

## **‘Neither good nor bad’: São Toméans critical but optimistic about economic performance**

**Afrobarometer Dispatch No. 123 | Samuel Baaye, Kakra Adu Duayeden, and Daniel Armah-Attah**

### **Summary**

São Tomé and Príncipe's economy grew by 4.0% in 2013 and 4.9% in 2014; inflation dropped from 8.1% to 6.3%; and the proportion of the population living in poverty declined from 53.8% in 2000 to 49.6% in 2010, according to the government's second National Poverty Reduction Strategy Paper (International Monetary Fund, 2014). Still, that leaves half of the population in poverty while the once-important cocoa sector stagnates, hoped-for oil discoveries have not materialized, and unemployment affects 13% of the workforce (Economy Watch, 2016; African Economic Outlook, 2014).

How do São Toméans perceive their economic performance and challenges? In 2015, Afrobarometer's first survey in the island nation found considerable ambivalence: The most common assessment of the country's economic situation and personal living conditions is "neither good nor bad." Substantial proportions of the population report having experienced shortages of food, clean water, and other basic necessities of life, and public assessments of government performance on economic issues are fairly negative. Still, most São Toméans are optimistic about the economic outlook.

While these data were collected well before the 2016 presidential election that replaced incumbent Manuel Pinto da Costa with former Prime Minister Evaristo Carvalho, they may serve as a useful baseline of public perceptions as the government grapples with the country's persistent economic challenges.

### **Afrobarometer survey**

Afrobarometer is a pan-African, non-partisan research network that conducts public attitude surveys on democracy, governance, economic conditions, and related issues across more than 30 countries in Africa. After five rounds of surveys between 1999 and 2013, results of Round 6 surveys (2014/2015) are currently being published. Afrobarometer conducts face-to-face interviews in the language of the respondent's choice with nationally representative samples of 1,200 or 2,400 respondents.

In São Tomé and Príncipe, Afrosondagem of Cape Verde in partnership with a local consultant and the Ghana Center for Democratic Development (CDD-Ghana) interviewed 1,200 adult São Toméans in July-August 2015. A sample of this size yields country-level results with a margin of error of +/-3% at a 95% confidence level.

### **Key findings**

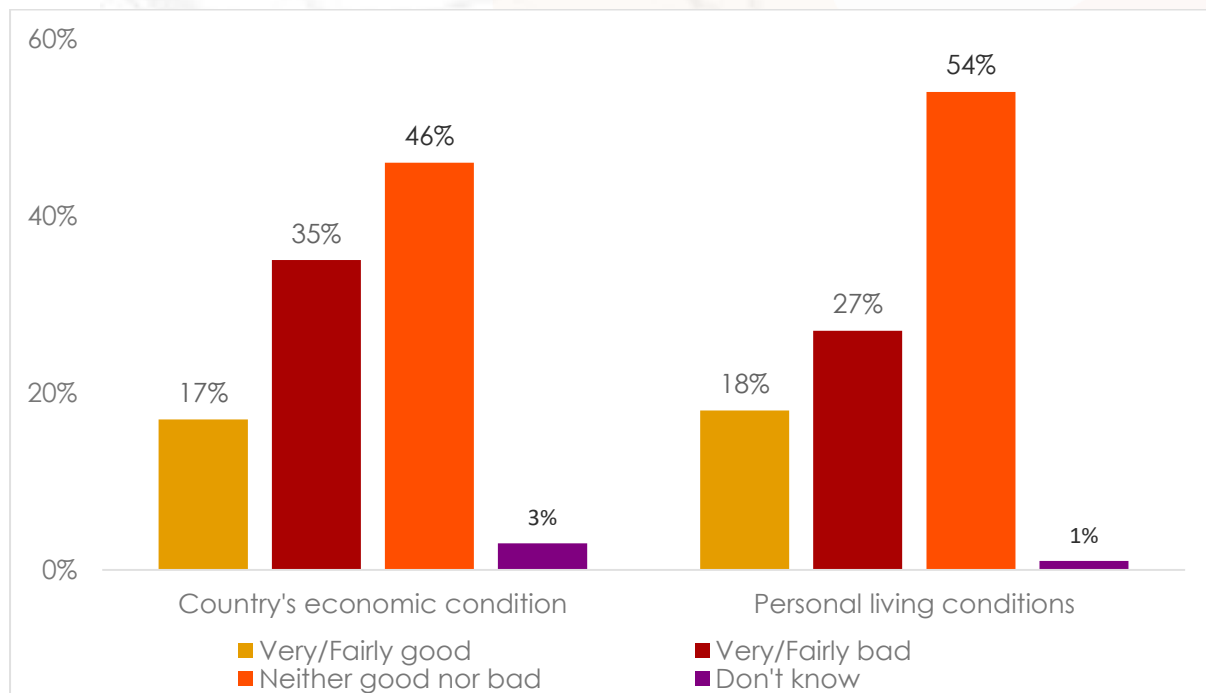
- About three in 10 São Toméans describe their country's economic conditions (35%) and their personal living conditions (27%) as "bad" or "very bad," but the most common assessment is "neither good nor bad."

