



Munich Personal RePEc Archive

TRENDS AND DETERMINANTS OF POVERTY IN THE HORN OF AFRICA - SOME IMPLICATIONS

Rena, Ravinder

Department of Business and Economics, Eritrea Institute of
Technology, Mai Nefhi, Asmara, The State of Eritrea

2006

Online at <https://mpra.ub.uni-muenchen.de/11140/>
MPRA Paper No. 11140, posted 16 Oct 2008 14:52 UTC

TRENDS AND DETERMINANTS OF POVERTY IN THE HORN OF AFRICA - SOME IMPLICATIONS

RAVINDER RENA*

Abstract

The poverty problem is chronic in the Horn of Africa. Majority of the people in the region are suffering from this problem. There are numerous factors that cause poverty in the region. The challenge of poverty reduction in the Horn should therefore address the poverty reduction issues at national, provincial and local levels. A brief survey of literature has been made to enable us understand some theories and models that are related to poverty reduction in the developing economies. This paper delves the incidence of poverty in the Horn of Africa region. It identifies the major threats and challenges of the poverty. It highlights different factors that cause the poverty and provides some implications to minimize the poverty levels in the Horn region.

Keywords: Poverty, Horn of Africa, Challenges, Sustainable Development, Drought, Pastoralists

I. INTRODUCTION

Poverty is one of the conspicuous features of the developing countries. Today, almost half of the world's population (about three billion people) lives in poverty, earning less than two US dollars per day, and about 1.2 billion live in extreme poverty, trying to survive on less than one US dollar per day. This problem is rampant in Africa particularly in the Horn of Africa.¹ Therefore, Africa is been striving hard to curb the poverty by undertaking various developmental activities for many decades. However, the problem is not handled well by the governments and thus it became a major challenge to the region. It is to be observed that the Horn of Africa's land falls in the arid and semi-arid lands where pastoralism based on extensive livestock production serves as the bedrock of livelihoods and culture. Horn of Africa is a place of great diversity and natural beauty, in both its people and the land. However, the Horn is among the poorest region's of the globe, where weak infrastructure; widespread insecurity, frequent droughts and limited livelihood options keep many residents in conditions of poverty and vulnerability (see table -2). The challenge of poverty reduction policy for pastoralists in the Horn should address the poverty reduction issues at national, provincial and local levels (Barrett, and Carter, 2004; Rena, 2005). Further, the growth has been resilient; Horn of Africa continues to face a wide range of development challenges, which undermine macroeconomic stability and the long-run growth potential, adverse weather conditions and natural disasters that generate high output volatility; poverty, infrastructure and health conditions that hold back productivity growth.

* Assistant Professor of Economics, Department of Business and Economics, Post Box No: 7956, Eritrea Institute of Technology – Mai Nefhi, (Under the Ministry of Education), Asmara, Eritrea, Email: ravinder_rena@yahoo.com ; drravinderrena@gmail.com

With regard to socio-economic development it is recognized that in the Horn of Africa, women are important inputs in the development process. The growing emphasis on private sector development in this region as AU member-states is key to reinforcing the synergy between poverty and gender. There is a need to enable woman to transform their activities from the informal sector to formal businesses, which includes access to productive assets and social services. In the same vein, the combined impact of globalization, the changing patterns of trade and modern technologies calls for the enhancement of skills that most women on the continent do not possess, as they lack the requisite level of education and training.

Regional economic cooperation is considered to be an answer to Horn of Africa's developmental needs. Various steps were taken for integrating regional economies are creating opportunities for projects in all sectors including agriculture, manufacturing and services.

Along with it, there is a global campaign to achieve gender equality in education in 25 countries by 2005. It is observed that the Horn countries particularly Djibouti, Eritrea, Ethiopia are there in the campaign. UNICEF, national governments, civil society, private sector and other actors are committed to educate every girl, to equip them for development. The millennium development goals needs to implement in this region to eradicate extreme poverty and hunger, achieve universal primary education, promote gender equality and empower women, reduce child mortality, improve maternal health, combat HIV/AIDS, malaria and other diseases, ensure environmental sustainability and develop a global partnership for development.

