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# The fall of the elephant

# Two decades of poverty increase in Côte d'Ivoire (1988-2008)\*

Denis Cogneau<sup>†</sup>, Kenneth Houngbedji<sup>‡</sup>, and Sandrine Mesplé-Somps<sup>§</sup>

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#### Abstract

At the end of 1980s, Côte d'Ivoire entered a deep macroeconomic crisis that put an end to the often praised "Ivorian miracle". After the death of the founding father Houphouët-Boigny, unrestrained political competition added to bad economic conditions and led to the nightmare of civil war. Drawing from a series of five household surveys covering two decades (1988-2008), we tell the story of this descent into hell from the standpoint of poverty and living standards. In 2008, after five years of civil war and another episode yet to come (2010-11), extreme 1.25 USD poverty headcount had reached a historical record in poverty, with northern areas deeply impoverished by the partition.

**JEL code**: I32; N17; N37; O55.

Keywords: Economic history, Poverty, Côte d'Ivoire, Welfare.

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#### 1. Introduction

After having been praised as a model to follow, at the turn of the 21st century Côte d'Ivoire began to stand as a counterexample for those eager to find auspicious signs of the "emergence" of Africa. For now, the case of this country is perhaps a reminder to others that some golden ages may end in nightmares. In 2012, Côte d'Ivoire has just come out from a contested presidential election that was close to turn into a civil war between the incumbent's (Laurent Gbagbo) and the challenger's (Alassane Ouattara) followers. For five years between end-2002 and 2007, the country had also been partitioned between North and South, with UN mandated forces interposing between legalists and rebels. And in 1999, a coup from General Robert Gueï had expelled from power the president Henri Konan Bédié. When did it all start? It is already on that point that readings of history disagree; furthermore it is certainly possible to find roots of such a large crisis in the distant past, at least since the colonial period (Dozon 2011). However, when opting for not a too deterministic storyline, it is safe to say that bad economic and political conditions started combining each other between 1990 and 1993. Macroeconomic imbalances and growth failures appeared in the mid-1980s, the first structural adjustment program (SAP) being launched as early as in 1981; still the halving of cocoa producer prices was delayed until 1990, and can be seen as symptomatic (Berthélemy and Bourguignon 1996; Cogneau and Mesplé-Somps 2002a-b). In the same year, the first multiparty presidential election was conceded and won by the father of the nation Félix Houphouët-Boigny, who had ruled the country since independence (1960), and who died in December 1993. The death of the "vieux" (oldman) raised the last obstacle to the CFA franc devaluation in January 1994, this illustrating how economics could be determined by politics (Jones& Olken 2005). Reciprocally, it can be argued that neoliberal economic reforms undermined the capacity to preserve a fragile political equilibrium, in particular between northern and southern elites (Boone 2007).

This paper proposes a retrospective analysis of the evolution of living standards in Côte d'Ivoire over two decades, since the end of the 1980s until the end of the 2000s. It focuses on income distribution and monetary poverty, but also looks at access to education and to health. This is made possible by the exploitation of the large sample household surveys that were implemented at various dates across that period. Our analysis also makes use of available national accounts, as well as of regional and sectoral price data. To our knowledge, the most recent past decade has not yet been analyzed in those terms, and no such historical perspective has yet been tried. This paper is organized as follows. The next section is a background section that reviews the main lines of Ivorian economic history since the colonial era until the 1980s. Section3 then presents the data and the analytical methodology, further details being given in dedicated appendixes. Section4 the reviews a first decade of uncertainties (1988-98) inaugurated by the great cocoa shock (1989-93) followed by the devaluation bounce-back (1994-98). Section 5 then delves into the less studied decade of the civil war (1998-2008), that we divide again in two halves: The first half sees three presidents follow one another in power(Konan Bédié, Gueï, Gbagbo) until the partition of the country in 2002. The second half ends in 2007 after the signature of the Ouagadougou agreements between northern rebels and legalist forces. We then shortly discuss recent developments between 2008 and 2013, and set a few prospects for the ten years to come. Section 6 concludes.

#### 2. The rise of the elephant until the end-1980s

The present territory of Côte d'Ivoire (Ivory Coast) was first constituted as a colony of France in 1899. Côte d'Ivoire became independent in 1960, like all French colonies of West and Equatorial Africa.

Before 1899, the French already had established trade posts on the coast of the Guinea Gulf, in particular on the lagoon of the South-West (Grand Bassam), close to the future capital of Abidjan, and not too far from the "Gold Coast" (Ghana) border where the British were settled. They also arrived in the North, coming from the coasts of Senegal; at the present-day northern borders of the country with Guinea, Mali, Burkina Faso and Ghana, they fought a series a war against the diula leader Almami Samori Ture, that ended with his capture in 1898. Before the arrival of the French, the most structured pre colonial polities were the kingdoms located in the North, from West to East: the Senufo kingdom of Kenedugu, whose capital city was Sikasso (in today's Mali), the Kong and Buna kingdoms (with eponymous capital towns in today's Côte d'Ivoire), and the Gyaman kingdom (around Bonduku). Other small polities (Sefwi, Indenie, Sanwi) along the border with Ghana were under the domination of the Ashanti Empire whose capital Kumasi lied in Center Ghana. Economically speaking, the northern kingdoms were mostly based on the trade with trans-Saharan caravans, which exchanged salt, cattle or a few manufactured goods for the gold from their mines and the kola nuts bought to the people of the southern forest. Slave trade was also present in the North-East and along the border with Ghana (the Ashanti Empire was based on gold and slave trades), but comparatively little affected the populations of Côte d'Ivoire.

During the colonial era, Côte did not receive more investments than other comparable areas like Guinea or Dahomey (today's Benin), but much less than Senegal, which was the center of the government of former French West Africa (Huillery 2009). Cocoa production only took off after World War II, in the 1950s, and drove urbanization (Jedwab 2011). It started at the border of Ghana, which was the world first producer of cocoa at that time, as akan "*planteurs*" (cocoa growers) imitated their co-ethnic neighbors. A *baule* physician and cocoa grower, Felix Houphouët-Boigny, was elected at the French National Assembly in 1945, and occupied a series of ministerial positions in the governments of the French 4<sup>th</sup> Republic. After having turned into an independentist leader, he became the first president of Côte d'Ivoire in 1960 and, as "father of the nation", stayed in power until his death in December 1993. Houphouët-Boigny consolidated his rule by making a political alliance with northern leaders (a Center-East/North axis), allowing him to counterbalance the influence of non-*baule akan* kings and chiefs (South-East) and to downplay the opposition of *kru* leaders (Center-West).<sup>1</sup>

At the same time, he preserved very strong links with the French, becoming one of the main actors of what was going to be called the "*Françafrique*". He was rewarded by high levels of French foreign aid, as well as by the allocation of French engineers and administrators in key technical positions within the Ivorian administration.

<sup>&</sup>lt;sup>1</sup> This political equilibrium fell into parts after his death in1993, because of the individual competition between the northerner Ouattara, prime minister, and the *baule* Konan Bedie, president of the National Assembly.

#### [Insert Figure1 about here]

In the 1960s and 1970s, the "Ivorian miracle" was built upon the two pillars of cocoa and French aid. The *baule* planteurs colonized forest areas to plant cocoa and coffee trees, moving progressively the cocoa frontier from the East (Ghana border) to the West (Guinea border) that was reached at the end of 1990s. Part of the shareholder labor force for cocoa was provided by very large migrations flows from Northern neighbors, firstly Burkina Faso and secondarily Mali. According to the 1998 census, 26% of residents were foreigners, even if half of them were actually born in the country( Tapinos, Hugonet and Vimad 2002). Cotton production was developed in the North, and kept increasing until the end-1990s as well. Administered producer prices were managed by parastatals as an implicit taxation on farmers, so that cocoa and coffee income became central in the government revenue. With growing fiscal resources and generous amounts of aid, the Ivorian State could invest in roads and transportation infrastructures and in the construction of schools, and could also pay high wages to its civil servants, including teachers. Growing cocoa income spurred urbanization (Jedwab 2011). Great emphasis was placed on education, and Côte d'Ivoire succeeded in catching-up with neighboring Ghana in terms of literacy, whereas it was very much lagging behind at the end of the colonial era. Houphouët nicknamed Côte d'Ivoire the "République des bons élèves" (Republic of the good pupils), paraphrasing the "République des professeurs" (Republic of the teachers) that was used for the French 3<sup>rd</sup> Republic.

Figure1 illustrates how growth was determined by cash crops income, in particular cocoa. Between 1960 and the beginning of the 1970s, real GDP per capita raised by around 50%, from 600 to 900 (2000 US dollars). In 1974-75, cocoa, coffee and cotton international prices followed the boom of oil prices and other raw materials, and internal producer prices were dramatically increased as well, bringing GDP per capita to the heights of 1,100USD. Côte d'Ivoire overtook Ghana as the main producer cocoa producer in 1977 (Eherhardt and Teal 2010). However, this price boom did not last very long, and the disillusion on growth also came with the first adjustment program in 1981. The short-lived bounce of international prices in 1985-86 allowed postponing macroeconomic stabilization for a while; in 1987, Côte d'Ivoire failed to influence cocoa international prices by accumulating stocks. At the end of the 1980s, growing deficits of the State budget and of the cocoa and coffee marketing board could no longer be sustained, and a large cut of producer prices was finally implemented in 1989.

#### [Insert Figure2 about here]

Figure2 provides a kind of summary of the Ivorian miracle and reversal of fortune, using height stature data covering 85 years (1903-1988). For the early period (1903-1940), we use recently collected military data on conscripts in the French army; conscripts height gains nicely connects with data from the 1985-88 and 2008 surveys in which heights of 20 year-old and over males were measured.<sup>2</sup>

The graph reveals the impressive height gain of 4 centimeters that was obtained in the three

 $<sup>^2</sup>$  In retrospective survey data, oldest cohorts heights are affected by old-age shrinkage. See Cogneau and Rouanet (2011) for an analysis of 1925-85 height evolutions, and a comparison with Ghana.

first quarters of the 20th century. This gain compares well with Robert Fogel's (1994) figures for 20th century France or United-Kingdom (6 cm over the 1875-1975 period). For cohorts born after 1975, i.e. when GDP per capita began its great decline, we observe a significant fall of height stature, by around 1.5 cm.

#### 3. Data description and methodology

This section presents the main choices that were made in terms of living standards and poverty measurement. The appendix provides more detail both on the construction of variables from micro-data (consumption, durable goods ownership, school enrollment), and on macroeconomic indicators drawn from national accounts.

This study is mainly based on data from five nationally representative household surveys conducted by the *Institut National de la Statistique de Côte d'Ivoire* in 1988, 1993, 1998, 2002 and 2008.Table1in appendix lists surveys names, precise dates and sample sizes.

#### 3.1 Population across space and occupations

The survey figures for the spatial distribution of population are not too disturbing (Table 1), with the exception of foreigners (see below). For the 1998 survey, the regional distribution fits with population census data of the same year (Badou2000). Across time, the westward more of the cocoa frontier may explain why the share of the West Forest increases while the share of East Forest decreases. Urbanization evolutions seem a bit more distorted: The 1998 survey urbanization rate is above the population census figure by 3 percentage points(45 versus 42%, see Badou 2000); then, as the sample designs of 2002 and 2008 are based on the most recent population census, urbanization declines to 43 and 41% respectively.

The 1988 survey very much underreports the foreign population and more generally male migrants; this also makes that sex-ratios are severely distorted when compared with the population census for the same year. Being based on the 1975population census, it probably misses migration inflows which followed the 1975 cocoa boom. The sample designs of the 1993 and 1998 surveys used the 1988population census. The share of Burkinabe and Malian household heads then jumps from 10% in 1988 to 18% in 1993. It falls back to 15% in 1998. In the 2002 and 2008 surveys, this share carries on decreasing to 13% then 10%. Part of this decrease could reflect return migrations generated by the raise of xenophobic violence against northern immigrants since the end of 1990s. Yet, we acknowledge that those evolutions would deserve more scrutiny, if only to disentangle survey bias from real demographic flows. A part from sample designs bias, the recording of nationality is not straightforward in settings where nation-States are young and weak. As Burkinabe and Malian households are poorer than the average Ivorian household, survey errors could bias the nationwide poverty figures; in particular we could deem the 1988 survey to underestimate nationwide poverty for this reason.

