. The level food poverty is even higher in kebele 21 of wereda ,14 Kebele 20 of wereda 09, kebele 09 of wereda 02, kebele 32 of wereda 07 where more than half (50%) of the sample households are below the food poverty line (food poor) with an average of more than 25% food short fall (food consumption gap) to reach the food poverty line.

Out of the total sample households covered by the survey, 55.5% of the households are below the total poverty line. The incidence of poverty is even higher in wereda 14 (74.4%) kebele 20 of wereda 09 (67.5%), kebele 20 of wereda 15 (63.5%)kebele 09 of wereda 02(62%) and kebele 13 of wereda 06 (60.7%). Accordingly, the total depth of poverty (total consumption gap) in the study area averaged to 25.4%. However, the total consummation gap is higher than this in kebele 21 of wereda 14(34.4%), kebele 13 of wereda 06 (31.5%) kebele 20 wereda 15 (27.1%), kebele 07 of wereda 22 (26.%) and kebele 32 of wereda 07 (25.8%). In the study area, the index of severity of poverty is 13.6%. Among kebeles, the severity of poverty is quite higher than the overall average value of the study area in kebele 09 of wereda 02 (21%) kebele 21 of wereda 14 (19.8%), kebele 13 wereda 06 (19.3%) and kebele 35 of wereda 18 (17.9%).

Here, one may also observe that it is more or less in the same kebeles of the study area where higher incidence, depth and severity of total poverty is still registered. Consequently, the contribution of Kebeles 21 of wereda 14, Kebel 20 of wereda 09, Kebele 20 of weredda 15, kebele 09 of wereda 02 Kebele 13 of wereda 06 and kebele 32 of wereda 07 and Kebele 35 of wereda 18 to the over all feature of both food and total poverty is study areas quite high. Perhaps the most important reason is that most of the respondents of these Kebeles engage in various forms of self employment such as street-hawking, trading, petty services, and small-scale commerce, and hence, have low monthly income. Consequently, most of the households appear to be poor. As regards their location, they are found predominately in the north eastern part of the study area.

The findings of this study appears to indicate that the weight of poverty falls most heavily on certain family groupings depending on their demographic and socio-economic characteristics. Accordingly, the incidence of poverty is quite high among larger households, female headed households (70.6%), households headed by widowed (69.6%) divorced / separated (60.6%) and illiterate people (72.8%). One could observe the same among households headed by, unemployed people and homemakers (80%). Self-employed and private service employees (62.2%) and retired people (56.3%). In addition to this, one could also observe the same among migrant households (62.5%). Thus, in light of the findings of this study so far noted, poverty has a remarkable association with the above major demographic and socio-economic characteristics of households.

An attempt was also made to assess the living conditions of the poor by demonstrating the effects of poverty on their housing condition. As the empirical findings of this study indicate, the vast majority of poor households of surveyed kebeles live in poor (low quality) rented housing units under overcrowded conditions. This is typically the case in kebele 35 of wereda 18, kebele 09 of wereda 02, kebele 32 of wereda 07 kebele 20 of wereda 09, and kebele 21 of wereda 14 where more than 60% of the sample households in each kebele live under such over crowded condition. In light of the findings so far noted, these housing units of poor households mainly typified by structures of simple and low quality construction and often found in a poor state of disrepair. Beside this, it is in these housing units of poor households of the study areas where basic housing facilities (water supply, lighting, kitchen toilet and bathing facilities) are lacking or inadequately provided. The overall situation, thus, not only depicts structurally poor and over crowded housing units of poor households of the study area, but also portrays their poor sanitary conditions. Under

such circumstances, it not difficult for one to see the serious housing problems of poor households of the study area.

6.1 Recommendations

Poverty affects not only specific households but also the whole economic development of a given country. Thus, measuring the level of poverty has considerable significance in leading a country to sustainable development. Today, poverty alleviation issues are undoubtedly important for policy formulation purpose in a country like Ethiopia where widespread poverty prevails and affects a significant number of both urban and rural population. However, it should be stressed that either to formulate sound poverty targeted policies or assess progress towards poverty alleviation, it is first necessary to have a reliable poverty profile or it demands an explicit understanding of the location, extent and characteristics of poverty.