Review of Literature

The art of modeling poverty seem to be preoccupied in getting the best criteria for the judgment of the poverty status of individuals. Rouband and Razafindrakoto(2003) assert that there is correlation of the objective and subjective poverty measures and further argue that the various forms of poverty are not reducible one against the other. Apart from being obsessed with monetary approach for measuring poverty there has been a growing literature, which tries to come up with an index of multidimensional poverty facet.

However there is little conclusion so far and as Kanbur and Squire (1999) argue there is no material difference in the number of poor identified as poor by employing different approaches. This seems to be convincing for at least the hard core poor where they are poor are in every dimension. Moreover after comparing different definitions of poverty and their implication to poverty modelling Rouband and Razafindrakoto (2003) argue that the traditional approach of monetary approach to measurement of poverty seems justified, as it is the one most correlated with the other subjective measures.² The devil is not on the usage of money metric unit for the determination of absolute poverty line rather on the mechanism employed for the derivation of such a line (Ravallion, 1996).³

The unavailability of any poverty analysis in Eritrea and rigorous attempt to define and measure absolute poverty line constrains the choice to monetary approach developed by the World Bank. According to the World Bank quick appraisal group, absolute poverty line is "the minimum cash and non cash expenditure needed to be made by a person or household in order to be able to consume a minimum number of calories (food) plus a small number of essential non food items such as housing and clothing" (World Bank, 1996:5). The World Bank group also calculate poverty lines with and with out food aid, original poverty line minus the amount of food aid received by a household.⁴ Using this definition they calculate poverty lines by region and at national level. With out going deep into the philosophy of this argument we will adopt what was suggested by the World Bank (World Bank, 2001).

II. DETERMINANTS OF POVERTY IN THE HORN OF AFRICA

1. Agriculture Sector and Natural Disaster

It is a known fact that agriculture is the major source of income and employment for the majority about 70-80 per cent of rural people in this region (Ravinder Rena, 2004). It is to be noted that the nature of agriculture has shifted from pre-modern to modern in all terms since the independence of these countries (AMREF, 2001). Compared to the phase of massive poverty, hunger, famine, scarcity of food grains at independence, this region now failed to produce sufficient food grains even today. As a result, the Horn faces poverty in real terms. Poverty in the Horn of Africa is not fixed but scattered in the region. This region is been facing poverty because of natural calamities for many decades.⁵ "At least 500,000 Kenyan children face the threat of starvation as the worst drought to hit East Africa in decades enters its fourth year, aid agencies say, and cases of severe malnutrition are on the rise. The drought and subsequent famine stretch across swaths of Kenya, Ethiopia, Eritrea, Somalia, Djibouti and Sudan, countries that are simply not prepared to deal with the looming humanitarian crisis, say international aid officials".⁶

Paradoxical as it may appear, a major long-standing challenge for the survival and livelihood of the peasantry in this region has surfaced not only in years of drought and famine but also in years of bumper harvest or relatively above average volume of production (*see table-1*). This region, currently in destitute, not only in times of poor harvest, but also in periods of bumper harvest, markets are seen penalizing poor peasants repeatedly. However, it is observed that no intervention is being exerted on the part of the governments or the responsible federal/central and regional/zonal government authorities to correct the widespread domestic agricultural market imperfections. As a result, the widespread poverty amongst the peasantry in this region increase and the consequent erosion of the asset base of farm households observed. The majority of (urban and rural) population due to lack of alternative livelihood options, periods of poor agricultural harvest or drought faces malnutrition and hunger. In poor economies in this region, one major critical problem of the dysfunctional nature of agricultural markets is the lack of physical infrastructure facilities, storage facilities and major and feeder roads. Another problem is the lack of marketing information infrastructure on local and global markets, including the training and management expertise and dissemination mechanisms among

the various actors, i.e., peasants and buyers, in the market. Thus, major impetus need to be given to: I] Building the major roads of the country and also feeder roads in producing regions; ii] Develop the human capital; iii] Develop marketing information tools from village to regional places; iv] Build up central markets to enable better and quicker local and international market information analysis and dissemination; and v] Integrate local market with global market penetration for better results.

