
Inequality in the Context of Structural Transformation: Zambia

By

Chrispin Mphuka

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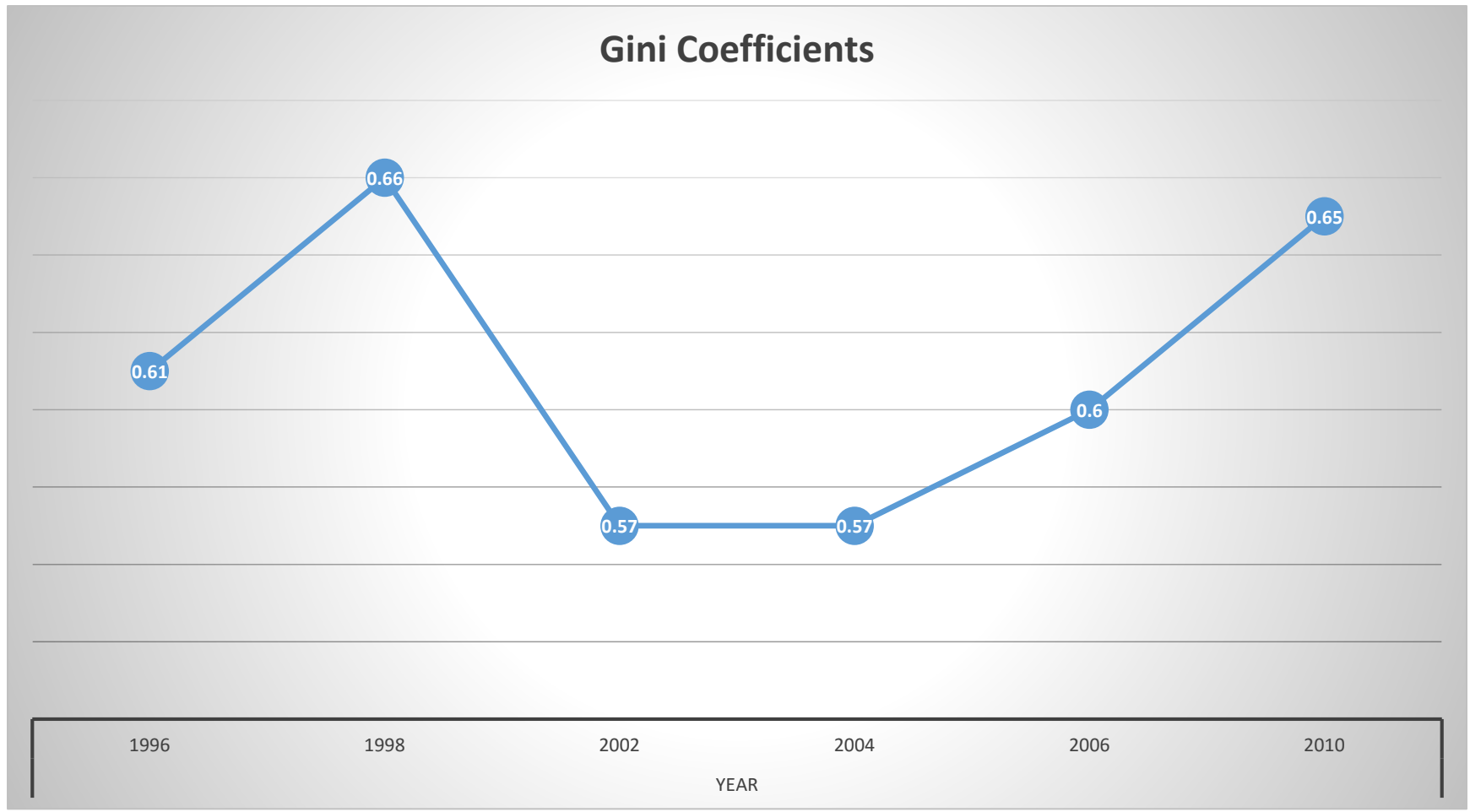
Presentation Outline

- Introduction
 - Economic Inequality
 - Regional Inequality
 - Gender Inequality
 - Conclusion
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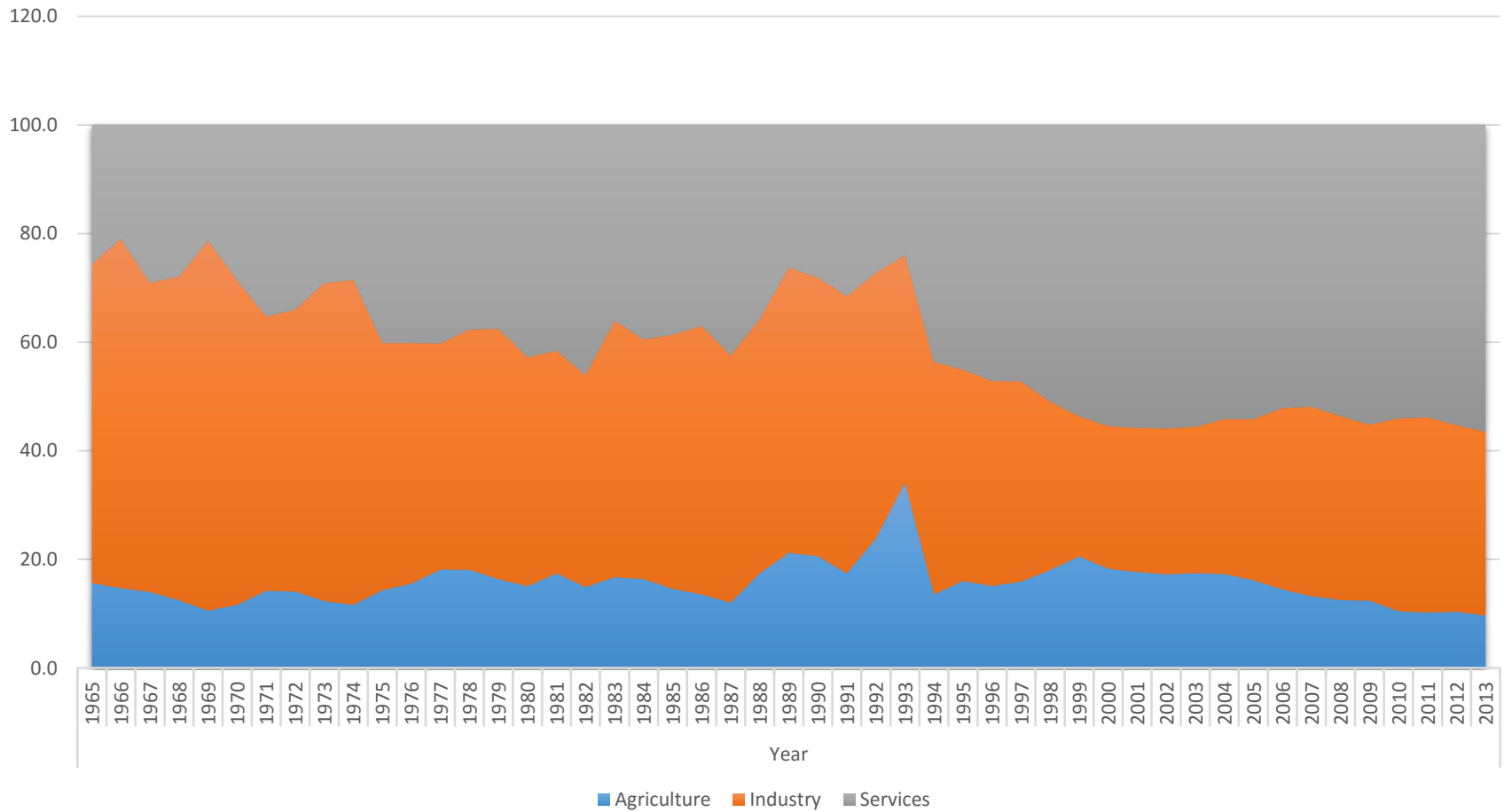
Introduction: Main Observations

- Growing concern that economic growth has not translated into poverty reduction
 - A period of economic decline was associated with economic inequality decline
 - Recent Period of Growth witnessed increased economic inequality
 - Very high income inequality with a Gini of 0.60
 - But lack of policy focus on inequality
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Introduction: Inequality Trends



Introduction: GDP Structure



Introduction: GDP Structure and Labour Market Structure I

- Agriculture GDP Share 9 %
 - Agriculture Employment Share 48.9 %
 - Percent Earning Less than \$52 per month is 38.3 percent
 - Percent Earning more than \$350 per month 8.8 %
 - Formal sector employees 4%
 - Average Earning per month \$136.8
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Introduction: GDP Structure and Labour Market Structure II

- Mining GDP Share 10 %
 - Mining employment Share 1.4 %
 - Percent earning Less than \$52 per month is 1.2%
 - Percent earning more than \$350 per month 52.6 %
 - Formal sector employees 81%
 - Average earning per month \$514.8
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Introduction: GDP Structure and Labour Market Structure III

- Manufacturing GDP Share 8.1 %
 - Manufacturing Employment Share 3.2 %
 - Percent Earning Less than \$52 per month is 10.6%
 - Percent Earning more than \$350 per month 11.8 %
 - Formal sector employees 34%
 - Average Earning per month \$199.6
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Introduction: GDP Structure and Labour Market Structure III

