

Evaluating the Evolution of Poverty in Tunisia after 2010

Gabriel Lara Ibarra
World Bank

Jose Cuesta
World Bank

Paper Abstract: Tunisia was showcased for a long time as an example of poverty reduction achievement and pro-poor growth. Yet, after halving its poverty rates a revolution took the world by surprise early in 2011 and since then nothing is known about its poverty levels. To fill that gap, this analysis develops and compares multiple cross-survey imputations (using household budgetary and labor force surveys), poverty projections (based on sector GDP, unemployment and inflation) and alternative consumption (full and comparable) models. Results are robust and conclusive: poverty in post revolution Tunisia first increased in 2011 to then decrease in 2012. The magnitude of this swing oscillates between 1 and 2.3 percent points and accrues mostly from urban areas. Results also confirm emerging biases: imputations tend to overestimate the observed poverty incidence, while projections tend to underestimate it. These are all important results for Tunisia, the MENA region (with serious deficiencies in frequent, updated and accessible poverty statistics) and all post revolution contexts.