[Insert Tables 1 and 2 about here]

Table 2 shows the distribution of household heads across socioeconomic status in each survey (see appendix for definitions). Unsurprisingly, the share of farmers decreases from 55% in 1988 to 46% twenty years later. Among farmers, the share of cash crop producers is strikingly falling down: by10 pp for cocoa and coffee and 7 pp for cotton. A multiplicity of factors were involved. Real producer prices followed a downward trend (Figure 5). The liberalization of these sectors at the end of the 1990s increased the spread of producer prices, with variations in price paid being linked to market power and/or quality, and most likely led to a greater concentration, with the elimination of smaller less efficient producers. Regarding cocoa, old trees in the East turned less and less productive, and after 1998cocoaproductionwasnolonger growing (Figure 8); the move to the West also meant some concentration of production in the hands of large *baule* cocoa growers. Coffee prices and coffee production collapsed after 2002 (Figure8). Cotton production also collapsed after 2002, possibly as a result of disruption caused by the North-South partition of the country, as in 2010 and 2011 some recovery was observed. Outside of agriculture, urban labor markets were marked by structural adjustment programs which drastically cut hirings in civil service; the share of household heads who are civil servants fell from 12 to 4% in two decades. While the share of private wage earners remained stable, informal self-employment and inactivity/unemployment raised.

#### **3.2 Consumption variable construction**

The consumption variable is the sum of consumption of own food production, food expenditures, and sufficiently frequent non-food expenditures like housing, education, clothing, transport and communication. The components of the consumption variable are presented in detail in the appendix. We paid a great attention to the comparability of all the components across surveys. For instance, we realized that imputed rent estimations could change significantly depending on how the number of rooms had been reported (*i.e.* toilet and bathroom are included or not).

Consumption of food products account for more than 50% of total consumption. Food expenditures and consumption of own food production are recorded in two separate parts of surveys' questionnaires. Surveys do not use diaries, and rather ask about consumption over a product-specific recall period; not all surveys cover the whole year, and when they do, different households are surveyed in successive waves. We identified four features in survey questionnaire that could threaten comparability across time: (i) changes in the selection of goods for which expenditures were recorded; (ii) changes in recall periods for some goods; (iii) modifications in survey duration and control of seasonality of consumption; (iv) differences in the detail of goods. Figure 3 illustrates the kind of variation in consumption estimates that result from different choices regarding this latter aspect. In their methodological experiment on the measurement of consumption in Tanzania, Beegle *et al.* (2012) identify the same strategic dimensions. Their results suggest that, when compared with the benchmark of individual diaries, a detailed list of products with short recall periods is preferable.<sup>3</sup> Anyhow, even if levels may differ very much, reassuringly

 $<sup>^3</sup>$  The appendix explains in detail the way we compute non-food and food consumption aggregates and the potential bias induced by the changes of questionnaire designs since 1988.

enough the time pattern of consumption is rather consistent across estimates. Dabalen and Saumik (2013) propose a reweighing procedure in order to account for changes in questionnaire designs between the 1985-88 surveys and the 1993-2008 surveys. The assumptions implied by their methodology are questionable, in particular the stability in the distribution of socio-demographic variables over twenty years, as they acknowledge themselves. Further, the correction they make appears relatively limited, and provides estimates that are rather consistent with ours.

#### [Insert Figures 3 about here]

#### 3.3 Consumer prices

It revealed impossible to derive reliable/comparable unit prices from surveys. Quantities are declared in units that can be very heterogeneous across space, like bags or basins; furthermore, many times units are not specified: "other". We then use external data on consumer prices. Household consumption is deflated by the national consumer price index (CPI) from World Development Indicators, with 2005 as base year, and translated in 2005 international dollars using World Development indicators purchasing power parity exchange rates for the year 2005. The poverty line chosen to compute poverty indicators is 1.25USD (2005PPP).

For both the 1988-1996 and the 1996-2008 periods, disaggregate consumer price levels in Abidjan, along with budget coefficients, were communicated by the Ivorian National Institute of Statistics (INS). Unfortunately, the 1988-1996 price data proved very much inconsistent with the World Bank figures (World Development Indicators), as well as with the IMF figures (World Economic Outlook), in particular with respect to the high inflation following the CFA franc devaluation of 1994. The communicated price data showed very modest inflation in 1994 and 1995, in contrast with World Bank or IMF figures, which record a 26% inflation rate for 1994, and 14% for 1995. We could not elucidate the source of the problem.

In the rebasing year 1996, the consumer basket was changed: two price collections were implemented, one with the ancient list, another with the new and enlarged list. Here again, the 1996-2008 price data proved inconsistent with the aggregate consumer price index given by other sources: World Bank, IMF, and even Afristat, the regional statistical office. Once again, for cumulated inflation over 1998-2008, lower figures were obtained with the INS price data compared to the three other sources. We are still trying to understand the origin of such a discrepancy. In order not to run the risk of underestimating inflation, we resolved to stick with the consumer price index drawn for the World Development Indicators.

We only used the disaggregate price data to analyze the potential of a change in consumer baskets. For instance, we computed another consumer price index using budget coefficients of the average household in the first quartile of consumption per capita as of 1998. This "poverty-oriented" price index showed little different from the consumer price index computed with average budget coefficients. We also varied the consumer baskets according the region of residence (North, East Forest, West Forest, Abidjan) and found little difference in aggregate price evolutions (keeping in mind that only prices collected in Abidjan were available).

Last, sparse data on price levels were also obtained for some provincial capital cities other than Abidjan, and for two or three years lying between 1998 and 2008. Due to to civil war disruptions, northern provinces have no data at all. A quick analysis of these data surprisingly did not reveal

#### 4. The decade of uncertainties: 1988-1998

#### 4.1 The great cocoa shock: 1988-1994

By all accounts, the 1988-1994 period is the turning point when macroeconomic crisis spread all over the country, reaching yet relatively preserved cocoa growers and formal wage earners. A fourth structural adjustment programme was signed with the International Monetary Fund, involving very large public wages and expenditures cuts and a halving of cocoa and coffee producer prices. Félix Houphouët-Boigny was already struck by cancer, and Alassane Ouattara, the first prime minister since 1960, was in practice ruling the country. Social unrest and insecurity developed, with a series of street demonstrations, the occupation of the Abidjan University, and a mutiny within the army. In the first multiparty election held in 1990, Houphouët still beated his younger opponent Laurent Gbagbo, with more than 80% of suffrages.

#### [Insert Figure 4 about here]

Between 1988 and 1993, according to national accounts GDP per capita again fell by 100 USD and final private consumption per capita was reduced by 16%. Our survey data indicates an even more dramatic collapse of household consumption per capita, from 2.92 to 2.02 per capita and per day (2005international dollars), *i.e.* a 30% reduction. As a result the 1.25USD poverty headcount almost doubled from 20 to 38 percent (Table3). All regions in the country were evenly struck; whereas poverty was formerly absent from the capital city Abidjan, 13% of its inhabitants could be counted as poor (Table4). In1988, welfare was unambiguously much higher on the Côte d'Ivoire side, at the border with Ghana; in 1993, the difference had turned much smaller, even if, thanks to past investments, public utilities remained (Cogneau, Mesplé-Somps, and Spielvogel 2013).

#### [Insert Tables 3 and 4 about here]

All social classes were affected: the consumption growth incidence curve is nearly flat, meaning that proportional decreases in consumption per capita were evenly distributed across the income distribution (Figure 7). For the first time, net primary school enrollment fell from 56 to 47 percent (see appendix table3). Early-age children nutrition deteriorated, especially among small cocoa and coffee producers (Cogneau and Jedwab 2012). This is also when the AIDS epidemics began to spread (Cogneau and Grimm 2008).

#### [Insert Figure 5 about here]

During the 15 years that followed, the country would never recover from this great shock, and poverty would mainly oscillate around the level of 1993, even reaching 41 percent in 2008(see also CDF curves in Figure 6). Figure 2 suggests that early-age stunting and height losses were not entirely recovered when the affected cohorts reached adult age. The results of Demographic and Health Surveys for the years 1994, 1998 and 2012 suggest that early-age stunting stayed on the increase throughout the last two decades (Coulibaly and N'Dri 2012). However, outside of consumption or nutrition, after having stepped back both primary school enrollment recovered in

1998, and carried on increasing in 2002. Secondary school enrollment exhibited continuous progresses (appendix table 3). Finally, on the side of durable goods, households benefitted from the price decreases in radio or TV sets, and most impressively in mobile phones (appendix table 8). [Insert Figures 6 and 7 about here]

#### 4.2 The CFA franc devaluation bounce back: 1994-1998

After the 1993 legislative elections in France, the new French prime minister Edouard Balladur aligned on the positions of the IMF and the World Bank regarding the need of a devaluation of the CFA franc. Côte d'Ivoire being the most important economy of the Zone Franc, the death of Houphouët-Boigny in December 1993 canceled the last obstacle to its implementation, given the oath made by President Mitterrand to the old leader. CFA franc was immediately devalued by 50% in January 1994 -meaning an *ex ante* doubling of import prices. The objective of this devaluation was firstly the resorption of public deficits, through the reduction of the public wage bill in real terms, and increased fiscal revenue from import tariffs and duties on cocoa. Consumer price inflation stayed under control (around 30% in 1994), so that a large real depreciation was achieved. In terms of macroeconomic stabilization, and according to the criteria set by the Bretton-Woods institutions, the CFA franc devaluation was to some extent a success (Cogneau and Collange 1998).

In terms of income growth and poverty, fortunately enough international commodity prices also bounced back concomitantly, allowing increases in coffee and cotton real producer prices; however real cocoa prices were kept constant, so that the marketing board deficits could be cleared (see Figure 5 above). Fortunately again, national cocoa output reached a historical record (over 1.2 millions of tons), thanks in particular to trees reaching maturity in the West Forest, and perhaps also increased collection effort; in the North, farmers planted more cotton (Figures 8 and 9). Further, the new structural adjustment programme was backed by large amounts of foreign aid translating in a doubling of public investment in infrastructure (appendix table 13); private capital also flowed back to the country and the construction sector boomed.

#### [Insert Figures 8 and 9 about here]

According to national accounts, in 1998 consumption per capita had come back to its pre shock level of 1988. Survey data are much less optimistic: household consumption per capita reached 2.31 USD per capita and per day, *i.e.* only 80% of the 1988 value. Compared to 1993, the poverty headcount at 1.25 USD was reduced by 6 percentage points. Consumption growth incidence is even slightly distorted towards upper-middle income levels (Figure7), so that poverty is less reduced than what an evenly distributed consumption growth would have allowed. Indeed, in rural areas cash crop evolutions benefited more the "gros planteurs" (large cash crop growers), as illustrated by the high consumption growth among farmers (+17%) that contrasts with the modest poverty decrease of 4 percentage points (Table 5 Panel A). In cities, informal workers benefited from the boom of investment and from the recovery of household consumption (Table 5 Panel B). Civil servants however suffered from the non-indexation of their wages to inflation; this

most likely explains why the consumption growth was very much mitigated in the top decile (Table5 Panel C).

#### [Insert Tables 5 and 6]

On the political side, according to the Constitution the president of the National Assembly, Henri Konan Bédié became the new President in1994; he is a *baule*, like Houphouët-Boigny. This came to the disappointment of former prime minister Alassane Ouattara, a northerner *diula*, and Muslim. The political competition between the two heirs broke the houphouëtian political equilibrium that relied on the alliance between Northern elites and Center-South *baule* elites. To bar Alassane Ouattara ambitions, Konan Bédié and his followers resurrected the theme of Ivorian national identity ("*Ivoirité*") that Houphouët opponent Laurent Gbagbo, a *kru* South-West leader, already promoted in the 1990 elections. Prior to October 1995 presidential elections, the National Assembly passed a anti-Ouattara amendment in the Constitution, according to which candidates to presidency ought to have two parents of "Ivorian nationalty" and should not have served as officials another country, two criteria that Ouattara did not meet. The 1995 elections were also boycotted by Gbagbo, giving Konan Bédié an easy victory.