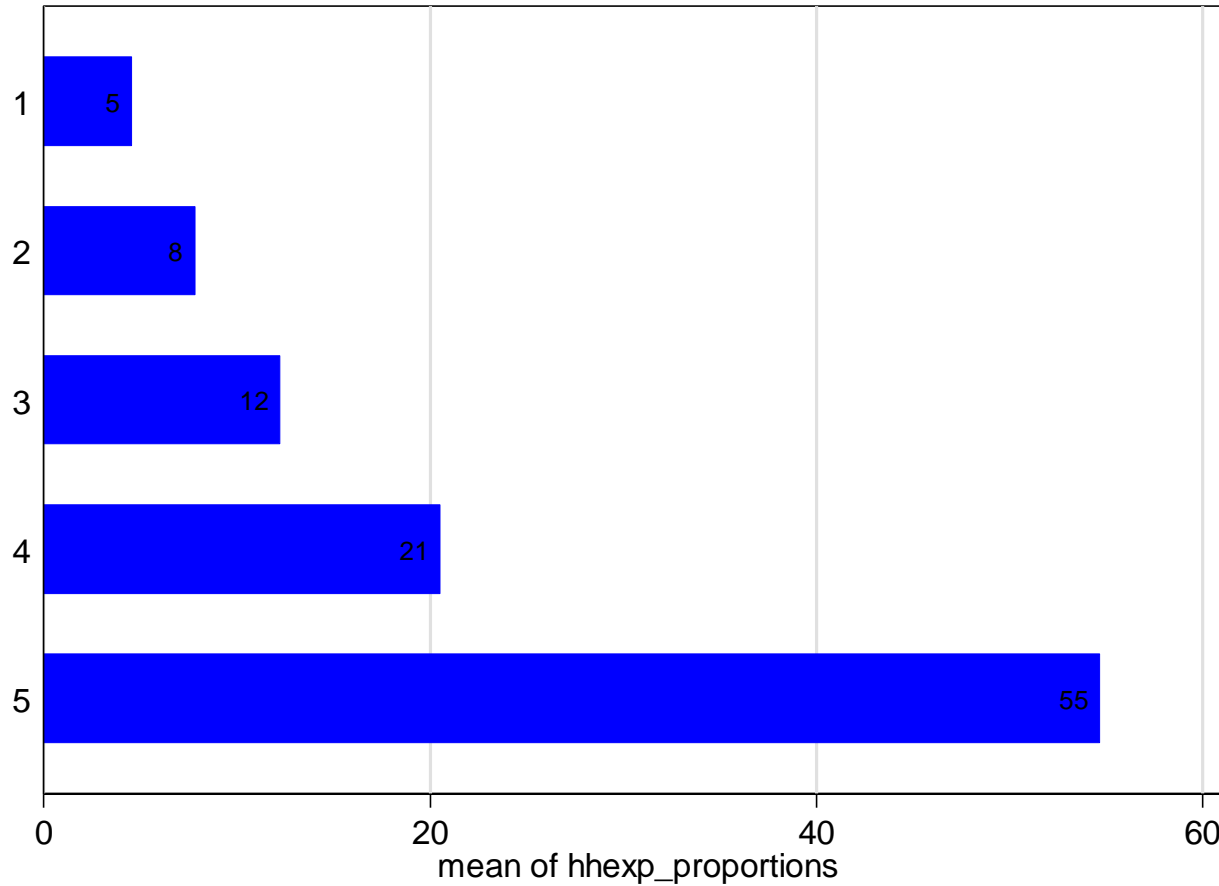
- Wholesale and Retail GDP Share 23.3 %
 - Employment Share 11.8 %
 - Percent Earning Less than \$52 per month is 28.3%
 - Percent Earning more than \$350 per month 6.4 %
 - Formal sector employees 16%
 - Average Earning per month \$130.8
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Economic Inequality

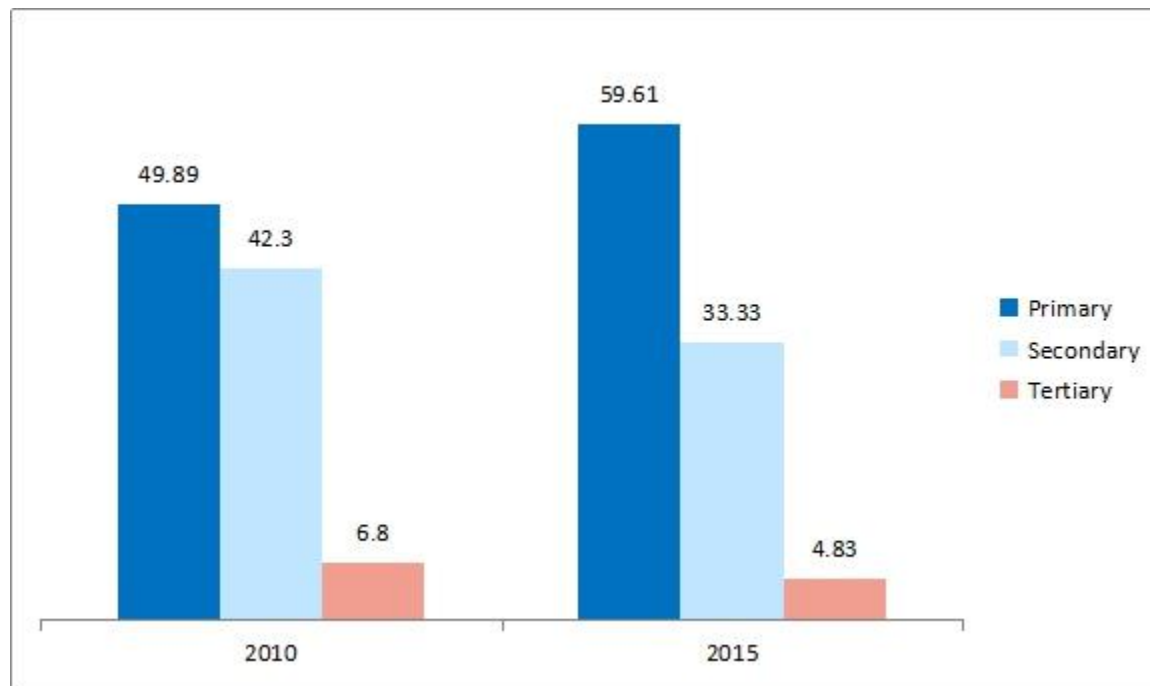
Income Inequality

Decile	2010	2016
First	0.5%	0.2%
Second	1.1%	0.7%
Third	1.7%	1.3%
Fourth	2.4%	2.2%
Fifth	3.4%	3.3%
Sixth	4.5%	5.2%
Seventh	6.6%	7.7%
Eight	10.1%	10.8%
Ninth	17.1%	16.7%
Tenth	52.6%	51.9%

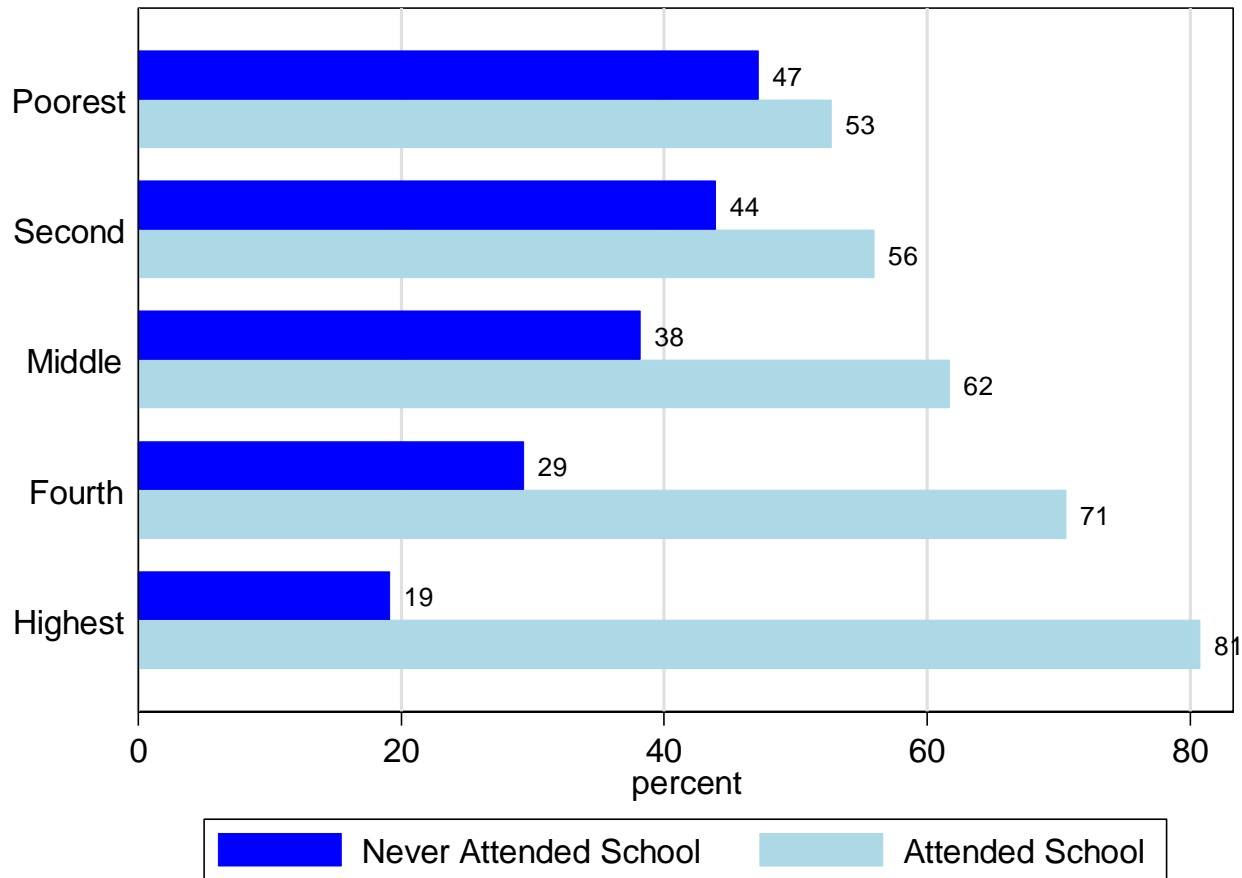
Consumption Inequality



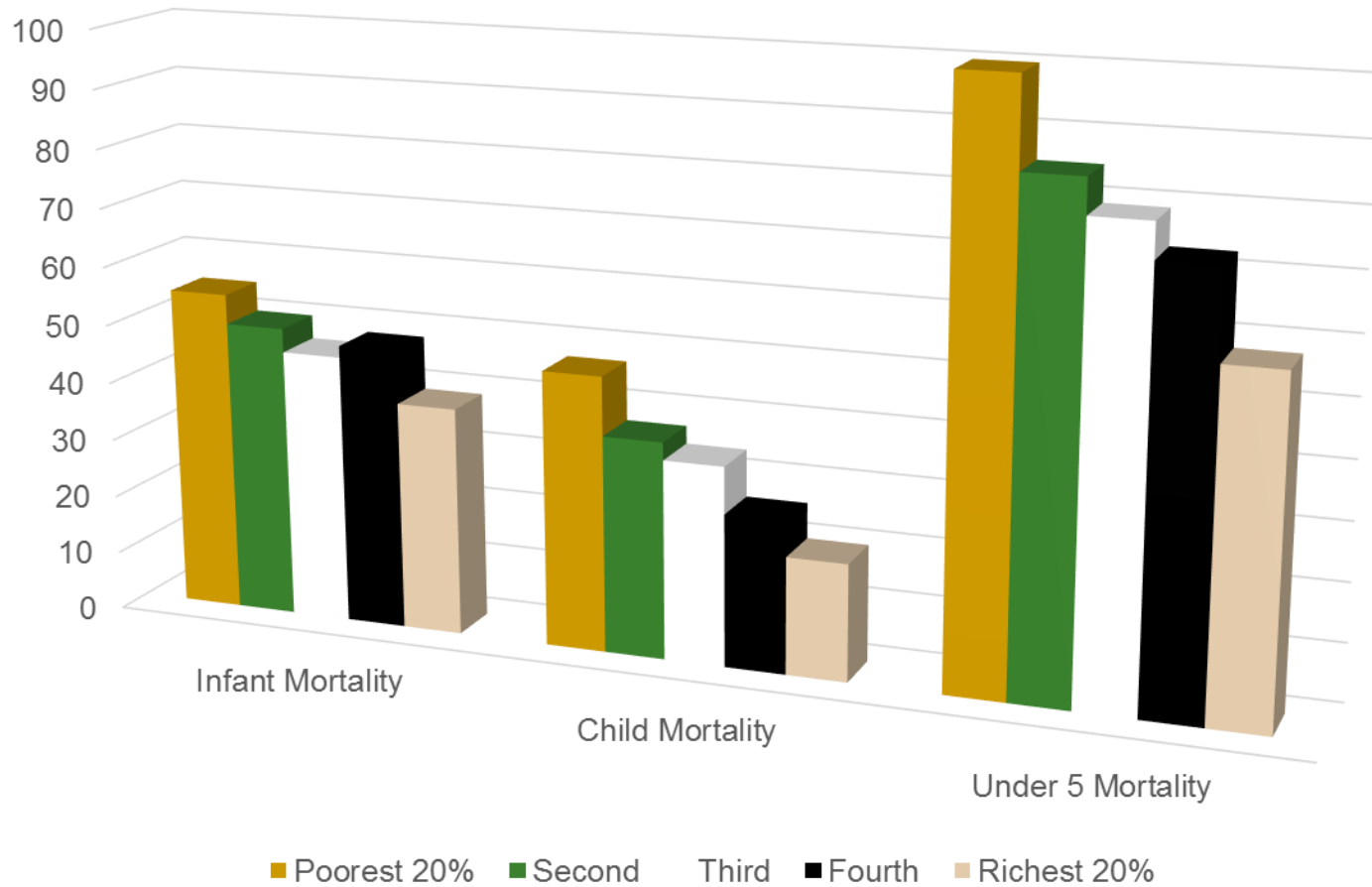
Access to Education: Highest Level Attained