2. Education and Unemployment

Educated and healthy children are the building blocks for growing economies and positive societies. However, they are often powerless within their society and are restricted by their surroundings and poverty. Issues facing children in the Horn of Africa are: poverty, HIV/AIDS, disease, fear, illiteracy, drought/famine, homelessness, military enlistment, conflict, exploitation, marginalisation, gender discrimination, displacement, urbanization and hunger. Along with it, children have no education, inadequate food, and inadequate shelter, no support abused and mistreated, turn to crime, drugs and violence to survive Prostitution. "The issues that children faced will prevent them from becoming leaders of tomorrow. Lack of skills, health, education and care destroys their chances of positively impacting society in the future..."⁷

The primary enrollment in many countries in the Horn is not seems to be very lower when we compare with other parts of the world where more than 70 per cent of the children enrolled in the primary school. The rate of illiteracy is found be more than 50 per cent in this region. The higher education figures in this region tend to be a frightening with less than 1 per cent.⁸ There are very few universities in Kenya, Ethiopia and Sudan and there are one or nil in Somalia, Eritrea and Djibouti. Therefore, the governments in this Region should identify and promote regional centers of excellence in higher education and research, especially in science and technology, strengthen its links with its neighbouring countries in Africa and the rest of the world. Besides, they can establish strong ties with the Diasporas' and establish strategic partnerships with international partners to promote priority areas for research (Rena, 2005: 198). The Universities in this Region should themselves develop strategic plans and should promote shared curriculum development, sharing of staff and exchange of students. "In the past decade, the World Bank has given increasing attention to the needs of children by devoting more of its resources to poverty reduction, human and social development, and supporting programs specifically addressing the needs of children. Such areas as girls' education, basic education, maternal and child health, immunization, and nutrition were given more support and strengthened."⁹

Table-1 Poverty Factors in Selected Countries in the Horn of Africa

Country Name	Total Population million	Children under 18 (million)	Aids Orphans	Children under AIDS	Primary School Attendance	Mortality rate under five in 1000	Rate of Living less than US \$ 1
Ethiopia Current Issue	68.9	36.1	989000	230000	30%	171	82%
Limited access to education and safe drinking water due to conflict and drought.							
Eritrea Current issue	3.9	2	24000	4000	61%	47	NA
Drought and landmines on the border.							
Somalia Current issue	9.48	5.1	NA	NA	11%	133	NA
Political and social instability. Warlords and factions are attempting to gain control of certain areas of the country.							
Djibouti Current issue	693000	343000	6000	33%	NA	143	NA
Political crises (regional wars, domestic armed conflict) and economic crises (drought, in particular).							
Kenya Current issue	31.5	15.7	892000	220000	72%	78	23%
300 000 children are living on the streets or working in dangerous environments. Safe water and sanitation access have declined. Malnutrition and child mortality have risen.							
Sudan Current issue	34.4	16.9	NA	NA	60	103	NA
Problems in Implementing Peace Accord 2005 and Darfur crisis. Lopsided Development in North and South Sudan leads to poverty.							

NA: Not available

Source: <http://www.unicef.org/infobycountry.html> ; And various Reports from the Horn countries.

Table-2 Human Development Index in the Horn Countries

Country	HDI Rank	HPIR	HDI Value 2003	Life Exp at birth years 2003	Adult literacy rate (% age 15 and above) 2003	Combined primary, secondary and tertiary	GDP per capita (PPP US\$) 2003	Life expectancy index	Education index	GDP index	GDP per capita (PPP US\$) rank minus HDI rank
Sudan	141	59	0.512	56.4	59.0	38	1,910	0.52	0.52	0.49	-6
Djibouti	150	53	0.495	52.8	65.5	24	2,086	0.46	0.52	0.51	-18
Kenya	154	64	0.474	47.2	73.6	52	1,037	0.37	0.66	0.39	7
Eritrea	161	73	0.444	53.8	56.7	35	849	0.48	0.49	0.36	7
Ethiopia	170	99	0.367	47.6	41.5	36	711	0.38	0.40	0.33	1
Somalia	173	101	NA	46	16	NA	NA	NA	NA	NA	NA

Source: UNDP Human Development Report, 2005

Note: HDI= Human Development Index; HPIR = Human Poverty Index Rank

3 Health Issue and Poverty

UNICEF is the specialist children's organization of the United Nations, working with African children and youth in numerous ways. It provides education about prevention and healthy life choices to reduce HIV/AIDS and other diseases. It cares for and supporting

orphans and HIV-infected children. It is working throughout East Africa dealing poverty, education and awareness towards HIV/AIDS.