Strengthened by this victory and good economic conditions, Konan Bédié and prime minister Daniel Kablan Duncan launched a vast programme of public investment called the "12 works of the African elephant", meant to transform Côte d'Ivoire into an emerging 10% growth country at the 2025 horizon. It was mostly based on colossal and costly infrastructures centered around the capital city Abidjan (new airport, highways, urban train, new thermic central, etc.), relying on Build-Operate-Transfer agreements with private firms; in 1999, only four projects had effectively started. Capital-intensive industrial projects were also envisaged, in particular for the transformation of cocoa. In the meantime, the liberalization of the economy accelerated. Non tariff barriers as well as internal price controls (rice, transports) were eliminated. More liberal regulations were adopted for private investment, mines, labor, telecommunications. The privatization of the cotton parastatal in 1997was followed by the liberalization of the coffee (1998) and cocoa sectors (1999). Around sixty public firms were privatized, from sugar to telephone through railways.

#### 5. The erratic civil war: 1998-2012

In the prospect of presidential elections of 2000, political tensions carried on increasing. In 1998, a new law on land was passed that introduced not only unequal rights between national and foreigners, but also a notion of autochthony; it was hardly applied in the years that followed, but contributed to violence around access to land and land rights. Electoral lists were also scrutinized in order to exclude voters whose Ivorian nationalty could be contested. At the same time, growth slowed down, and Konan Bédié was accused of stratospheric corruption. A scandal around the embezzlement of European aid in the health sector burst out in 1998. On Christmas Eve1999, a military coup overthrew Konan Bédié and called to power Robert Gueï, the chief of the army under Houphouët, whom Konan Bédié had forced into retirement in 1997. This event inaugurated a

period of erratic civil conflict, punctuated by episodes of hard political violence at intervals.

#### 5.1 The elephant falling down: 1998-2002

General Robert Gueï committed in organizing elections, first declared he would not present himself, then changed his mind. Ouattara candidature was again barred by the new 2000 Constitution and Konan Bédié was exiled in Ghana, so that only Laurent Gbagbo and Robert Gueï competed in the 2000 elections. Turnout was very low at 37%. Yet Gueï was defeated and ousted out of powe rby street demonstrations of Gbagbo partisans; he was later assassinated in Abidjan after the coup attempts of 2002. Political violence reached a peak as fights also arose between Ouattara and Gbagbo followers, in particular a mass grave was found in the outskirts of Abidjan (Yopougon).The long-term opponent of Félix Houphouët-Boigny then became the third president of the Ivorian Republic. He quickly endorsed the topic of "*Ivoirité*", trying to build an alliance of southern "autochthons" (*krus* of South-West, non-*baule akans* of South-East), orthogonal to the houphouëtian alliance, based on long-lasting resentments dating from the colonial and early post-colonial times (Dozon 2011).

Liberalization had not reduced corruption, nor increased fair competition on markets, as it was not accompanied with progresses in the enforcement of the law (Cogneau and Mesplé-Somps 2002). No export diversification took place. Besides, following the liberalization of the marketing of coffee, producer prices collapsed. Foreign aid was cut following the military coup, resulting in public and private investment collapse. At the same time, public wages were increased by 15% overtheperiod, perhaps to buy loyalty from civil servants and the military, in times when political legitimacy was undermined.

Over 1998-2002, national accounts final consumption stagnated in per capita terms (see Appendix Table 13), while our survey aggregate increased by a small 6 percent, from 2.31 to 2.47 (2005 international dollars per day and per capita). Despite this sluggish growth, the poverty headcount increased by 3 percentage points, from 32 to 35 percent. The consumption growth incidence was indeed strongly anti-redistributive and urban-biased (Table 3, Table 7and Figure 7). Coffee producers, food crops farmers and the poorest informal workers lost, while skilled civil servants gained (Tables 5 and 6). In the North, very good cotton yields (Figure 9 and Table 6 Panel C) also reduced very much poverty in this area. Could it be that this sudden inflow of income helped the rebels to arm?

#### [Insert Table7]

#### 5.2 A country split in two parts: 2002-2008

In September 2002, military insurgents made coup attempts in the main cities of Abidjan, Bouake and Korhogo, and invaded the northern part of the country. They were raising from inside the country, and also coming from southern Burkina Faso and Mali where they had organized and trained; two other movement also crossed the border of Liberia and took hold of the cities of Man and Odienne in the North-West. UN mandated French and ECOWAS troops to interpose between rebels and loyalists. In January 2003, belligerents signed the Marcoussis agreement according to which a "national union government" had to be formed with ministries of Defense and of the Interior given to rebel representatives, and the participation of all political parties. The agreement failed, as members of the coalition withdrew or were dismissed. Another reconciliation meeting was organized in Accra in June 2003, according to which Laurent Gbagbo was expected to prepare new presidential elections while changing the eligibility conditions that were barring the candidature of Ouattara. The country remained split in two parts, with French, ECOWAS and UN troops seated along an East-West interposition line. In November 2004, loyalist planes bombed Bouake and French troops settled in the airport; French planes riposted and destroyed Ivorian aviation. Gbagbo partisans then made large street demonstrations and began attacking French citizens whom French forces tried to evacuate; Ivorian and French governments blamed each other for murders committed during these days. Some French, Lebanese and other foreigners left the country in end-2004. Thabo Mbeki, president of South Africa, was then mandated by the African Union to act as a mediator. Under strong international pressure, a change in the constitution was finally adopted at the beginning of 2005, allowing the candidature of Alassane Ouattara in future presidential elections. Apolitical "détente" process ensued, which resulted in the Ouagadougou agreements signed in March 2007, and the nomination of Guillaume Soro, head of the rebels, as prime minister. Presidential elections were however delayed in each year until 2010.

### [Insert Figure 10 about here]

Figure10 presents the time line of these events, along with the ACLED count of political violence. It illustrates that the two household surveys we use, for 2002 and 2008, lie at the two ends of this second phase of the civil war. The ENV3 2002 survey was implemented between May and July, hence just before the September rebellion, while the ENV4 2008 (June-August 2008) came after the Ouagadougou agreements had brought some peace in the country.

Between 2002 and 2008, national accounts consumption per capita fellby11%, and rather consistently the household survey mean dropped by 13%. According to our estimates, the national poverty head count increased by 6 percentage points, from 35 to 41percent, *i.e.* the highest figure ever recorded over the two decades, and most likely even before: GDP per capita went below the level of 600 (2000 USD), like in 1993, falling back also to early 1960s level. Very strikingly, the northern areas that were cut from the "legal country" very much suffered economically: the poverty headcount increased by 22 percentage points and skyrocketed to 62 percent. Cotton production collapsed, as in 2008 only 1% of households were still growing this crop (Table 2); aggregate figures suggest that cotton production only started its recovery in 2010-2011 (Figure 9). Other areas rather experienced stability, or in the case of East Forest a limited increase, so that the bulk of poverty increase stemmed from the impact of the partition on the North.

#### 5.3 The last episode of civil war (2008-2011)

Presidential elections were finally organized at the end of 2010. The former two heirs of Houphouët-Boigny, who had been enemies all along the 1990s, Konan Bédié and Ouattara, made an alliance against Laurent Gbagbo, and hence reconstructed the Center-North alliance of the past. Alassane Ouattara opposed Laurent Gbagbo in the second round, and both candidates claimed victory. A last episode of civil war erupted, inducing between 900 and 3000 dead and the

displacement of one million people (IDMC 2012). With support from French troops, the incumbent Laurent Gbagbo was arrested in his palace in April 2011 and presented to the International Court of Justice in The Hague in December. Since 2012, progress toward national reconciliation has been limited. Launched in July 2011, the Commission for Dialogue, Truth and Reconciliation (CDVR) is criticized for her slowness and partiality: at that date, only crimes from Gbagbo supporters have been judged, whereas Ouattara partisans also committed reprehensible violence. Whereas the most influential leaders of Gbagbo's political party (FPI) went into exile in Ghana, the FPI turned down participation to any official reconciliation committee and boycotted the municipal elections of April 2013. Security in the country depends on the reintegration into civil society of thousands of former members of armed militia. On the economic side, Ouattara's government benefits from a strong support of around 7% of GDP has been received each year since 2011. Following limited growth in 2010 (2%), and a drop of -5% in 2011, growth in 2012was estimated around 8.6 percent (IMF 2012). This quick recovery results from public programs of reconstruction and the revival of formal economic activities.

After around two decades of political and economic turmoil from the mid-1960s to the mid-1980s, it took some time for neighboring Ghana finally to reconstruct a stable democracy and a buoyant economy, at the turn of the 21st century (Eberhardt and Teal 2010). Getting back to (political and economic) "business as usual" will probably not be sufficient. In the short run, new natural resource rents like oil or minerals could allow restoring the old days' political economic equilibrium, involving a cautious balance in the distribution of state resources: jobs, public investments. In the longer run, the burning issues that fueled the conflict will have to be addressed, if only the acquisition of nationality and the regulation of the land allocation. Further, in the context of the exhaustion of the forest "rent", the intensification of smallholder practices should become an urgent necessity, if only to be able to preserve the high level of cocoa output that still makes the wealth of Côte d'Ivoire (Gockowski and Sonwa 2011). Dark predictions regarding the impact of climate change on cocoa suitability even suggest that shifting away from cocoa could become an obligation (Läderach 2011).

#### 6. Conclusion

At the end of 1980s, Côte d'Ivoire entered a deep macroeconomic crisis that put an end to the often praised "Ivorian miracle". After the death of the founding father Houphouët-Boigny, unrestrained political competition added to bad economic conditions and led to the nightmare of civil war. Drawing from a series of five household surveys covering two decades (1988-2008), we tell the story of this descent into hell from the standpoint of poverty and living standards. Despite the bounce back allowed by the CFA devaluation in 1994, the country could never recover from the initial shock created by the halving of cocoa producer prices and huge budget cuts. In 2008, after five years of civil war and another episode yet to come (2010-11), extreme 1.25 USD poverty headcount had reached a historical record in poverty, with northern areas deeply impoverished by the partition.

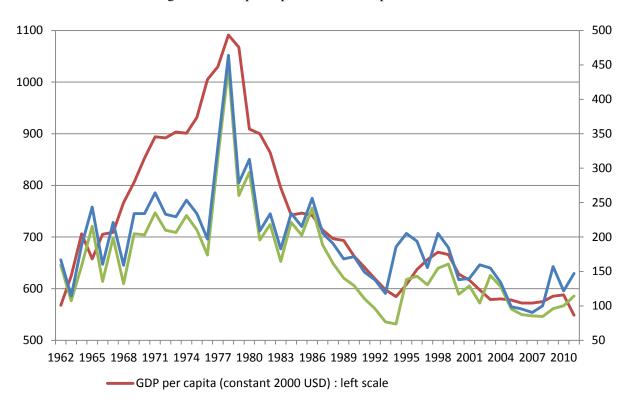
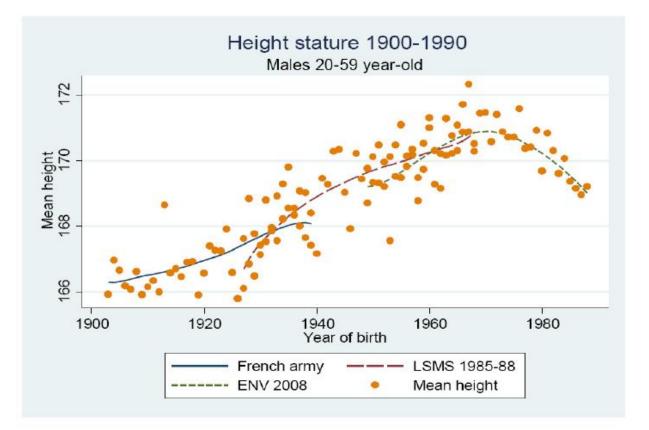
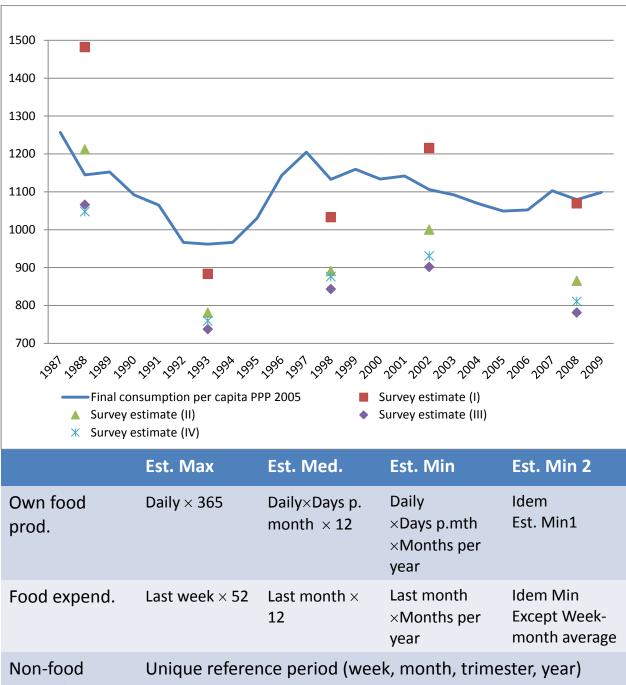


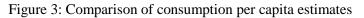
Figure 1: GDP per capita and cash crop income 1960-2010

Figure 2:



Note: Plain line: Data from a 10,000 sample of conscripts (around 20 y.o.) and volunteers in the French army (1923-1960). Long dash line: Males 20-59 y.o. from CILSS 1-4 household surveys (1985-88). Short dash line: Males, 20-59 y.o. from ENV 2008 household survey.