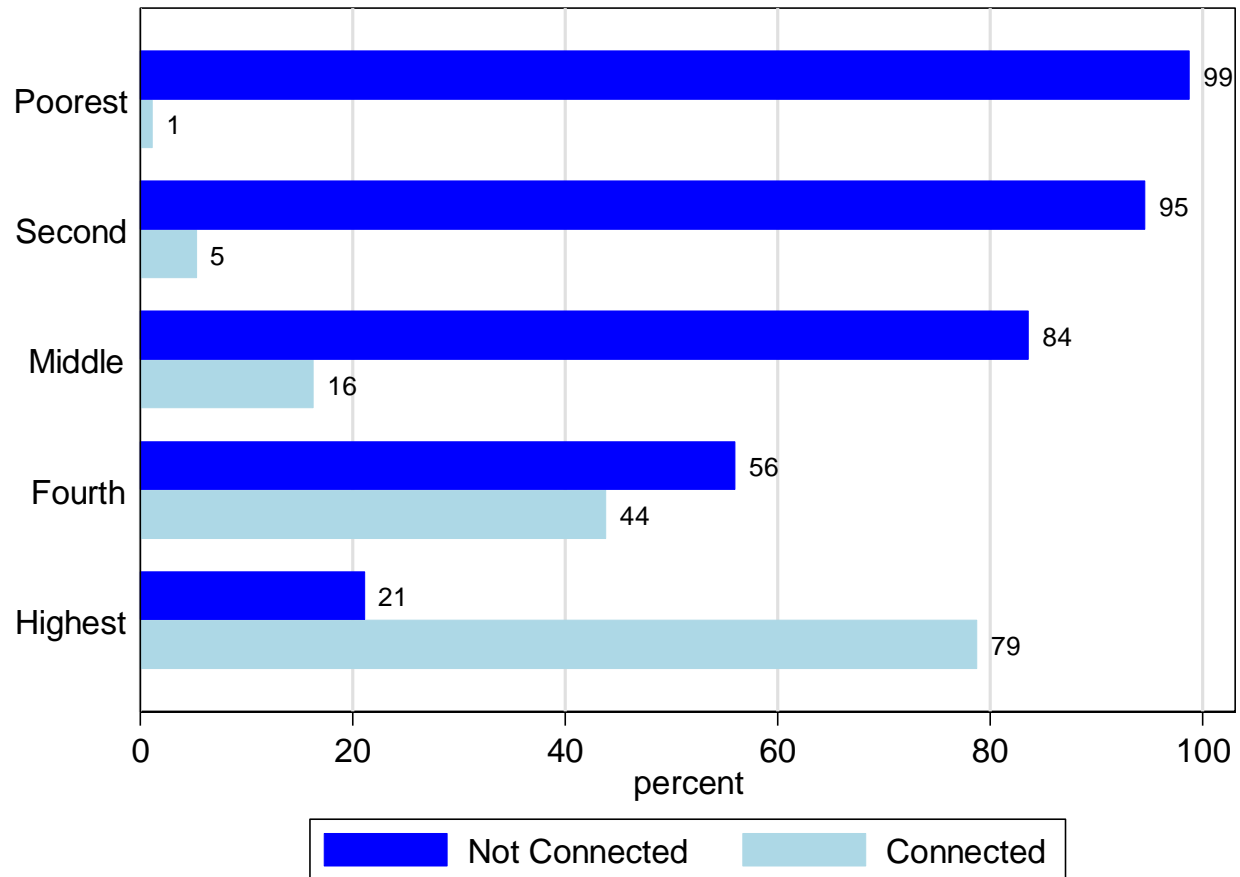
Access to Education



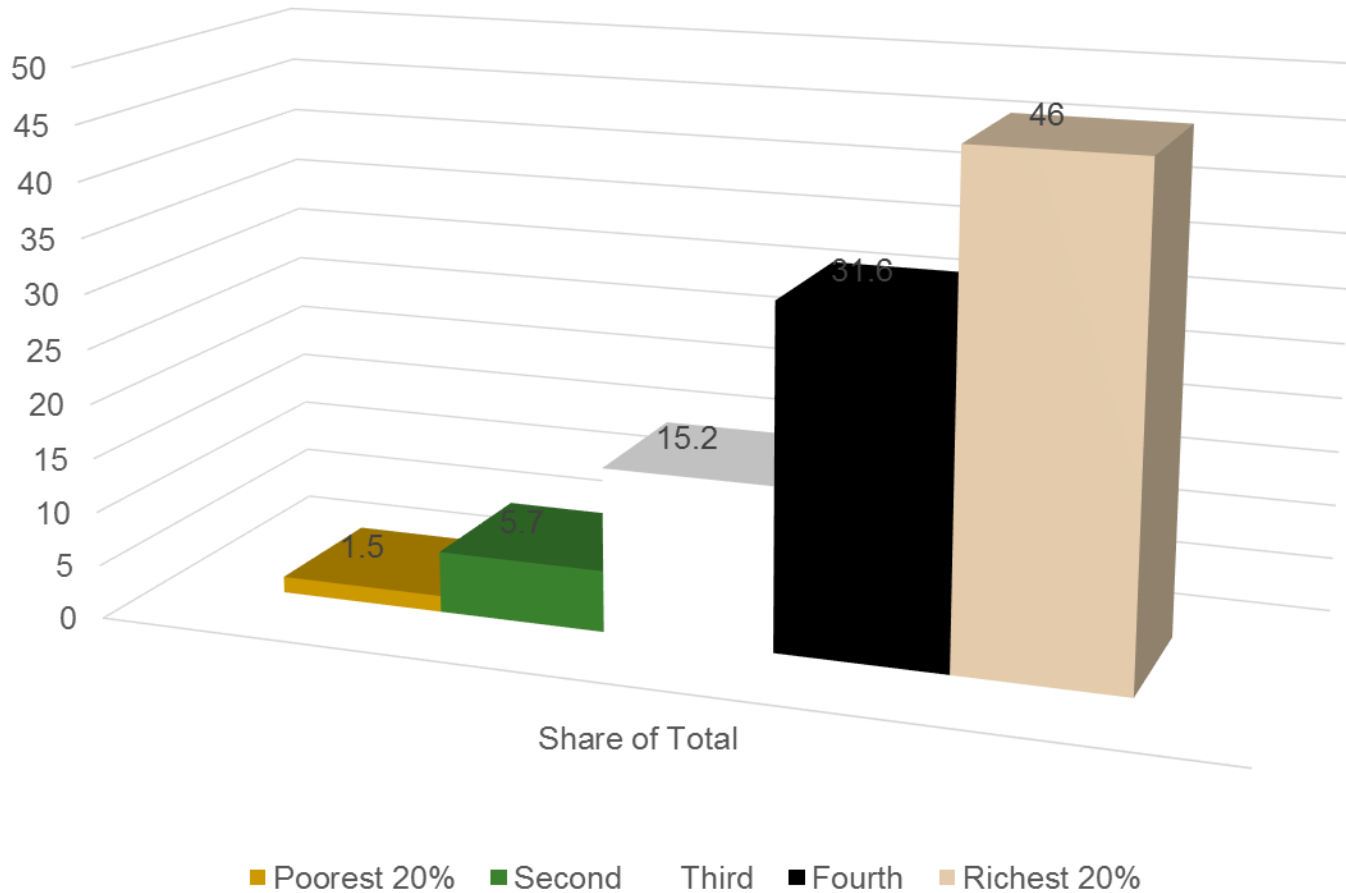
Health Outcomes Inequalities



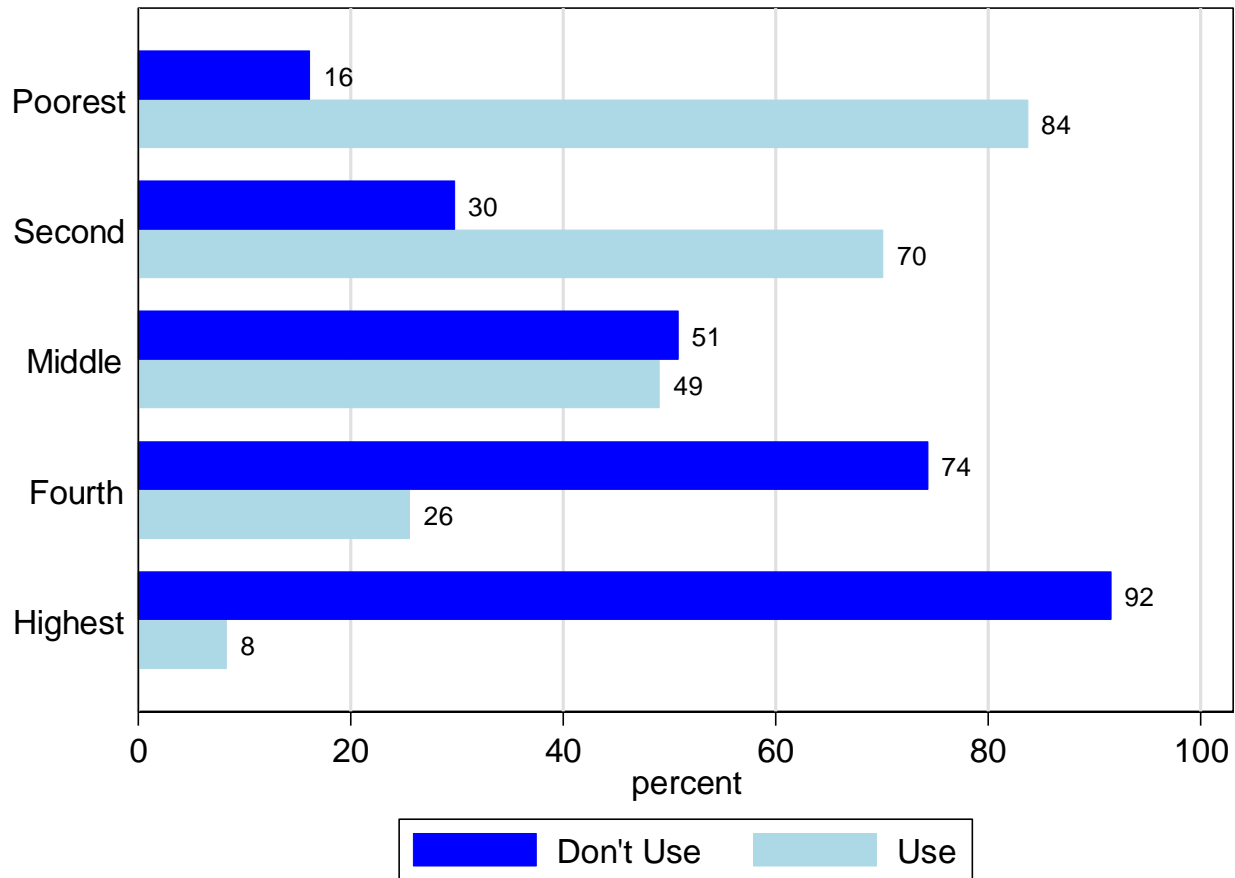
Access to Electricity



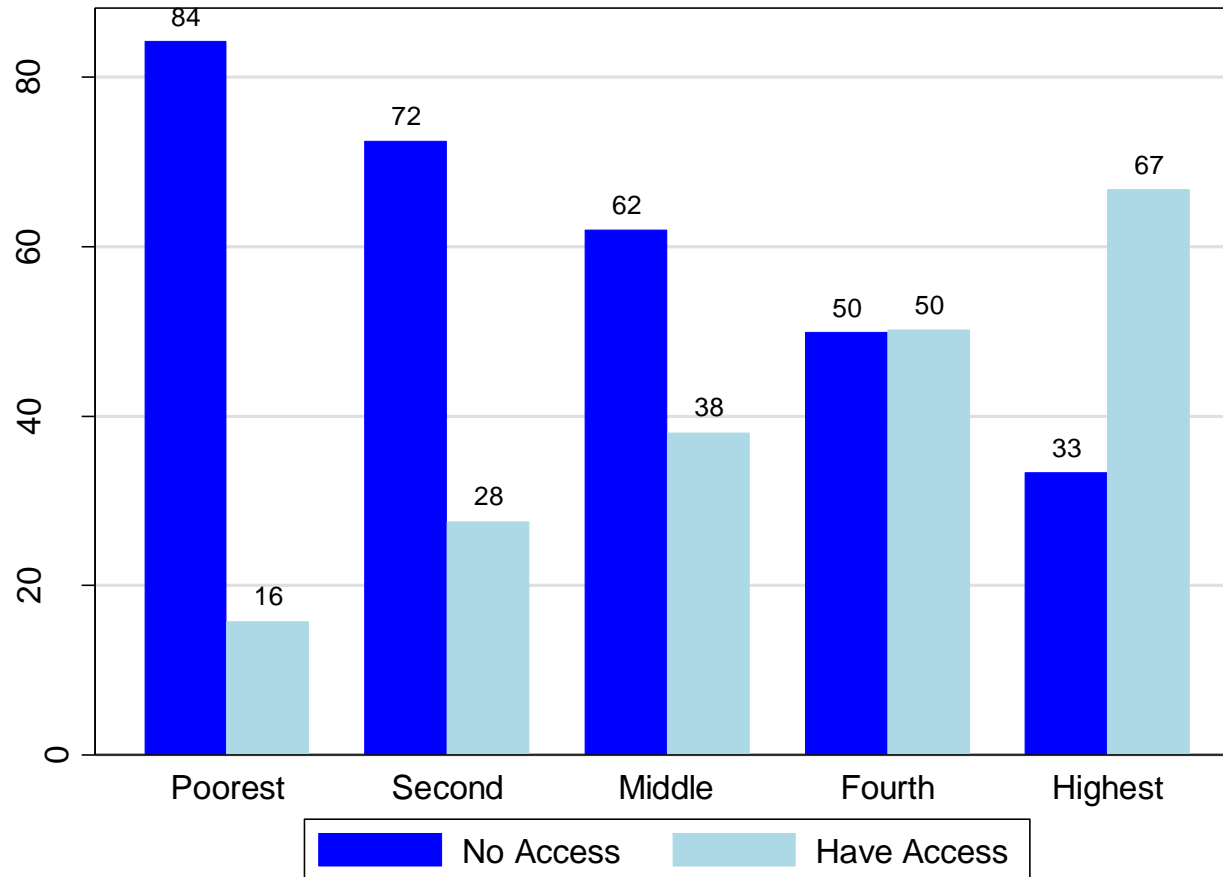
Share in Total Electricity



Firewood Use



Access to Safe Water

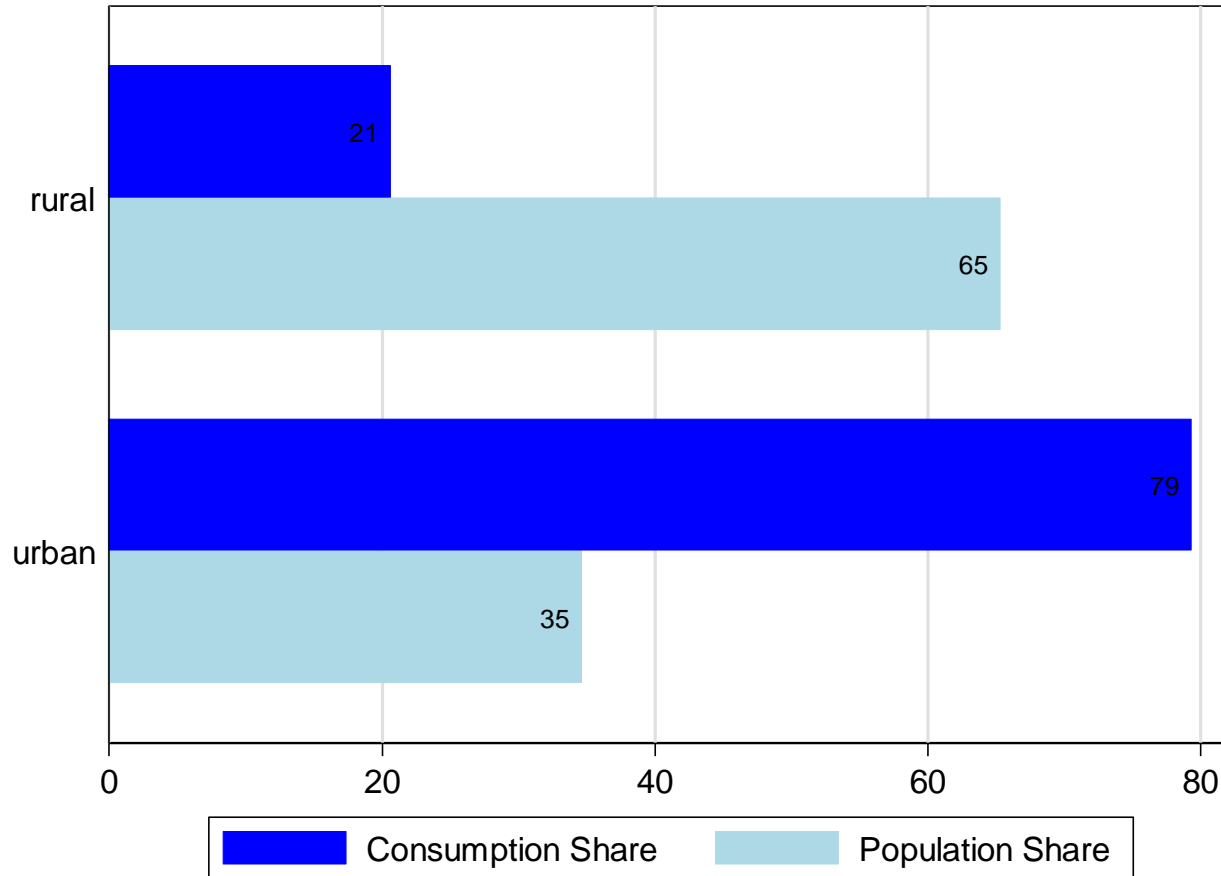


Regional Inequalities

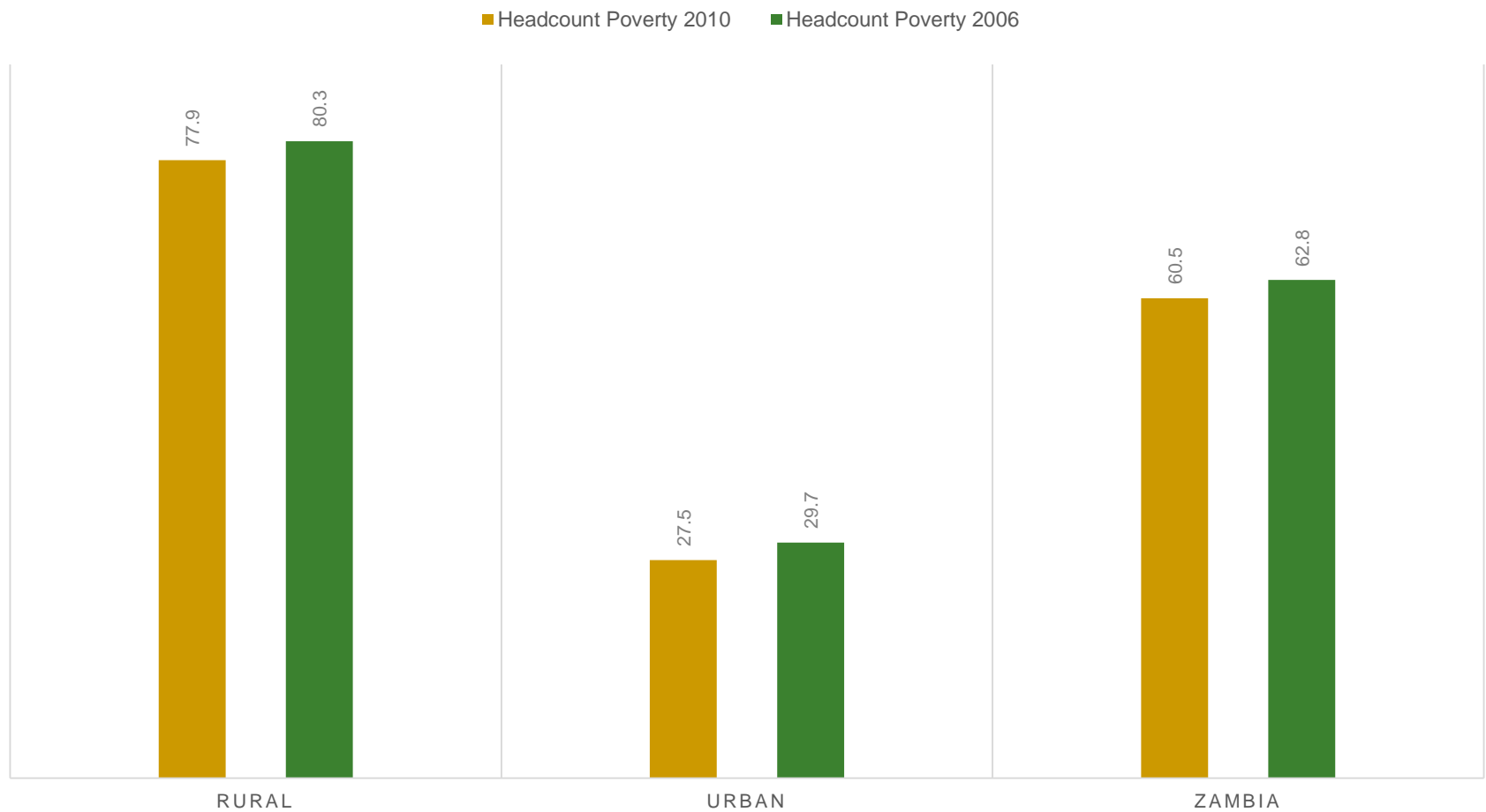
