Intra-household differences in coping with illness in rural Ethiopia

Marleen Dekker

Recent empirical evidence from Africa suggests that households may not offer all members full protection against shocks. Yet what mechanism drives such an outcome still remains unclear. This chapter explores the role of support networks in coping with health shocks in rural Ethiopia and makes a distinction between the financial and labour needs. Data on 357 households and 670 individuals show financial needs can be met through a range of strategies undertaken by individuals and/or household members, while labour needs are often not cushioned within the household and can only be met through support networks of female relatives. In the absence of such networks, women are frequently not able to cope. These findings suggest that the assumption of full insurance within the household may cover the financial consequences of health shocks but not the labour needs during periods of illness.

Introduction

Illness is an important risk factor affecting people in developing countries. Some illnesses are, of course, potentially life-threatening and warrant serious attention but even non-life-threatening illnesses can have grave effects on individuals and their households, for example by affecting the availability of labour for domestic and productive activities or by creating increased financial burdens due to hospital fees and other medical costs. An increasing number of studies document the importance and economic consequences of health shocks. Dercon et al. (2005) show that the illness of a household member is the most frequently reported shock experienced by Ethiopian households. Similar find-
ings are described by Dekker (2004a) for Zimbabwe, where the need to cover medical expenses affected rural households more frequently than other shocks. In China, Lindelow & Wagstaff (2005) found evidence of substantial reductions in income and labour supply as a result of illness. And along similar lines, Bogale et al. (2005) argue that the costs of illness, both financially and in time, contribute significantly to the impoverishment of households in rural Ethiopia.

Except for epidemics, illness is an idiosyncratic shock, and affects only one or a few persons at any one given time (Dercon et al. 2005). For this reason, persons or households experiencing health shocks can, at least in theory, rely on neighbours, friends or family to provide assistance if they are not in a position to cope themselves. This assistance, in cash, kind or labour, will usually enable the sick to recover from a non-life-threatening illness. In anthropological and economic literature, such assistance is referred to as social security arrangements (von Benda-Beckmann & von Benda-Beckmann 1994, Dekker 2004b, de Jong et al. 2005, Jutting 1999, Leliveld, this volume) or mutual insurance (risk sharing or informal insurance) arrangements respectively (Alderman & Paxon 1992, Platteau 1997).

The economic literature on risk sharing emphasizes the importance of personalized contacts in overcoming monitoring and enforcement problems associated with informal contracts. For this reason, studies on risk sharing are increasingly focusing on informal arrangements and social ties between households (de Weerdt 2004, Fafchamps & Lund 2003, Fafchamps & Gubert 2007, Dekker 2004b, Murgai et al. 2002). These studies take households, or the ties between households, as the unit of analysis and the approach assumes risk is fully shared within the household. Household resources will be allocated in such a way as to best cope with a shock affecting one of its members, irrespective of their age, sex or position within the household. Recent empirical evidence suggests this assumption may not hold. For example, Dercon & Krishnan (2000) showed that women in poor households in southern Ethiopia find it more difficult than men or women in rich households to recover from illness. Indications of the absence of full insurance within the household are also found in studies in Ghana (Goldstein 2004) and Cote d’Ivoire (Udry & Duflo 2004). These economic studies, however, only consider outcomes and barely explore the mechanisms leading to such unequal outcomes.

When discussing the results of Dercon & Krishnan’s study with Ethiopian women, I asked for their perception of women’s recovery from illness and whether they could explain the observed differences in recovery between men and women. Indeed, they confirmed the differences and argued that it could be related to a difference in support networks. As women usually change their place of residence when they get married, they have fewer female relatives who can help them out if they become ill. This is not necessarily in terms of finding