

Navigating around the DRC's statistical potholes

New estimates on welfare and
poverty trends (2005-2012) following
a spatially disaggregated approach

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ABSTRACT

Relying on two rounds of household budget data (2005 and 2012), this paper presents a proposal for an integrated analysis of the most recent changes in welfare and poverty in the Democratic Republic of the Congo (DRC). Confronted with various methodological challenges, it proposes four ways to improve comparability of welfare and poverty across time and space. Its most salient feature is the high degree of spatial precision, which aims to capture better the variation in living conditions and economic opportunities in the DRC. **Compared with the official statistics, this approach yields a completely different poverty outlook, both in terms of levels and trends.** The new estimates are also triangulated with changes in undernutrition. Using the consumption indicator generated by this approach, growth at the micro level on average has been slightly positive and pro-poor for urban households, while negative and pro-rich for their rural counterparts. The combined effect of these opposing welfare trends is a minor reduction of poverty in Congolese cities and an increase in the countryside. Marked regional differences however exist, which we classify in four welfare trends. Given the differences between our analysis and the official statistics, further work is needed to check on the proposed methodology, on the robustness of the results and on the resulting poverty profile.

1. INTRODUCTION

Since the signing of the peace treaties in Sun City in 2002, which formalized the beginning of a new period of political transition, development prospects in the Democratic Republic of the Congo (DRC) were good. Not only did the political landscape stabilize through the adoption of a new constitution in 2005 and the organization in 2006 of the first free and fair elections since independence, the level of official development assistance received by the country slightly increased (World Bank 2017), while the country was granted irrevocable debt relief in 2010 for around 12.3 billion USD (Marysse et al. 2012). Taking Gross Domestic Product (GDP) at face value, the economic peace dividend since the turn of the millennium has been enormous: negative growth rates turned positive in less than five years' time, from -7% in 2000 to almost +7% in 2004, and remained high ever since, except for the global economic crisis in 2009 when it fell below 3% (World Bank 2017). Of course, population growth, estimated at around 3% per year is partly responsible for these growth rates, yet still leaving 3-4% of annual growth in terms of GDP per capita.

In this paper, we analyze welfare and poverty trends in the DRC using available household survey data. Different issues however complicate the measurement and monitoring of welfare and poverty at this micro level. These challenges are multiplied in countries, like the DRC, that are characterized by their huge diversity and lack of market integration. Section 2 briefly reviews this literature. The rest of the paper is organized as follows. After introducing some basic characteristics of DRC's household budget data, we identify four crucial statistical challenges (i.e. sampling weights, metric food prices, rent imputation and contextual diversity) and elaborate a methodology to address each of them (Section 3). While all four issues are important, most policy relevance comes from the high level of spatial disaggregation pursued. Section 4 then compares the official poverty estimates with those obtained following the method outlined in the previous section. Changes in undernutrition are used to validate our findings. We also discuss some key results regarding the evolution of welfare across Congolese provinces between 2005 and 2012. Concluding remarks are presented in Section 5.

2. NATIONAL POVERTY ESTIMATES AND METHODOLOGIES: OFFICIAL VERSUS REVISED

Estimating the level of poverty is crucial for every government committed to improve social conditions of its population. However, driven by political or statistical motivations, the officially adopted methodologies may be suboptimal or subject to change depending on the prevailing political environment. Whereas the latter issue jeopardizes comparability over time, the former may render the results irrelevant to the context under investigation. As a result, poverty assessments may vary considerably depending on the issues identified and the proposed solutions to cope with them.

Fiercely debating the extent of poverty reduction during the 90s (see several contributions in *Economic and Political Weekly*¹), the Indian case illustrates the discrepancy between official and 'true' poverty statistics very well. For some, the official poverty trend was clearly too pessimistic, while others have rejected it for being too optimistic. Still others state that "we just cannot know with any degree of certainty from the data alone" (Palmer-Jones and Sen, 2001:217). Indeed, much of the Indian poverty debate has been instigated by an interaction of statistical and political arguments (Deaton and Kozel 2005). Despite being less debated in public, official

[1] See for example: Mehta and Venkatraman (2000), Palmer-Jones and Sen (2001), Ravallion (2000) and Suryanarayana (2000).

poverty discourse in other countries has been subject to much criticism as well. For example, Park and Wang (2001) run through a list of eleven sources of potential bias, before concluding that poverty in rural China will probably be higher and its reduction over time slower than what is reflected by the official estimates. In Indonesia, the official poverty profile has been criticized for its lack of robustness, given that poverty rates are higher in urban areas compared to the country's rural (Asra 2000; Ravallion and Bidani 1994). In Mozambique too, various measurement errors have pushed scholars to revise the official poverty methodology, which finally led to a completely altered poverty profile (Alfani et al. 2012).

Through these criticisms and revisions, one can broadly identify three statistical areas of potential bias. The first refers to the general set-up and practical implementation of household surveys; the second and the third respectively deal with issues impeding the accurate and stable measurement of household welfare and the determination of poverty lines.

Firstly, for all comparative work based on household surveys, the adopted method as well as the supervision during implementation may have a sizeable impact on the quality and completeness of reporting (Beegle et al. 2012). For India, the lengthy 30-days recall period is cited as one of the main reasons why the level of household consumption reported is substantially lower than its national accounts equivalent of aggregate private consumption (Deaton and Kozel 2005; Palmer-Jones and Sen 2001). In a similar vein, the pre-defined food list used for the national budget surveys in Mozambique is said to be too restrictive (only 38 food items in the 2008/9 survey) and mainly comprises unprocessed food items. At the same time, the food diary questionnaire did not provide much space for additional consumption lines or to report on other, less typical, types of food transaction (Alfani et al. 2012). Also, the limited supervision by enumerators during the diary period in Mozambique together with some crude assumptions regarding the weight of non-metric measurement units further added to the level of imprecision (Alfani et al. 2012).

Secondly, regarding the accuracy of welfare measurement, various steps are required – each of which may carry risks of inaccuracy. First, one needs a representative sample of households, which in turn requires reliable demographic data. In the case of India, Deaton and Kozel (2005) point to some validity concerns regarding the used sampling method and frame for the yearly intermediate rounds, compared to the major rounds which occur less frequently. For China, the national sample has been criticized for excluding remote areas, illiterate families and minority groups (Park and Wang 2001). Given the outdated censuses in several developing countries together with similar concerns of exclusion, sampling bias might be a general problem in other settings too. Second, despite the widespread convention to rely on consumption data, some countries like China capture data on income and/or expenditures. Although income data are less smooth over time, especially in agricultural societies, the latter may generate consumption flows beyond the year when an expenditure occurred, such as for the acquisition of a house or other durables (Park and Wang 2001). Third, which is the opposite of the previous, rental values for homeowners are in many cases excluded or poorly imputed, thus contributing to an underestimation of welfare for those households owning their proper house (Park and Wang 2001). Fourth, lack of reliable price data hinders the accurate estimation of purchasing power over time and across space – the latter being particularly crucial for vast countries with poorly integrated markets. In India, the official price deflators tend to overstate the actual inflation rate (Deaton and Kozel 2005; Palmer-Jones and Sen 2001), while the reverse seems to be the case in China (Park and Wang 2001). In addition, before 1990, China also relied on planned prices to value self-produced goods and on a combination of planned and market prices to value standard food

items (Park and Wang 2001). In regional terms, the correction for price differentials generally does not go beyond the urban/rural distinction (Deaton and Kozel 2005; Park and Wang 2001) or is based on questionable information (Palmer-Jones and Sen 2001).

Finally, with respect to the third set of statistical issues (i.e. the determination of poverty lines), it is useful to consider two of the core principles often put forward. On the one hand, poverty lines defined over time and across regions should be mutually consistent, which means that they should refer to the same standard of living or utility level. On the other hand, poverty lines need to be sufficiently specific or relevant to the local context, implying that they should reflect locally prevailing needs and preferences (Asra and Santos-Francisco 2003; Ravallion and Bidani 1994). With regard to local specificity, the poverty lines of China might be assessed as being either too high, given the relatively high associated calorie benchmark, or too low as the poverty food basket does not include alcoholic beverages or candy, which are also typically consumed by poor people (Park and Wang 2001). In a similar vein, the official Indonesian poverty lines are probably too low, as their non-food component is substantially smaller than the observed non-food consumption of the poor (Asra 2000).

Apart from local specificity, the consistency criterion seems to be often impaired as well. Prior to 1998, the official poverty lines of China relied on a non-food allowance of 40%, which then markedly dropped to only 17% (Park and Wang 2001). Similarly, the Indian official poverty lines over time were no longer anchored to the same nutritional needs (Palmer-Jones and Sen 2001). In addition to consistency concerns through time, regional poverty lines might not be mutually comparable either. Deaton and Kozel (2005) mention that the price data used in 1993 to construct state-specific poverty lines in India were outdated, and that the urban and rural poverty lines of each state were set without taking into account the prevailing price differentials between sectors. These concerns are further reinforced by the observation that urban poverty in some states is more pervasive than rural poverty, especially if such finding goes against the grain of what people experience on the ground. In the Indonesian case for example, the difference between the urban and rural poverty lines far exceeded the difference in cost-of-living, resulting in a reversal of the sector poverty ranking compared with the outcome which would prevail if poverty lines were in line with cost-of-living data (Ravallion and Bidani 1994).

3. DATA ON THE DRC AND THEIR METHODOLOGICAL CHALLENGES

3.1. Data

This paper uses two cross-sectional datasets on household consumption collected by the National Institute of Statistics (INS) of the DRC in 2004-5 and 2012-13². Both survey rounds follow the same methodology, called *Enquête 1-2-3* (henceforth 123 Survey), where each number refers to a separate phase: (1) employment, (2) informal sector, and (3) consumption. This paper mainly relies on the third phase, which comprises diary and recall data on twelve consumption categories following the Classification of Individual Consumption by Purpose (COICOP). Whereas the diary data relate to an average period of 15 days, the recall period stretches to 6 or 12 months, depending on the module. As reported in Table 1, the primary data of both surveys amount to 3,244,982 individual consumption lines for which quantities, local selling units, unit prices and total expenditures have been recorded by in total 33,490 different households. The sample size covers 12,087 households for the 2005 round and 21,403 households for the 2012

[2] Although both 123 Survey rounds were spread over two years, for convenience we will simply refer to 2005 for the first and 2012 for the second round, which are the years when most households were surveyed.

round, each following a sample design which seeks representativity per sector (statutory cities, provincial towns and villages) at the provincial level³.

Table 1. Data description

	2005	2012	Total
Number of households	12,087	21,403	33,490
Number of outlays			
1. Food	880,499	1,467,566	2,348,065
2. Drinks	54,279	91,335	145,614
3. Clothes	47,597	33,316	80,913
4. Housing	128,201	139,156	267,357
5. Equipment	55,145	82,265	137,410
6. Health	35,643	27,601	63,244
7. Transport	13,640	18,066	31,706
8. Communication	1,655	14,967	16,622
9. Leisure	17,304	15,118	32,422
10. Education	9,543	7,234	16,777
11. Catering	8,545	9,236	17,781
12. Services	41,639	45,432	87,071
Total	1,293,690	1,951,292	3,244,982

Source: 123 Survey (2005) and (2012).

Compared with the country case studies discussed in the previous section, the 123 Survey methodology applied to the DRC largely adopts the better standards, with unit records of individual consumption being accessible, as opposed to only aggregate household data or even grouped data, which was the case in China before 1995 (Park and Wang 2001). The methodology's reliance on 15-day diaries with not less than six enumerator visits to supervise this process also follows best practice. In addition, the 123 questionnaire comprised a list with more than 200 food items, which, apart from daily purchases, also accommodated other types of food transactions, like gifts received or given in kind and self-produced food. On the contrary, conversion rates for local selling units were not readily available and have been only occasionally collected in 2005. This was done much more structurally in 2012. The reverse is true with respect to rent imputation of homeowners: this procedure was fairly complete for the 2005 round, while being more incomplete in 2012.