Urban poverty profile, such as this, can therefore provide a major input to facilitate various aspects of urban poverty reduction policies. Accordingly, governmental, non-governmental and community based organizations should need to know how best to achieve their aims and identify various possible ways of reaching ' target' poverty group. This might include: -

1. Targeting poor households in any poverty reduction strategy. This is to mean that priority should be given to target poverty groups such as large sized, and female headed households, households headed by widowed and divorced / separated, the old, illiterate (people with low level of education), unemployed, self employed, and retired people. Priority should also be given to those households headed by home makers and private domestic workers.

2. Identifying the specific location of ' target' poverty groups. Thus, in light of the findings of this study, any poverty reduction efforts should be directed primarily towards those poor kebeles of the study area so far identified. These kebeles are predominantly found in north- eastern part of the study area.
3. Providing social safety nets for the vulnerable group and improving the poor access to micro- credit for small investments, social and economic services and other self- help efforts. In addition to this, providing training and technical assistance to these small-scale business which can help them grow.
4. Promoting the community participation in the identification of Micro-projects and encouraging the involvement of NGOs operating in the country and private investors in micro financing.
5. Making food price adjustment limiting to commodities that are consumed mainly by the poor and that form a significant part of their food expenditure, since poor households spend the largest part of their income on food and can be highly vulnerable to any setback in their inability to obtain it.
6. Upgrading the dwelling units of poor households through adequate and timely maintenance and provision of basic housing facilities and amenities in view of improving the living condition of poor households of the study area. Towards this end, thus, support of both government and Non-government organizations (NGOs) is imperative.

Generally, achieving a pattern of development that successfully reduces poverty perhaps requires policies that provide the poor greater access to resources, employment and other social and economic services, provided that these broad tasks are efficiently implemented.

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SCHOOL GRADUATE STUDIES COLLAGE OF SOCIAL SCIENCE

DEPARTMENT OF GEOGRAPHY

NB. This questionnaire primarily designed to collect background information to assess the present overall condition of poverty in central Addis Ababa. To wards this end, your genuine co-operation in providing a reliable information is crucial. Your are, therefore, kindly requested to provide all the necessary information included in the question.

For all the valuable information that you have given, I say, Thank you, Dearly.

Woreda _____ Interviewer _____

Kebelle _____ Date _____

House No _____

Part one : Basic Household Information

ID Code	Name of Household Members :order: head, pouse, children, other	Sex Cod (A)	Age Cod (B)	Martial Status Code (C)	Ethnic group Code (D)	Religion Code (E)	Education code (F)

Code (A)
1. Male
2. Female

Code (B)
1. <30 years old
2. 30-59 years old
3. >years old

Code (E)
1. Orthodox
2. Catholic
3. Protestant
4. Muslim
5. Other

Code (C)
1. Single
2. Married
3. Widowed
4.Divorced/separated

Code (D)
1. Amahara
2. Oromo
3. Gurage
4.Tigreway

Code (F)
1. Never any Schooling
2. Religious/ traditional
3. Primary Schooling
4.Junior Secondary School
5.Senior Secondary School
6. Technical / Vocational
7. College Diploma
8. First Degree
9. Post graduate and above

PART Two: Household Income and Expenditure

2.1 Household Income

Please put their I.D code, name, amount of monthly income and source of income of household members who have monthly income.

(a)

ID Code	Name of Household Member who have income: Order: Heads, Spouse, Children	Amount of income for the last month	Source of income Code (A)

Code (A)

1. Wages/Salary
2. Pensions
3. Own business: Formal
4. Own business: Informal
5. Rent from structure of reside commercial, etc
6. Rental of vehicles equipment, etc
7. Other investment interest, transfer gift etc
8. Other specify _____

(b)

ID Code	Name of household member Who have other source of income: order head; Spouse, Children, Other	a) Have you any other source of income apart form the main ? 1. Yes 2. No		Is there a change in your monthly income in the last 10 years 1. Yes 2. No		
		If Yes		If Yes		
		Amount of Income	Source of income Code (A)	What was in 1990 ?	What is the present?	

