POLICY DIALOGUES

The impact of the military-political crisis of 2002 on inequalities in Côte d'Ivoire

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PITCH

The military-political crisis in Côte d'Ivoire, sparked by an armed rebellion on September 19, 2002, increased inequalities in the CNW zone (Center, North, and West). However, even if they remained high, inequalities dropped in the progovernment zone!

In 2002, the inequalities measured by the Gini coefficient are estimated at 0.497 in the pro-government zone and at 0.383 in the CNW zone, i.e. a difference of 0.114 between the two zones.

In 2008, there is a much smaller difference of 0.014 for the respective inequality levels of 0.417 in the progovernment zone and 0.403 in the CNW zone.

In the CNW zone, inequalities increase by 5.22% between 2002 and 2008, while they drop in the progovernment zone. However, when calculated using methods without neighborhood effects (regression, selection, and matching models), the inequality level is underestimated by around 13.10%. The inequalities observed in Côte d'Ivoire are thus clearly underestimated by analysts.

It therefore appears essential to strengthen policies to fight inequalities.

ISSUES

The countries of sub-Saharan Africa and Latin America are considered as the most unequal areas in the world. Africa remains plagued by some of humankind's worst scourges, such as hunger, disease, and armed conflict. Côte d'Ivoire is no exception. Indeed, despite strong economic growth, the country remains undermined by deep social inequalities. The 1999 coup and the 2002 armed rebellion are two major shocks that occurred between 1998 and 2008, and among the main causes of the increase in inequalities during this period. The crisis that started in 2002 caused the country to split into two parts: the CNW (Center, North, and West) zone and the progovernment zone (see map), characterized separate by governments and armies. The progovernment zone was under the control of the loyalist Forces de Défense et de Sécurité, while the CNW zone was controlled by the rebellion (Forces Armées des Forces Nouvelles), until the two armies merged after Abidjan was captured in April 2011.

As combat took place in the CNW zone, the pro-government zone experienced an influx of population fleeing the fighting. The period of coexistence of the two zones extended from September 19, 2002 to April 4, 2007. While the analysis of inequalities has been the subject of several studies, few have focused on the impact of armed conflicts on inequalities.

METHODS

In impact assessment, it is generally assumed that the treatment received by one unit (treated) does not affect the other units (controlled). However, it is clear that if the interactions between the two types of units are not taken into account, traditional valuation methods (regression, selection, and matching models) will provide biased estimates.

The impact assessment method used here makes it possible to correct any "contamination" problems between two populations (the CNW and progovernment zones). This method can be implemented since we have data on the situation of individuals living in the CNW zone (treated) and those living in the pro-government zone (controlled) before and after the 2002 crisis.

We used a method which allowed us to measure the effect of the treatment with and without taking into account contamination effects between a population exposed (treated) and another not exposed (controlled) to a phenomenon or a shock before it happens.

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Geography Côte d'Ivoire

Themes Economics, inequalities

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Map: The partition of Côte d'Ivoire into the CNW and pro-government zones following the 2002 crisis



RESULTS

The results of the estimations are given first at the global level and secondly at the disaggregated level.

The results show that inequalities are greater in the pro-government zone than in the CNW zone, both before and after the crisis. In fact, in 2002, the Gini coefficient is estimated at 0.497 in the pro-government zone and at 0.383 in the CNW zone, i.e. a difference of 0.114. The situation is the same in 2008, with a much smaller difference of 0.014 for respective inequality levels of 0.417 and 0.403.

At the global level, there is a sharp 14% drop in inequalities over the period from 2002 to 2008. This drop can be attributed to the pro-government zone, with a 16% decrease in inequalities. On the contrary, in the CNW zone, there is a 5.22% increase in inequalities.

Inequalities decrease overall and in the pro-government zone, but they become more pronounced in the CNW zone. This result could be the consequence of the 2002 crisis, which is the only major shock that affected households over the 2002-2008 period.

We carried out a more in-depth analysis to better assess the real impact of the 2002 crisis on inequalities in Côte d'Ivoire. The results indicate that not taking neighborhood effects into account systematically leads to an absolute bias of around 13.10%.

This means that when neighborhood or contamination effects are not taken into account, the analysis underestimates the effect of the crisis on inequalities by around 13.10%. Thus, the policies based on such a biased analysis are not adapted to the reality on the ground.

Table: The effects of the 2002 crisis on inequalities

Source : authors' calculations

| Year | Gini coeff. | | Diff. |
|------|-------------|-----------|--------|
| | CNW | Pro-Gouv. | 2 |
| 2002 | 0,383 | 0,497 | -0,114 |
| 2008 | 0,417 | 0,403 | 0,014 |
| Var. | 5,22% | -16% | |

RECOMMENDATIONS

These results suggest two avenues to pursue to better assess the impact of shocks, crises, and other policies, and to effectively fight inequalities:

- Taking the effects of population migration into account: from a methodological point of view, the methods used to evaluate the economic and social impact of public policies and other events should take into account the effects of contamination between the treated population and the control population.
- Strengthening the fight against inequalities and better taking them into account in the analysis: in terms of economic policies, the results suggest the need to strengthen policies to fight inequalities, as the inequalities observed in Côte d'Ivoire are clearly underestimated by analysts.
- Furthermore, policies to reduce inequalities must be informed by a more global and inclusive vision to take into consideration the effects of possible migration from one group to another (from the treated to the controlled group and vice versa).

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¹ AKA B.F. et al. (2020), « Analyse de l'impact de la crise de 2002 sur les inégalités en Côte d'Ivoire », AFD Research papers.