[3] In anticipation of the ongoing process of decentralization which became official by 2015, the 2012 sampling design was based on 26 provinces compared to 11 provinces in 2005.

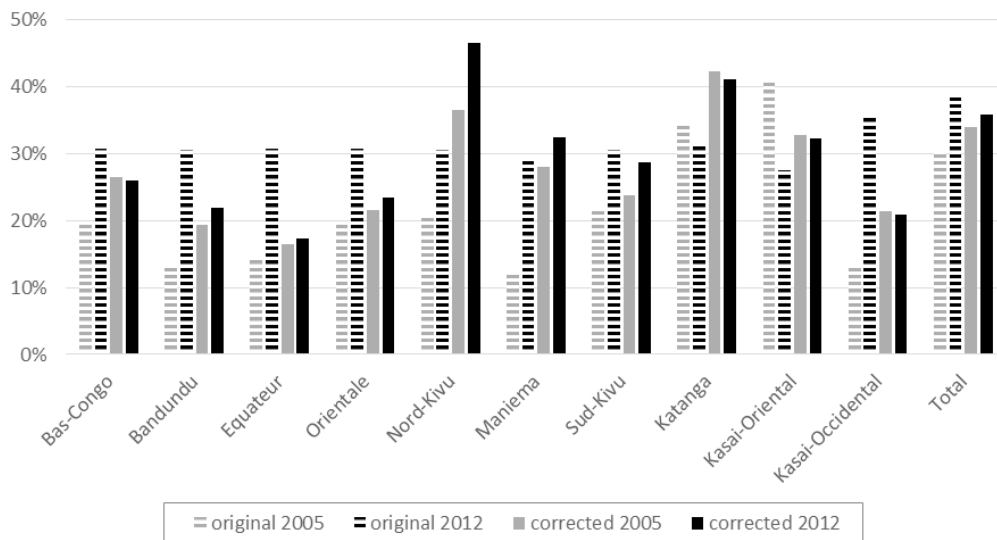
3.2. Methodological challenges

Inspired by the country case studies discussed above and with the 123 Survey data at hand, we identify four DRC-specific challenges and discuss how each of them will be addressed in this paper to increase the credibility of the final results. Without a doubt and in line with India's experience, the repairs being proposed here can only be considered "a poor substitute for the collection of clean, credible, and comprehensive data" (Deaton and Kozel, 2005:196).

3.2.1. Sampling frames

Without routine registration and given that the country's latest population census goes back to 1984, fielding a *representative* household survey in the DRC is all but straightforward. Indeed, to claim this label, one needs reliable demographic data to be associated with the selected sampling units to know how many population units they represent (Gelman 2007; Little 2004). In a recent article, Marivoet and De Herdt (2017) document the high volatility in population data used underneath the sampling frames of the latest national household surveys conducted in the DRC. Clearly, over time very different fertility or mortality assumptions appear to have been used to estimate the distribution of the Congolese population. Figure 1 shows the provincial urbanization rates for both rounds of the 123 Survey as reflected by the original design weights added to the surveys (see striped bars). Taken at face value, the extent of urbanization seems to have changed dramatically between 2005 and 2012. The World Bank reports that "[t]he country's average urban growth rate in the last decade was 4.1 percent [...]; if this trend continues, the urban population will double in only 15 years" (World Bank 2018:1-2). Overall, the country's urbanization rate went from 30% to almost 40% between 2005 and 2012, a difference which could equally be observed in the provinces of Bas-Congo, Orientale, Nord-Kivu and Sud-Kivu. In Bandundu, Equateur, Maniema and Kasai-Occidental, we note an increase by more than 15% over the period of seven years. On the contrary, Katanga and Kasai-Oriental would have experienced a period of de-urbanization, at low rate for the former while being more pronounced for the latter.

Figure 1. Variation in provincial urbanization rates according to the original and corrected sampling weights (2005-2012)



Notes: The province of Kinshasa has formally no rural sector (i.e. urbanization rate equal to 100%), and therefore is not displayed on this figure.

Source: Adapted from Marivoet and De Herdt (2017) by only selecting the urbanization rates of the 123 Survey data (2005 and 2012).

Put in a long-term perspective, by adding the population data underneath other national surveys since 2001 (not shown in Figure 1), Marivoet and De Herdt (2017) conclude that these demographic evolutions must be erratic. As a result, any trend analysis based on these surveys risks to measure changes in sample design, rather than changes in the variables of interest. As a solution, the authors propose to stabilize the sampling frames using a post-stratification technique based on an interpolation of the 1984 census distribution and a 2012 benchmark derived from vaccination and school enrolment data. Applying the same technique, urbanization in the DRC has evolved much less dramatically, except perhaps for Nord-Kivu, as can be observed from the solid colored bars in Figure 1. For most provinces, it seems that the extent of urbanization has been underestimated in the 2005 survey while being overestimated for the 2012 round. The clearest exceptions to this observation are Kasai-Oriental, where the opposite is true, and Nord-Kivu and Katanga, where the re-estimated rate of urbanization is markedly higher for both years. Given the magnitude of variation across years and types of weights, the bias in results due to the erratic sampling frames can be expected to be most pronounced in Bandundu, Equateur, Nord-Kivu, Maniema and both Kasai provinces, which we will check further in this paper.

3.2.2. Metric food prices and nutrient intakes

In the DRC, as well as in many other African countries, food purchases are conducted in local measurement units (like *sakombi*, *ekolo*, etc.) as opposed to metric weights, such as kilograms and liters. In circumstances where a uniform relation exists, the conversion between local selling units and standardized measures would be straightforward. However, these local units are not necessarily the same throughout the DRC and tend to change over time, which re-

quired separate survey teams to be sent out to actually weigh the food amount purchased by the household. Given the cost of this operation, not every food purchase was weighed: in 2005, only 17% of all food purchases were weighed against 52% in 2012. To be able to convert non-weighed food outlays in their metric mass equivalent as well as to assure a consistent methodology over time, we first estimated metric prices based on the most common selling unit for the most important food items in each of the 56 and 66 price zones identified in 2005 and 2012 respectively. For 2005, these price zones were obtained by crossing the three sectors of the country with the survey pools (which have been constructed to logistically organize the survey and thus reflect some degree of market integration). For the 66 price zones in 2012, the new provincial delimitation introduced in 2015 combined with the same three sectors have been used.

Although observing prices at the household level would be more accurate to estimate food purchasing power of each family and its associated level of food insecurity, the use of average prices per price zone for each food item made it possible to convert 83% (in 2005) and 89% (in 2012) of all food outlays into their corresponding metric weight. These purchased food amounts were then associated to a Food Composition Table (FCT) entry, which provides the edible share of food as well as the nutrient composition of each 100-gram edible portion. Lacking a country-specific FCT for the DRC, we used the West African FCT developed by FAO (Stadlmayr et al. 2012). This FCT not only combines food composition data from nine countries, which resulted in an extensive list of food items with highly comparable data on food components, it also contains an edible conversion factor for each individual food item⁴. Despite the detailed nature of these food composition data, the food labels used by the COICOP classification did not always guarantee a perfect match. For example, information on the exact variety or breed, cultivar, maturity stage or fat rate of the food is generally lacking. In spite of this shortcoming, most of the other important distinctions, in terms of color or food processing stage, could be made or indirectly retrieved. Using the associated data in terms of edible conversion and nutrient composition, each food consumption line was then converted into its nutritional equivalent and expressed in annual terms. Apart from calories, this paper covers the following 14 micronutrients: calcium, iron, zinc, magnesium, thiamine, riboflavin, niacin, folate and vitamin A, D, E, C, B6 and B12.

Given the matching difficulties mentioned above together with missing data on regional prices, 80% in 2005 and 86% in 2012 of all food outlays could be finally converted into their corresponding nutritional intakes, thus leaving still a substantial share of food consumption unidentified. To address this issue, a mark-up procedure was implemented to derive household-specific prices-per-nutrient based on the identifiable part of food consumption within a set of different food groups. This information was then used to scale-up total nutrient intake for each household by relying on the corresponding monetary values of the unidentified part of food consumption, whereby two mark-up procedures were consecutively tried. The first relied on a categorization of outlays into 16 food groups as identified by FAO's methodology on the Household Dietary Diversity Score. In case no price-per-nutrient could be derived for a particular food group comprising unidentified consumption, we resorted to a broader categorization of eight food groups, taking inspiration from the WFP's (2008) procedure to construct its Food Consumption Scores.

[4] Compared to many other FCTs, the consistent coverage of edible conversion rates within the West African FCT is rather exceptional, though very important given the relatively high shares of inedible weight typically observed in fruit, vegetables, fish and meat (like pits, stones, skin, bones, etc.) – all being key to assure micronutrient adequacy. Where necessary, other sources on food composition, like the Food Composition Database for Biodiversity (FAO 2016) and the online USDA FCT (<https://ndb.nal.usda.gov>), have been consulted for cross-checking or to fill out some important missing values.

To assess nutrient deficiency, we also computed Adult Male Equivalence (AME) scales for each nutrient, based on the recommended intake levels by age/sex as defined by the most recent FAO/WHO/UNU Joint Panels (FAO 2001; WHO/FAO 2004; WHO 2007). As a reference for these AME scales, we used a 30 years old male and set his physical activity level equal to 1.75 while opting for a bioavailability level of 5% for dietary iron and low bioavailability for dietary zinc (15%). Hence, accounting for differences in family size and composition, daily estimates of nutrient intakes expressed per AME could be finally obtained and compared with recommended intake levels for the adult male reference.

3.2.3. Imputation of house rents

Apart from food, housing outlays take up an important share in overall consumption in most developing countries including the DRC. However, when households own their proper house, there is no corresponding outlay for the house rent paid by renters – though owners do derive a rental value from occupying their dwelling. To address this issue, one typically imputes a house rent based on the characteristics of the house and the effective rents paid by renters, for which several techniques are proposed in the literature (for an overview, see Balcazar et al. 2014). Unfortunately, this approach has not been consistently applied to both rounds of the 123 Survey: whereas nearly each household in 2005 either had an effective or imputed house rent, this was no longer the case in 2012. More specifically, house rents after imputation for homeowners were still missing for only 2% of all households in the 2005 survey, against more than 89% for the second round in 2012⁵.

Lacking knowledge on the precise imputation technique adopted in 2005, we have estimated house rents for *both* waves following the same semi-logarithmic model. This log-linear model is the most commonly used functional form, which estimates the natural logarithm of effectively paid house rents against the indicator function of a set of house characteristics (Balcazar et al. 2014). In total, seven housing characteristics were retained for this exercise: material used for walls and floor, the number of rooms and sleeping rooms, the type of energy used for cooking, the type of water supply and the type of garbage collection. Given the limited number of house renters surveyed in both waves (13% in 2005 and 11% in 2012), we applied this estimation model to nine different housing zones, defined by combining data on land cover, topography and social environment. Whereas the first two aspects control for differences in housing quality which are related to the country's biophysical diversity, the latter accounts for differences in social climate and expectations. More specifically, we first identified four biophysical zones (savanna highlands and lowlands, and tropical highlands and lowlands), after which we distinguished the urban and rural areas (while also distinguishing between the capital city of Kinshasa and the other urban zones).

After estimating the log-linear model for each of the nine housing zones and both survey waves (see results in Appendix A), we used the regression coefficients of each of the seven housing characteristics to derive and impute house rents for homeowners. Compared with the initial estimation results, Table 2 indicates that the newly derived house rents largely fall within the same range for most of the housing zones identified. As a result, while the aggregate household consumption in 2005 did not substantially alter following this methodological update, the coverage of households with either an effectively paid or an imputed house rent is

[5] Following detailed inspection, some form of house rent imputation appears to be added to the aggregate outlay module of housing without this information being added to the list of individual expenditures. Anyhow, around 2,500 households do not seem to have any housing outlays at all, neither in the individual nor in the aggregate expenditure module.

now almost complete, which, especially for the 2012 survey, constitutes a marked improvement. Based on the revised procedure results, Table 2 also documents that house rents (both imputed and effective) on average substantially went up in various urban housing zones between 2005 and 2012, and especially in Kinshasa where rents increased by more than factor 7. In rural housing zones on the contrary, this increase appears to have been more moderate. As a result, inequality in terms of house rental value between the capital city, other urban housing zones and the rural sector intensified over time, with houses in 2012 being around 3 times less worth in the urban sector to almost 20 times cheaper in the rural sector, both compared to Kinshasa. For both sectors, the lowest rental value in 2012 can be found in areas labelled as savanna lowlands.