- Four in 10 São Toméans (40%) went without enough food to eat at least once in the year preceding the survey. About three in 10 experienced a shortage of clean water for home use (30%), medicines or medical care (35%), and cooking fuel (28%) on at least one occasion, while nearly eight in 10 (78%) lacked a cash income.
- As of July-August 2015, a majority of citizens were critical of the government as performing “very” or “fairly” badly on narrowing income gaps (65%), creating jobs (59%), and improving living standards of the poor (55%), but on overall management of the economy, 53% gave a thumbs up.
- Most São Toméans (72%) expressed optimism that economic conditions would be “better” or “much better” in a year’s time. By far the most important problem citizens want their government to address is unemployment (cited by 55% of respondents).

### Economic conditions

“Neither good nor bad” is the most frequent response when São Toméans are asked to assess their country’s economic condition (46%) and their personal living conditions (54%) (Figure 1). About three in 10 citizens describe the country’s economic condition (35%) and their own living conditions (27%) as “very” or “fairly” bad, while only 17% and 18%, respectively, describe economic and living conditions as “very” or “fairly” good.

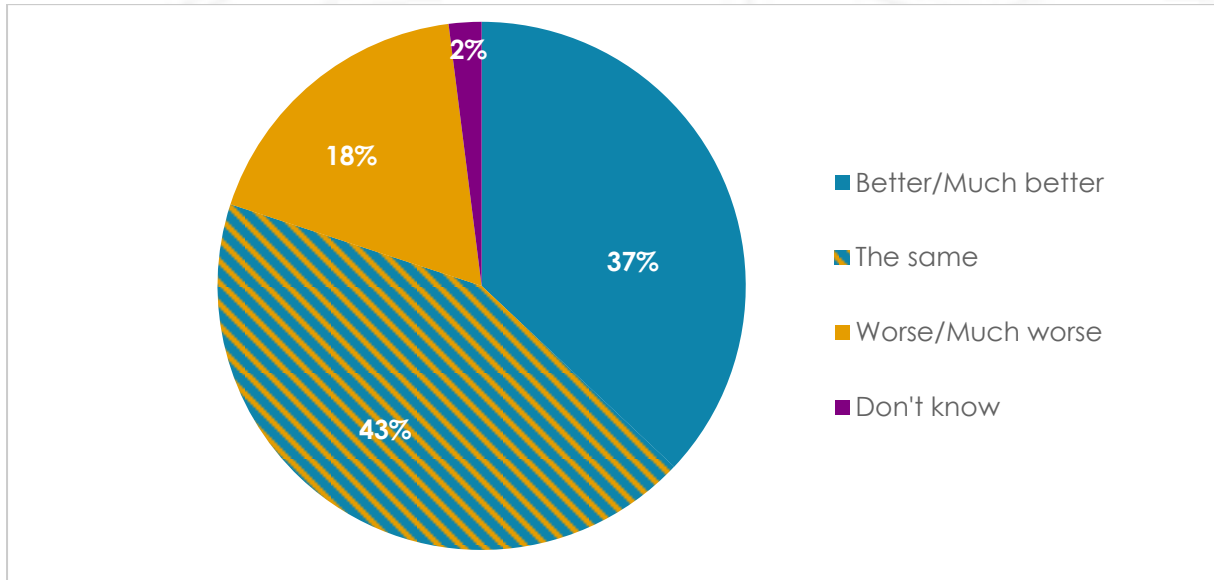
**Figure 1: Economic and living conditions | São Tomé and Príncipe | 2015**



**Respondents were asked:** *In general, how would you describe: (a) The present economic condition of this country? (b) Your own present living conditions?*

Reflecting similar divisions of opinion, four in 10 São Toméans (43%) say the country’s economic condition has not changed over the past year, while 37% think it has improved (“better” or “much better”) and 18% describe it as “worse” or “much worse” (Figure 2).