Rural Urban Disparities I

- Same Income Gini Coefficient for Rural and Urban Areas 0.6
 - Rural Areas: Poorest 10 percent earn 0.8 % of total income compared to richest 10 percent who earn 53 %
 - Urban Areas: Poorest 10 percent earn 0.5 % of total income compared to richest 10 percent who earn 48 %
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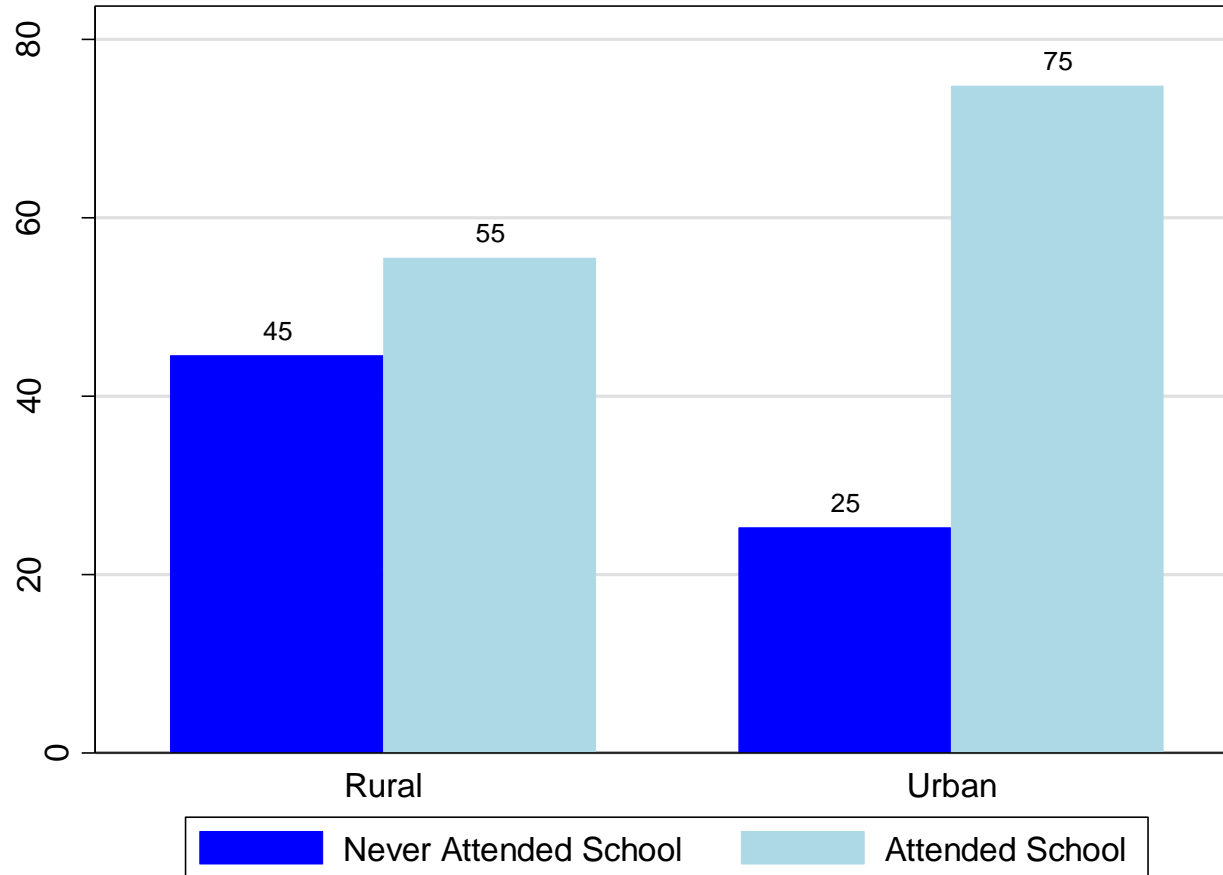
Rural Urban Disparities II