Table 2. Mean effective and imputed monthly house rents (FC) per housing zone according to initial and revised rent imputation procedure (2005-2012)

	INS procedure				Revised procedure			
	2005		2012		2005		2012	
	effective	imputed	effective	imputed	effective	Imputed	effective	imputed
N	1,557	10,311	1,093	1,310	1,557	9,964	2,380	18,243
% in sample N	13%	85%	5%	6%	13%	82%	11%	85%
Kinshasa	9,025	12,816	61,977	92,188	9,025	8,371	63,689	64,965
Urban Savanna Highlands	4,549	3,306	19,961	20,722	4,586	2,553	21,161	18,301
Urban Savanna Lowlands	3,901	2,557	13,501	7,927	3,479	2,461	10,639	10,209
Urban Tropical Highlands	4,923	2,797	20,040	11,164	4,994	3,930	19,130	21,400
Urban Tropical Lowlands	2,642	3,570	20,456	20,002	2,983	1,357	21,907	20,601
Rural Savanna Highlands	1,162	798	2,719	4,110	1,125	740	3,676	3,580
Rural Savanna Lowlands	1,242	1,305	2,356	2,201	1,263	1,085	2,193	2,143
Rural Tropical Highlands	886	1,512	2,969	3,951	864	1,038	3,337	3,210
Rural Tropical Lowlands	1,124	955	6,859	4,312	1,121	773	4,406	2,435
Total	5,287	4,672	29,953	6,231	5,188	1,681	15,005	11,869

Notes: For the INS procedure, mean monthly house rents (FC) were obtained by using the initial sampling weights, the revised procedure relied on the corrected sampling weights, as described above. Given the low coverage of effectively paid house rents reported in 2012 (i.e. 5%), we equally made use of the 6% imputed rents to generate sufficient observations to derive estimates of house rents for homeowners following the revised procedure.

Source: 123 Survey data (2005 and 2012).

3.2.4. Contextual diversity across time and space

Given the size of the country and its sheer variation in living conditions and economic opportunities (Marivoet 2016), there is a need to establish a common denominator to make nominal consumption levels comparable across time and space. Indeed, the same income level would give people in different locations a different status in terms of, for example, food security, shelter and education, depending on the prevailing level of food prices, weather conditions and quality of public service delivery. The huge spatial diversity characterizing the DRC is well illustrated by a recent report (Marivoet et al. 2018), which provides detailed maps to better understand the country's current nutritional outcomes by referring to various structural and idiosyncratic causes as well as livelihood coping strategies pursued by farm households. Furthermore, spatial heterogeneity of biophysical factors, infrastructure, institutions and risk exposure matters beyond the assessment of current living conditions, as it also affects future returns from private investments and as such shapes the path of development and the structure of economic and social mobility (Blank 2004; Ulimwengu 2006). As a result of this contextual diversity, policies to fight poverty in the DRC should be based on evidence obtained from poverty analyses with sufficient spatial precision. This observation much aligns with the territorial approach promoted by Cistulli et al. (2014), which is argued to be more effective in reconciling the triple objectives of economic efficiency, equity and sustainability, compared to spatially-blind policies, especially in contexts with high subnational disparities.

To deal with this contextual diversity, standard economic theory prescribes the use of price indices in order to convert nominal consumption into purchasing power equivalents. Apart from well-known index number issues (Deaton and Heston 2010), this simple statistical price correction falls short on an important aspect, however: price indices do not account for differences in local *needs*, which arise from variations in biophysical characteristics, prevailing social norms or public goods. In the words of Deaton and Heston, "if all prices were identical in Moscow and in Ouagadougou, it seems meaningful to say that the price level is the same in both, even if the cost of living is higher in the colder, northern city" (2010:6).

Given their potential to deal with these issues, this paper will in a first step calculate regional poverty lines, and then use these as deflators to improve comparability across time and space (Marivoet and De Herdt 2015). Indeed, a poverty line can be defined as the cost evaluated at local prices of "a consumption bundle considered adequate for basic consumption needs" (Haughton and Khandker 2009:40), but this bundle can in principle be region- and time-specific in the space of goods and services, as long as all the region- and time-specific bundles of goods are consistently reflecting one particular level of utility (in a utilitarian tradition, e.g. Ravallion (1998)) or functionings (in a capability perspective, cf. Reddy et al. (2009)). In this way, poverty lines can at least in principle be both consistent and specific (Asra and Santos-Francisco 2003).

For example, it does not really matter whether people's diets are based on rice or maize, as long as what they eat fulfils particular levels of foods requirements (like calorie intake, vitamin intake, etc.). As long as these levels of food requirements are the same for all regions, we can allow the dietary patterns to vary and compare the price of the different bundles of goods between different regions. Thus, while making use of local food price information and prevailing diets to assure specificity, consistency is guaranteed by applying the same nutritional benchmarks across different regions.

Two questions remain however. First, while food poverty lines usually refer to particular nutritional requirements, what could be considered *adequate* food intake *also* implies ad-

herence to food patterns that are considered *decent*. An important question is therefore whether people would still opt for what they (observably) chose to eat *if they were given a real choice*. In other words, how informative are people's revealed preferences of their *real* preferences (in a utilitarian tradition) or of their freedom to choose (in a capability perspective)?

This issue is particularly important where alternative consumption bundles are too expensive or simply non-existent. For example, in some regions, people might consider rice a much more decent product than maize, and they would opt for rice if that product had been available at a reasonable price. What surveys then observe is maize consumption in sufficient quantities, while ignoring the fact that these people might consider maize as merely a "survival strategy" in the absence of any real decent alternative. To be sure, our argument is not that the basket of food items at the poverty line should be specified in such a way that everyone's favorite food items are within reach. But we must make sure that the consumption bundle within reach for poor households is not composed of inferior goods that would defy customary food practices. More research, qualitative or quantitative, would be needed to check whether people's observed food patterns are also the patterns they would opt for *if given the choice*.

Second, the above observation becomes even more critical when estimating the non-food poverty line. Indeed, in the case of non-food items, there is nothing comparable to nutritional benchmarks to neatly determine the minimal amount and/or ideal mixture of consumption. To overcome this problem, poverty analysts typically introduce the assumption of "equiproportionality" (Reddy et al. 2009) to estimate this non-food allowance: they assume that, whenever people's diet has reached the minimal nutritional benchmark, the estimated consumption of non-food items by households at the food poverty line can be considered a minimally decent level of non-food consumption. The equiproportionality principle runs into trouble however in a context of regional diversity in prices. Typically, non-food items are relatively cheaper in urban sectors and the same is true for food items in rural sectors. In such a situation, it may be the case that rural households around the food poverty line spend relatively less on non-food items than urban households, *not* because they would *need* less of them but because they are too expensive – or simply do not exist. Again, we should be able to know what people would opt for *if given the choice*. In the extreme case where non-food goods are simply absent, the non-food poverty line will equal zero, as if people in such circumstances do not prefer to spend anything on these goods. This argument has been convincingly made by van den Boom, Halsema and Molini (2015) who, reasoning from a utilitarian perspective, more generally state that observed consumption patterns do not necessarily reveal poor people's preferences, but are rather reflecting the poverty condition itself⁶. From a capability perspective, one could likewise argue that what we observe reflects an absence of freedom to choose, rather than a valuing of a modest livelihood.

There is a clear need for additional work on this subject, since without further refinement of the region- and time-specific context deflators, one runs the risk to underestimate rural poverty, especially in remote areas. One way to cope with this issue is to explicitly define within the commodity space the minimal non-food bundle needed to avoid poverty, possibly allowing for some spatial variation depending on local circumstances, and use local prices to derive its total cost. This procedure, originating from Rowntree's (1901) seminal work, is proposed

[6] The same argument is used to claim that food poverty lines too may suffer from similar forms of inconsistency: when relative prices of different food items markedly differ, people will opt for different food bundles with various levels of energy density. If then only calorie thresholds are used, food poverty lines may indeed become mutually inconsistent. In this paper, however, food poverty lines will be estimated based on both energy and several micronutrient thresholds, and therefore this argument becomes less valid.

by Allen (2017) to make the international 1\$ poverty line valid to countries outside the tropical belt. Tailoring non-food requirements to prevailing climate conditions certainly increases context specificity, yet it is unclear how consistency, and thus comparability, is precisely assured in this respect (Ravallion 2017).

Lacking precise information on the various prevailing conditions characterizing the regions in the DRC, we are currently unable to pursue a similar procedure. However, in order to increase the likelihood behind the equiproportionality assumption, we decided to define *austere* regional poverty lines by applying conservative parameters for the nutritional thresholds supporting the food poverty line, and by adding an austere non-food allowance. The choice for austerity is consistent with the assumption that, at lower welfare levels, the indifference curves of the food and non-food dimensions become L-shaped. Austerity therefore reduces the degree of inconsistency comprised in poverty lines derived from areas with marked differences in relative price structures between food and non-food goods.

Apart from the differences in relative prices, other considerations have been accounted for to assure that region-specific poverty lines are sufficiently consistent (see Marivoet and De Herdt (2015) for a more comprehensive overview of these issues). In the remainder of this section, we present the different consecutive steps to compute each of the 122 regional poverty lines, one for every price zone identified in both rounds of the 123 Survey data.

1. To avoid erratic consumption behavior to influence the computation of regional poverty lines, we discard all data coming from households in the first and tenth consumption decile of each of the 122 price zones (Osborne and Overbay 2004). This exclusion however only concerns the derivation of poverty lines and regional deflators, not the subsequent analysis of welfare and poverty.
2. Using household nutritional intake, as described above, we estimate a regression to predict the logarithm of daily food outlays per Adult Equivalent Unit (AEU)⁷ as a linear combination of the logarithm of daily calorie intake per AME and the mean adequacy ratio (MAR). Whereas calories can be seen as a summary indicator of diet quantity, MAR provides information on diet quality by averaging the truncated individual nutritional adequacy ratios of the 14 micro-nutrients listed above (Ruel 2002).
3. Relying on austere daily nutritional intake levels for energy set at 2250 kcal, 2500 kcal and 2750 kcal per AME (respectively for large cities, smaller towns and villages) and at 0.7 for MAR⁸, the estimated regression coefficients are then used to derive a food poverty line for each of the 122 price zones. Each food poverty line then reflects the budget needed, on average, to reach the above nutritional thresholds for diet quantity and quality.
4. Further, we estimate austere non-food allowances following the parametric

[7] Compared to the previously defined AME, this equivalence scale controls for differences in household size and composition with respect to *monetary consumption* as opposed to nutritional intake. Given the much higher household economies of scale within the former dimension, we define the adult equivalent unit as: $AEU = (N_A + \delta * N_C)^\theta$, in which N_A = number of adults, N_C = number of children (aged 6 years or younger), $\delta = 0.70$, and $\theta = 0.85$ (Dreze and Srinivasan 1997).

[8] The energy thresholds chosen respectively correspond to physical activity levels (PAL) of 1.45, 1.60 and 1.75, which both reflect the structural difference in energy requirements from more sedentary to more physically active working populations while being overall conservative in order to respond to the need for austerity (FAO 2001). In a similar vein, we decided to set the MAR threshold at 0.7, which empirically corresponds to a daily energy intake of 2500 kcal per AME, to reflect more-or-less the same level of austerity for diet quantity and quality.

method as described by Ravallion and Bidani (1994)⁹. For this method, the logarithm of daily non-food consumption per AEU (including the re-imputed house rents) is linearly regressed against daily total consumption per AEU for each of the 122 regions, after which the coefficients together with the previously obtained food poverty lines are used to estimate the non-food allowance. Using total consumption as the regressor, as opposed to food consumption, results in more austere non-food estimates, because it considers the non-food outlays of those having a total budget to exactly cover minimal food requirements but choose to spend part of it on non-food goods.