# expend.

Note: The graph plots national accounts final consumption per capita figures, and four different consumption per capita estimates from household surveys. Estimates differ according to the use of recall periods and declared frequency of consumption within these periods (see table below graph). In the remainder of the paper, estimate (III) is used.

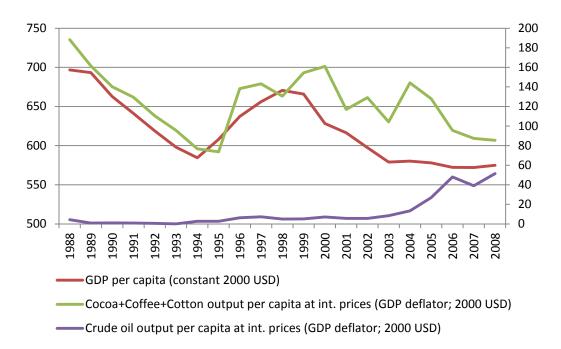
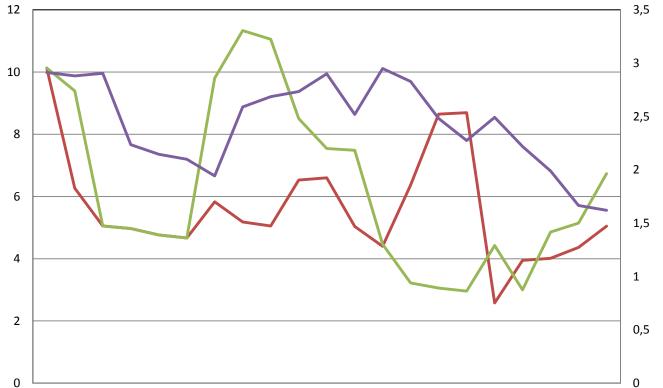


Figure 5: Real producer prices for cash crops

Figure 4: GDP per capita, cash crop income and oil income 1988-2008



1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008

-----Real producer price cocoa (CPI deflated; 2000 USD)

Real producer price coffee (CPI deflated; 2000 USD)

Real producer price cotton (CPI deflated; 2000 USD) : right scale

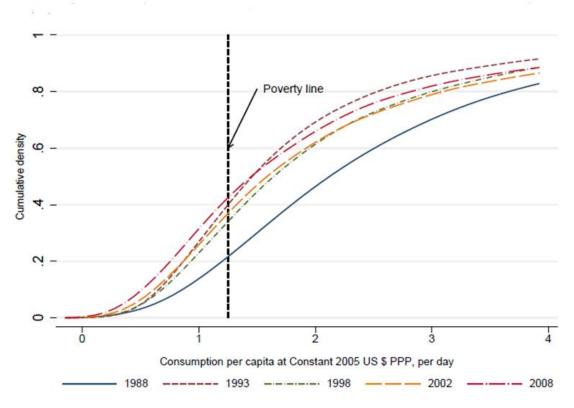
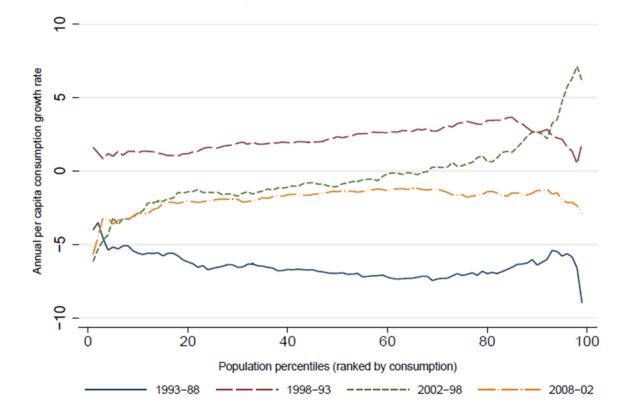


Figure 6: Cumulative distribution function of consumption per capita across time

Figure 7: Growth incidence curves



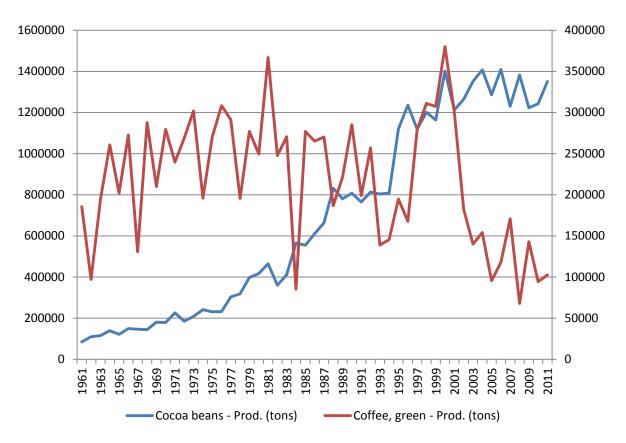
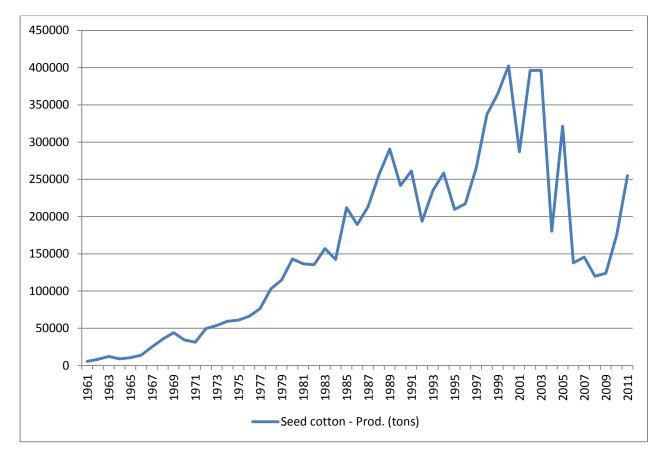
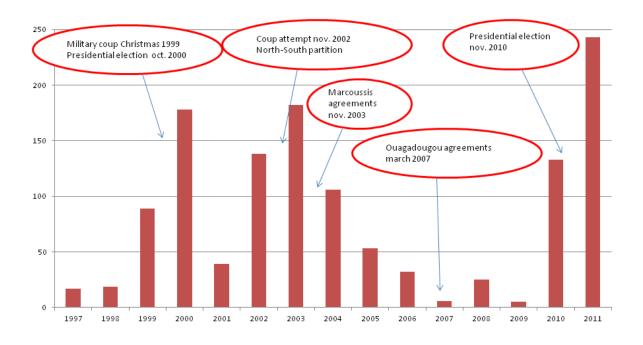


Figure 8: Cocoa and coffee output

Figure 9: Cotton output



#### Figure 10: Civil conflict



Note: Number of political violence events, 1997-2011. Source: ACLED (Armed Conflict Location and Event Dataset), http://www.acleddata.com/data/africa/. Note: Political violence events reported are violence against civilians that occurs during civil and communal conflicts, battles, and riots or protests.

	1988	1993	1998	2002	2008
North	0.25	0.24	0.23	0.21	0.22
-Rural	0.18	0.17	0.15	0.13	0.16
-Urban	0.07	0.07	0.08	0.08	0.06
East Forest	0.28	0.23	0.22	0.24	0.21
-Rural	0.20	0.16	0.15	0.15	0.15
-Urban	0.08	0.07	0.07	0.09	0.06
West Forest	0.30	0.34	0.33	0.35	0.36
-Rural	0.23	0.24	0.24	0.28	0.28
-Urban	0.07	0.10	0.09	0.07	0.08
Abidjan	0.18	0.20	0.21	0.19	0.21
Urban (Total)	0.40	0.44	0.45	0.43	0.41
Observations	1,599	9,502	4,188	10,718	12,457

Table1: Population Across Regions.

Table 2: Socio-Economic Status of Household Heads Over Time.

	1988	1993	1998	2002	2008
Farmer	0.55	0.54	0.45	0.46	0.46
-Cocoa & Coffee	0.33	0.30	0.23	0.24	0.21
-Cotton	0.08	0.05	0.04	0.03	0.01
-Others	0.14	0.19	0.17	0.19	0.23
Self employed	0.14	0.16	0.19	0.16	0.26
Wage earner	0.24	0.22	0.27	0.26	0.26
-Public servant	0.12	0.06	0.06	0.05	0.04
-Private sector	0.12	0.17	0.22	0.21	0.22
Inactive	0.07	0.08	0.08	0.11	0.02
Nb Households	1,596	9,502	4,188	10,706	11,301

	1988	1993	1998	2002	2008
Panel A: Rural Area					
Cons. per cap. <sup>1</sup>	2.12	1.48	1.76	1.74	1.46
	(0.09)	(0.02)	(0.05)	(0.03)	(0.02)
Poverty indicators:					
-Headcount	0.30	0.51	0.46	0.48	0.56
	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)
-Gap	0.08	0.16	0.15	0.17	0.22
-	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)
-Depth	0.03	0.07	0.06	0.08	0.11
-	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Panel B: Urban Area					
Cons. per cap. <sup>1</sup>	4.14	2.74	2.98	3.40	3.11
	(0.14)	(0.04)	(0.07)	(0.07)	(0.04)
Poverty indicators:					
-Headcount	0.05	0.21	0.15	0.19	0.19
	(0.01)	(0.01)	(0.01)	(0.01)	(0.00)
-Gap	0.01	0.05	0.04	0.05	0.06
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
-Depth	0.00	0.02	0.01	0.02	0.02
-	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Panel C: National Level					
Cons. per cap. <sup>1</sup>	2.92	2.02	2.31	2.47	2.14
	(0.08)	(0.02)	(0.04)	(0.04)	(0.02)
Poverty indicators:					
-Headcount	0.20	0.38	0.32	0.35	0.41
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
-Gap	0.05	0.11	0.10	0.12	0.15
-	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
-Depth	0.02	0.05	0.04	0.05	0.08
-	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Observations	1,599	9,502	4,188	10,718	12,457

Table 3: Consumption per Capita and Poverty Measures Over Time.\*

\* The poverty line is set at constant 2005US \$1.25 PPP a day. <sup>1</sup>Expenditures are set at constant 2005 US\$ PPP. Standard errors in parentheses.

