

## **PUBLIC POLICIES AND ITS IMPLICATION FOR POVERTY REDUCTION IN CHAD**

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### **ABSTRACT**

The main objectives of study are to identify the implication of public policies that government introduced to redudated poverty in the country, and suggest some strategies as sustainable solutions to policy makers in Chadian context. This study applied qualitative research design and collected data from nine informants and using Nvivo software to analyze the data. Findings from the study shown that rural development, and promotion of entrepreneurship and training was discovered in reducatng poverty. Equally found that provision of materials and cash to the people living in rural areas, financing small and medium enterprise, provision of soft management skills, systematic training on entrepreneurship education with equipments and financial assistant and investment in agriculture and livestock will unlock challenges confronting poverty reduction with country. Finally, this study recommended that the beneficiaries to be more effective in order to benefit from soft loans and equipment's provided by the government and stakeholders. Future research should apply a quantitative approach to examine the relationship between public policies and poverty reduction within the country.

**Keywords:** Public policies, poverty reduction, Chad.

## السياسات العامة وتأثيرها على الحد من الفقر في تشاد

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### المستخلص باللغة العربية :

تتمثل الأهداف الرئيسية للدراسة في تحديد آثار السياسات العامة التي أدخلتها الحكومة على الحد من الفقر في البلاد، واقتراح بعض الاستراتيجيات كحلول مستدامة لصانعي السياسات في السياق التشادي.

طبقت هذه الدراسة تصميم البحث النوعي وجمعت البيانات من تسعة مخبرين وباستخدام برنامج أنفيو عشرة (١٠) لتحليل البيانات. وأظهرت نتائج الدراسة أن التنمية الريفية وتشجيع ريادة الأعمال والتدريب تم اكتشافها في الحد من الفقر. ووجد بالمثل أن توفير المواد والنقد للأشخاص الذين يعيشون في المناطق الريفية، وتمويل المشاريع الصغيرة والمتوسطة، وتوفير المهارات الإدارية الناعمة، والتدريب المنهجي على تعليم ريادة الأعمال بالمعدات والمساعد المالي والاستثمار في الزراعة والثروة الحيوانية، سوف يفتح الأبواب أمام التحديات التي تواجه الحد من الفقر في البلاد. وأخيراً أوصت هذه الدراسة بأن يكون المستفيدون أكثر فعالية للاستفادة من القروض الميسرة والمعدات المقدمة من الحكومة وأصحاب المصلحة. ينبغي أن تطبق البحوث المستقبلية نهجاً كميًا لدراسة العلاقة بين السياسات العامة والحد من الفقر داخل البلاد.

**الكلمات المفتاحية:** السياسات العامة، الحد من الفقر، تشاد.

## PUBLIC POLICIES AND ITS IMPLICATION FOR POVERTY REDUCTION IN CHAD

Dr. HISSEIN ARABY NOUR

### 1. INTRODUCTION

Chad is one of the poorest states in the world, over 42.3% of the population living under poverty line. Poverty has increased significantly, from 31.2% in 2018 to 34.9% in 2021 and 35.4% in 2023. This unusual level of poverty affects food security in the country by making it hard for people to inadequate access to the food that lead to a severe food crisis (ACAPS, 2024). The dearth of access to basic social services and adequate nutrition, along with limited income-generating occasions, deteriorates the situation. The current efforts to reduce poverty directed to the setting up different strategies and policies globally, but the phenomenon is still under threat to the most unindustrialized nations (Bruton, Ketchen, & Ireland, 2013). This is as result of inadequate global mechanism from the, international financial bodies such as International Monetary Fund, World Bank and Millennium Development Goals (MDGs) strategies adopted by the UN to ease the phenomenon and to offer remedies to the disadvantaged particularly in the less industrialized countries of Asia, Africa and Pacific (Musa, Abdullah, & Wahid, 2016).