5. To finally obtain total regional poverty lines and corresponding deflators, we add the non-food allowance of each region to its food poverty line. Dividing each regional poverty line by the one obtained for Kinshasa in 2012 (used as reference), we obtain a set of deflators to correct nominal consumption.

[9] Alternatively, one could derive the non-food allowance in a non-parametric way in order to avoid, among other things, imposing a functional form. For example, one could estimate the mean non-food consumption level of households whose total consumption fits within increasingly bigger intervals around the food poverty line. Given its computational complexity, this procedure has not been adopted in this paper.

3-3- Impact of the proposed solutions on sample size

While addressing the four methodological issues, several households had to be removed from the sample as they comprised either insufficient or unreliable data to implement the repairs. Table 3 lists three areas of concern.

First, nutrient intake levels per AME are inaccurate for households where the mark-up procedure for unidentified consumption, as discussed above, could not be executed. The latter occurs when none of the outlays in a particular food group could be assigned an equivalent in terms of nutrient intakes. If this conversion was not feasible for more than 10% of all food outlays or when one or more family members had missing information on age or gender, the corresponding household was removed from the sample. In our sample, we could not accurately compute nutrient consumption per AME for 1,267 households.

The second area of concern involves the calculation of imputed house rents. As it appeared, some house attributes found among homeowners were not found among renters within the same housing zone. As a result, no house rent could be reliably imputed for 1,226 homeowners.

Finally, we also dropped households with very unrealistic levels of calorie intake. Whereas a daily calorie intake per AME below 500 kcal and above 5,000 is considered to be impossible in nutrition research (Lovon and Mathiassen 2014), we relaxed these thresholds to 250 kcal and 12,500 kcal, respectively. Underneath this decision, one could cite the ambiguity about the nature of food data being reported by the 123 Surveys in the DRC: in most instances, the questionnaire clearly refers to ‘consumption’, yet some questions also particularly mention ‘purchase’ (Smith et al. 2014). Following the removal of 807 households with calorie consumption levels outside this broadened interval, the final sample size for this study amounts to 30,190 households.

Table 3. Shrinking sample size after various methodological accommodations

Number of households	2005	2012	Total
Initial datasets	12,087	21,403	33,490
After removal of households with:			
1. Inaccurate nutrient consumption per AME	11,597	20,626	32,223
2. Inaccurate imputed house rents	11,069	19,928	30,997
3. Unrealistic levels of calorie consumption	10,809	19,381	30,190
Final integrated dataset	10,809	19,381	30,190

Source: 123 Survey data (2005 and 2012).

In total, the actual “loss” of households amounts to approximately 10% of the sample. This is not in itself a problem, as long as the sample’s representativity is not affected. However, eliminating households whose calorie intake per AME is below 250 and above 12,500 kcal may in fact be a good illustration of the opposite as both the “tail” and the “head” of the income distribution are removed. As reported in Table 4, this has important consequences not just for inequality (which would be reduced by definition): while mean consumption between 2005 and 2012 would slightly increase (+0.6%) if no households were removed from the sample,

it would decrease (-1.4%) with minor trimming and again increase (+2.3%) with major trimming of households at both ends of the calorie distribution. The direction of change in median consumption would not be affected (for all three restrictions, it would decrease over time), yet be it in very different degrees ranging from -3.2% to -0.6%. And finally, poverty headcount would increase by 2.9% and 1.9%, respectively under no or small restrictions, but would decrease by 1.7% if we adopt major restrictions. In other words, seemingly trivial corrections risk to have a major impact on the final results of our analysis, because in the end they appear to “determine” whether or not we can conclude that average citizens in the DRC have fared better or worse in-between the two budget surveys.

Again, additional work is needed to improve on our proposal to use the 250-12,500 kcal interval as a reasonable cutoff in light of the trade-off between correcting blatant errors and outliers, on the one hand, and maintaining sample representativity, on the other.

Table 4. Effect of different kilocalorie restrictions on estimates of growth, inequality and poverty (2005-2012)

kcal interval	[all]			[250-12,500]			[500-5,000]		
	2005	2012	diff.	2005	2012	diff.	2005	2012	diff.
N	11,069	19,928		10,809	19,381		8,707	16,024	
Mean	2,269	2,283	0.6%	2,207	2,177	-1.4%	1,939	1,983	2.3%
Median	1,852	1,793	-3.2%	1,831	1,795	-2.0%	1,706	1,696	-0.6%
Gini	0.342	0.376	9.9%	0.328	0.338	3.0%	0.287	0.305	6.3%
Headcount	0.624	0.642	2.9%	0.633	0.645	1.9%	0.711	0.699	-1.7%

Source: 123 Survey data (2005 and 2012).

4. RESULTS

4.1. Comparison with official statistics

Based on the first round of 123 Survey data, the country in 2006 elaborated its first Poverty Reduction and Strategy Paper (PRSP), which presented a detailed analysis of poverty including its spatial variation and determinants. To address the variation in cost-of-living, this poverty diagnostic relied on per capita urban (420 FC) and rural (268 FC) poverty lines (RDC 2006). In 2014, a similar poverty analysis was conducted as part of the final report of the second wave of the 123 Survey. To account for the exceptionally high prices observed in the capital, the 2014 report (RDC 2014) used three poverty lines per adult equivalent unit, respectively for the capital city of Kinshasa (2,929 FC), other urban areas (2,189 FC) and rural areas (1,583 FC). To be comparable over time, the report also estimated a combined poverty line for Kinshasa and the other urban areas (see Table 5). For both years, the official poverty thresholds were set following a two-step procedure of first calculating a food poverty line based on the observed food basket needed for minimal calorie intake, after which a non-parametric non-food allowance was added.

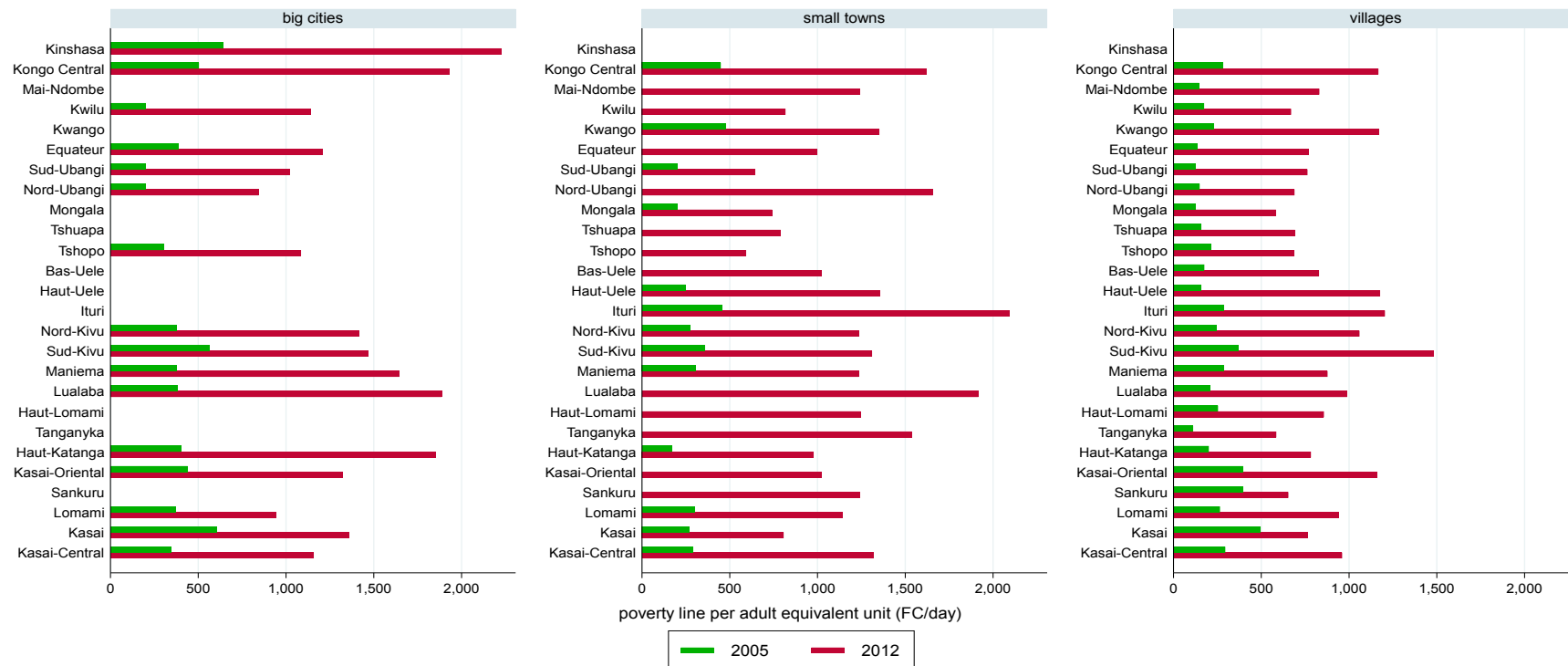
Table 5. Official poverty lines (2005-2012)

<i>FC per person per day</i>	2005	2012
Urban	420 FC	2,375 FC For Kinshasa: 2,929 FC For other urban: 2,189 FC
Rural	268 FC	1,583 FC

Source: RDC (2006, 2014).

Compared to this poverty line approach used by INS, the methodology outlined in Section 3 is essentially the same. True, our food poverty lines also account for diet quality by relying on recommended nutritional intakes for micronutrients, while the non-food allowances now consistently comprise house rents for all households, either effectively paid or imputed. Also, poverty lines were set at austere levels to minimize issues of potential inconsistency, while the entire statistical analysis relied on corrected sampling weights. The most significant deviation from the official approach however concerns the level of spatial precision; indeed, we derived 122 poverty lines – one for every price zone and year, compared to four official poverty lines.

Figure 2. Regional poverty lines by province and sector (2005-2012)



Notes: To facilitate comparison with the official poverty lines, the set of austere regional poverty lines has been linearly inflated by factor 1.336, which is the ratio of Kinshasa's non-austere over its austere poverty line in 2012.

Source: 123 Survey data (2005 and 2012).

As shown in Figure 2, there is a great deal of spatial heterogeneity that aggregate poverty lines cannot capture. This figure displays for each province, sector and year the minimal daily amount of *Francs Congolais* (expressed in AEU) needed to avoid poverty. In 2005, this amount varies within the urban sector between almost 650 FC in Kinshasa to less than 175 FC for the smaller towns in Haut-Katanga; and between 500 FC for the villages in Kasai compared to slightly more than 100 FC for the villages in Tanganyika. An equally pronounced variation in living conditions seems to prevail in 2012. Indeed, for the urban sector, poverty lines range from more than 2,000 FC in Kinshasa and Ituri to less than 600 FC in the smaller towns of Tshopo. Within the rural sector, poverty lines vary from almost 1,500 FC in Sud-Kivu to less than 600 FC in Tanganyika. In other words, the same consumption or income level in nominal terms may result in completely different real welfare levels, depending on prevailing prices and needs at a certain time and location. Compared to the methodology developed in this paper, the INS-method that distinguishes only four area-based poverty lines, is far too aggregate to accommodate the variation in living conditions across space, as displayed by Figure 2¹⁰.

On the other hand, the two methods yield similar results with respect to the level of inflation which occurred between the two surveys. Indeed, over a period of seven years, poverty lines on average have increased by 29% per year following the INS approach and by 21% according to our methodology¹¹. These inflation rates correspond to an increase by factor 4.0 to 5.8. Yet, significant variation exists across price zones; whereas prices climbed sharply by more than 33% (or by factor 7.4) in the villages of Haut-Uele, they increased at a more moderate pace of only 6% (or by factor 1.5) in the rural sector of Kasai. In sum, inflation between 2005 and 2012 has been an important factor affecting the well-being of many Congolese; however, as expected, the effect is different across locations.