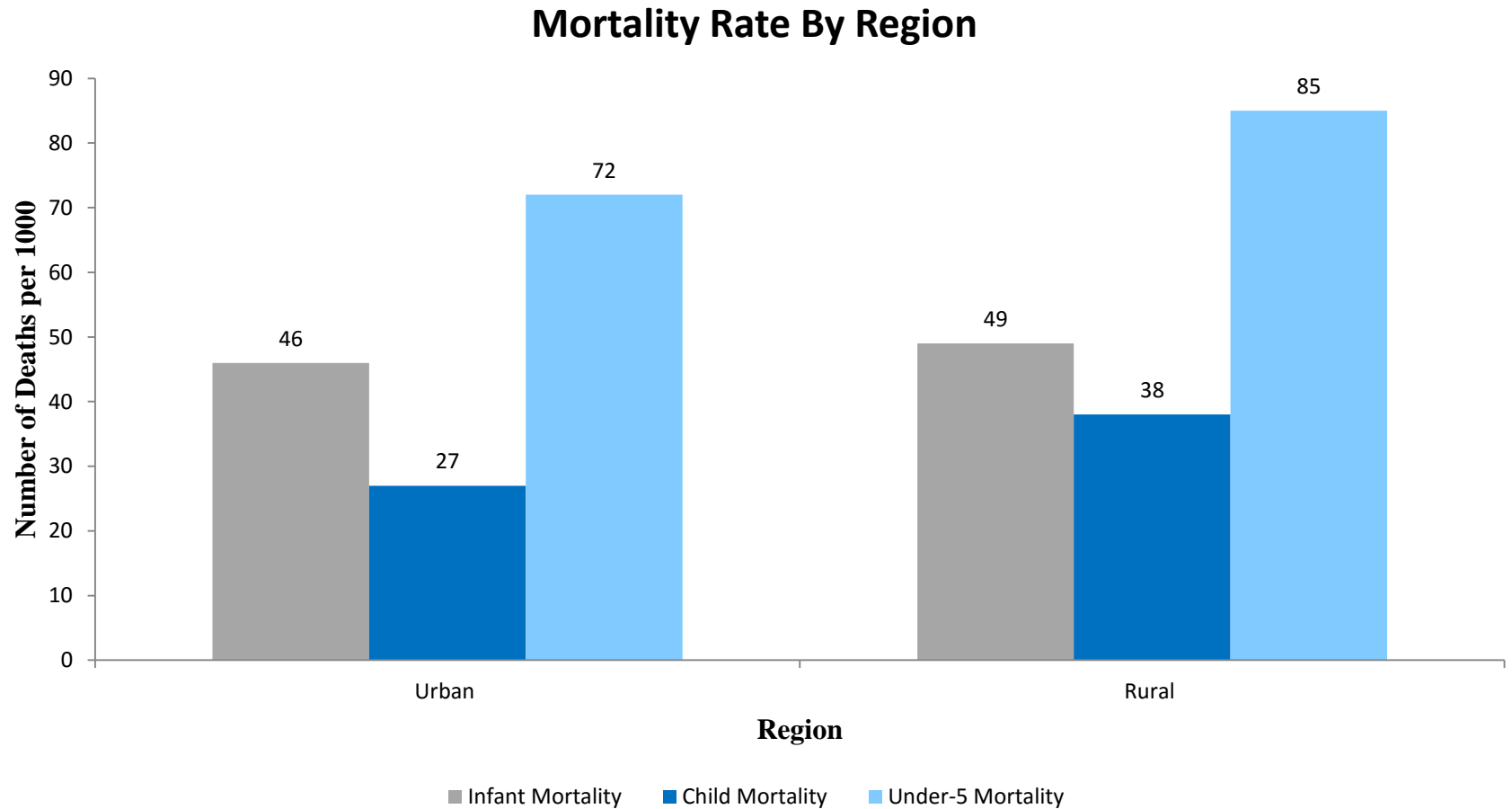
Rural Urban Disparities III



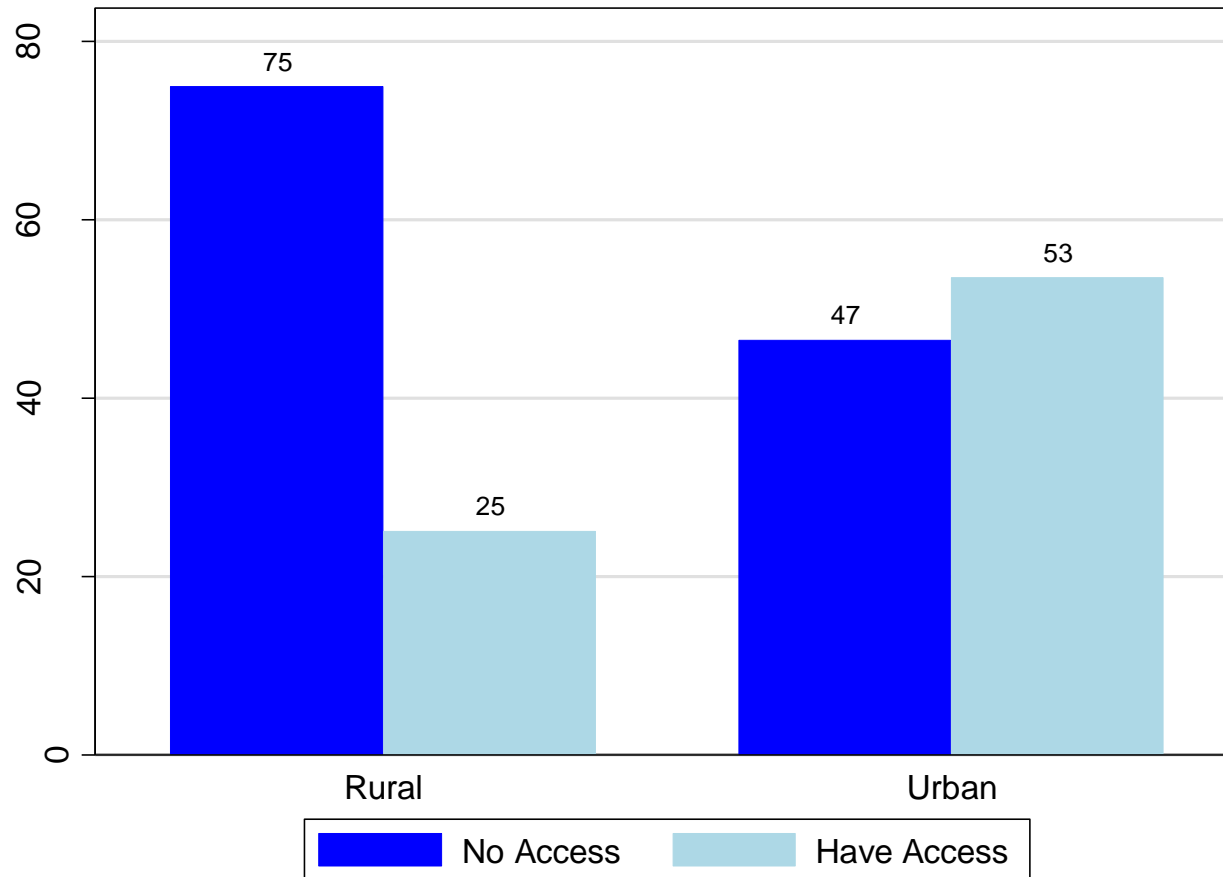
Rural Urban Disparities : Education



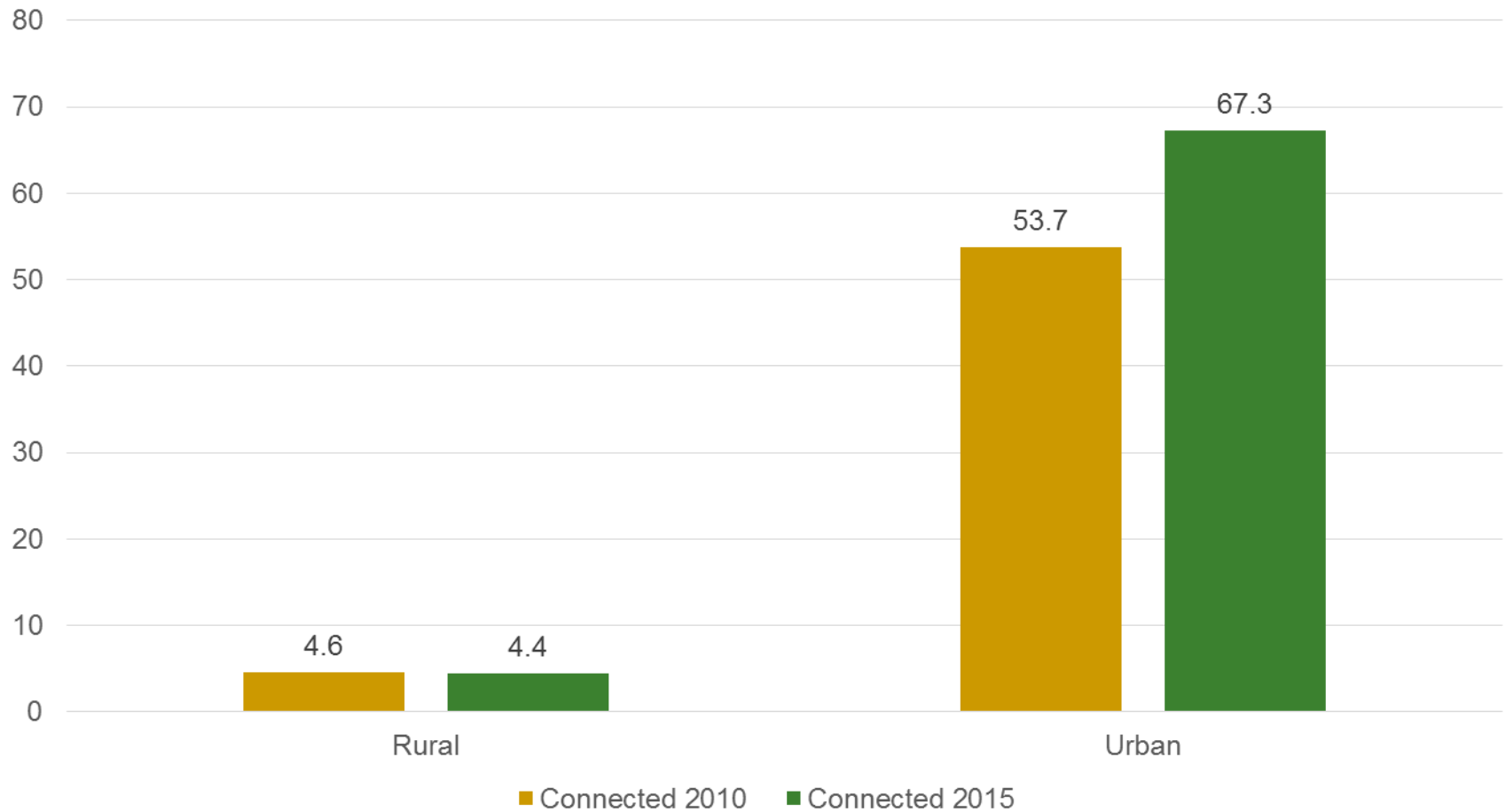
Rural Urban Disparities : Health