Like other African states Chad determined for social development and economic growth strategy since its independence in 1960. Country has established numerous development programs and plans and realized for instance 2013-2015 National Development Plan which was a fundamentals framework to make Chad an emerging power in the region by 2025 through increasing different and sustainable sources of growth in order to create jobs opportunities and providing access to all basic needs whether social services or adequate training to reduce poverty in the country. The effects of negative economic policies by the international financial rulers led to the devaluation of CFA Franc and increase external borrowing which make unfavorable

atmosphere for poverty reduction policies in Chad. The governments established several institutions to strengthen small and medium enterprises (SMEs) and promoting job opportunities for the unemployed peoples especially youths in the country among these: The National Office for the Promotion of Employment (ONAPE), National Office of Support for Youth and Sports (ONJES), National Poverty Reduction Strategy (NPRS) and other numerous micro finance institutions. However, economic instability, policy contradictions, corruption, poor management, financial impediments, cultural factors; obvious of law, lack of technological and administrative skills and administrative delays, crop these programs unproductive and led to high rate of poverty in Chad. Therefore, this study employ a qualitative approach to explore policies that established by the government and it that effective in reducing poverty and establish recommendations to policy makers. This paper is designed into introduction, research questions and objectives, methodology, study scope, literature review on the concepts of poverty. In additional to informants profile, results, discussion, conclusion, recommendations and references.

## **2. RESEARCH QUESTIONS**

This study involves the following research questions:

- I. What are the policies that implicate into poverty reduction?
- II. How is that policies are effective in reducing poverty?

## **3. RESEARCH OBJECTIVES**

So, the objectives of this study are as follows:

- I. To identify the policies that implicate on poverty reduction.
- II. To understand how the policies are effective in reducing poverty.

## **4. METHODOLOGY**

This study applied qualitative research design and non-probability sampling design was used through semi- structured interviews. Data were collected between the 10<sup>th</sup> of March to 15<sup>th</sup> of Avril, 2024 from nine informants, who were selected from agencies and ministries precisely from Ministry of Finance,

Budget, Economic and Planning namely the National Institute of Statistics, Economic and Demographic Studies (NISEDS), The Ministry of Social Work, National Solidarity and Humanitarian Affairs, Ministry of Public Service and Social Dialogue; specifically (ONAPE), Ministry of Agricultural Production and Transformation. The population of this study also include stakeholders and beneficiaries of poverty reduction programs in Chad. Purposive sampling design was applied, in which the researcher chooses the informants based on their convenience. Thematic data analysis was applied in to study using Nvivo 10 software.

## 5. SCOPE AND STUDY AREA

This study covered selected ministries, agencies, stakeholders and beneficiaries of poverty reduction programs in Chad.

## 6. INFORMANTS PROFILE

The informants involve to this study were nine (09) informants from selected institutions implicated in poverty reduction programs in the country specifically, three from government institutions, three from sstakeholder and three beneficiary which is the overall background of involved informants. Also, informants' distribution was classified into M1-M3, government insinuations representing ministers, S1-S3 stakeholder and B1-B3 were beneficiary, as presented by the table below.

**Table 1: Informants Profile**

SN	Informants	Age	Educational Qualification
1	M1	46	Firs Degree
2	M2	38	First Degree
3	M3	35	Diploma
4	S1	60	Master
5	S2	55	First Degree
6	S3	42	Master
7	B1	29	First Degree
8	B2	33	Master
9	B3	43	Master

Source: Developed from the Study.

## 7. LITERATURE REVIEW

This part of the study will review literature that related to the poverty reduction through their various processes. Also, it realize public policy as a key elements needs for poverty reduction with various plans that government employed in the course of poverty reduction. This will include evaluating the role that public policy has achieved in reducing poverty globally and as well as in Chad as a case study.

## 8. UNDERSTANDING POVERTY

Poverty is an international matter that affects billions of individuals, in their daily lives especially in socio-economic situations. It leave families and individuals without basic human rights, as well as access to basic needs such as clean water, food, healthcare, housing and education. Though, in response to the problem of poverty globally the United Nation conventional annually on October 17th as the International Day for the Eradication of Poverty which established by UN since 1992, this day serves as a uniting day for worldwide to come together, reflect on improvement made, and renovate their promise to eliminating poverty in all its forms (UN, 2006).