Table 6 presents the change in poverty incidence between 2005 and 2012 across sector and regions from both methods and some intermediate specifications. Comparing the INS method (column (a)) with our method (column (d)), we note that the national poverty headcount in 2012 as estimated by both methods is roughly the same (around 64%), each with a difference of 5% between the urban and rural sector. This is no surprise, given that the poverty line applied to the deflated consumption data (i.e. the 2012 Kinshasa reference) is close to the official poverty threshold set for the urban sector in 2012. However, there is a great deal of regional variation both in terms of ranking and changes in poverty estimates.

Whereas the same 5% sector difference in poverty headcount follows from a strong reduction of rural poverty according to the INS method, our estimates on the contrary point to a small increase of rural poverty combined with a small decrease observed in the urban sector. The methodological explanation of why this opposite poverty trend between 2005 and 2012 resulted in a similar poverty outlook for both sectors in 2012, relates to the methodological difference in estimating cost-of-living for cities and villages in 2005. According to the INS method, avoiding poverty in the urban sector in 2005 would only require 1.57 (420/268FC) more resources than in the rural sector, compared to 1.79 for our method. The low official poverty headcount estimated for Kinshasa in 2005 is a perfect illustration: indeed, when evaluated against the conservative poverty line of 420 FC, which reflects the cost-of-living of all urban areas combined, less than 42% of the Kinshasa population would be poor. Yet, when applying a separate and higher pov-

[10] Apart from visual inspection and following a Theil's T inequality decomposition, the official poverty lines for both sectors appear to capture only 39.5% of total variation of regional poverty lines in 2005 and 49.9% in 2012, thus confirming the finding that the INS approach empirically lacks spatial precision.

[11] These yearly inflation rates have been obtained using a population weighted average of the increase in poverty lines observed for both sectors and each price zone, following the INS method and our methodology respectively.

erty line for Kinshasa, as did the INS in its analysis of the 2012 round, the poverty headcount for the capital city in 2005 would be as high as 74% following our method.

Much of the difference in poverty rankings and changes over time can be traced back to the difference between the aggregate poverty lines as used by the INS method and their location-specific alternatives as proposed by our method. The two methods yield similar results in terms of poverty level or ranking for 2012 for the old provinces of Kinshasa and Orientale, where poverty seems to be somewhat less pervasive, and in Kasai-Oriental, where poverty is much higher. Additionally, in Maniema and Katanga, poverty headcounts for each method are also relatively close to one another while both provinces are in the middle of the overall 2012 ranking. For all other provinces, both the ranking and the poverty headcount differ significantly. Most salient in this respect are Bas-Congo and Equateur, the latter being among the poorest provinces according to the INS while being one of the least poor following our approach. For Bas-Congo, the inverse seems to be true; being much less poor following the INS method as opposed to our method.

In addition to poverty levels and rankings, weak consistency between both methods exists with respect to regional changes in poverty. As a matter of fact, only for Kasai-Oriental both methods point to a similar trend, with poverty levels significantly increasing by more than 10% between 2005 and 2012. For all other provinces, either the direction or the extent of how poverty evolved over time is markedly different between the two methods. A difference in sign can be observed for Bas-Congo and Equateur, where the INS method points to poverty reduction while our method suggests an increase in poverty. For Bandundu, Orientale, Nord-Kivu and Sud-Kivu, poverty rates substantially dropped following the INS method, yet their reduction is much less pronounced or even insignificant according to our method; and the reverse can be observed for Kinshasa. Finally, for Maniema and Katanga, the sharp increase of poverty as estimated by our method finds no equivalent in the official statistics, and the opposite is true for Kasai-Occidental. In sum, moving from 4 to 122 location-specific poverty lines significantly alters the country poverty diagnosis as it underscores the high degree of spatial heterogeneity. This is important for policy design and better targeting.

Further, comparing columns (c) and (d) of Table 6, poverty headcounts are markedly lower for the 2012 survey after imputing house rents for all homeowners. This is particularly true for the urban sector in general and Kinshasa in particular, given the higher house rents observed in these areas. The effect on the 2005 poverty estimates on the contrary is negligible, because (i) the initial rent imputation was already fairly complete (at least compared to the 2012 round), and (ii) the re-estimation procedure has produced largely similar house rent values. Correcting the initial sampling weights using the post-stratification technique discussed above (i.e. comparing columns (b) and (c)), has further improved the accuracy of our estimates. Although the differences in poverty trends are fairly moderate, they appear most substantial in Nord-Kivu, identified as one of the provinces with a higher risk to suffer from this form of sampling bias¹². In this case, an assessment based on the initial sampling weights would hardly detect any evolution in poverty (from 61.7% to 61.8%), while its incidence level increased by 4.4%-points after stabilizing the sampling frames.

[12] The limited impact among the other provinces with a strongly biased sampling frame (like Bandundu, Equateur, Maniema and both Kasai provinces) relates to the relatively minor difference in poverty performance between their urban and rural sectors.

Table 6. Evolution in poverty headcount (%) following different methodologies (2005-2012)

	INS estimates			Our estimates								
	based on 4 poverty lines			based on 122 poverty lines								
	(a)			(b)			(c)			(d)		
Sampling weights	Initial			Initial			Corrected			Corrected		
Rent imputation	Incomplete			Incomplete			Incomplete			Complete		
	2005	2012	diff.	2005	2012	diff.	2005	2012	diff.	2005	2012	diff.
Sector												
Urban	61.8	60.4	-1.4	64.0	69.0	5.0 ^{***}	63.1	68.8	5.7 ^{***}	63.2	61.5	-1.6
Rural	75.8	65.2	-10.6	63.1	68.6	5.6 ^{***}	63.0	67.7	4.7 ^{***}	63.3	66.2	2.9 ^{**}
Province												
Kinshasa	41.9	36.8	-5.1	73.7	70.0	-3.7	73.7	70.0	-3.7	74.3	57.2	-17.1 ^{***}
Bas-Congo	70.1	56.9	-13.2	65.9	75.4	9.5 ^{***}	66.4	75.7	9.4 ^{***}	66.2	73.8	7.5 ^{**}
Bandundu	88.5	74.6	-13.9	69.7	65.0	-4.7 [*]	69.2	65.3	-3.8 ⁺	69.4	63.2	-6.3 ^{**}
Equateur	93.7	77.3	-16.4	51.1	62.2	11.0 ^{***}	51.2	61.5	10.3 ^{***}	51.9	58.6	6.7 ^{**}
Orientale	75.9	56.9	-19.0	61.5	63.5	2.1	61.9	64.0	2.1	62.7	60.1	-2.5
Nord-Kivu	72.8	52.4	-20.4	61.7	61.8	0.0	60.5	64.9	4.4 ⁺	59.7	61.8	2.2
Maniema	59.4	62.9	3.5	49.1	62.9	13.8 ^{**}	49.3	62.8	13.5 ^{**}	50.2	61.3	11.1 ^{**}
Sud-Kivu	84.8	60.2	-24.6	90.3	83.1	-7.3 ^{***}	90.0	82.8	-7.2 ^{***}	89.7	81.0	-8.7 ^{***}
Katanga	69.5	66.6	-2.9	52.9	66.6	13.8 ^{***}	52.2	66.5	14.3 ^{***}	52.2	62.9	10.8 ^{***}
Kasai-Oriental	62.7	78.6	15.9	64.4	81.3	16.9 ^{***}	65.9	81.0	15.1 ^{***}	66.1	79.5	13.4 ^{***}
Kasai-Occidental	55.4	74.9	19.5	64.0	63.8	-0.2	63.8	65.4	1.6	63.9	63.6	-0.3
DRC	71.3	63.4	-7.9	63.4	68.8	5.4 ^{***}	63.0	68.1	5.1 ^{***}	63.3	64.5	1.2

Notes: The poverty lines used behind the INS estimates are those summarized in Table 5; the one used to compute our estimates amounts to 2,226 FC per day per adult equivalent unit, which is the non-austere poverty line derived for Kinshasa in 2012 (calorie threshold=2.750 kcal, MAR=0.9, and an ordinary non-food allowance). Columns (b) and (c) provide two intermediate outputs: column (b) aligns with the INS method by using the initial sampling weights and without correction for the incomplete rent imputation; column (c) repeats the previous output but applies corrected sampling weights. The last column (d) provides the poverty headcount estimates after our corrections for both sampling weights and house rents. Unfortunately, as we were unable to reproduce the INS poverty rates, no significance levels could be added to the differences observed.

+ = significant at .10, * = significant at .05, ** = significant at .01, *** = significant at .001.

Source: RDC (2014:101), 123 Survey data (2005 and 2012).

4.2. **Triangulation with nutrition indicators**

Given the significant difference in diagnosis resulting from applying the methodology outlined in this paper, this section will attempt to validate our poverty estimates by triangulating with two nutrition indicators obtained from the Demographic and Health Surveys (DHS) conducted in the DRC in 2007 and 2013/14. Timewise, the DHS surveys roughly align with both rounds of 123 Surveys, even though they occur a bit later in time. Anyhow, comparing monetary poverty estimates with nutrition outcomes is only valid if one is willing to bypass key insights of the literature on human development, broadly stating that well-being cannot be captured by money-metric indicators alone (Sen 1985). Indeed, improved access to basic commodities like food would only result in improved nutritional outcomes if no changes occurred at the same time with respect to other factors influencing this relationship, like diet preferences, cooking habits, maternal care, access to water and sanitation, or to health. Over the relatively short time period considered here, we will assume that no dramatic changes have occurred. In general, preferences and habits only tend to change slowly, while other indicators require substantial public investments, none of which we are aware of over the period considered. Of course, there might be huge regional variation with regards to these confounding factors; yet, by analyzing differences and by assuming those of the intermediate factors between purchasing power and nutrition to be minimal, we can expect to see at least some correlation between changes in poverty estimates and changes in nutrition.

Table 7 compares regional changes in poverty headcount following the two methods under review with regional changes in two key indicators of undernutrition. The first indicator is the prevalence of under-five-year-old children who suffer from underweight, and the second measures the share of women between 15-49 years of age who have a body mass index lower than 18.5. Overall, the poverty changes as measured by our method seem to resonate better with the changes in undernutrition than do the changes observed under the INS method. Indeed, the stability in nutrition indicators observed in Nord-Kivu and Kasai-Occidental aligns well with the small poverty changes measured by our method, and is pretty at odds with the 20%-point poverty change observed under the INS method. In a similar vein, the moderate or insignificant decrease in undernutrition measured in Bandundu, Orientale and Sud-Kivu as well as the increase in Bas-Congo correspond relatively well with the extent in which poverty evolved according to our method, at least when compared with the INS reading that recorded far bigger changes. For Kinshasa, Maniema and Kasai-Oriental, none of the methods outperform the other. And finally, with respect to Equateur and Katanga, changes in undernutrition are in fact better reflected by the INS estimates compared to our approach.

At the bottom of Table 7, several correlation coefficients are added, summarizing the findings above. Whereas the first two concern Pearson correlations, the latter are Spearman rank correlations; for which each time changes in poverty and nutrition are correlated with changes in poverty headcount following the INS and our method. The low and insignificant correlation coefficients between changes in poverty as obtained from both methods (0.34 for Pearson and 0.39 for Spearman), confirm that both methodologies yield a highly different poverty outlook. Furthermore, the changes of the INS poverty estimates do not significantly correlate with changes in the prevalence of children with underweight, nor with female undernutrition. Where Pearson correlations respectively amount to 0.26 and 0.31, Spearman correlation are as low as 0.09 and 0.32. On the contrary, changes in poverty estimates as obtained through our method perform better, with correlation coefficients being markedly higher and significant at 0.10 level for three out of the four coefficients. Especially, the correlation with changes in female

undernutrition is particularly strong with coefficients of at least 0.75 and both significant at 0.01 level.