The Millennium Development Goals (MDG) understands the investment in the educational sector, which will help for poverty reduction, human resource development and knowledge-based economies. African Countries should reflect this priority in increased appropriations for education. Unemployment, officially around 30% unofficially 41.5%, continues to cloud the horizon. A plan to address that problem by limiting immigration will probably just worsen another one: a shortage of skilled labour.¹⁰

Horn of Africa is home to the millions of AIDS sufferers in the world. HIV can be passed from mother to baby and they suffers Discrimination, misinformation and Lack of education. It is observed that the young people in this region are infected with HIV because they are poor or homeless, which makes them more vulnerable to exploitation and abuse, for example by being forced to have sex for money. Children orphaned by AIDS are themselves particularly vulnerable to infection because they often have no one to care for or protect them, or any means of earning a living.

More than 5 million AIDS orphans in Horn of Africa alone (*See table-1*). One or both parents have died – mainly from AIDS. Most of them are drop out of school to care for younger siblings, live on the streets and become involved with drugs and crime.

HIV/AIDS is Africa's known threat to survival in the 21st century. Along with malaria and other infectious diseases, HIV/AIDS is a threat to economic, social development and integration, which must be addressed at national, sub-regional and regional levels in the Horn. The supply and production of medicines as well as vaccine research is most efficiently pursued at the regional level. Migrants and refugees should have equal access to HIV/AIDS prevention and treatment.

According to the United Nations (UN) estimates, 15,000 people worldwide are infected with HIV/AIDS each day. The other report observed that AIDS has already caused immense suffering by killing more than 30 million Africans and has left 11 million African Children orphaned since the epidemic began. A joint AU-Economic Community of Africa (ECA) - UN AIDS - World Health Organization (WHO) group, with an input from civil society, should monitor the Abuja declaration and formulate an annual report for submission to the AU summit. The member countries need to put in place mechanisms for the implementation of these commitments at national level, complete with monitoring mechanisms. A regional centre of expertise and research in analyzing, monitoring and developing public policies with respect to AIDS should be established. Existing regional networks concerned with HIV/AIDS should be strengthened. The African Union (AU) can now concentrate on funding its own research in order to find a lasting cure to these diseases: a] All member state of the AU establish a matter of national security and stability, comprehensive laws and strategies to fight the HIV/AIDS

pandemic; b] HIV/AIDS policies and programming interventions take due cognizance of the gender implications of the pandemic.

Table-1 shows that Somalia's collapsed state causes instability and much danger, especially to children. Countries immersed in conflict make it very difficult for relief and development action to be taken. Ethiopia, Eritrea, Somalia and Djibouti are possessing large number of AIDS orphans and children, high mortality rate, low primary school attendance and majority population lives on less than US\$1 (*see table-1 and 2*). All these countries are facing the poverty, HIV/AIDS, border issues, malnutrition and under development. For example, it is very difficult for humanitarian aid workers to reach children to immunize them from deadly but preventable diseases. The direct effect is misery and stigma, vulnerable and exploited, sickness and disease.

III. IMPLICATIONS FOR POVERTY REDUCTION IN THE HORN

1. Socio-Economic Development and Regional Integration

Africa has been a pioneer of regional integration, starting with the aspirations of the first nationalist in the 18th century, through Pan African Congresses. It was taken over through the Lagos Plan of Action (LPA), Abuja Treaty establishing the African Economic Community (AEC) and finally the African Union. The current regional climate, including the decision to establish the AU and the momentum underpinning NEPAD indicated that the moment was mature for integrating existing peace and security issues within a unifying framework, in such a way that they retain their essential autonomy and dynamism but complement one another more effectively. The combination of the AU and NEPAD provides a framework for bringing peace and security issues together with the question of governance and constitutionalism and economic development and international partnership.