However, poverty reduction has different policies need to be implemented through lowering prices for food items, cash transfer, free healthcare and education and provision of shelters. Also, the scope of universal poverty is overwhelming. In 2020, according to the World Bank, almost 9.2% of the global population lived on less than \$1.90 par a day, which is international poverty line. Over 700 million people struggling to meet the basic needs, poverty is not limited to one region, it is a universal problem affecting peoples together in developed and developing nations (World Bank, 2020). In addition, there's several factors contributing to the poverty and very complex such as individual determination, which related to personal situations and choices but are frequently influenced by such factors like educational level family structure and health we known larger economic and social environment that has significant impact on individual capability to escape poverty,

structural determination; include all policies, social norms and economic structures that continue to the inequality among communities and individuals like access to healthcare, education and job from breaking free from poverty cycle, universal determination; comprise factors like discrimination based on gender, social class, race, political instability, corruption that key contributor to unequal distribution of opportunities and resources intensifying poverty (World Bank, 2020).

## 9. HISTORY OF POVERTY IN CHAD

Chad known as one of poorest states in worldwide. According to the Global Human Development Report in 2007, it was classified 171st out of 177 countries and poverty affects 55 % of the residents and is mainly focused in rural areas, where more than 80 % of the poor are live. Furthermore, poverty is differs by size of household, by occupation of the head of family and level of education. Also, the poorest segments of the population involve the big families in which the head of household has never attend school and works in primary or secondary sector, in addition, the household in rural Chad usually headed by females are also among the poorest (IMF, 2010).

However, poverty rates in Chad it's remain very high for instance, in 2024 the International poverty rate reached 30.4 globally form 14.6 in 2015 based on data provided by World Bank and always it focused in rural parts of the country especially in the regions that shearing border with Sudan, Cameroon, Nigeria, Central African Republic as result of conflicts and instability in neighboring states where livestock herding and agriculture are the main livelihoods for example, in 2018 the Fourth Household Consumption and Informal Sector Survey conducted in Chad found that 3.1 million men and 3.4 million women which representing around 42 percent of population live below national poverty line with 242,094 CFA francs per year. Nearly 15 percent of the inhabitants are unable to meet 2400 kilocalories per day as essential basic nutritional level (World Bank, 2021). However, in April 2008, the Chadian government implemented poverty

reduction plan through establishing Second National Growth and Poverty Reduction Strategy (SNRP) covering from 2008-2011. The key priorities of SNRP were good governance, rural affairs, infrastructure and social investment in order to bring change to rural area will be crucial to poverty reduction (Mpande & Kannan, 2012). The table blow shows poverty rates in Chad under national poverty line, 2018-2021;

**Table 2: poverty rates in Chad under national poverty line, 2018-2021**

No	Headcount	Depth	Severity
N'Djamena	13.8	2.9	0.9
Other urban	23.0	6.4	2.5
Urban	19.4	5.0	1.9
Rural	49.7	15.1	6.3
Chad	42.3	12.6	5.2

Source: World Bank (2021).

Similarly, During the 2017-2018 agricultural year, the Sahelian zone experienced low rainfall as result of a late rainy season, which affected agricultural production and dropped to more than 20 % in the regions of Wadi Fira, Kanem and Bahr El Ghazal and increasing poverty rates and vulnerability between rural families. Correspondingly, decreasing cotton prices globally have brutally impacted family incomes in cotton growing regions in Sila, Logone and Tandjilé, causing poverty levels to increase at 60 % in Tandjilé for instance (World Bank, 2021).

## **10. PUBLIC POLICY AND POVERTY REDUCTION IN CHAD**

Chad like other countries in the world has policies for reeducating poverty and among policies that Chadian government engaged in order to reduce poverty in the country was the accepting of Poverty Reduction and Action for Women (REPAFEM) project which approved by the World Bank Group on 04 September 1997, with total cost of USD 6.30 million financed by different state, development partners such as France



Development Agency ADF (USD 5.3 million), TAF (USD 0.3 million) and Chadian Government with (USD 0.7 million). The agreements were signed on 09 of October, 1997 for an execution period of five (5) years, and agreement became effective on 04 February 1999, with 13 months' delay on an early schedule. The implementation of the project was held under Ministry of Social Action, National Solidarity and Family (MASSNF) precisely under especial unit which is Project Implementation Unit (PIU) the project was ended on June, 30, 2007, with 42 months delay from scheduled date (World Bank, 2021). On the other hand, the overall activities sited were realized with quantitative aims, but some technical reasons contributed to the delay of the project first, the issue of administrative delays in the implementation of the working conditions, second, which was more technical than first the problem of PIU staff recruitment process, third, suspensions of payments activity due to the increase of debt by the Chadian Government, finally, frequent changes of project management team, especially Accountant and Manager (World Bank, 2021).