Table 7. Comparing changes in poverty with changes in undernutrition (2005-2014)

	Changes in PO (%)		Undernutrition (%)					
	INS method	Our method	Underweight (-2sd)			BMI (<18.5)		
			2007	2013/14	diff.	2007	2013/14	diff.
Urban	-1.4	-1.6	17.8	13.8	-4.0**	14.4	8.8	-5.5***
Rural	-10.6	2.9**	29.0	26.7	-2.3	19.7	17.8	-1.9
Kinshasa	-5.1	-17.1***	14.9	5.7	-9.2***	19.1	7.4	-11.7***
Bas-Congo	-13.2	7.5**	25.7	27.2	1.5	17.3	24.3	7.0*
Bandundu	-13.9	-6.3**	28.1	25.2	-2.9	30.9	26.3	-4.6
Equateur	-16.4	6.7**	29.8	19.6	-10.3*	18.3	13.5	-4.8
Orientale	-19.0	-2.5	20.6	20.1	-0.5	17.2	7.8	-9.4**
Nord-Kivu	-20.4	2.2	20.2	20.7	0.5	7.2	5.6	-1.6
Maniema	3.5	11.1**	17.1	33.1	16.0***	8.5	9.2	0.7
Sud-Kivu	-24.6	-8.7***	32.3	23.4	-8.8	9.4	6.4	-3.0
Katanga	-2.9	10.8***	23.2	21.2	-2.0	15.1	17.9	2.8
Kasai-Oriental	15.9	13.4***	30.4	26.2	-4.2	16.6	18.4	1.8
Kasai-Occidental	19.5	-0.3	32.6	31.9	-0.8	14.9	15.5	0.6
DRC	-7.9	1.2	25.4	22.6	-2.8*	17.7	14.3	-3.4**
Pearson correlations with changes in poverty headcount according to								
- INS method	1.00***	.34	na	na	.26	na	na	.31
- Our method	.34	1.00***	na	na	.48*	na	na	.75**
Spearman correlations with changes in poverty headcount according to								
- INS method	1.00***	.39	na	na	.09	na	na	.32
- Our method	.39	1.00***	na	na	.37	na	na	.76**

Notes: Underweight is defined as having a weight for age ratio lower than minus two standard deviations from the median weight for age of the reference population. Nutrition indicators are computed using the corrected sampling weights as explained in Section 3.2. As we were unable to reproduce the INS poverty rates, the Pearson and Spearman correlation coefficients relate to the aggregate summary statistics.

na = non-applicable, * = significant at .10, ** = significant at .05, *** = significant at .01.

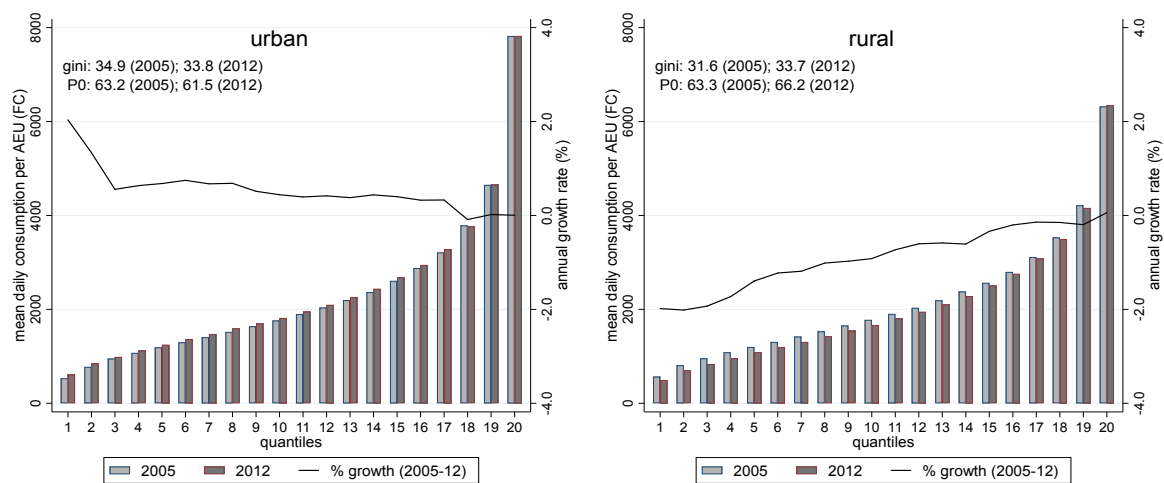
Source: RDC (2014:101), 123 Survey data (2005 and 2012), DHS (2007 and 2013/14).

4.3- Welfare analysis

In this section, we turn to the initial research question of this paper by describing how welfare has evolved in the DRC since 2005. From the above discussion, we know that there is a pronounced spatial variation in terms of poverty levels and trends. Here, we complement the analysis by investigating the geographical profile of two interrelated distributional concepts, growth and inequality. Whereas the former concept has always been dominant, inequality's return to the center of development attention is more recent (Deaton 2013; Piketty 2013; Stiglitz 2012), and, ideally, both should be considered simultaneously when assessing development strategies aiming to reduce poverty. Indeed, as the relationships between growth and poverty, and between inequality and poverty are essentially arithmetic, the crux of the matter lies in the precise interaction between growth and inequality.

Quantile charts have the potential to combine information on growth, inequality and poverty. Figure 3 provides such a chart for each sector in the DRC by displaying the average daily consumption level per AEU for each of the 20 ventiles identified in both years on the left Y-axis, while summarizing the annual growth rates between 2005 and 2012 on the right Y-axis. Comparing both panels of Figure 3, we observe doubly diverging trends between the urban and rural sector. First, whereas the majority of urban dwellers saw their consumption slightly increase with higher growth rates for the poorer layers, rural households experienced a general decline, with the poorest people being hit hardest. Second, for the urban sector, this pro-poor evolution combined with a slight decrease of overall inequality, as measured by the Gini coefficient, from 34.9 in 2005 to 33.8 in 2012, and a reduction in the poverty headcount from 63.2% to 61.5%. Conversely, the rural sector by 2012 not only declined on average, this decline was also more pronounced at the poorest end of the distribution. This is reflected in an increase in both the Gini coefficient and poverty incidence, respectively from 31.6 to 33.7 and from 63.3% to 66.2%.

Figure 3. Ventile charts for urban and rural sector (2005-2012)



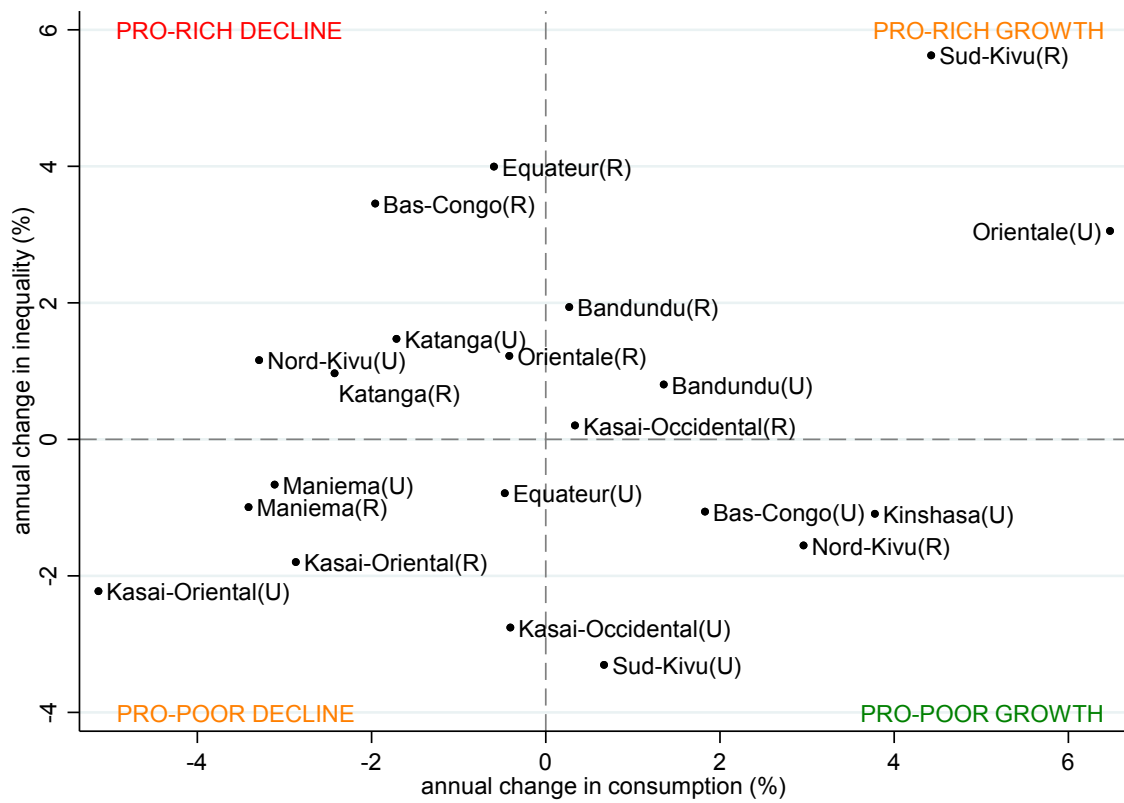
Source: 123 Survey data (2005 and 2012).

The high levels of inequality are particularly driven by the 5% richest in each sector: in cities, their consumption level is more than $2/3^{\text{rds}}$ higher than that of the second richest ventile. In the rural sector, this difference is a bit less sharp with a consumption level being 50% higher for the richest 5% compared to its subsequent ventile. After this significant difference at the top end, both ventile charts display a more gradual decline in average consumption levels towards the bottom of the distribution. However, at the very bottom of both sectors, we observe a markedly more disadvantaged position of the poorest 5% compared to the second poorest ventile. Combining both observations at the top and bottom of the distribution, the average consumption level of the richest 5% is almost 13 times higher than that of the 5% poorest.

The welfare outlook for both sectors as described in Figure 3 is however not representative for the trend observed in each of the country's individual provinces. Figure 4 maps the changes in inequality and consumption levels for each sector within the eleven provinces. Given the high dispersion of observations, there are clearly many more realities than the two aggregated versions previously described. Not only do we find urban and rural sectors in each of the four quadrants identified, the change rates are no longer confined within the -2% to 2% interval, but clearly go beyond this range. With respect to the latter, the highest changes can be observed in the rural sector of Sud-Kivu and the urban sector in Orientale, where average annual growth rates of at least 4% were recorded, combined with rising inequality levels by 3% and more. This pro-rich growth pattern could also be observed, to a lesser extent, in the province of Bandundu and the rural sector of Kasai-Occidental. On the contrary, the urban area of the latter province falls within the quadrant of negative growth rates and falling inequality. The pattern of richer households being most affected by the economic decline is however much more pronounced in Kasai-Oriental and Maniema. To the opposite, in villages in the province of Equateur, economic decline has more affected the poorer than the richer households. This is also true for Katanga, the rural sector of Bas-Congo and Orientale, and the urban sector of Nord-Kivu. The capital city of Kinshasa, the rural areas of Nord-Kivu, and the urban sector of Bas-Congo and Sud-Kivu fall all within the fourth quadrant where positive growth rates are combined with declining inequality.

Given the significant spatial diversity in welfare trends, both in sign and size, further detailed analysis of the underlying causes is required, which is however outside the scope of this paper.

Figure 4. Changes in consumption and inequality by region (2005-2012)



Source: 123 Survey data (2005 and 2012).

5. CONCLUSIONS

Accurately analyzing and comparing welfare levels across time and space is a central challenge in many research settings, yet paramount to the implementation of credible poverty alleviation strategies as location attributes are key for better targeting. Indeed, geographic externalities from local public goods and infrastructure are likely to broaden differences in living standards which are due to household attributes. As a result, households living in well-endowed locations may eventually escape poverty, while identical households living in poor areas can experience stagnation or decline in their standards of living. Using two rounds of fairly detailed household budget data, this paper took on the challenge to conduct a spatial welfare analysis by specifying a methodology to navigate around four of the major country-specific statistical potholes.