	1988	1993	1998	2002	2008
Panel A: North					
Cons. per cap	2.06	1.49	1.81	2.17	1.41
	(0.10)	(0.02)	(0.12)	(0.10)	(0.03)
Poverty headcount	0.33	0.52	0.47	0.40	0.62
	(0.02)	(0.01)	(0.02)	(0.01)	(0.01)
Observations	416	2,527	977	2,611	3622
Panel B: East Forest					
Cons. per cap.	2.68	1.99	2.07	2.34	1.87
	(0.09)	(0.03)	(0.06)	(0.04)	(0.03)
Poverty headcount	0.10	0.34	0.33	0.31	0.39
	(0.02)	(0.01)	(0.02)	(0.01)	(0.01)
Observations	400	2,414	934	2,604	3003
Panel C: West Forest					
Cons. per cap.	2.29	1.62	1.91	1.75	1.69
	(0.16)	(0.02)	(0.04)	(0.05)	(0.02)
Poverty headcount	0.29	0.46	0.38	0.50	0.47
	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)
Observations	479	2,885	1,417	3,533	3864
Panel D: Abidjan					
Cons. per cap.	5.59	3.39	3.77	4.29	3.96
	(0.28)	(0.09)	(0.12)	(0.11)	(0.09)
Poverty headcount	0.00	0.13	0.05	0.09	0.09
	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)
Observations	304	1676	860	1970	1968
Panel E: All Regions					
Cons. per cap.	2.92	2.02	2.31	2.47	2.14
	(0.08)	(0.02)	(0.04)	(0.04)	(0.02)
Poverty headcount	0.20	0.38	0.32	0.35	0.41
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Observations	1,599	9,502	4,188	10,718	12,457

Table 4: Poverty Measures Across Regions from 1988to 2008.\*

\*Expenditures are in constant 2005 US\$ PPP and the poverty line used is US \$1.25 PPP a day. Standard errors in parentheses

	1000	1002	1000	2002	2000
	1988	1993	1998	2002	2008
Panel A: Household head					
Consumption per capita	1.99	1.45	1.69	1.67	1.39
	(0.05)	(0.02)	(0.06)	(0.05)	(0.02)
Poverty headcount	0.30	0.52	0.48	0.51	0.59
	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)
Observations	800	4,277	1,908	4,744	4,675
Panel B: Household head	is self-em	ployed			
Consumption per capita	3.38	2.37	2.49	2.78	2.44
	(0.16)	(0.06)	(0.07)	(0.08)	(0.04)
Poverty headcount	0.08	0.26	0.22	0.26	0.32
	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)
Observations	249	1,885	835	1950	3,388
Panel C: Household head	is a civil s	servant			
Consumption per capita	4.28	3.49	3.46	4.09	3.92
	(0.23)	(0.15)	(0.21)	(0.27)	(0.18)
Poverty headcount	0.06	0.10	0.07	0.10	0.07
	(0.02)	(0.01)	(0.02)	(0.01)	(0.01)
Observations	208	627	216	543	447
Panel D: Household head	is a priva	te sector	wage-ea	rner	
Consumption per capita	4.85	2.94	3.04	3.40	3.12
	(0.37)	(0.07)	(0.10)	(0.09)	(0.07)
Poverty headcount	0.02	0.17	0.14	0.18	0.21
	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Observations	218	1,876	883	2,321	2,510
Panel E: Household head	is not wo	rking			
Consumption per capita	3.51	2.07	2.85	3.09	2.39
	(0.56)	(0.06)	(0.24)	(0.10)	(0.06)
Poverty headcount	0.18	0.34	0.22	0.22	0.31
·	(0.03)	(0.02)	(0.02)	(0.01)	(0.01)
Observations	124	837	346	1,160	1,437

Table 5: Poverty Measures Across Socio-Economic Status of the Household Head.\*

\*Expenditures are in constant 2005 US\$ PPP and the poverty line used is US \$1.25 PPP a day. Standard errors in parentheses

	1988	1993	1998	2002	2008
Cocoa & coffee farmers					
Consumption per capita	2.14	1.51	1.66	1.60	1.46
	(0.06)	(0.02)	(0.05)	(0.03)	(0.03)
Poverty headcount	0.24	0.49	0.47	0.52	0.53
	(0.02)	(0.01)	(0.02)	(0.01)	(0.01)
Observations	476	2,147	953	2,206	2,015
Cotton farmers					<u> </u>
Consumption per capita	1.47	1.35	1.32	2.22	1.20
	(0.10)	(0.04)	(0.08)	(0.46)	(0.16)
Poverty headcount	0.56	0.54	0.64	0.50	0.76
	(0.05)	(0.02)	(0.03)	(0.03)	(0.04)
Observations	113	398	206	387	136
Other farmers					
Consumption per capita	1.98	1.38	1.91	1.65	1.33
	(0.15)	(0.03)	(0.14)	(0.03)	(0.03)
Poverty headcount	0.23	0.58	0.43	0.50	0.64
	(0.03)	(0.01)	(0.02)	(0.01)	(0.01)
Observations	211	1,732	749	2,151	2,524
All farmers					
Consumption per capita	1.99	1.45	1.69	1.67	1.39
	(0.05)	(0.02)	(0.06)	(0.05)	(0.02)
Poverty heacount	0.30	0.52	0.48	0.51	0.59
	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)
Observations	800	4,277	1,908	4,744	4,675

Table 6: Poverty Measures in Households Headed by a Farmer.\*

\*Expenditures are in constant 2005 US\$ PPP and the poverty line used is US \$1.25 PPP a day. Standard errors in parentheses

Table7: Decomposition of Changes in Poverty Headcount from 1988 to 2008.\*

	1988-93	1993-98	1998-02	2002-08
Changes in P0	18.26	-6.06	3.38	5.64
Growth	20.81	-8.45	-3.72	6.72
Redistribution	-0.41	2.35	6.86	-2.36
Residual	-2.14	0.04	0.24	1.27

\* The poverty line is set at 2005 US\$ 1.25 PPP a day.

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# APPENDIX

# 1 Micro data

# 1.1 Demographic and socio-economic characteristics of the samples

# Survey description

This study is mainly based on data from5household surveys conducted by the National Institute of Statistics of Côte d'Ivoire in 1988, 1993, 1998, 2002 and 2008. We do not include the 1985, 1986 and 1987 Living Standard Measurement Surveys (CILSS). Jones and Ye (1997) have pointed out that these surveys' samples could be biased towards relatively rich primary sample units (PSUs), while displaying differences in wealth between the East Forest and the West Forest areas that are inconsistent with cash crop production figures. As a consequence, the increase in poverty between 1985-1988 delivered by the CILSS surveys could be biased upward. We do not use the 1995 household survey either, here because of small sample size (1,000 households) and the proximity of the CFA franc devaluation.

Table 1 lists the name of the surveys used in this paper, their sample size and their date. In all cases, the sample designs are regionally stratified and two-stage. In 2002, data have been collected just before the partition of the country between the North and the South (September). Hence all samples cover the whole of Côte d'Ivoire. To homogenize the regional breakdown, we distinguish 4 regions: West Forest, East Forest, North and Abidjan, as well as urban and rural areas within each region.<sup>1</sup>

Survey	Period	Sample size (# households)
CILSS4	May88 -April 89	1,599
ENV1	April 92 -October 93	9,502
ENV2	September 98 -December 98	4,188
ENV3	May02 -July 02	10,718
ENV4	June 08 - August 08	12,457

Table 2 shows that household size decreased from 6.6 in 1988 to 4.9 in 2008. There is a fall in the share of married heads, of all in the average age of household heads by four years, as well as an increase in the share of female headed households from 12% to 18%; the share of divorced and widowed heads is stable.<sup>2</sup> As acknowledged in the main text, the share of foreigners is certainly underestimated; for instance the 1998 census estimates the share of households headed by an Ivorian national to 70% (Badou 2000), compared to 78% in the 1998 ENV2 survey.

<sup>&</sup>lt;sup>1</sup> West forest region includes Haut Sassandra, Montagnes, Bas Sassandra, Marahoué, Sud Bandama, Fromager and Moyen Cavally regions; East region is composed by Lagunes (except Abidjan), Moyen Comoé, Lacs, N'zi Comoé, Sud Comoé and Agnéby regions; finally North is the aggregation of Savanes, Vallée du Bandama, Zanzan, Denguélé,Woradougou and Bafing. In section3, the distribution of Ivorian population across regions is presented and discussed.

 $<sup>^2</sup>$  The Acled dataset on civil war counts less than 3,000 fatalities between 1997 and 2008, which means that widowed rates could not be impacted significantly by the civil war.

Regarding education, the proportion of household heads declaring they are able to read rose continuously from 33% to 54% between 1988 and 2008 (see table 2). School net attendance trends are more chaotic but rather coherent with economic trends (see table 3). Primary school net attendance decreased during the huge economic crisis between 1988 and 1993 (see e.g. Cogneau and Jedwab 2012), then recovered between 1993 and 2002, and stagnated between 2002 and 2008. Unlike the primary, secondary enrollment rates did not fall in 1993 and seem to have carried on increasing until 2008.

	1988	1993	1998	2002	2008
Household head character	istics (household	level)			
Household size	6.59	6.06	5.90	5.42	4.89
	(0.10)	(0.04)	(0.06)	(0.04)	(0.03)
Age of hh head (yrs)	46.59	45.55	42.98	42.93	42.54
	(0.36)	(0.14)	(0.22)	(0.14)	(0.13)
Female headed	0.12	0.14	0.15	0.16	0.18
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Head can read	0.33	0.33	0.45	0.47	0.54
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Household head nationalit	ty (household leve	el)			
Ivorian	0.84	0.75	0.78	0.80	0.79
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Burkinabe	0.06	0.11	0.11	0.10	0.08
	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)
Malian	0.04	0.07	0.04	0.03	0.02
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Ghanean	0.01	0.01	0.02	0.01	0.00
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Others	0.05	0.05	0.06	0.06	0.10
	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)
Marital status of the hous	ehold head (house	ehold level)			
Married	0.82	0.79	0.75	0.72	0.72
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Divorcee	0.06	0.06	0.07	0.05	0.07
	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)
Widow	0.07	0.08	0.08	0.07	0.08
	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)
Never married	0.05	0.07	0.11	0.16	0.13
	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)
Housing and utilities (indi	vidual level)				
Landlord	0.68	0.60	0.59	0.61	0.58
	(0.01)	(0.01)	(0.01)	(0.00)	(0.00)
Electric Box	0.31	0.27	0.37	0.36	0.29
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Water tap	0.12	0.17	0.25	0.25	0.20
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Water closet	0.19	0.15	0.17	0.17	0.12
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Nb Households	1,599	9,502	4,188	10,718	12,457

Table 2: Households'Characteristics Across Surveys

	1988	1993	1998	2002	2008
		1995	1998	2002	2008
Panel A: Prima	ry School. <sup>1</sup>				
Girls	0.48	0.42	0.51	0.55	0.56
	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)
Boys	0.64	0.51	0.58	0.63	0.62
	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Net Rate	0.56	0.47	0.54	0.59	0.59
	(0.01)	(0.00)	(0.01)	(0.00)	(0.01)
Sample Size	1,985	11,439	4,504	9,980	9,479
Panel B: Second	lary School. <sup>2</sup>				
Girls	0.10	0.12	0.16	0.16	0.21
	(0.01)	(0.00)	(0.01)	(0.01)	(0.01)
Boys	0.17	0.22	0.26	0.22	0.29
	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Net Rate	0.14	0.17	0.21	0.19	0.25
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Sample Size	1,550	10,399	4,443	9,892	9,231

Table 3: School Net Attendance Rates Over Time.\*

\*Attendance rate is estimated using the highest grade completed at the time of the survey.

<sup>1</sup>The sample is restricted to children aged 6 to 11 years old at the time of the survey.

<sup>2</sup>The sample is restricted to children aged 12 to18 years old at the time of the survey.

#### Socio-economic characteristics

To construct the socio-economic status of individuals, we use the declared main occupation during the last 12 months preceding the interview. We distinguish four occupational groupings: farmer, self-employed, wage earner, unemployed or inactive (over the last 12 months, then). We break down the farmer occupation according to crops grown. Farmers who declare they harvested at least one kg of cocoa, coffee, or cotton in the last 12 months, are considered as cash crop producers; as many cocoa producers all grow coffee and vice-versa, we make only one category. The "other farmers" category is then composed of farmers who do not produce at all one of these three cash crops. Wage-earners are employees of either public or private firms plus civil servants. We do not make any distinction between formal and informal activities. Self-employed also include independent workers with employees. The distribution of household heads across occupations is presented in section 3.

#### **1.2 Measurement of Consumption**

Changes in survey questionnaires occurred that could impact the estimation of trends in welfare indicators. This issue of computing welfare indicators from imperfectly comparable multiple cross-sections is quite well documented.<sup>3</sup> There is no miraculous solution for eliminating this kind of bias, but existing studies inform on their potential magnitude, and allow us to be quite confident

<sup>&</sup>lt;sup>3</sup> See Deaton and Grosh (2000) for a detailed discussion of the main expected and observed bias, as well as the experiment undertaken in Tanzania by Beegle *et al.* (2012).

in the choices we made.