Code (A)

1. Wages / Salary
2. Pensions
3. Own Business: formal
4. Own Business: Informal;
5. Rent from structure residences commercial, etc.
6. Rental of vehicles, equipment bicycle etc
7. Other investment interests or gift
8. Other specify_____

2.2 Expenditure

2.2 (a) Food Expenditure

	Food Item	Amount of food items purchased and many spent in the last month	
		Amount	Monthly Expenditure (Birr)
1	Cereals (Milled/ un milled)		
2	Pulses (Split/ Unsplit)		
3	Spices		
4	Milk and Milk products		
5	Meat and other animal product		
6	Pasta/ Rice/ Bread/ Injera etc		
7	Fruit/ Vegetable		
8	Butter / Edible Oil		
9	Beverage		
10	Stimulants (Coffee, tea, chat, etc)		
11	Drinks (Soft drinks, alcohol, etc)		
12	Other related consumption's of food lites		

(b) How many meals per day of the household eat in the last month?

1. One time 2. Two times 3. Three times 4. Over three times

(C) Are there members of the household who had their meals out of the house in the last week? 1) Yes 2.) No

If Yes, How many members?_____

And the average expenditure in Birr _____

(d) Is there any person who is not a regular member of the family who had meals with the household in the last week? 1) Yes 2) No

If Yes, How many members ?_____

And the average expenditure in Birr _____

2.3 (A) Non- Food Expenditure

	Non- Food Item		Total Expenditure in the last 3 month(birr)
	Shelter :-		
	1.1	Rent (actual or inputted) for house	
	1.2	Water bill (actual or inputted)	
	1.3	Electricity (actual or putted)	
	1.4	Telephone bill (actual or imputted)	
	1.5	Fuel wood and charcoal	
	1.6	Building Materials	
	1.7	Housing loan (interest & capital)	
	1.8	Housing furniture (Radio, TV, Tap, etc)	
	1.9	Other related items	
2.	Clothes / shoes/ fabric or related items		
3.	Services :-		
	3.1	Education	
	3.2	Health	
	3.3	Transport (bus, taxi, Maintenance cost etc)	
	3.4	Domestic service (Guard, cleaning, etc)	
	3.5	Other related service expense	
4.	Ceremonial expense (weeding, birth day, etc)		
5.	Tax and contribution		
6.	Saving (Idir, Ekub, Bank deposit, Insurance, etc)		

PART THREE: Employment Status.

3.1 Employment Status of Households

3.1 (a) Employment of a household head

1. Employed in Public/ cooperative/ private organizations
2. Self Employed (grocery, shoe siner , petty traer, etc)
3. Private household worker (Mald, zebegna, etc)
4. Retired Pension
5. Home Maker (housewife)
6. Private service employer (water, casher etc)
7. un employed (no work)
8. Other specify _____

PART FOUR: Migration

4.1 Migration status of the Households

Was the household in the city ten years ago? 1. Yes 2. No

If No, a) how long you have been in Addis?_____

b) Where is your place of birth _____

c) From where did you directly came from?

1. Rural 2. urban

(d) What was the reason for your coming to Addis?

1. Look for job
2. Education
3. Marriage
4. Family transfer
5. Demobilized soldier
6. Displaced due to famine
7. Following former relatives
8. Other specify _____

PART FIVE: Housing and Housing Services

5.1 Housing Condition

5.1 (a) Types of Tenure

1. Owner occupied
2. Rented from Kebeles
3. Rented from private household
4. Rented Fee with Kebele's or owners permission
5. Squatter, rent free without permission
6. Other specify _____

(b) If rented, indicate monthly amount of rent in Birr _____

(c) The number of rooms in the house _____

(d) What is the principal wall material?

1. Wood & Mud
2. Wood, mud & cement
3. Wood, mud & stone
4. Wood, mud & bricks
5. Stone with mud cement
6. Blocket &cement
7. Iron & timber
8. Other, specify_____

(e) What is the principal floor material?