The Horn of Africa faces grave challenges and the most urgent of these are the eradication of poverty and the fostering of socio-economic development, in particular, through democracy and good governance. It is to the achievement at these twin objectives that the NEPAD process is principally directed. The member states of the AU have agreed to work together in policy and action in pursuit of democracy and good governance.

2. Efforts for Sustainable Development

The governments of Horn of Africa should lay a clear agricultural marketing policy and the associated intervention mechanisms, including the designation of a public organization (sort of a grain board) that could play the economically and socially desirable task of absorbing, storing and properly utilizing the available surplus production (Ravinder Rena, 2004). There is a need to safeguard the poor peasants from facing drastic falls in their producer prices. The government should study and reform its business licensing procedures, controls unhealthy regulations and provide basic requirements and contribute to better and highly efficient marketing channels in local and international marketing operations (Narayan, and Nyamwaya, 1996). The local and international

partners of development should be committed to poverty reduction, food security and development of Horn of Africa. They should play a key role in supporting the development of a properly functioning national integrated agricultural production and marketing system. Their coordinated effort in this regard is quite invaluable as it significantly contributes towards meeting the challenging tasks of food self-sufficiency and food security in the country and relieves donors of their continued humanitarian responsibility of providing food aid to Horn of Africa. Apart from the current practice, these peasant requirements to be given the necessary support and advice to produce crops suitable to those geographical areas and generate demand for the produce in the local or export market.

Thus, the concerned government bodies, in cooperation with the local and international partners of development, should demonstrate high commitment and practical deeds by working towards enhancing the crucial role of well functioning agricultural markets. It will act as an incentive to a sustainable increase in agricultural production and making its traditional roles in facilitating national economic development. It is, therefore, mandatory to point out and stress areas where the government and the other partners of development should focus upon in building a dynamic agricultural marketing system. Joint venture projects were found to be relatively bettered implemented compared to wholly foreign owned projects. This might be attributable to the fact that while foreign investors strive to follow the delivery of equipment and machinery, their domestic counterparts follow the construction and other assignments in the country.

3. Role of African Union in the Development of Agriculture

The AU should play a greater role in the agricultural sector of the continent. One of the eight commissions of the organization will be responsible for agricultural development. The AU should ensure that a proper programme is prepared for food and security in Horn of Africa. Research and development should be an important aspect of work of these commissions. In this regard, emphasis should be placed on research and development that would benefit Africa. The member states of the AU adopt and implement policies and legislation in the field of agriculture to ensure equal access to control and ownership of land by women (World Bank, 2000). They acknowledge that food security strategies imply necessarily the empowerment of rural women and the establishment of an African Food Bank reserve to be used in cases of emergency particularly in this drought prone region.

Table -3 Total and Agricultural Population (Including Forestry and Fisheries) in the Horn.

Countries	Total Population					Agriculture Population				
	1979-81	1989-91	1999-2001	2003	2004	1979-81	1989-91	1999-2001	2003	2004
Eritrea			3715	4141	4297			2881	3173	3278
Ethiopia	38136	51971	65597	70678	72420	33895	44601	54039	57319	58408
Kenya	16377	23586	30535	31987	32420	13473	18756	23048	23706	23873
Somalia	6430	7147								
Djibouti	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Source: Food and Agricultural Organisation Reports 2006

4. India and Horn of Africa Cooperation in Agriculture

Indian government introduced many initiatives for partnerships and mutual benefits, between India and the African countries like Kenya, Ethiopia Eritrea etc. It is important to transform subsistence agriculture to science-based intensive agriculture by adopting promising indigenous practices combined with selective use of improved technologies such as inorganic fertilizer, better equipment, improved seeds, and improved soil conservation and agro forestry practices (Ravinder Rena, 2004: 107). Improved technologies and use of farm capital is the most promising path to achieve the goals of greater productivity, food security, and sustainability in most agro-climate zones. The capacity of farmers in this region to pursue alternative technologies requires Indo-African investments in rural infrastructure, input and output market improvements, land markets, credit policy and promotion of non-farm enterprises such as agro-industry. The challenge is to develop innovative, cost-effective public, private and public institutions including NGO's that support agriculture under a favorable and macroeconomic and institutional environment.