# Consumption aggregate composition.

The consumption variable is the sum of non-food expenditures, food expenditures and consumption of own food production. Non-food expenditure includes several components listed below:

• Non food expenditures

- Housing expenditures: rents paid and imputed rents; home cleaning; water, electricity and other fuels
- Other current expenditures: education, clothing, health, hygiene, leisure, information and communication, transportation and maid expenses
- Transfers to other households
- Food consumption

•

- Consumption of own food production
- Food expenditures including meals outside the household

Consumption of own household non-food production is disregarded, as it is not collected in all surveys (and, fortunately, not very large). Tax payments are not very well recorded and also disregarded. Expenditures for ceremonies are not included as well, for being too infrequent. Finally, as the date of acquisition of durable goods is not recorded, it is impossible to value the use of these goods; reparation of durable goods (furniture, domestic appliances, radio and TV sets, vehicles) is not included either.

# Non-food expenditures

We selected the consumption items that derived from questions that were framed identically, as far as possible, across the surveys. Table 4 presents the list of questions used to create non-food consumption aggregates. In particular, a maximal set of housing expenditures had to be gathered from several parts in the questionnaires. In each survey, each individual non-food expenditure is recorded for a unique recall period, that can be week, month, trimester or year. One exception is the 1988 CILSS survey. Some expenditures like clothing, leisure, transport, communication were asked for two different recall periods, during the last 14 days and during the last year. We choose to compute expenditure level using exclusively the last year recall period.

An important change in questionnaire design occurred in 2002 for schooling expenditures. Education related expenditures are recorded for each individual child who attended school in the 12 months preceding the survey, whereas in all other surveys, expenditures are recorded at the household level and not individually. The increase of schooling expenditure in 2002 observed in Table 5 is probably due to this change. As schooling expenditure make up only around 5% of total consumption, this difference in the 2002 questionnaire does not have a dramatic incidence on poverty trend estimation.

In Table 5, the main observed changes in non-food expenditure shares are first the continuous decrease in the share of water expenditures, and second the large increase in communication expenditures between 2002 and 2008. While the latter increase certainly corresponds to a real

phenomenon, in particular the accelerated use of mobile phones, it is also the case that the 2008 questionnaire is much more detailed on that dimension.

For house-owners or households enjoying free accommodation, the imputed rent is the predicted value derived from a regression estimated on tenants. The regression relates the rent paid to the characteristics of the house only (as well as to region of residence); one such regression is estimated for each survey, no correction for selection is made. We paid a great attention to the comparability of imputed rents over surveys. For instance, the number of rooms declared can change, depending if toilet and bathroom are included or not; in order to fix this issue, we chose a polynomial for the room variable. The model that is estimated is the following:

$$\ln(y_i) = \alpha + \sum_k \beta_k \cdot x_{ik} + \sum_{kj} \delta_j \cdot \mathbb{1}_{(region_i = j)} + \varepsilon_i$$

 ${x_{ik}}_{1 \le k \le K}$  is a set of variables that includes the number of rooms of the housing unit, connection to utilities (water) and electricity supply, private water closet, type of energy used for cooking, type of housing unit and the location. Table 6 shows the estimates of the coefficients of the model (1.1), and Table 7 shows descriptive statistics for the variables included in the  ${x_{ik}}_{1\le k\le K}$  vector.

The rent of homeowners is estimated based on the characteristics of their housing using the coefficients estimated in Table 6:

$$\widehat{y_{l}} = \exp\left(\widehat{\alpha} + \sum_{k} \widehat{\beta_{k}} \cdot x_{ik} + \sum_{kj} \widehat{\delta_{j}} \cdot \mathbb{1}_{(region_{l}=j)}\right)$$

#### Food expenditure and own-produced food consumption

We paid a lot of attention to the calculation of food expenditure and own-produced food consumption which represent more than half of total consumption. The total value of food products consumed by the household includes food purchases, meals purchased outside of home, own produced food, food received from employers as in kind payment, and food items received as gifts. Diaries are not used, and declarations on food expenditures and consumption of own food production are collected separately, based on household informants' (head or spouse usually) declarations.

We tried to control as much as possible for differences in survey design which can significantly impact consumption level estimation. We identified four main variations in the questionnaires.

i/ Changes in the selection of goods for which expenditures were recorded

In CILSS4 (1988/89), the food expenditure section first establishes a list of consumed food products by asking the following question: "During the last12 months, did household's members buy...?"In ENV1 (1993), the same question is formulated differently: "Do you often consume...?"

In ENV2 (1998) and ENV3 (2002), it becomes "Do you consume...?. Finally in ENV4 (1998): "In the last3 months, did you consume...?". Unfortunately, there is no way we can cancel out the potential bias induced by these changes. It is in particular to be feared that the ENV1 formulation could lead to slightly underestimate the level of consumption in 1993.

ii/ Changes in recall periods for some goods

In addition, recall period vary across between surveys. It is well known that recall periods impact recorded consumption. One of the most famous example comes from India, and is discussed in Deaton (2001) and Tarozzi (2007): shifting from along recall period (month) to a short recall period (week) leads to understate the increase in poverty. The measurement experiment of Beegle *et al.* (2012) in Tanzania also confirms that a shorter recall period increases consumption estimates. In our case, all surveys ask for food expenditures over a week, except CILSS4 (1988/89) which has a 14 days recall period. However, all surveys simultaneously ask for food expenditures over the last month. The comparison of estimates (I) and(II) in Table 8 indeed confirm Beegle *et al.* (2012) finding: estimate(I) with shorter recall period is always higher than estimate(II). To avoid underestimating the poverty increase between 1988 and 1993,we granted our preference to estimates using only the one month recall period for food expenditures, i.e. select out the top panel estimate (I) of Table 8.

# iii/ Changes in survey duration and seasonality

CILSS4 survey extended over one full year, ENV1 over six months, and the following surveys over three months at different seasons (see Table 1). It is not easy at all to deal with the potential seasonality of both income and consumption. We may think that multiplying by twelve all monthly expenditures is the best option. This assumes that households sufficiently smooth food consumption over the year. Then, when the availability of some goods is seasonal, they find substitutes to be consumed at other seasons. However, Jones and Ye (1997) showed that households producing cash crops, when surveyed just after harvests between December and March, display significantly higher expenditures than others. Then taking into account the declared number of months for the consumption of each individual good could be deemed preferable. Yet, we would then run the risk of underestimating the yearly consumption of goods that were little or not available at the moment of the survey. We finally granted our preference to the estimate that takes into account the declared number of months for the consumption of goods: third panel estimates in Table 8. The chosen estimate is by construction lower than those that do not take duration into account (as duration is necessarily lower than twelve months); however, as can be seen in Table 8 by comparing the second panel estimate (II) with the third (III), the difference in level is not very large and the time profile is very similar.

## iv/ Changes in the detail of goods

Finally, there is also variation in the lists of food items. Detail increases over time as some food items are disaggregated in several sub-items in the 2002 and 2008 surveys. For instance, items dedicated to vegetables raise from1in 1988,to20in 2002, then26in 2008. The same is true for fruits

but also for rice, maize, millet and sorghum, taro and potato, nuts, fish, etc. (see table 11). We observe that consumption of fruits and vegetables increased significantly in 2002 and in 2008, along with the changes in the questionnaire. The randomized experiment undertaken by Beegle et al.(2012) in Tanzania confirms that this kind of variation can have a significant impact on consumption estimates: when shifting from a list of 58 items to a list of 11 items only, their estimate for food consumption fallsby24%. Reassuringly for poverty estimation, there is little impact on poverty indicators, but a significant impact on inequality, suggesting that the detail of the list mainly affects the measurement of consumption among wealthy households. Further, the variation in the detail of food items across Ivorian surveys is much less pronounced than the one experimented in the Tanzania study. Hence we can hope that our estimates of the evolution of poverty across time are not too much biased.

Knowing all these disparities between surveys, table 8 compares competing methods for estimating food consumption. As can be seen, different options of computing consumption induce quite big differences in the estimations. We chose the third option of the table: we compute food consumption by using information about food consumption over the last month and the number of months each food has been on average consumed over the last 12 months. Own-produced food consumption estimation is based on usual daily consumption, the number of day each product is consumed and on the number of months the product is consumed over the last 12 months. The quantity of own-produced food products that are consumed are valued at the market price declared by each respondent.

In a recent paper, Dabalen and Paul (2013) try to control for the differences in food consumption baskets between surveys as well as for the difference in recall period between CILSS surveys and later surveys. Following a methodology proposed by Tarozzi (2007), they recover a comparable poverty trend using a two-step estimator. In a first step, they estimate propensity scores for a dummy variable that takes the value of one if the observation are from 'target' surveys (survey whose design has changed, 1993, 1985, 1998, 2002 and 2008) and zero if observations are from the base survey (1985), conditional on a set of observables. Propensity scores are used to generate inverse probability weights and re-calculate poverty estimates for target years. The validity of the procedure requires the existence of a vector of auxiliary variables whose distribution (assumption 1) and correlation with total consumption (assumption2) are both stable across time. In their application, it is composed of socio-demographic and household characteristics on the one hand, and of the total expenditure on the miscellaneous consumption items that are reported with identical recall period across different surveys. As acknowledged by the authors, assumption lishighly questionable for socio-demographic variables over two decades; assumption2 is not much more grounded. Further, the correction they make appears relatively limited, and provides estimates that are rather consistent with ours.

## Extreme observations

We corrected for extreme observations. The food consumption aggregate is trimmed separately by dropping observations for which the logarithm is under or above the mean by 5 standard deviations. Households declaring no food consumption are directly withdrawn. This "clean" food

consumption amount is then summed with other expenditures and the total consumption amount is trimmed again with the same  $\pm 5$  standard deviations rule. In the end, in all surveys, less than 1% of households are withdrawn from the sample by this trimming procedure.

#### Price inflation and differences in regional price levels

As said in the main text, inconsistencies in the disaggregate price data obtained from the National Statistical Institute (INS) of Côte d'Ivoire led us to resort to the World Development Indicators consumer price index. We are still trying to elucidate the source of the problems that we mentioned. Monthly data on national consumer price index (CPI) was used to express all components in a common base-year (2005), taking into account their specific recall period and the month and year of recording. Although very much imperfect, as the CPI is not broken down by products and uses a specific 'middle-class' consumption basket, this correction is better than nothing. Household consumption levels were then translated in constant 2005 US PPP dollars using WDI 2005 PPP exchange rates.

	1998	2002	2008
Abengourou	Not available	Available	Available
Abidjan	Available	Available	Available
Bondoukou	Not available	Interpolated from price in 2003 and 2004	Not available
Daloa	Not available	Not available	Interpolated from price in 2006 and 2007
Man	Not available	Not available	Available
Odienne	Available	Not available	Not available
San Pédro	Not available	Not available	Available
Yamoussoukro	Not available	Available	Available

Table 5: Availability of Price Series across Cities over Time

We analyzed sparse price data for some provincial cities of Côte d'Ivoire between 1998 and 2011. Unlike the series from Abidjan, those collected in other cities are not available each year and cover a limited set of products. The price of food products has however been consistently collected in each city. At the cost of extrapolating price series in Bondoukou in 2002 and Daloa in 2008, we can obtain a relative prices for food products across cities in 1998, 2002 and 2008 (see Table 5). Since the weights associated to product within each city don't exist we use the weights of households living in Abidjan. In Table 6 we compare price level between each city and Abidjan.

Cities	1998	2002	2008
Abengourou		0.984	0.77
Bondoukou		1.078	
Daloa			1.023
Man			0.822
Odienne	0.765		
San-Pédro			1.029
Yamoussoukro		0.859	1.142
Abidjan	1	1	1

Table 6: Price of Food Products across Cities

Overall the results show little price variation across cities. This could be explained by the fact that the prices are mostly collected for a list of products less demanded outside Abidjan. However price of food products were around 20% cheaper in Abengourou and Man in 2008, Odienne in 1998 and Yamoussoukro in 2002. Nevertheless there is little gain of extrapolating those figures at the regional level and use them to account for variation of cost of living and purchasing power parity.

In the end, we made no correction for differences in regional price levels.