1. Mud (Earthen)
2. Cement
3. Brick
4. Timber
5. Plastic covered
6. Other specify _____

(f) What is the principal roofing material

1. Corrugatediron sheet
2. Asbestos
3. " Sare"
4. Others

(g) What is principal seiling materials

1. None
2. "mdaberia "
3. ply wood
4. Fabric
5. Plastic
6. Chip wood

5.2 Access to basic housing facilities

5.2 (a) Types of Kitchen

1. No Kitchen
2. Traditional Kitchen (shared)
3. Traditional kitchen (Private)
4. Modern Kitchen
5. Have both Traditional (Private/ shared) and modern Kitchen

(b) Source of water supply

1. Tap inside the house
2. Tap in compound (private)
3. Tap in compound (shared)
4. Outside compound, public tap
5. Outside compound shared tap
6. Unprotected water services (well, spring, river, etc)
7. Other. Specify _____

(c) Bathing facilities

1. None
2. Shower or bath tab private
3. Shower or bath tube shared.
4. Facility with not-piped water
5. Other specify _____

(d) Toilet Facility

1. None
2. Flush toilet, private
3. Flash toilet, private
4. Pit toilet, private
5. Pit toilet, Shared
6. Other specify _____

(e) Main Source of light

1. Electricity (Private meter)
2. Electricity (Shared Meter)
3. Gas and Kerosene
4. Lantern and candles
5. None
6. Other specify_____

Appendix 1 (A) Distribution of Household Heads by main reason of income improvement

Reason for improvement of income	Household Heads	
	No	%
Obtaining Similar job with better salary	13	12.2%
Obtaining better job with better salary	9	8.4
Obtaining part time job	17	16.0
Increase of wage / salary of civil servants	62	4.7
Total	4106	100.00

Appendix 1 (b) Distribution of Household Heads by Main reason of Income Declined

Reason for Decline of income	Household Heads	
	No	%
Retired due to age	13	15.4
losing job due to illness	7	8.3
Rising cost of living	45	53.5
Other	19	20.6
Total	84	100

Appendix 2 Summary of chi-square (x^2) Test

Variables		Observed frequencies for economic position of responders		Calculated Value
		Poor	Non-poor	
Household size	1-4	43	63	19.7
	5-8	107	86	
	9 and above	72	29	
Age	<30	28	34	3.73
	30-59	154	119	
	⩾60	40	25	
Marital Status	Single	40	42	9.61
	Married	108	100	
	Widowed	59	26	
	Divorced/Separated	15	10	
Educational level	Illiterate, religions and traditional	91	34	44.39
	Primary school	46	23	
	S.S. School	58	57	
	Vocational / Technical and Above	27	64	

Appendix 3 Distribution of households by household size and kebele (Percent)

HH Size	02/09		03/33		04/40		06/13		07/32		09/20		14/21		15/20		18/35		20/52		21/30		22/07		Total	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%
1-2	4	13.7	5	17.8	1	4.0	-	-	1	2.1	-	-	3	6.9	2	9.0	-	-	7	16.2	-	-	7	25.0	30	7.5
3-4	10	34.4	-	-	4	4.0	16	31.3	4	8.6	8	21.6	6	13.9	8	36.6	4	13.3	10	23.2	2	11.1	4	14.2	76	19.0
5-6	10	34.4	12	42.8	10	40.0	9	17.6	8	17.3	8	21.6	12	27.9	4	18.1	11	36.6	8	18.6	8	44.4	2	7.1	102	25.5
7-8	5	6.8	7	25.0	7	28.0	14	27.4	12	26.0	9	24.3	2	4.6	2	9.0	12	40.0	12	27.0	2	11.1	10	35.7	91	22.7
≥9	-	-	4	14.2	3	12.0	17	23.5	21	45.6	12	32.4	20	46.5	6	27.2	3	10.0	6	13.9	6	33.3	5	17.8	101	25.2

Appendix 4: Distribution of households by sex age and martial state of household head and kebele (percent)