Compared with the official poverty estimates, our methodology yields quite a different spatial poverty outlook, both in level and trend. Indeed, only for Kinshasa, Orientale and Kasai-Oriental did our methodology and the official estimates produce a similar poverty ranking for 2012, and only for Kasai-Oriental did both methods agree on the direction and extent of the poverty trend. Our findings further suggest that the change in poverty between 2005 and 2012 is the aggregate result of a slightly pro-poor growth dynamic in the country's urban sector and a slightly anti-poor decline in the rural sector. This typology however is not reproduced in all provinces.

The main driver behind this revision of the DRC's official poverty estimates is the high level of spatial disaggregation adopted by our approach, manifest in the construction of 122 poverty lines (i.e. one for every price zone identified in 2005 and 2012). Poverty lines have on average quintupled in seven years time. But they also vary enormously across space: it may easily require five times more resources to reach the monetary poverty line in one region compared to another. Because it relies on only four poverty baskets, the INS methodology fails to capture this contextual diversity.

Less salient, but equally important, are the effects of a stabilized sampling frame and a proper rent imputation procedure. The origin and impact of the former issue extend to other surveys as well. The latter issue could have been more easily avoided by those in charge of a correct survey implementation. In addition, the 123 Survey could certainly also profit from a revision of its module to compute metric food prices in order to be able to estimate real prices paid by individual households, instead of average prices paid by households in the same price zone.

The proposed solutions were a direct response to a series of statistical issues while the robustness of our findings was tested by triangulating the changes of regional poverty headcounts with changes in two measures of undernutrition, the latter being obtained from two rounds of DHS data covering the same period.

The methodology outlined in this paper as well as the associated poverty revisions are of course not exempted from shortcomings. In actual fact, the explicit purpose of this working paper is to invite more in-depth research to improve the findings of this paper. More in particular, we see three possible areas for further work.

First, given the impact of the proposed methodology on final estimates of growth, inequality and poverty, further research on the methodology itself is necessary to strengthen our proposal and possibly develop better alternatives. While the repairs proposed for all four methodological issues are open to critical scrutiny, we think that most value addition will probably come from (1) further work to cope with the challenge of contextual diversity in space and

time (e.g. by analyzing whether the revealed consumption patterns around the poverty line would also have been chosen if given the choice), and (2) other solutions to address the unreasonably low and high calorie intakes, given that the way in which these extremes are dealt with largely determines the shape of the total wealth distribution and its corresponding measures.

Second, the proposed methodology requires further validation and qualification through triangulation with other data on livelihoods, like assets, schooling, health, etc. Some of these data may already be available in the 123 Survey, others would have to come from other sources. To be sure, each of these alternative indicators measure a different dimension of well-being or livelihoods, yet any rough correspondence may be useful both as a validity check on monetary welfare and to enrich our understanding of the evolution of well-being across space and time.

Third, various types of distributive analysis and decomposition tools could be employed to study the welfare and nutrition distributions in more detail. Who precisely won and who lost between 2005 and 2012, and why? This paper already demonstrated that the overall decline in consumption level between 2005 and 2012 was merely an average, hiding wide and difficult to understand differences between provinces and sectors. A more systematic analysis is needed in order to make sense of the observed patterns of “winners” and “losers”.

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APPENDIX A: LOG-LINEAR REGRESSION RESULTS FOR RENT IMPUTATION

	N:	2005				N:	2012			
		coeff	st. error	t-stat	p-value		coeff	st. error	t-stat	p-value
Kinshasa	372	R2:	0.4667			290	R2:	0.4180		
1b.h2	0.0000				1b.h2	0.0000				
2.h2	0.6760	0.5395	1.2530	0.2110	2.h2	-0.5590	0.7189	-0.7775	0.4375	
3.h2	-0.1601	0.3197	-0.5006	0.6169						
4.h2	-1.5918	0.6616	-2.4059	0.0166	4.h2	-0.4578	0.1336	-3.4272	0.0007	
1b.h3	0.0000				1b.h3	0.0000				
2.h3	-0.4034	0.1296	-3.1119	0.0020	2.h3	-0.1240	0.1837	-0.6752	0.5001	
3.h3	-0.7271	0.2627	-2.7684	0.0059	3.h3	-0.1679	0.2054	-0.8172	0.4145	
					4.h3	0.8623	0.1804	4.7806	0.0000	
h6	0.1860	0.0637	2.9217	0.0037	h6	0.3073	0.0454	6.7682	0.0000	
h7	0.0722	0.0314	2.3005	0.0220	h7	0.0911	0.0327	2.7841	0.0057	
1b.h8	0.0000				1b.h8	0.0000				
2.h8	-0.4874	0.0982	-4.9635	0.0000	2.h8	-0.2624	0.1054	-2.4902	0.0134	
3.h8	-0.8776	0.1893	-4.6353	0.0000	3.h8	-0.2433	0.1526	-1.5941	0.1121	
					4.h8	0.6014	0.1924	3.1255	0.0020	
1b.h10	0.0000				1b.h10	0.0000				
2.h10	-0.4179	0.1318	-3.1722	0.0016	2.h10	-0.4855	0.1738	-2.7941	0.0056	
3.h10	-0.3564	0.2434	-1.4642	0.1440						
					4.h10	-0.2710	0.1367	-1.9819	0.0485	
1b.h12	0.0000				1b.h12	0.0000				
2.h12	-0.3516	0.1261	-2.7879	0.0056	2.h12	-0.5463	0.1517	-3.6009	0.0004	
3.h12	-0.2987	0.1249	-2.3922	0.0173	3.h12	-0.2876	0.1036	-2.7774	0.0059	
4.h12	-0.1997	0.2715	-0.7354	0.4626	4.h12	-0.6065	0.7329	-0.8275	0.4087	
.cons	11.5788	0.2012	57.5535	0.0000	.cons	12.7373	0.2518	50.5839	0.0000	
Urban Savanna Highlands	442	R2:	0.3130			420	R2:	0.5286		
1b.h2	0.0000				1b.h2	0.0000				
2.h2	0.2549	0.1518	1.6791	0.0939	2.h2	0.7060	0.2639	2.6758	0.0078	
3.h2	0.6313	0.1684	3.7497	0.0002	3.h2	0.2401	0.2144	1.1198	0.2635	
4.h2	0.6479	0.1653	3.9202	0.0001	4.h2	0.8311	0.4619	1.7993	0.0727	
1b.h3	0.0000				1b.h3	0.0000				
2.h3	-0.1592	0.7686	-0.2072	0.8360	2.h3	-0.5062	0.1031	-4.9096	0.0000	
3.h3	-0.7292	0.7448	-0.9790	0.3281	3.h3	-1.0420	0.1070	-9.7401	0.0000	
4.h3	-0.7790	0.7396	-1.0533	0.2928	4.h3	-2.0080	0.4137	-4.8535	0.0000	
h6	0.0183	0.0806	0.2270	0.8205	h6	0.3539	0.0873	4.0564	0.0001	
h7	0.0754	0.0997	0.7559	0.4501	h7	-0.0527	0.1197	-0.4401	0.6601	
1b.h8	0.0000				1b.h8	0.0000				
2.h8	-0.5992	0.2591	-2.3126	0.0212	2.h8	-0.3198	0.1281	-2.4968	0.0129	
3.h8	-0.8437	0.2821	-2.9907	0.0029	3.h8	-1.3218	0.2055	-6.4310	0.0000	
					4.h8	-1.5807	0.2230	-7.0880	0.0000	
1b.h10	0.0000				1b.h10	0.0000				
2.h10	-0.5676	0.1075	-5.2809	0.0000	2.h10	-0.8499	0.1398	-6.0813	0.0000	
3.h10	-0.7521	0.1606	-4.6834	0.0000	3.h10	-0.7064	0.1726	-4.0914	0.0001	
4.h10	0.2367	0.0823	2.8771	0.0042	4.h10	0.0679	0.1915	0.3547	0.7230	
1b.h12	0.0000				1b.h12	0.0000				
2.h12	0.5406	0.2080	2.5998	0.0097	2.h12	-0.3258	0.1603	-2.0323	0.0428	
3.h12	0.2128	0.2045	1.0406	0.2987	3.h12	-0.2433	0.1631	-1.4916	0.1366	
4.h12	-0.0580	0.3055	-0.1900	0.8494	4.h12	-0.6218	0.2779	-2.2377	0.0258	
.cons	10.9303	0.8569	12.7553	0.0000	.cons	12.7018	0.2166	58.6551	0.0000	
Urban Savanna Lowlands	367	R2:	0.3566			394	R2:	0.4278		
1b.h2	0.0000				1b.h2	0.0000				
2.h2	0.0507	0.1602	0.3166	0.7517	2.h2	-0.1860	0.1336	-1.3923	0.1646	
					3.h2	-0.2626	0.1457	-1.8022	0.0723	
1b.h3	0.0000				1b.h3	0.0000				
2.h3	-0.3659	0.1906	-1.9193	0.0557	2.h3	-0.1084	0.1838	-0.5897	0.5557	
3.h3	-0.7318	0.1873	-3.9076	0.0001	3.h3	-0.5468	0.1764	-3.0990	0.0021	
4.h3	-0.3244	0.2116	-1.5331	0.1262	4.h3	-1.0119	0.2300	-4.3997	0.0000	