However, according to the several Bank missions to the country revealed that the total people taken out of poverty through various level of implementation of the project remained low compared with the implementation cost, another negative result of the project was the removing taxes on importing of food items also less operational at dropping the impact of the crisis and increased in competition on exporting foods stuffs led to drop into the performance of local food producing sector, that predominantly works are people from poor families. In contrast, the exemption of Value Added Taxes (VAT) on food products and direct cash transfers to all families with children living in poverty in Chad were most effective and powerful ways of reducing poverty as examined by the simulations (Asfaw, Davis, Dewbre, Handa, & Winters, 2014).

## 11. STABILITY AND POVERTY REDUCTION

Chad has gain peace again after many decades of conflicts namely armed conflicts, its social and economic foundation

continue fragile but National Development Plan (NDP) was setup for 2013-2015, the aims of plan included improvement of living conditions of the people's, reducing poverty and achievement of the Heavily Indebted Poor Countries Initiative (HIPCI) completion point. Also, plan was projected to make transform Chad into an emerging economy by 2030 as projections by the Government. Meanwhile after ended in 2015, a new plan has been developed by national authorities' began from 2016-2020, which known 2030 Vision and its strategic were officially presented to the development partners in June 2014 Paris conference for mobilizing resources to finance the National Food Security Programme (NFSP) and NDP that will contribute to the poverty reduction agenda as vision of state (ADB & ADF, 2015). However, stability whether political or economic has a vital role in reducing poverty, likely poverty reduction promotes economic stability and sustainable growth through empowering communities, individuals and nations so can solve their full potential for development and success. For instance, the gross domestic product (GDP) growth in Chad is expected to reach 7% within 2012, determined by other new sectors without oil sector such as cement as new power, but it drop to 3.2% in 2013 as result of dropping in oil production (World Bank, 2021).

According to the Economic and Monetary Community of Central Africa (CEMAC), between 2012 and 2013 the inflation rate declined in to below 3%. The issue of economic instability in Chad always it is comments phenomena due to several circumstances some are related to global crisis and other are related to national policies for example, Chad economic growth slow down suddenly to 2.8% in 2011, against 14.3% in 2010 which linked to the drop off in key sector activity, like closing of first oil refinery built as joint project between Chadian Government and China National Petroleum Corporation (CNPC) for more than a week due to dispute linked to lack of transparency by CNPC, the government determination to set prices at pump without taking any consideration especially the cost of refined products and smuggling of fuel form bordering country especially Nigeria as first importing

oil products in to Chad. In addition, political stability also has significant role on decreasing poverty within the country, region and worldwide, for instance, in Chad political instability have increased poverty level as consequence of inadequate economic opportunities which exposed the population to possible recruitment by armed groups, ongoing regional conflicts remain to demoralize people's aptitude to deal with the consequences of the progressive climate change that lead to displacement of communities from strategic agricultural zone for several years have resulted in frailer of social cohesion and increasing struggle for resources such as water and pastoral lands (World Bank Group, 2021). Also, the instability in neighboring countries which effected directly and negatively to the increasing of level of poverty among local populations as result of different conflicts like Boko- haram insurgency in Cameroon and Nigeria, civil wars in Sudan and in Central Africa Republic, Libya and within Chad herself for many decade without tangible solution. Nevertheless, the political instability in bordering states contributed negatively in to GDP growth namely that associated in to cross order trade on livestock and goods which seriously effect on revenue of customs and other fiscal financial body's as well as foreign direct investment follow (World Bank Group, 2021).

## 12. RESULTS

Based on interview result with informants policies that implicate into poverty reduction in the country can be c categorized into two significant aspects namely, rural development, and promotion of entrepreneurship and training.