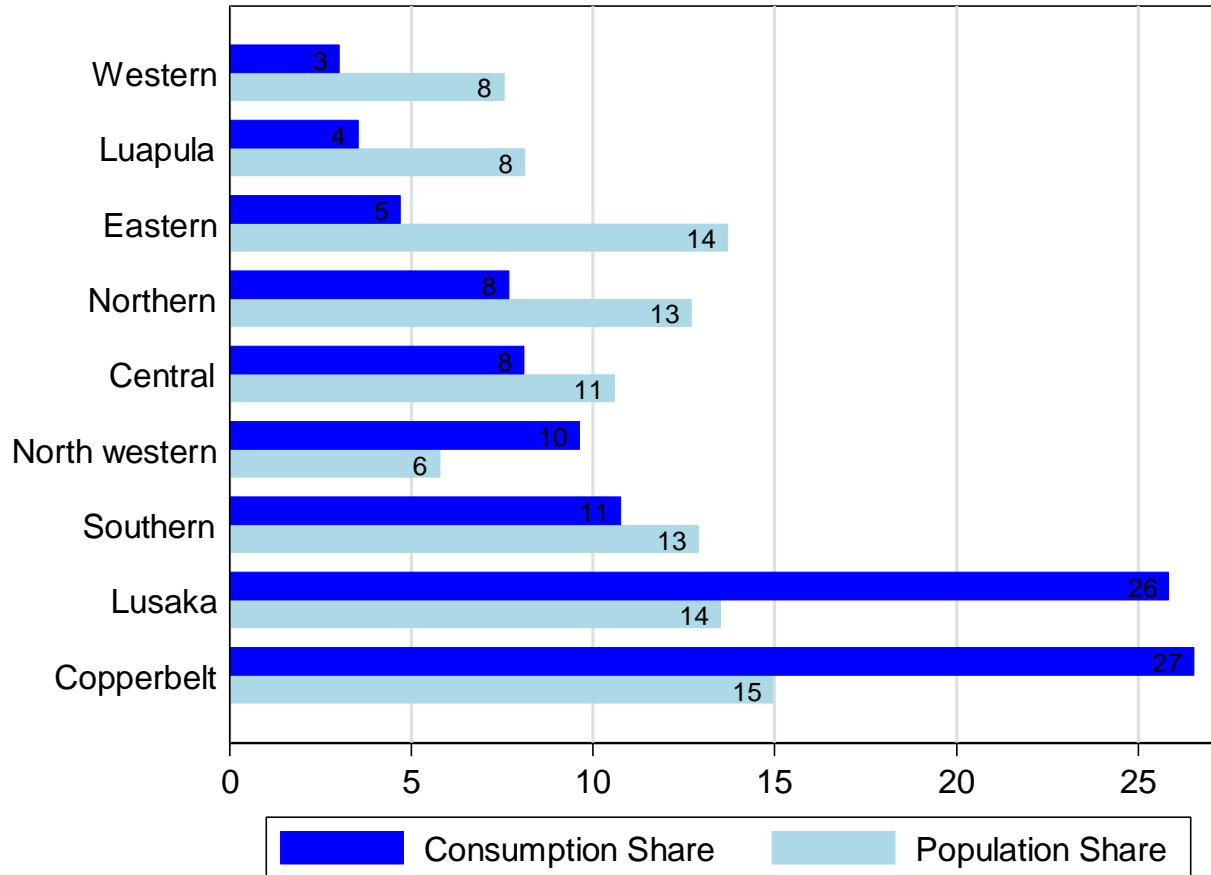
Rural Urban Disparities : Water



Regional Disparities: Education



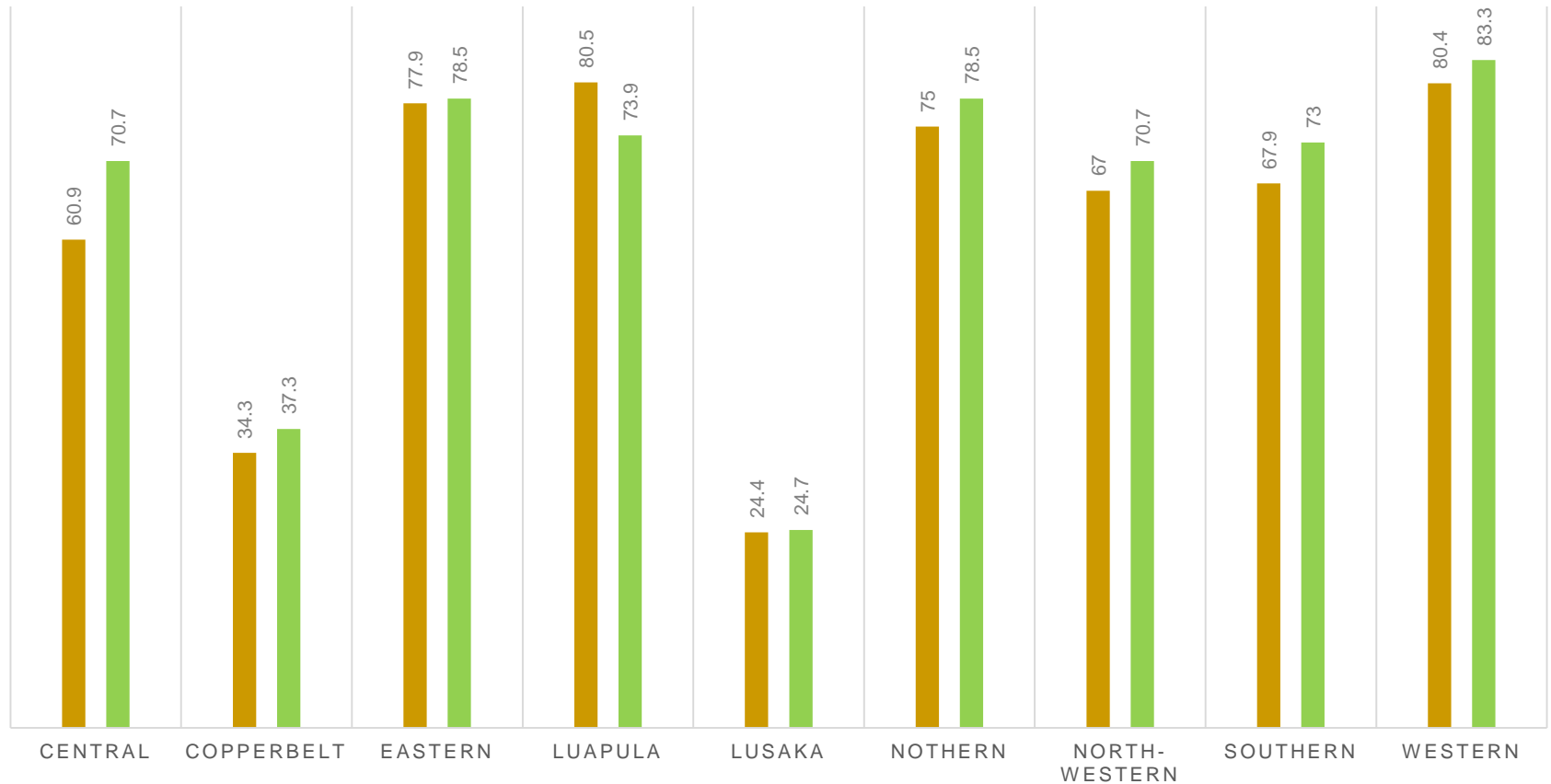
Regional Disparities: Provincial Consumption Shares



