ANALYSING DETERMINANTS OF RURAL HOUSEHOLD POVERTY AND POLICY OPTIONS IN POST-CONFLICT SIERRA LEONE

By

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Abstract

Sierra Leone is among Sub-Saharan African countries that still report appalling rural poverty incidence despite series of national and global development efforts. Its recent past is characterised by a drawn-out civil war amidst an endowment of bountiful natural resources. Government has implemented a plethora of post-conflict reforms but close to seven out of every ten rural inhabitants still live on less than US\$1.25 a day.

The main objective of this research is to analyse determinants of rural household poverty and policy options in Sierra Leone with a view to contributing to ongoing discourse on exploring sustainable solutions to alleviate poverty in Sub-Saharan Africa. The inertia in Sierra Leone's rural poverty reduction has aroused concerns that define the prime questions of this research. Key issues at investigation include questions as to whether there has been adequate understanding of the conditions in which the average rural household lives, and the complex contexts in which they make welfare decisions; and whether national development policies have generally been effective in reducing poverty.

The study mainly utilises Sierra Leone's Integrated Household Surveys of 2003 and 2011 to address research questions and objectives. The descriptive analysis suggests that rural household conditions have not been transformed adequately to engender desired quality of life for rural people, who constitute more than sixty percent of the national population. Moreover, whereas the rural sector holds most of the poor, it benefits less from key public services. Parametrically, single and simultaneous equations are estimated to explore determinants of six poverty dimensions, which are: economic wellbeing; education; health; nutrition; employment; and migration. These dimensions are analysed as multidimensional, composite poverty variables, which are found highly significant in affecting each other, while they are at the same time affected by exogenous predictors, such as demographic, infrastructure, regional, governance, and macro policy related variables. Education status and economic wellbeing are found to be lead predictors of rural household poverty; followed by demographic, community infrastructure and women empowerment. Policy simulations indicate that rural poverty will significantly reduce in the short-run and long-run if rural education is promoted; income generating activities are stimulated; healthcare is improved; women empowered; and there is effective population management. Evidence reveals welfare substitution effect for the average rural household; that, with meagre resources, it may have to trade-off appropriate healthcare and nutrition to be able to send children to school, and vice versa. Our analytical framework enables us predict financial resources required to eradicate rural poverty.

The following are key recommendations from the research: promote rural education with a focus on girl child; promote income and asset generating activities, and social protection; implement integrated population policy; and ensure effective resource targeting and monitoring of service delivery. Specific recommendations are provided for government, donor agencies, and civil society as key actors in the fight against poverty in Sierra Leone.