### Rural Development

Rural development are among policies adopted by the government to reeducate poverty in Chad. Based on these the government of Chad had established the National Agency for Rural Development Support (ANADER) that address rural development programs. Accordingly, informants emphasized that there are several strategies to ease poverty in the country, and said;

*The government offer materials and cash to the people living in rural areas to improve their income activities through the agency in order to alleviate poverty. The ministry of agriculture also coordinated through the other development parties involved in supporting state to address the poverty reeducation projects. Also, government provide food items for poor household and undertaking activities linked to poverty reduction in the country through National Agency for Food Security "Office Nationale de Sécurité Alimentaire (ONSA) (informants M1).*

Informant M2 shearing similar view with informant M1 and demonstrated the bellow view;

*Other government policy in respect to poverty reduction in Chad, were provision of cash to the finance small and medium enterprise introduced by the private individuals and groups as well as organizing workshops and other events that offer business opportunities for private sectors, whether individuals or groups that contribute in development of small and medium enterprise activities in the country ((informant M2).*

Informant S1, declared that all poverty reduction plan introduced by the government need better management by having a good management policies:

*Fundamentally, the major challenges affecting policies introduced by government in aspect of poverty reduction are the mismanagement of resources allocated for the programs with massive rate of unemployment between youth and inadequate of capital. Nevertheless, I recommended that state should provide or introduce sustainable solution to the issue of mismanagement through the provision of soft management skills to achieve the policies (informant S1). Literatures shown that*

### **Promotion and Training on Entrepreneurship**

Training means capacity building in the field of on income-generating projects which include entrepreneurship education programs, commercial activities that improve decreasing unemployment of youth and insufficient income- generating projects.

The informants submitted that training will develop commercial activities. For example informant B2 supposed that: “to solve the problem of unemployed and increase of income activities for poor its required systematic training on entrepreneurship education and financial assistant”. Also shearing similar view on training, correspondingly informants proposed that the training program should be divided according to their capacity for instance, based on educational level and age (S2). Equally, “training and provision of equipments, social services has vital contributions for the creation of income-projects” (informant B1). Moreover, youth empowerment on projects that related to poverty alleviation have significant roles on income-generating strategy were emphasized. In addition, “investment in agriculture and livestock are one of most successful ways to expand promotion of entrepreneurship that reeducated poverty in the country as attested.” (informant M3). Informant S3, said that: “the establishment of vocational training center with adequate mobilization and soft loans are best habits to promote entrepreneurship which contribute significantly reduce poverty in our society.” Similarly, Provision of capital resources include cash, equipments and other tools has significant contributions on development of entrepreneurship are pointed out by the informants for instance:

*The projects and programs that accelerate revenue for poor and unemployed with sufficient sources of income have to be established by the state. In addition, I suggested that government should introduce law that minimizing taxes for small and medium income enterprise not only providing training on entrepreneurship with soft loans strategy (Informant B3).*

Previous studies showed that development of human resources through training and provision of cash with adequate equipments are successful ways to increase entrepreneurship especially within developing economies (Awogbenle & Iwuamadi, 2010).

### 13. DISCUSSION

In respect of the first research question, the findings shown that Chad has established some policies which contributed towards to the reduction of poverty alleviation programs.

These comprise the establishment of various agencies which eased the provision of financial resources, skills acquisitions and capacity building for low income namely poor and youth to the possibility of reducing poverty within the country. Also, encouragement of NGOs and civil society organizations in the country particularly those involve to the poverty reduction activities in the country. Study discovered that rural development may pose as a comprehensive approach for poverty reduction as has vital role for creating job opportunities to tackle employment and increased income among poor communities. Furthermore, study shown that high-growth of private sector policy initiative might double the growth rate of treated (Autio & Rannikko, 2016). In respect to the second research question, finding presented that the effectiveness of policies in reducing the poverty, the results indicated that the strengthening of the government agencies and NGOs will provide job opportunities and alleviate poverty. Also, providing of soft loans for small and medium business promoters in the country.

### 14. CONCLUSION AND RECOMMENDATIONS

Based on the results of the study, the following recommendations have been made as strategic ways to enhance poverty reduction in the country. This study commended that systematic training on entrepreneurship education and financial assistant should be integrated into all poverty reeducation policies, the establishment of anti-corruption body to address the issue of mismanagement of resources allocated for poverty alleviation programs at all levels. The establishment of vocational training center with adequate materials and provision of adequate resources for entrepreneurship development by the government. Other proposals include youth empowerment, investment in agriculture and livestock, minimizing taxes for small and medium income

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enterprise for the smooth operations of poverty reduction activities. Furthermore, the informants suggested that rural development, promotion and training on entrepreneurship strengthening policies that implicate on poverty alleviation programs. Study recommended that for the beneficiaries to be more effective in order to benefit loans provided by the government and stakeholders. Future research should apply a quantitative research design to examine the relationship between public policies and poverty reduction within the country.

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