This region should adopt an agriculture and rural-centered development strategy. This strategy focuses on the development of smallholder farm productivity and the expansion of commercial farms. One suggests the structure of cooperative farming like West and South India (Andhra Pradesh province)¹¹ and Kenya, Eritrea may be implemented in this region. If successfully implemented, it has the potential to reduce food insecurity, absolute poverty and environmental degradation. Conceptually, an agricultural and employment based economic growth strategy has three basic elements like:

- 1] Agricultural growth requires an appropriate land-saving technology in the form of biological and chemical technologies.
- 2] The growth in food demand occurs through accelerated growth in rural employment (or increased demand for labor), made possible through scientific agriculture and
- 3] Increase demand for goods and services produce.

Overall, the challenge for eradicating absolute poverty in this region is best achieved by pursuing an economic growth strategy that transforms the currently low productivity agricultural sector (*Table -3*). This challenge can be met by developing India-Horn of Africa institutions that promote the four prime movers of agricultural development identified like:

- 1] Production of appropriate technologies - produces through public and private investments in agricultural research;
- 2] Human capital investments and vocational skills of poor people by investment in private and public schools, training programs, on-the-job experience and health;
- 3] Investment in infrastructure like dams, irrigation facilities, telecommunications and roads; and
- 4] Investments in farmer support institutions such as marketing, credit, fertilizer, and seed distribution systems.

The critical need for moving agriculture forward in the Horn is underlined by the need to increase food supply to feed a rapidly growing population, to provide employment, income growth to reduce absolute poverty and food insecurity for a predominantly rural-based population. Since this region has a large pool of unskilled labor, agricultural development can relieve the growing unemployment problem on the one hand and increase in agricultural income on the other hand. A 'poverty focused' economic development policy has best chance of success if it is agricultural-led, or if it is based on increasing agricultural productivity that result in food security and the reduction in absolute poverty.

Since food security contains both supply (production) and demand (income) dimensions, there is a need to focus on food production. In this regard, a key policy research identifies the combination of technologies and institutions, which aspires availability and access to food by local communities and regions in Horn of Africa. The prime movers of agricultural development (public and private investment) need to involve in agricultural production and supply to ensure food availability. It includes India-Horn of Africa investments on: I] New technology and agricultural research; ii] Human capital and managerial skills produced by investments in schools, training, and on-the-job experience; iii] Physical capital investments in rural infrastructure such as irrigation, dams and roads; and iv] Farmer support institutions such as marketing, credit, and extension services.

Each of the above movers is important and complementary. India and Horn cooperation underscores the critical need to develop agro-ecology, specific technologies to raise crop productivity, investment in infrastructure and in agricultural support institutions, marketing and credit in order to overcome problems of productivity and remove weak linkages within the rural economy. It also implies that success in transforming agriculture along these lines can reduce natural resource degradation, and thereby enable this region to break out of the absolute poverty-environmental degradation-food insecurity trap on the one hand and strengthen the agricultural policy reforms in Horn of Africa with the cooperation of India on the other hand.

5. Development of Rural Infrastructure and Household Employment

This requires a strong push for growth in public investment in rural infrastructure like rural roads, telecommunication network, and facilities for storage, preservation and transportation of perishable commodities like vegetables, fruits and flowers which have a considerable market both domestically and internationally. Along with it, irrigation facilities, water conservation and management, school, electricity, hospital, social services, sanitation and other facilities requires in a society would help in improving the quality of rural human resources (World bank, 2001; Barrett, and Carter, 2004). This, in turn, would complement and contribute to rising productivity in, what would still remain a largely agriculture-cantered rural growth strategy.