Characteristics of HHH	Wereda/Kebele																								Total Sample households	
	02/09		03/33		04/40		06/13		07/32		09/20		14/21		15/20		18/35		20/52		21/30		22/07			
	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Sex of HHH																										
Male	16	55.1	22	78.5	13	52.2	18	35.2	30	65.2	18	48.6	20	46.5	10	45.4	16	53.3	37	86.0	13	72.2	16	57.1	226	56.5
Femal	13	44.9	6	21.5	12	47.8	33	64.8	16	34.8	19	51.4	23	53.4	12	54.6	14	46.6	6	14.0	5	27.8	12	42.9	174	43.5
Age of HHH total	29	100.0	28	100.0	25	100.0	51	100.0	46	100.0	37	100.0	43	100.0	22	100.0	30	100.0	43	100.0	18	100.0	28	100.0	400	100
<30	7	24.1	6	21.4	4	16.0	10	19.6	4	8.0	2	5.4	5	11.6	3	13.6	6	20.0	5	11.6	5	27.7	4	14.2	61	15.2
30-59	21	72.4	18	64.2	3	60.0	31	60.0	34	73.0	27	72.9	25	58.1	14	63.6	22	73.3	32	83.7	10	55.5	20	71.4	273	68.2
≥60	1	34.4	4	14.2	10	24.0	10	19.6	8	9	8	21.6	13	30.2	5	22.7	2	6.0	6	4.0	3	6.8	4	14.2	66	16.2
Total	29	100.0	28	100.0	25	100.0	51	100.0	46	17.3	37	100.0	43	100.0	22	100.0	30	100.0	43	100.0	18	100.0	28	100.0	400	100·0
Martial Status of HHH																										
Single	9	31.0	6	21.4	5	20.0	12	13.5	10	100.0	-	-	9	20.9	2	9.0	4	13.3	17	39.5	2	11.1	6	21.4	88	20.5
Married	14	48	14	51.0	16	64.0	20	39.2	22	21.7	27	72.9	13	30.2	10	45.4	20	66.6	22	51.1	14	77.7	7	57.1	268	52.0
Widowed	-	2	6	21.4	4	16.0	19	37.2	14	39.2	8	21.6	14	32.5	8	36.3	4	13.3	2	4.0	2	11.1	4	14.2	85	21.2
Divorced	6	20.6	2	7.0	-	-	-	-	-	37.2	2	5.0	7	16.2	2	9.0	2	6.0	2	4.0	-	-	2	7.0	25	6.2
Total	29	100.0	28	100.0	25	100.0	51	100.0	46	100.0	37	100.0	43	100.0	18	100.0	30	100.0	43	100.0	18	100.0	22	100.0	400	100·0

Appendix 5 Distribution of house holds by educational level and main source of income of household head and kebele.