	h6	0.0661	0.0901	0.7335	0.4637	h6	0.2045	0.0784	2.6081	0.0095
	h7	0.2869	0.1118	2.5658	0.0107	h7	-0.0933	0.0790	-1.1811	0.2383
	1b.h8	0.0000				1b.h8	0.0000			
	2.h8	-0.5552	0.1895	-2.9291	0.0036	2.h8	-0.5018	0.1547	-3.2444	0.0013
	3.h8	-1.1856	0.2094	-5.6620	0.0000	3.h8	-0.7417	0.1801	-4.1196	0.0000
	4.h8	0.4439	0.1493	2.9729	0.0032	4.h8	-1.1851	0.2259	-5.2465	0.0000
	1b.h10	0.0000				1b.h10	0.0000			
	2.h10	-0.0859	0.1331	-0.6451	0.5193	2.h10	-0.8659	0.1378	-6.2844	0.0000
	3.h10	-0.1271	0.1563	-0.8129	0.4168	3.h10	-0.7222	0.1820	-3.9684	0.0001
						4.h10	0.4793	0.1846	2.5958	0.0098
	1b.h12	0.0000				1b.h12	0.0000			
	2.h12	0.1358	0.3600	0.3771	0.7063	2.h12	0.0474	0.2634	0.1798	0.8574
	3.h12	0.1534	0.3550	0.4321	0.6660	3.h12	0.0427	0.2776	0.1537	0.8779
	4.h12	0.5404	0.4113	1.3139	0.1898	4.h12	-0.1961	0.2803	-0.6996	0.4846
	.cons	10.4687	0.4032	25.9647	0.0000	.cons	12.5502	0.3751	33.4569	0.0000
			2005					2012		
Urban Tropical Highlands	N:	129	R2:	0.4199		N:	94	R2:	0.5613	
	coeff		st. error	t-stat	p-value		coeff	st. error	t-stat	p-value
	1b.h2	0.0000				1b.h2	0.0000			
	2.h2	-0.1078	0.2742	-0.3931	0.6950	2.h2	-0.6316	0.2332	-2.7080	0.0083
	3.h2	0.2272	0.3071	0.7400	0.4608	3.h2	-0.1555	0.2827	-0.5499	0.5840
	4.h2	0.0056	0.2914	0.0191	0.9848	4.h2	-0.6627	0.2740	-2.4184	0.0180
	1b.h3	0.0000				1b.h3	0.0000			
	2.h3	-0.2734	0.2151	-1.2710	0.2063	2.h3	-1.7268	0.5124	-3.3699	0.0012
	3.h3	1.5180	0.3532	4.2978	0.0000	3.h3	-1.7442	0.5032	-3.4664	0.0009
	4.h3	0.4570	0.1852	2.4672	0.0151	4.h3	-1.4100	0.6516	-2.1638	0.0336
	h6	-0.3576	0.2215	-1.6143	0.1092	h6	-0.0039	0.2357	-0.0165	0.9869
	h7	0.0000				h7	0.2385	0.2475	0.9636	0.3383
	1b.h8	0.0000				1b.h8	0.0000			
	2.h8	-0.8080	0.2431	-3.3235	0.0012	2.h8	-0.0281	0.2994	-0.0938	0.9255
	3.h8	-1.1943	0.2920	-4.0903	0.0001	3.h8	-0.6625	0.3662	-1.8093	0.0743
	1b.h10	0.0000				1b.h10	0.0000			
	2.h10	-0.1492	0.1974	-0.7559	0.4513	2.h10	-0.1987	0.2703	-0.7350	0.4646
	3.h10	-0.0481	0.2814	-0.1709	0.8646	3.h10	0.5121	0.5454	0.9388	0.3508
						4.h10	-0.0570	0.3672	-0.1553	0.8770
	1b.h12	0.0000				1b.h12	0.0000			
	2.h12	-1.2751	0.5037	-2.5316	0.0127	2.h12	-0.6371	0.3606	-1.7670	0.0812
	3.h12	-1.3814	0.5173	-2.6704	0.0087	3.h12	-0.8180	0.3787	-2.1602	0.0339
						4.h12	-1.5307	0.4965	-3.0830	0.0028
	.cons	11.9050	0.5783	20.5859	0.0000	.cons	14.3933	0.8291	17.3602	0.0000
Urban Tropical Lowlands	N:	62	R2:	0.4426		N:	238	R2:	0.6027	
	coeff		st. error	t-stat	p-value		coeff	st. error	t-stat	p-value
	1b.h2	0.0000				1b.h2	0.0000			
	2.h2	0.1209	0.5896	0.2051	0.8383	2.h2	-1.2542	0.2159	-5.8083	0.0000
	3.h2	-1.7279	0.8371	-2.0641	0.0441	3.h2	-1.0477	0.2478	-4.2289	0.0000
	1b.h3	0.0000				1b.h3	0.0000			
	2.h3	-1.3341	0.5337	-2.4997	0.0157	2.h3	-0.3656	0.5258	-0.6952	0.4877
	3.h3	-1.8772	0.5431	-3.4562	0.0011	3.h3	-0.2509	0.5242	-0.4788	0.6326
						4.h3	-0.2303	0.8968	-0.2568	0.7975
	h6	0.2102	0.1053	1.9956	0.0513	h6	0.5072	0.1570	3.2311	0.0014
	h7	-0.1085	0.1540	-0.7048	0.4841	h7	-0.2551	0.1868	-1.3656	0.1735
	1b.h8	0.0000				1b.h8	0.0000			
	2.h8	-0.3100	0.2857	-1.0850	0.2830	2.h8	1.6267	0.2023	8.0402	0.0000
	3.h8					3.h8	1.3758	0.1933	7.1154	0.0000
						4.h8	1.9452	0.3581	5.4316	0.0000
	1b.h10	0.0000				1b.h10	0.0000			
	2.h10	-0.4599	0.3169	-1.4514	0.1528	2.h10	-0.4147	0.1860	-2.2300	0.0268
	3.h10	-0.9932	0.5942	-1.6713	0.1008	3.h10	-0.1760	0.2398	-0.7339	0.4638
						4.h10	-0.9604	0.2435	-3.9443	0.0001
	1b.h12	0.0000				1b.h12	0.0000			
	2.h12	0.5984	0.3342	1.7906	0.0793	2.h12	-3.5605	0.2626	-13.5611	0.0000
	3.h12					3.h12	-2.9733	0.2788	-10.6654	0.0000
						4.h12	-3.3194	0.3728	-8.9042	0.0000
	.cons	11.3199	0.6365	17.7850	0.0000	.cons	13.1350	0.5783	22.7117	0.0000
Rural Savanna Highlands	N:	41	R2:	0.5560		N:	93	R2:	0.4030	
	coeff		st. error	t-stat	p-value		coeff	st. error	t-stat	p-value
	1b.h2	0.0000				1b.h2	0.0000			
	2.h2	0.4418	0.4510	0.9797	0.3351	2.h2	1.6533	0.4147	3.9872	0.0001
						3.h2	0.8058	0.4564	1.7655	0.0813
						4.h2	2.8842	0.3542	8.1420	0.0000
	1b.h3	0.0000				1b.h3	0.0000			
	2.h3	-1.2709	0.4583	-2.7732	0.0095	2.h3	-0.5729	0.3592	-1.5949	0.1147
	3.h3	-1.5535	0.2879	-5.3953	0.0000	3.h3	-0.7299	0.3724	-1.9599	0.0535
						4.h3	-2.2302	0.4139	-5.3886	0.0000
	h6	0.0583	0.1829	0.3186	0.7523	h6	0.4282	0.1099	3.8969	0.0002

		2005				2012				
	N:	coeff	st. error	t-stat	p-value	N:	coeff	st. error	t-stat	p-value
	h7	0.2057	0.2766	0.7438	0.4628	h7	-0.3602	0.2031	-1.7736	0.0800
	1b.h8	0.0000				2b.h8	0.0000			
	2.h8	0.8268	0.2888	2.8623	0.0076	3.h8	-0.1059	0.2154	-0.4917	0.6243
	3.h8	0.3848	0.3540	1.0869	0.2857	2b.h10	0.0000			
	1b.h10	0.0000				3.h10	-0.1943	0.2008	-0.9678	0.3361
	2.h10	-0.5556	0.2846	-1.9519	0.0603	4.h10	0.6194	0.7440	0.8325	0.4076
	3.h10	-0.5213	0.2733	-1.9079	0.0660	2b.h12	0.0000			
	2b.h12	0.0000				3.h12	-0.2590	0.2355	-1.0999	0.2747
	3.h12	-0.3682	0.2610	-1.4110	0.1685	4.h12	0.5086	0.2443	2.0818	0.0406
	.cons	10.2318	0.5584	18.3227	0.0000	.cons	10.2660	0.5943	17.2740	0.0000
Rural Savanna Lowlands	N:	98	R2:	0.3603		N:	506	R2:	0.2225	
	1b.h2	0.0000				1b.h2	0.0000			
	2.h2	0.9027	0.2503	3.6070	0.0005	2.h2	-0.1539	0.1435	-1.0726	0.2840
	3.h2	-0.4175	0.4046	-1.0318	0.3051	3.h2	-0.5114	0.1357	-3.7674	0.0002
	1b.h3	0.0000				4.h2	0.0822	0.1692	0.4862	0.6271
	2.h3	-0.1308	0.5067	-0.2581	0.7969	2b.h3	0.0000			
	3.h3	-0.3326	0.4705	-0.7069	0.4816	3.h3	-0.0328	0.3151	-0.1041	0.9172
	h6	0.2733	0.1983	1.3783	0.1717	4.h3	-0.1535	0.3622	-0.4238	0.6719
	h7	-0.0753	0.2126	-0.3540	0.7243	h6	0.1831	0.0749	2.4439	0.0149
	1b.h8	0.0000				h7	-0.0465	0.0872	-0.5326	0.5946
	2.h8	-0.6123	0.2923	-2.0949	0.0392	1b.h8	0.0000			
	3.h8	-1.2451	0.1782	-6.9863	0.0000	2.h8	-0.0110	0.2840	-0.0388	0.9690
	4.h8	-0.9614	0.2794	-3.4402	0.0009	3.h8	-0.2265	0.2417	-0.9370	0.3492
	1b.h10	0.0000				2b.h10	0.0000			
	2.h10	0.7647	0.4070	1.8792	0.0637	3.h10	-0.2473	0.1159	-2.1338	0.0334
	3.h10	0.3056	0.4079	0.7493	0.4557	2b.h12	0.0000			
	2b.h12	0.0000				3.h12	0.3040	0.0777	3.9132	0.0001
	3.h12	0.2686	0.2296	1.1697	0.2454	4.h12	0.7247	0.1804	4.0168	0.0001
	40.h12	0.0000				.cons	9.9483	0.4213	23.6159	0.0000
	.cons	9.1750	0.7569	12.1213	0.0000					
Rural Tropical Highlands	N:	21	R2:	0.4621		N:	39	R2:	0.2327	
	1b.h2	0.0000				1b.h2	0.0000			
	2.h2	0.7540	0.5620	1.3416	0.2094	2.h2	0.0423	0.3707	0.1141	0.9100
	3.h2	0.3210	0.5270	0.6091	0.5560	3.h2	-0.0440	0.4426	-0.0994	0.9215
	2b.h3	0.0000				2b.h3	0.0000			
	3.h3	-1.1288	0.6114	-1.8461	0.0947	3.h3	-0.0171	0.6313	-0.0271	0.9786
	h6	0.6437	0.6748	0.9539	0.3626	4.h3	0.8950	0.5678	1.5762	0.1262
	h7	-0.2876	0.6794	-0.4234	0.6810	h6	-0.0111	0.1156	-0.0959	0.9243
	1b.h8	0.0000				h7	0.2041	0.2049	0.9963	0.3276
	2b.h8	0.0000				2b.h8	0.0000			
	3.h8	-0.2350	0.6546	-0.3590	0.7270	3.h8	0.1338	0.1814	0.7375	0.4670
	1b.h10	0.0000				1b.h10	0.0000			
	2.h10	-0.9919	0.5115	-1.9391	0.0812	2.h10	0.0095	0.3086	0.0307	0.9757
	3.h10	-1.0251	0.3804	-2.6950	0.0225	3.h10	-0.2510	0.3763	-0.6671	0.5102
	2b.h12	0.0000				2b.h12	0.0000			
	3.h12	-0.1703	0.4381	-0.3886	0.7057	3.h12	-0.0284	0.3505	-0.0810	0.9360
	4.h12	0.5296	0.4687	1.1299	0.2849	.cons	10.0180	0.7256	13.8070	0.0000
	.cons	9.2752	0.8578	10.8123	0.0000					
Rural Tropical Lowlands	N:	27	R2:	0.3821		N:	296	R2:	0.1515	
	1b.h2	0.0000				1b.h2	0.0000			
	2.h2	-0.2487	0.8568	-0.2903	0.7751	2.h2	-0.4560	0.1201	-3.7957	0.0002
	3.h2	-0.8216	1.1774	-0.6978	0.4948	3.h2	-0.4794	0.1646	-2.9121	0.0039
	2b.h3	0.0000				1b.h3	0.0000			
	3.h3	-0.3180	0.9191	-0.3459	0.7336	2.h3	-0.4404	0.2300	-1.9146	0.0566
	h6	-0.5106	0.5575	-0.9159	0.3725	3.h3	-0.4614	0.1343	-3.4359	0.0007
	h7	0.1642	0.7088	0.2317	0.8195	4.h3	0.7401	0.2050	3.6103	0.0004
	1b.h8	0.0000				h6	0.2370	0.0706	3.3550	0.0009
	2.h8	2.3630	1.1395	2.0737	0.0536	h7	-0.1461	0.0813	-1.7961	0.0735
	3.h8	1.0641	0.9280	1.1466	0.2674	1b.h8	0.0000			
	2b.h10	0.0000				2.h8	0.3122	0.5299	0.5892	0.5562
	3.h10	-0.1538	0.4982	-0.3087	0.7613	3.h8	0.5020	0.3312	1.5158	0.1307
	2b.h12	0.0000				2b.h10	0.0000			
	3.h12	-0.3663	0.5896	-0.6212	0.5427	3.h10	0.3855	0.1907	2.0213	0.0442
	.cons	10.1855	1.0128	10.0568	0.0000	2b.h12	0.0000			
						3.h12	0.0177	0.1272	0.1392	0.8894
						4.h12	1.3122	0.5706	2.2995	0.0222
						.cons	9.7219	0.3996	24.3274	0.0000



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