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Rami Ben Haj Kacem, “Monetary versus Non-Monetary Pro-Poor Growth: Evidence from Rural Ethiopia between 2004 and 2009”

The paper of Rami Ben Haj Kacem provides an interesting statistical exercise on the analysis of poverty and inequality, using a database from an area with deep structural weaknesses. Following a well structured review of relevant approaches, the author proposes an alternative methodology for combining income related indicators with other social, non-income characteristics (using the terms “monetary” / “non-monetary” might be misleading).

Instead of comparing the distribution of social indicators among a population which is ranked by income, as this has been presented by Klasen et al. (2008), Kacem goes in a way the opposite direction: he first builds cohorts of households based on social, non-income characteristics, and then he follows the “growth incidence curve” analysis of income indicators within each cohort. Therefore, it is not so much surprising that, when he applies this method on the data from the Ethiopian Rural Household Surveys 2004 – 2009, he ends up having a similar result with the traditional income-based analysis for the whole population; yet with an important additional information of how this differs from cohort to cohort.

Beside to the proposal of an alternative methodology and the pilot application and comparison, the value-added of the paper can be seen in the political applications of his approach (the author mentions this in his short conclusions). In fact, the significance of the study could be amplified if this can be combined with a more detailed policy discussion of the findings in the existing empirical comparison.

Grigoris Zarotiadis, gzarotia@econ.auth.gr
Department of Economics, Aristotle University of Thessaloniki