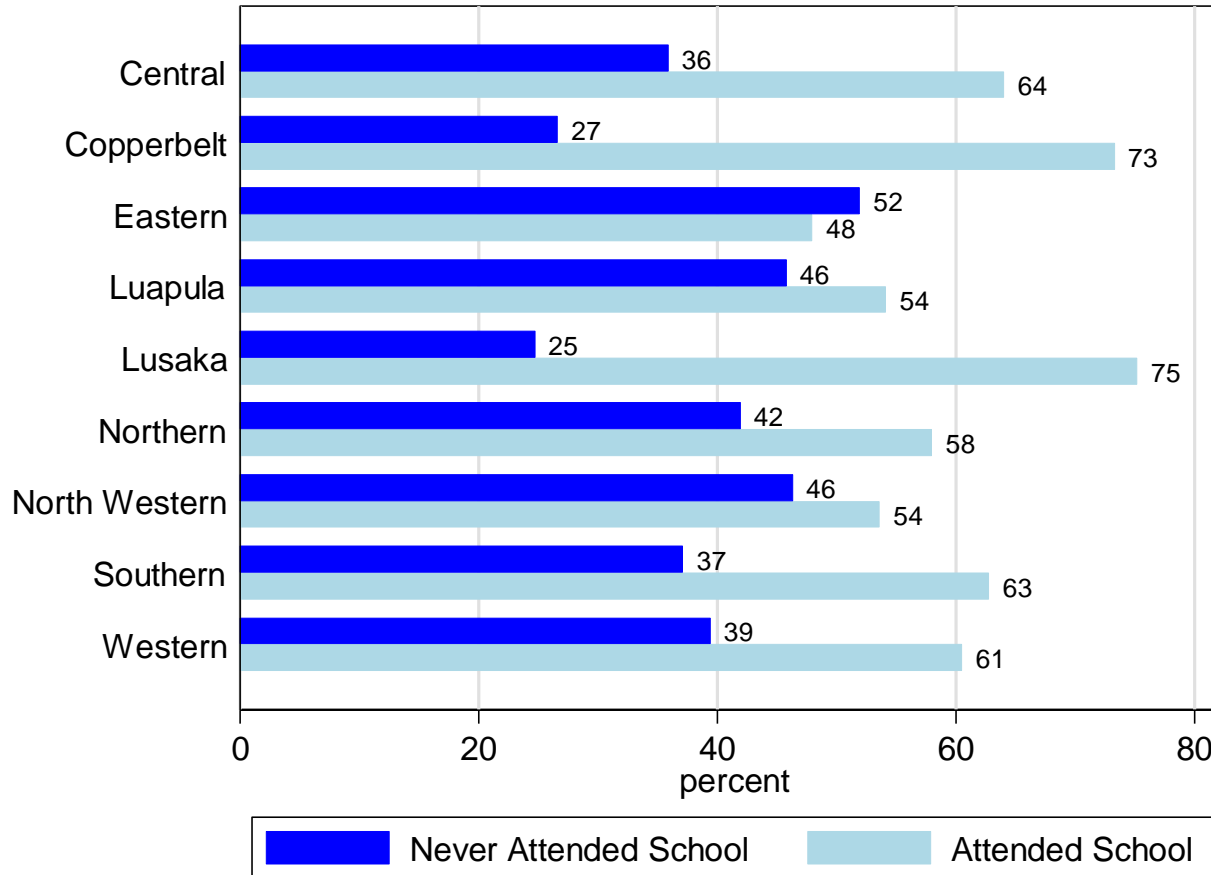
Regional Disparities: Provinces

Poverty Distribution

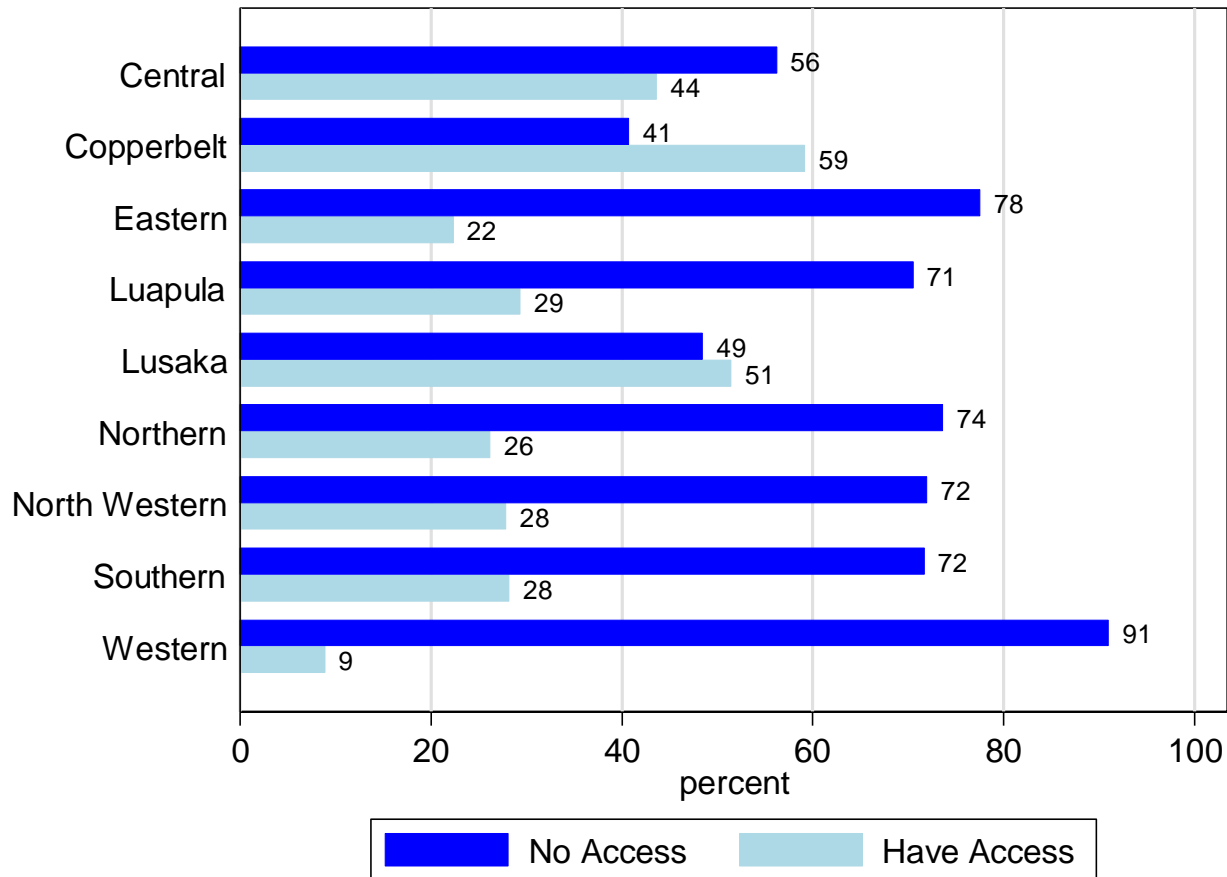
■ Year 2010 ■ Year 2006



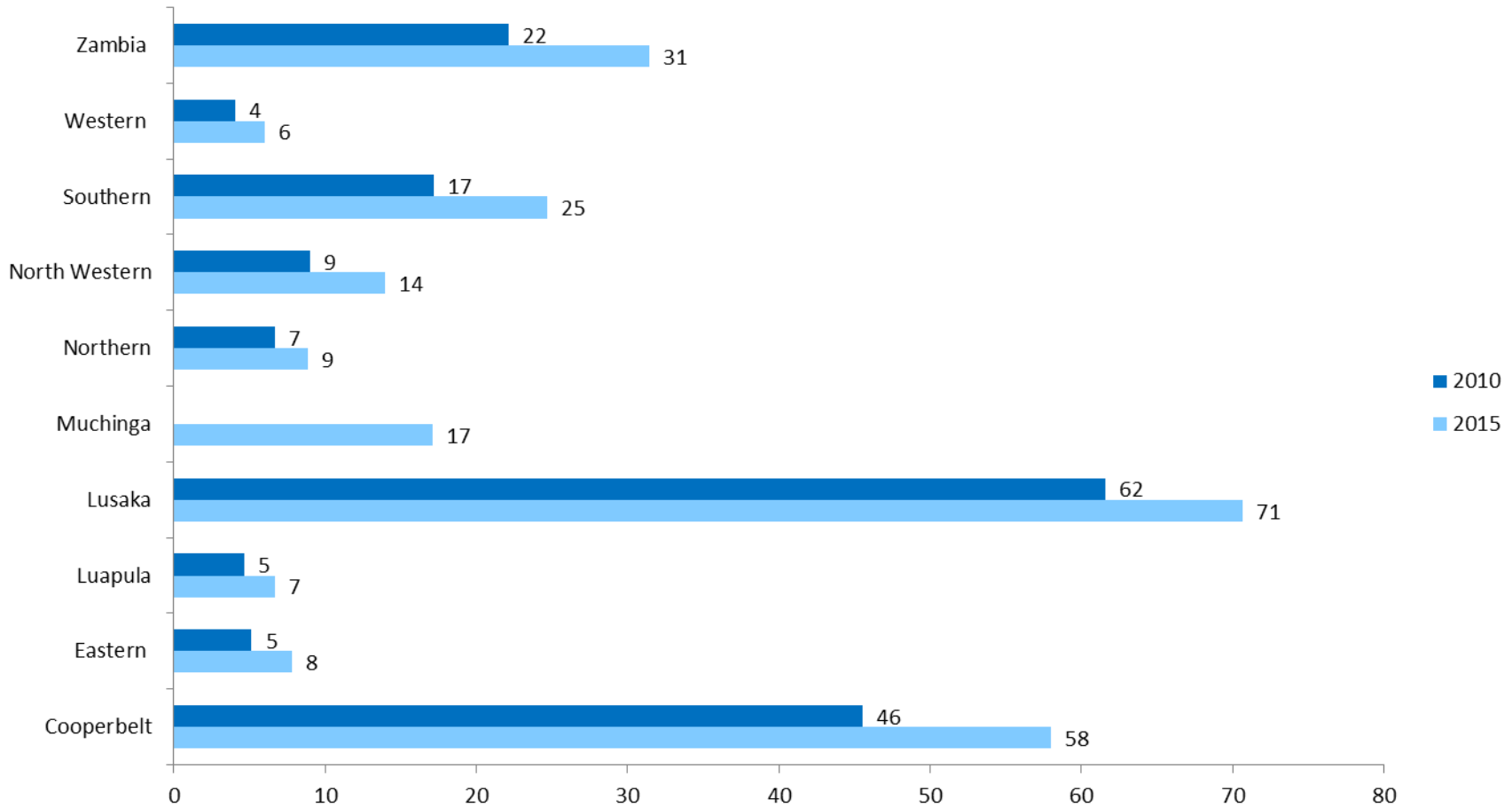
Regional Disparities: Provincial Education Distribution



Regional Disparities: Provincial Distribution Water Access

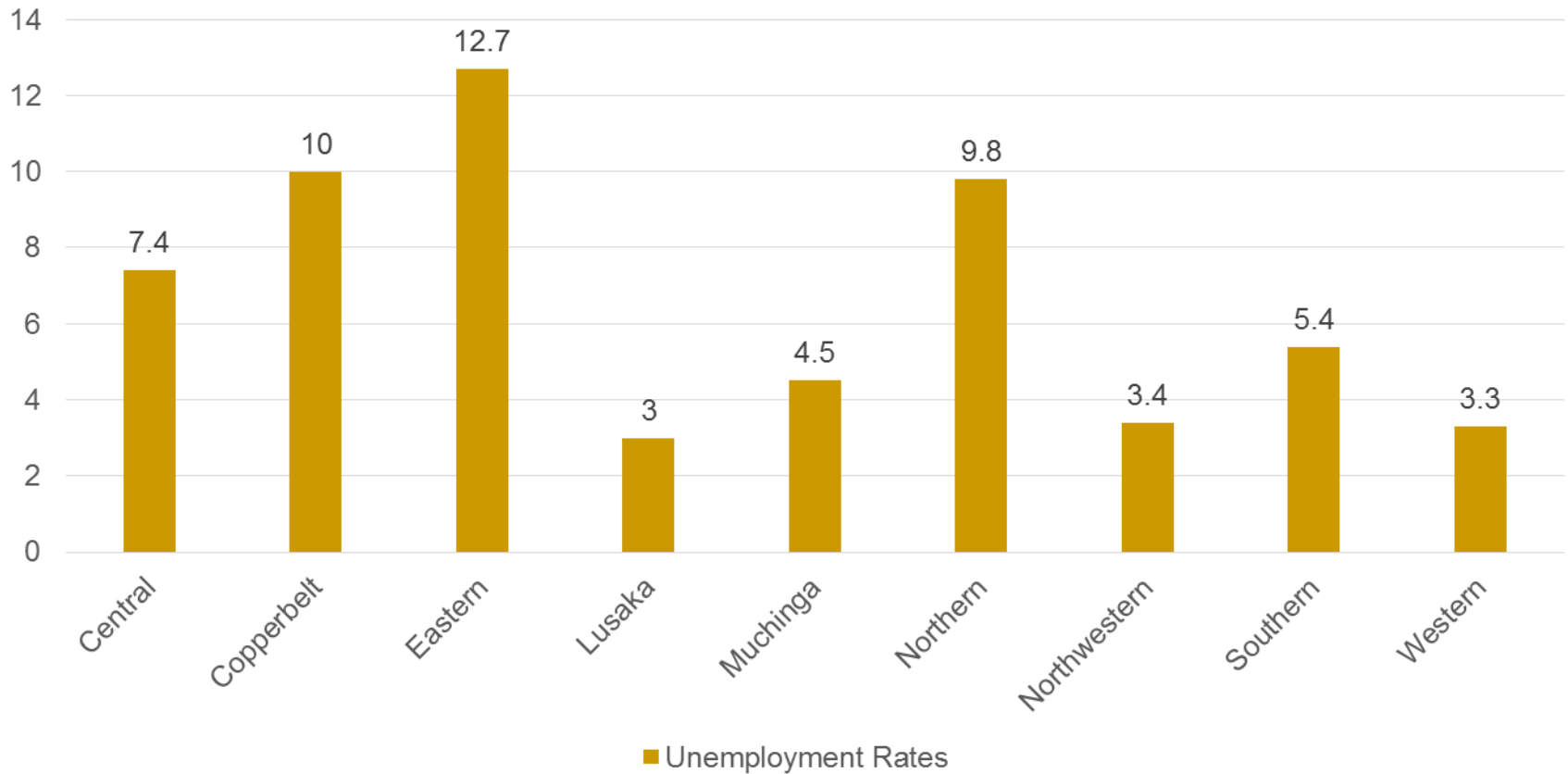


Regional Disparities: Provincial Distribution Electricity Access



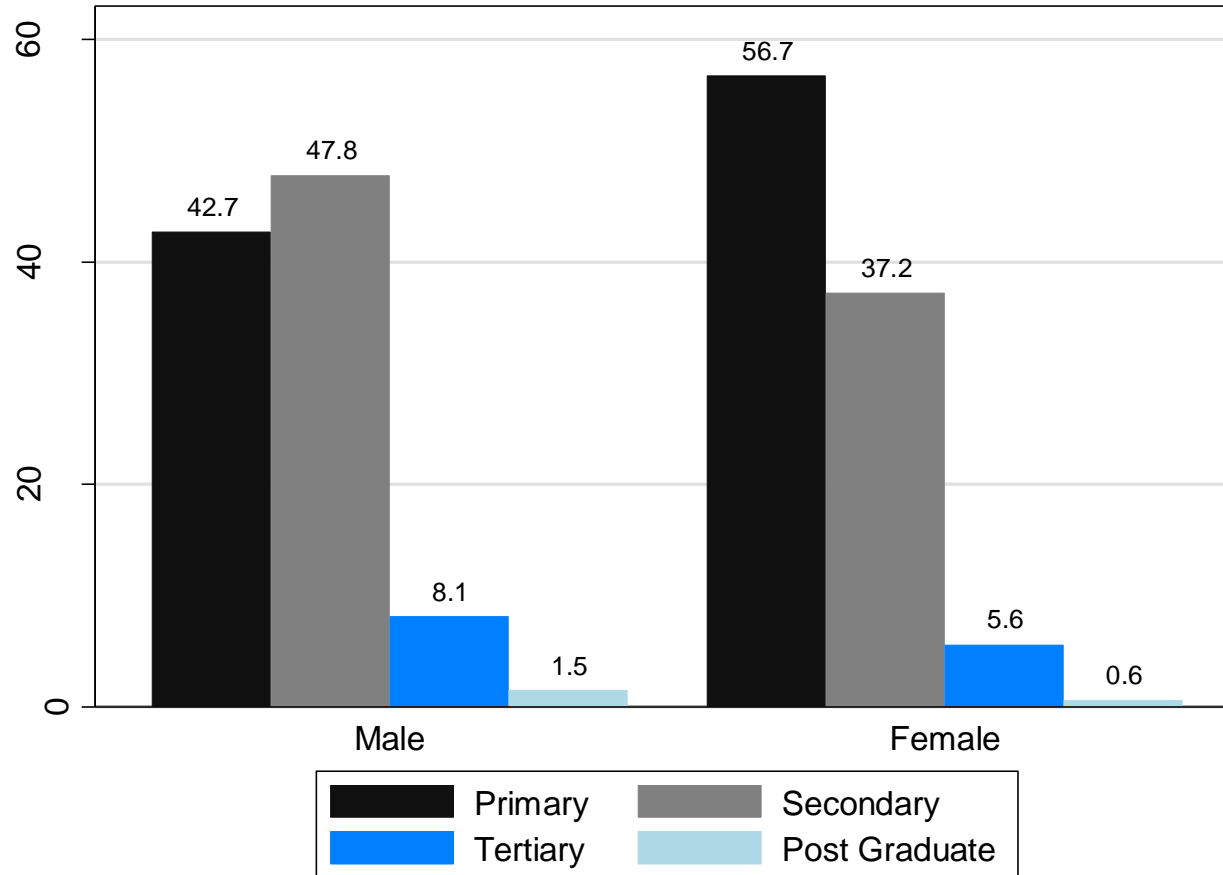
Regional Disparities: Provincial Unemployment Rates

Unemployment Rates



Gender Inequalities

Gender Disparities: Education



Gender Disparities: Political Participation

- Females account for 14 percent of cabinet positions
 - Only 6% of councillors were female in local government
 - Last parliament, females accounted for 13.8 % of total seats
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Gender Disparities: Gender Wage gap

- There is a marginal gender wage gap in favour of men
 - Average monthly income for females is \$212.9 compared to men's \$234.3.
 - Men have a higher monthly average monthly income compared to females in the majority of provinces except Southern and Western provinces
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Concluding Remarks I

- Zambia's among one of the countries with extremely high inequality
 - High disparities in health outcomes, education access and attainment, electricity access and safe water access across socio-economic groups and regions
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Concluding Remarks I I

- Gender gaps in access to education, labour market outcomes and political participation in favour of males
 - Structure of Economy may hold key to the inequality debate
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Concluding Remarks III

- Drivers of Inequalities not dealt with
 - Regional inequalities are due to trade and infrastructure patterns.
 - Political influence: Who determines where to have schools, roads, water.
 - Lack of devolvment of resources to local levels.
 - The whole set of policies that favour big firms as opposed to SMEs. (E.g. Investment incentives)
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Thank you for your attention