Characteristics of HHH	02/09		03/33		04/40		06/13		07/32		09/20		14/21		15/20		18/35		20/52		21/30		22/07		Total	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Have no schooling	2	6.0	2	7.0	3	12.0	19	37.2	4	8.0	9	24.3	16	37.2	2	9.0	3	10.0	8	18.6	3	16.6	4	14.2	75	18.7
Religious and Traditional	6	20.6	3	10.7	2	8.0	7	13.7	7	15.2	2	5.0	7	16.2	2	9.0	8	26.6	1	2.0	2	11.1	3	10.7	50	12.5
Primary	8	27.5	7	25.0	4	16.0	4	7.0	10	21.7	6	16.2	5	11.6	9	4.09	4	13.3	5	11.6	-	-	7	25.0	69	17.2
J.S School	6	20.6	6	21.4	4	16.0	5	9.0	8	17.3	2	5.0	2	4.0	4	18.1	2	6.0	4	9.0	2	11.1	2	7.0	47	11.7
S.S. School	5	17.2	4	14.2	6	24.0	6	11.7	11	23.9	6	16.2	-	-	1	4.0	7	23.3	8	18.6	5	27.7	9	32.1	63	15.7
Vocational /Technical	-	-	2	7.0	-	-	6	11.7	1	2.0	5	13.5	10	23.2	1	4.0	4	13.3	8	18.6	-	-	1	3.5	38	9.7
Diploma	-	-	2	7.0	-	-	3	5.0	6	13.0	4	10.8	1	2.0	2	9.0	1	3.0	8	18.6	1	5.0	-	-	21	5.0
First Degree	1	3.0	2	7.0	3	12.0	1	1.0	1	2.0	2	5.0	2	4.0	1	4.0	-	-	1	2.0	1	5.0	1	3.5	15	3.0
Post graduate and above	1	3.0	-	-	3	12.0	-	-	-	-	1	2.0	-	-	-	-	1	3.0	-	-	2	11.1	1	3.5	10	2.0
Total	29	100.0	28	100.0	25	100.0	51	100.0	46	100.0	37	100.0	43	100.0	22	100.0	30	100.0	43	100.0	18	100.0	28		400	100
Wage/Salery	12	41.3	16	57.1	11	44.0	8	15.6	16	34.7	15	40.5	6	13.9	4	18.1	11	36.6	15	34.8	4	22.2	10	35.7	128	100
Pensions	4	13.7	4	14.2	1	4.0	11	21.5	2	4.3	4	10.8	21	48.8	2	9.0	1	6.6	5	11.6	2	11.1	4	14.2	62	32.0
Informal of business	8	27.5	4	14.2	4	16.0	20	17.6	11	23.9	10	27.0	11	25.5	8	36.3	14	46.3	10	23.2	5	27.7	5	17.8	108	27.0
Formal Business	3	10.3	2	7.0	7	28.0	2	3.9	7	15.2	7	18.9	1	2.3	6	27.2	3	10.0	8	18.6	6	33.3	7	25.0	59	14.7
Grft/Remitance/ rent	2	6.8	2	7.0	2	8.0	12	23.5	10	21.7	1	7.2	4	9.3	2	9.0	-		5	11.6	1	5.5	2	7.1	43	0.7
Total	29	100.0	28	100.0	25	100.0	51	100.0	46	100.0	37	100.0	43	100.0	22	100.0	30	100.0	43	100.0	18	100.0	28	100.0	400	100

Appendix 6 Distribution of households by housing density (Number of persons per room) and kebele (Percent)

N. of persons per room	Wered / Kebele																							
	02/09		03/33		04/40		06/13		07/32		09/20		14/21		15/20		18/35		20/52		21/30		22/07		Total	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%
<1	-	-	1	3.5	4	6.0	3	5.8	-	-		1	2.7	-	-	-	-	-	4	9.3	5	27.7	4	14.2	22	5.5
1-2.4	6	20.6	10	35.7	14	56.0	21	41.1	12	26.0	11	29.7	15	24.8	8	26.3	14	13.3	22	51.1	6	33.3	13	46.4	142	25.5
≥2.5	23	79.3	17	60.7	7	28.0	27	52.9	34	73.9	25	67.5	28	65.1	14	63.6	26	86.6	17	39.5	17	38.8	11	39.2	236	59.0
Total	29	100.0	28	100.0	25	100.0	51	100.0	46	100.0	37	100.0	43	100.0	22	100.0	30	100.0	43	100.0	18	100.0	28	100.0	400	100.0

Appendix 7(a) Coefficient of simple correction between food expenditure (Vi.) And some independent variables.

Variables	r	r^2	% of explained
Y_1 V_5 X_1	0.29496	0.08700	8.7
Y_1 V_5 X_2	0.35498	0.12601	12.6

Appendix 7(b) Coefficient of simple correlation between total expenditure (Y2) and some independent variables.

Variablcs	r	r^2	% of planed
Y_2 V_5 X_1	0.18771	0.03523	3.52
Y_2 V_5 X_2	0.33449	0.11188	11.18

Note: X_1 = Household size

X_2 = Level at direction

Declaration

I, the under signed, here by declare that this thesis is my original work, has not been presented for a degree in any other university and that all sources of materials used for the thesis have been duly acknowledged.

Name Daniel Gebretsadik

Signature _____

Confirmation by the

Advisor

Name _____

Signature _____ Date _____

Date of submission: June, 2001

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