The design of anti-poverty policies and programmes is the sizeable share of the self-employed in the poor communities in this region. The central problem of poverty in the self-employed householders is not that they are at work for only a few days in the year but the returns to their labour input are too low. The focus of policy should be more on raising the returns from the asset-base of the self-employed land in rural Africa and raising their skill profile-especially in urban region. Today, what about the casual wage labour dependent households who are numerically the dominant group among the rural poor and account for close to a third of the urban poor is a matter of concern? Otherwise, the raising incidents in urban area are a direct consequence of structured unemployment. Along with it, the raising alarming rate of crimes, violence, theft, in the capital cities to villages is a direct result of lack of policies regarding employment generation ultimately leads to utter poverty.

Good economic governance and corporate governance including transparency in financial management are essential pre-requisites for promoting economic growth and reducing poverty in this region. Poverty can only be effectively tackled through the promotion of: 1] Gender equality; 2] New partnerships between governments and the private sector to civil society; 3] Allocation of appropriate funds to social sector; 4] Openness to international trade and investment; and 5] The development of human and physical resources.

NOTES

1. The Horn of Africa is usually understood to comprise Djibouti, Somalia, Ethiopia, Eritrea, Sudan and Kenya.
2. However, they assert that it is sufficient and would be good if it could be augmented by non monetary. Of course, ultimately any subjective approach will converge to the monetary approach, at least when it comes to practice. The capacity of the welfare ratio in representing the money metric unit of utility is a function of the institutional setting and the definition of welfare which is variant with time and spatial space.
- 3 Ravallion (1996) comments on the modelling and measurement of poverty with reference to their repercussion to policy guidance. Laderchi, R.C. et al, 2003 give detailed discussion of the implication the different definitions of poverty to the measurement of poverty.
4. World Bank (1996) "Eritrea poverty Assessment," Report No.15595-ER,The World Bank, Washington, D.C, USA.
5. Ethiopia, Eritrea, Somalia and Sudan have been experiencing chronic famine and drought conditions. For example, drought in Ethiopia in 1985 and 1998 and 2000 suffered more than 10 million people.
6. Barrett, C.B. and M.R. Carter (2004), "The Economics of Poverty Traps and Persistent Poverty: An Asset-Based Approach," Cornell University working paper and also see Stephen Ilungole, New Vision, March 20, 2006.
7. <http://www.younglives.org.uk/data/focus/index.htm>.

Rena, Ravinder (2007) "Trends and Determinants of Poverty in the Horn of Africa- Some Implications", New Delhi (India): *Indian Journal of Social Development – An International Journal*; Vol.7, No. 1 (June), pp.65-77.

8.Children and youth: What we do', World Bank Group, 2002, <http://wbln0018.worldbank.org/HDNet/hddocs.nsf>

9. See Karl Maier, 'The Universal Soldier', Into the House of the Ancestors, John Wiley and Sons, New York, 1998, pp. 129-153.

10. Alok Bhargava, 'Public policies and the orphans of AIDS in Africa', BMJ, 21 June 2003; Vol. 326, p. 1387, <http://bmj.bmjournals.com/cgi/content/full/326/7403/1387>

11. Based on the cooperation agreements between Andhra Pradesh state government in India and Kenya (Uganda also), the former sent many experienced farmers to the later to improve the agriculture situation in these countries.

REFERENCES

AMREF (2001) Participatory Poverty Assessment Report, Nairobi District Assessment in Kenya World Bank Social Policy and Resettlement Division.

Barrett, C.B. and M.R. Carter (2004) "The Economics of Poverty Traps and Persistent Poverty: An Asset-Based Approach," Cornell University working paper.

Narayan, D and Nyamwaya, D (1996) Learning from the Poor: A Participatory Poverty Oxford University Press.

Rena, Ravinder (2004) "Green Revolution: Indian Agricultural Experience – A Paradigm for Eritrea", New Jersey, USA: *Eritrean Studies Review*, Vol. 4, No.1, pp103-130.

Rena, Ravinder (2005) "Challenges for Food Security in Eritrea – A Descriptive and Qualitative Analysis", Abidjan (Ivory Coast): *African Development Review*, Vol.17, No.2 (September), pp193-212.

World Bank (2000) Attacking poverty: World Development report 2000/2001 New York

World Bank (2001) African poverty at the Millennium, Washington, D.C.: World Bank.

www.undp.org/factspoverty.pdf.

* * * * *