# 1.3 Durable goods

Like with consumption measurement, we pay a lot of attention to the comparability of durable good indicators, and select only those which are stable across survey questionnaires. As shown in tables 9 and 10, we selected seven durable goods: cooker, fridge, radio, TV, bike or motorbike, car and phone. Despite the economic and political crisis, we observe that ownership rates either increased or remained stable over the two decades. The durable goods which experienced the highest relative price decreases are those whose ownership increased: radio or TV sets, and mobile phones. The ownership of cookers, fridges and vehicles rather stagnated.

	1988	1993	1998	2002	2008
Schooling	3A2: Q18A-Q18G	8A: Q03 -Q06	5A: Q04-Q07	1B5: Q63 - Q74	Ha: Q01 - Q11
Rents	2B1: Q04, Q06	2A: Q03	2: Q03	7: Q03	N: Q03
Water	2B1: Q14, Q15	2A: Q10	2: Q13	7: Q13	N: Q14
Electricity	2B2: Q26, Q27	2A: Q13	2: Q16	7: Q16	N: Q15
Hygiene	11A: 103-105	8D: Q01	5D: Q01	8C: Q02	Hg: Q01
Combustible	11B: 106-108	2A: Q15	2: Q19	7: Q18	N: Q18
Clothing	11B: 115-121, 136	8C: Q01 - Q07	5C: Q02-Q08	8B: Q02 - Q08	Hc: Q02 - Q08
Repairs	11B: 123	8G: Q04	5G: Q05	8F: Q05	Hf: Q03
ransportation	11B: 124	8G: Q02, Q03	5G: Q03-Q04	8F: Q03, Q04	Hf: Q01, Q02
Iealth	11B: 128, 129	8B: Q01 - Q08	5B: Q02-Q10	8A: Q02 - Q10	Hb: Q03 - Q09
nformation	11B: 133, 134	8G: Q05	5G: Q06	8F: Q06	He: Q01 - Q06, Q08
Aaids	11B: 135	8D: Q04	5D: Q04	8C: Q05	Hg: Q03
eisure	11B: 137	8D: Q03	5D: Q03	8C: Q04	Hg: Q02
ransfers	11B: 141 142 145				
	11D: Q06	8E: Q01 - Q07	5E: Q02 -Q09	8D: Q02 - Q09	Hd: Q01 - Q08

Table 4: Items used to construct nonfood consumption expenditures.

	1988	1993	1998	2002	2008
Schooling	0.12	0.09	0.10	0.13	0.10
2 mooning	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)
Clothing	0.26	0.18	0.23	0.23	0.20
clothing	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Water	0.11	0.05	0.03	0.03	0.03
i ator	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)
Electricity/Light	0.06	0.07	0.05	0.07	0.05
Lieediteroj, Ligito	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Combustible	0.08	0.06	0.06	0.07	0.05
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Leisure	0.04	0.03	0.04	0.03	0.03
2010010	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Information/Comm.	0.01	0.01	0.02	0.05	0.20
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Rents	0.35	0.28	0.23	0.28	0.20
	(0.01)	(0.00)	(0.01)	(0.02)	(0.00)
Hygiene	0.08	0.06	0.07	0.09	0.08
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Maids	0.02	0.06	0.02	0.03	0.01
	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)
Transportation	0.16	0.13	0.17	0.17	0.18
1	(0.01)	(0.00)	(0.01)	(0.01)	(0.01)
Food expenditures <sup>1</sup>	1.63	1.01	1.30	1.30	1.00
1	(0.05)	(0.01)	(0.03)	(0.02)	(0.01)
Own food production	0.57	0.39	0.41	0.44	0.28
I I I I I I I I I I I I I I I I I I I	(0.02)	(0.01)	(0.02)	(0.02)	(0.01)
Cash expenditures	1.06	0.62	0.88	0.86	0.72
	(0.05)	(0.01)	(0.02)	(0.01)	(0.01)
Total expenditures	2.92	2.02	2.31	2.47	2.14
	(0.08)	(0.02)	(0.04)	(0.04)	(0.02)
Observations	1,599	9,502	4,188	10,718	12,457

Table 5: Daily non-food and food expenditures per capita across item.\*

\* Food expenditures are expressed in 2005 US\$ PPP.

Standard errors in parentheses.

<sup>1</sup>Daily food expenditure is estimated by taking the average of daily cash expenditures over the last week and the last year. Own food production is estimated taking the average daily own food production over the last 12 months.

	1988	1993	1998	2002	2008
Number of rooms	0.479***	0.584***	0.552***	0.456***	0.415***
	(0.127)	(0.037)	(0.097)	(0.021)	(0.057)
Number of rooms2	0.005	-0.045***	-0.047	-0.033***	-0.006
	(0.034)	(0.007)	(0.030)	(0.002)	(0.016)
Number of rooms3	-0.004	0.001***	0.002	0.001***	-0.003**
	(0.003)	(0.000)	(0.003)	(0.000)	(0.001)
Electric box	0.219***	0.301***	0.197***	0.342***	0.250***
	(0.053)	(0.026)	(0.039)	(0.034)	(0.029)
Water tap	0.193**	0.282***	0.208***	0.209***	0.265***
	(0.075)	(0.033)	(0.046)	(0.040)	(0.033)
Water closet	0.281***	0.318***	0.475***	0.634***	0.530***
	(0.064)	(0.029)	(0.044)	(0.037)	(0.033)
Use fire wood	-0.162***	-0.118***	-0.122***	-0.129***	-0.111***
	(0.056)	(0.023)	(0.031)	(0.027)	(0.023)
Flat	0.016	0.118***	0.094***	-0.002	0.054**
	(0.070)	(0.023)	(0.030)	(0.026)	(0.022)
Urban area	0.753***	0.395***	0.611***	0.503***	0.533***
	(0.092)	(0.042)	(0.050)	(0.039)	(0.029)
Regions:					
-North (ref.)	0.000	0.000	0.000	0.000	0.000
	(.)	(.)	(.)	(.)	(.)
-East forest	-0.140**	0.061*	0.091*	0.108***	0.184***
	(0.071)	(0.031)	(0.051)	(0.039)	(0.031)
-West Forest	-0.074	0.088***	-0.015	0.156***	0.177***
	(0.076)	(0.033)	(0.045)	(0.040)	(0.030)
-Abidjan	0.234***	0.609***	0.632***	0.815***	0.933***
	(0.070)	(0.030)	(0.041)	(0.036)	(0.031)
Constant	7.194***	6.984***	6.997***	7.207***	7.230***
	(0.158)	(0.062)	(0.104)	(0.057)	(0.063)
N	469	2,828	1,240	3,558	4,938
Adjusted R2	0.73	0.66	0.72	0.60	0.58

Table 6: Hedonic regression of rents paid by tenants

Standard errors in parentheses. <sup>†</sup> Indicates dummy variables. \* p<0.10, \*\* p<0.05, \*\*\* p<0.01.

	1988	1993	1998	2002	2008
Lives in Villa/House	0.41	0.09	0.13	0.14	0.09
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Lives in a Flat	0.36	0.39	0.39	0.35	0.40
	(0.01)	(0.01)	(0.01)	(0.00)	(0.00)
Urban area	0.39	0.42	0.46	0.45	0.43
	(0.01)	(0.01)	(0.01)	(0.00)	(0.00)
Number of rooms	3.74	3.20	3.10	3.15	2.83
	(0.06)	(0.02)	(0.03)	(0.03)	(0.02)
Electric box	0.24	0.21	0.29	0.28	0.24
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Has a private water tap	0.10	0.12	0.19	0.20	0.17
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Water closet	0.17	0.12	0.15	0.15	0.12
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Use fire wood	0.92	0.87	0.80	0.77	0.71
	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)
Observations	1,598	9,501	4,166	10,631	11,921

Table 7: Housing characteristics over time.

	1988	1993	1998	2002	2008
Food expenditure (I) <sup>1</sup>	2.77	1.40	1.82	2.16	1.78
•	(0.08)	(0.01)	(0.05)	(0.04)	(0.02)
Own food production (a.1)	1.86	0.77	0.81	1.18	0.81
	(0.08)	(0.01)	(0.03)	(0.03)	(0.02)
Cash expenditures (a.2)	0.91	0.63	1.01	0.98	0.97
	(0.03)	(0.01)	(0.04)	(0.01)	(0.01)
Expenditures per capita	4.06	2.42	2.83	3.33	2.93
	(0.09)	(0.02)	(0.06)	(0.05)	(0.03)
Food expenditure (II) <sup>2</sup>	2.04	1.12	1.43	1.57	1.22
	(0.06)	(0.01)	(0.03)	(0.03)	(0.01)
Own food production (b.1)	0.82	0.49	0.49	0.59	0.37
	(0.03)	(0.01)	(0.02)	(0.02)	(0.01)
Cash expenditures (b.2)	1.21	0.63	0.94	0.98	0.85
	(0.06)	(0.01)	(0.02)	(0.03)	(0.01)
Expenditures per capita	3.32	2.14	2.44	2.74	2.37
	(0.09)	(0.02)	(0.05)	(0.05)	(0.02)
Food expenditure (III) <sup>3</sup>	1.63	1.01	1.30	1.30	1.00
-	(0.05)	(0.01)	(0.03)	(0.02)	(0.01)
Own food production (c.1)	0.57	0.39	0.41	0.44	0.28
	(0.02)	(0.01)	(0.02)	(0.02)	(0.01)
Cash expenditures (c.2)	1.06	0.62	0.88	0.86	0.72
	(0.05)	(0.01)	(0.02)	(0.01)	(0.01)
Expenditures per capita	2.92	2.02	2.31	2.47	2.14
	(0.08)	(0.02)	(0.04)	(0.04)	(0.02)
Food expenditure (IV) <sup>4</sup>	1.58	1.06	1.39	1.38	1.07
-	(0.04)	(0.01)	(0.03)	(0.02)	(0.01)
Own food production (c.1)	0.57	0.39	0.41	0.44	0.28
	(0.02)	(0.01)	(0.02)	(0.02)	(0.01)
Cash expenditures (d.2)	1.02	0.67	0.98	0.95	0.79
	(0.04)	(0.01)	(0.02)	(0.01)	(0.01)
Expenditures per capita	2.87	2.08	2.40	2.55	2.22
	(0.08)	(0.02)	(0.05)	(0.04)	(0.02)
Observations	1,599	9,502	4,188	10,718	12,457

Table 8: Daily food expenditures across methods.\*

\* Food expenditures are expressed in 2005 US\$ PPP. Standard errors in parentheses.

<sup>1</sup> The recall period for cash expenditures is the last 14 days in 1988 and the last weekfrom1993onwards. Own food production is the market value of the quantity produced that is consumed each day. <sup>1</sup><sup>2</sup> Cash expenditures is estimated for the last month and own food production takes into

account the number of days each good is consumed in a month.

<sup>3</sup> The estimates take into account the number of months each product has been consumed over the last 12 months.

<sup>4</sup>Cash expenditures is estimated based on the number of months each product has been consumed during the last 12 months and taking the average of expenditures over the last week or 14 days and last month.

	1988	1993	1998	2002	2008
National level					
Cooker	10.7	10.0	11.8	13.9	14.4
Fridge	20.7	18.1	18.4	17.0	15.6
Radio	57.8	60.0	64.6	67.4	74.7
Tv	26.7	29.2	31.1	34.9	45.3
Bike or motorbike	35.6	33.7	33.5	35.6	53.2
Car	4.6	5.2	4.7	5.8	3.4
Phone			6.5	20.0	65.5
Wealth score <sup>1</sup>					
Mean	1.6	1.6	1.6	1.7	2.1
Std. Dev.	1.4	1.4	1.4	1.4	1.1
Obs.	1 600	9 599	4 200	10 800	10 958
Urban areas					
Cooker	25.1	21.2	22.0	30.4	30.8
Fridge	45.1	37.6	32.7	34.3	29.8
Radio	71.3	76.8	69.9	75.0	74.9
Tv	57.2	57.2	52.9	61.3	73.9
Bike or motorbike	17.8	20.1	18.7	20.1	26.0
Car	10.6	10.4	8.5	11.9	6.7
Phone			13.0	41.8	89.4
Wealth score <sup>1</sup>					
Mean	2.3	2.2	2.0	2.3	2.4
Std. Dev.	1.6	1.5	1.6	1.5	1.3
Obs.	736	5 360	1 919	4 980	6 1 1 9
Rural areas					
Cooker	1.6	1.4	3.6	1.4	1.6
Fridge	5.2	3.3	6.8	3.9	4.5
Radio	49.3	47.2	60.3	61.6	74.5
Tv	7.5	8.1	13.3	14.9	23.0
Bike or motorbike	46.9	43.9	45.5	47.4	74.4
Car	0.8	1.3	1.6	1.1	0.8
Phone			1.1	3.4	46.8
Wealth score <sup>1</sup>					
Mean	1.1	1.1	1.3	1.3	1.8
Std. Dev.	1.0	1.0	1.1	1.0	0.9
Obs.	864	4 239	2 280	5 820	4 839

Table 9: Durable goods ownership.\*

\* Share of individuals living in a household with at least one of the durable good listed. <sup>1</sup>Score: sum of cooker, fridge, radio, TV, bike, motorbike and car per capita.

	1988	1993	1998	2002	2008
North					
Cooker	3.1	4.4	4.2	6.7	3.3
Fridge	11.3	11.4	9.5	11.3	9.5
Radio	48.8	47.9	52.7	62.6	73.3
Tv	15.9	20.0	14.1	28.7	30.2
Bike or motorbike	64.8	53.5	59.4	59.7	74.9
Car	3.2	4.4	2.9	4.2	1.6
Phone			3.1	13.9	47.4
Wealth score <sup>1</sup>					
Mean	1.5	1.4	1.4	1.7	1.9
Std. Dev.	1.2	1.3	1.3	1.3	1.0
Obs.	416	2 540	980	2 620	3 118
East forest					
Cooker	6.7	6.2	11.2	15.0	8.8
Fridge	15.3	13.7	20.4	18.1	12.4
Radio	59.6	57.1	69.2	70.1	75.6
Tv	20.8	23.6	33.2	35.1	39.6
Bike or motorbike	39.9	33.8	33.5	30.9	57.3
Car	3.2	3.3	4.2	6.8	2.2
Phone			6.0	19.9	66.5
Wealth score <sup>1</sup>					
Mean	1.5	1.4	1.7	1.8	2.0
Std. Dev.	1.3	1.3	1.4	1.4	1.1
Obs.	400	2 420	940	2 620	2 641
West forest					
Cooker	5.1	3.3	5.0	2.8	3.9
Fridge	12.0	9.5	12.4	5.9	7.5
Radio	55.0	57.9	64.9	63.0	75.8
Tv	16.7	18.7	23.7	19.7	34.9
Bike or motorbike	24.8	36.4	32.6	40.2	65.9
Car	2.2	3.5	3.9	1.5	1.7
Phone			2.5	7.3	58.1
Wealth score <sup>1</sup>					
Mean	1.2	1.3	1.4	1.3	1.9
Std. Dev.	1.2	1.2	1.3	1.1	1.0
Obs.	479	2 959	1 420	3 580	3 271
Abidjan					
Cooker	38.1	32.4	32.5	41.7	46.1
Fridge	58.3	46.0	36.6	43.1	36.7
Radio	73.7	81.4	72.9	77.6	73.2
Tv	69.7	65.2	60.3	70.6	81.1
Bike or motobike	2.7	4.9	5.1	5.6	9.1
Car	12.9	11.3	8.6	14.4	8.9
Phone			17.3	51.0	93.5
Wealth score <sup>1</sup>					
Mean	2.6	2.4	2.2	2.5	2.6
Std. Dev.	1.5	1.5	1.5	1.5	1.4
Obs.	304	1 680	859	1 980	1 928

Table 10: Durable goods ownership (2)\*

\* Share of individuals living in a household with at least one of the durable good listed. <sup>1</sup>Score: sum of cooker, fridge, radio, TV, bike, motorbike and car per capita.

	1988	1993	1998	2002	2008
Rice	1	1	2	3	4
Maize	1	1	1	3	3
Mil sorghum etc	1	1	1	5	5
Bread	1	1	1	1	1
Attieke	1	1	1	1	1
Cassava	1	4	4	4	3
Pasta	1	1	1	1	1
Biscuits	1	1	1	1	1
Yam	1	1	1	1	2
Banana	1	1	1	1	2
Taro potato	1	1	2	3	3
Palm kernel	1	1	1	1	1
Peanut	1	1	1	2	2
Other nuts	1	1	1	2	-
Fish and crustacean	1	1	1	4	4
Bushmeat	1	1	1	1	1
Poultry	1	1	1	1	1
Cattle meat	1	1	1	3	
Eggs	1	1	1	1	
Palm oil	1	1	1	2	2
Refined oil	1	1	1	1	1
Butter	1	1	1	1	2
Fruits	1	1	1	10	1(
Candies and sugar	1	1	1	6	4
Salt	1	1	1	1	
Alcohol	1	1	1	2	2
Soft drink	1	1	1	2	2
Broth (Bouillon cube)	1	1	1	1	1
Tomato paste	1	1	1	1	2
Vegetables	1	1	1	20	26
Street food	1	2	2	2	2
Dairy products	1	1	1	4	6
Other foods	1	1	2	7	8

Table 11: Detail in food across surveys

### 2 Macroeconomic data

The National Account data used in this paper are extracted from the World Development Indicators (WDI) database for the 1960 to 1997period, and come from the Ivorian National Institute for Statistics (INS) for the 1998 to 2008 period. We found an error in the WDI figures for 1998-2002, that is not present in INS figures: real export growth (12%) is obviously wrong, and translates in a collapse of real private consumption (-10%) that is calculated as a residual in the balance of account (implying a deflator of private consumption at odds with consumer price index).

Table 12 presents macroeconomic growth trends since 1988, and decomposes GDP growth for each inter-survey sub-periods. GDP per capita decreased across the whole period, except during 1993-98. In 2008, GDP per capita is lower than in 1988by 17percentagepoints. Since 1988, the share of the agricultural sector in GDP has increased; this reveals means that Côte d'Ivoire didn't succeed in diversifying her sources of growth and that agriculture and cash crops exports remained very important income sources for a large fraction of the Ivorian population. The slight increase in the share of the secondary sector in GDP is due petroleum and gas extraction and petroleum refining, rather than manufactured activities whose value added decreased a lot. From the beginning of the political crisis until the eve of the civil conflict (1998-2002), public and private investments dramatically fell (by7.7% in average per year). Investments during the "nor peace nor war" period(2002-2008) were not sufficient to recover the level of investment reached in 1998, after the devaluation bounce-back.

According to national accounts, private consumption per capita only decreased by 6% between 1988 and 2008, which is less than the 25% fall estimated with household surveys (see table 3 of main text). This discrepancy is not so surprising given the differences of definition, unit of observations as well as methodology between these two dataset. The data on public consumption are more puzzling: its share in GDP seems to have increased since 1988 whereas according to IMF data, they dramatically fell, from 35.8% of GDP in 1988 to 14.6 in 1998 and 17.9 in 2008. (see table 13). The latter public finance figures are consistent with household surveys that show a large reduction of civil service employment (see table 2).

	1988		88-93	1993		93-98	1998		98-02	2002		02-08	2008	
-		GDP comp.	av. an. g. rate		GDP comp.									
GDP at market prices <sup>1</sup>	5,263	100%	0.3%	5,338	100%	6.5%	6,889	100%	-0.5%	6,749	100%	1.2%	7,262	100%
Expenses														
Total consumption	4,014	76%	-0.5%	3,905	73%	9.7%	5,433	79%	1.8%	5,833	86%	1.6%	6,421	88%
Private consumption	3,238	62%	0.4%	3,298	62%	11.0%	4,418	64%	1.4%	4,664	69%	1.3%	5,054	70%
Public consumption	775	15%	-4.8%	607	11%	1.5%	1,015	15%	3.6%	1,170	17%	2.6%	1,367	19%
Gross capital formation	523	10%	-1.5%	485	9%	11.3%	nd			nd			nd	
Gross fixed capital formation	763	14%	-5.3%	581	11%	18.7%	959	14%	-7.7%	695	10%	3.9%	876	12%
Private Investment	356	7%	nd	nd		nd	598	9%	-4.4%	499	7%	2.8%	588	8%
Public Investment	nd		nd	nd		nd			-14.1%			6.6%		
		0%				12.004	361	5%		196	3%	10.00/	289	4%
Changes in inventories	-240	-5%	-16.8%	-96	-2%	43.9%	22	0%		-530	-8%	-19.9%	-273	-4%
Exportations	2,104	40%	1.1%	2,220	42%	5.8%	2,858	41%	0.8%	2,948	44%	-0.7%	2,826	39%
Importations	1,377	26%	-1.6%	1,273	24%	15.9%	2,383	35%	-2.0%	2,197	33%	2.8%	2,588	36%
Balance of trade	727	14%	5.4%	948	18%	-15.6%	475	7%	12.1%	751	11%	-17.4%	238	3%
Revenues														
Primary sector V. A.	1,139	22%	2.8%	1,309	25%	5.8%	1,669	24%	0.1%	1,678	25%	0.4%	1,721	24%
Secondary sector V. A.	1,028	20%	-0.4%	1,008	19%	11.3%	1,469	21%	-2.1%	1,347	20%	2.7%	1,577	22%
Tertiary sector V. A.	3,096	59%	-0.5%	3,021	57%	5.1%	3,073	45%	-0.1%	3,060	45%	1.3%	3,298	45%
Indirect taxes	660	13%	-7.3%	452	8%	14.3%	677	10%	-0.5%	665	10%	0.0%	667	9%
GDP at factor prices	4,603		1.2%	4,886		5.7%	6,211		-0.5%	6,084		1.4%	6,596	
GDP per capita, thous. CFAF	450		-3.0%	386		2.9%	434		-2.5%	393		-0.4%	382	
GNI per capita, thous. CFAF	413		-3.5%	345		4.2%	nd			nd			nd	
GDP per capita, PPP 2005 \$	2,008		-3.0%	1,724		2.9%	1,933		-2.8%	1,722		-0.6%	1,657	
Cons. per capita, PPP 2005 \$	1,145		-3.4%	962		3.3%	1,133		-2.1%	1,106		-0.0%	1,079	
in percentage of 1988	100%			84%			99%			97%			94%	

Table 12: Economic growth decomposition, 1988-2008

<sup>1</sup> At constant million 1996 CFAF.

Sources: 1988-1993 WDI (2012), 1998-2008 INS/DSSE/Division Comptabilité nationale ; our own calculation.

(percentage of GDP)	<b>1988</b> <sup>1</sup>	<b>1993</b> <sup>2</sup>	<b>1998</b> <sup>2</sup>	<b>2002</b> <sup>3</sup>	<b>2008</b> <sup>4</sup>
Total Revenue	25.9	16.6	18.4	17.8	18.9
Taxes revenue	20.4	13.9	15.1	15.7	15.6
Non taxes revenue	5.5	2.6	3.3	2.1	3.2
Petroleum and gas	0	0.0	0.0	0.2	1.3
Grants	0	0.5	0.7	0.5	1.7
Total expenditure	39.6	28.3	21.2	19.9	21.1
Current expenditure	35.8	25.4	14.6	15.8	17.9
Wages and salaries	11.6	10.1	5.5	6.5	6.8
Interest due on public debt	8.6	8.2	3.8	3.3	1.8
Investment expenditure	3.7	2.9	6.0	3.2	3.0
Domestically-financed	nd	nd	nd	1.8	2.2
Foreign-financed	nd	nd	nd	1.4	0.7
Net lending		0.0	0.0	0.2	0.2
Crisis related expenditure		0.0	0.6	0.7	0.0
Overall balance, including grants	-13.7	-11.2	-2.1	-1.5	-0.6
ODA : Total net by the DAC countries <sup>5</sup>	3.8	6.4	3.8	7.2	0.9

Table 13: Public finance

<sup>4</sup> Source: IMF (2010), Second Review Under the Three-Year Arrangement Under the Extended Credit Facility,

Request for Waivers of Nonobservance of Performance Criteria, and Financing Assurances Review Staff Report.

<sup>5</sup> Source: OECD,http://stats.oecd.org/Index.aspx?datasetcode=TABLE2A...