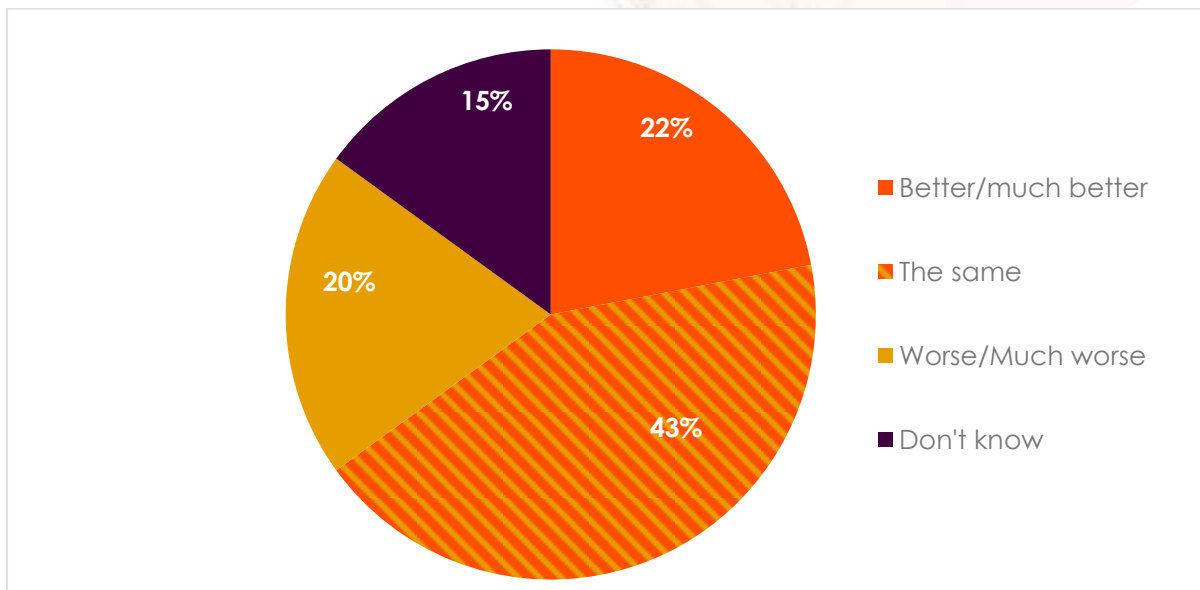
**Figure 2: Country's economic condition compared to 12 months ago** | São Tomé and Príncipe | 2015



**Respondents were asked:** Looking back, how do you rate economic conditions in this country compared to 12 months ago?

About one in five respondents say their living conditions are “better” or “much better” than those of other São Toméans (22%), while a similar proportion say they live “worse” or “much worse” than their compatriots (20%). About twice as many say they live in “the same” conditions as other citizens (43%) (Figure 3).

**Figure 3: Living conditions compared to those of other São Toméans** | 2015



**Respondents were asked:** In general, how do you rate your living conditions compared to those of other São Toméans?

As shown in Table 1, perceptions of difficult economic and living conditions vary somewhat by sociodemographic group.

Urban residents are more likely than their rural counterparts to describe the national economy as “fairly” or “very” bad (38% vs. 28%). However, there are no significant differences in the perceptions of urban and rural residents regarding their personal living conditions, their living conditions compared to those of other São Toméans, or the country’s economic condition compared to the previous year.

Similarly, men are more likely than women to see the country’s economic condition as fairly/very bad (38% vs. 32%).

Negative assessments of the state of the national economy, personal living conditions, and personal living conditions compared to those of other São Toméans generally increase with age. Most strikingly, senior citizens (aged 61 years and above) (43%) and adults (aged 36-60 years) (35%) are significantly more likely than youth (aged 18-35 years) (21%) to describe their living conditions as fairly/very bad.

By educational attainment, the pattern is less clear. São Toméans with primary education are more inclined than those with no formal education and those with secondary or tertiary education to give negative assessments of the national economy, their personal living conditions, and national economic conditions compared to the past year, while the uneducated are most negative in the assessment of their living conditions compared to those of other São Toméans.

**Table 1: Negative assessments of economic and living conditions |** by demographic group | São Tomé and Príncipe | 2015

	“Fairly bad” or “very bad”		“Worse” or “much worse”	
	Country’s economic condition	Personal living conditions	Country’s economic condition vs. 1 year ago	Living conditions vs. others
<b>Urban</b>	38%	28%	18%	19%
<b>Rural</b>	28%	27%	18%	20%
<b>Men</b>	38%	29%	19%	19%
<b>Women</b>	32%	26%	18%	20%
<b>Youth (18-35 years)</b>	33%	21%	16%	16%
<b>Adults (36-60 years)</b>	36%	35%	22%	24%
<b>Senior citizens (61+ years)</b>	39%	43%	17%	28%
<b>No formal education</b>	27%	30%	18%	33%
<b>Primary</b>	37%	34%	22%	24%
<b>Secondary/Post-secondary</b>	34%	24%	17%	18%

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*Looking back, how do you rate economic conditions in this country compared to 12 months ago?*

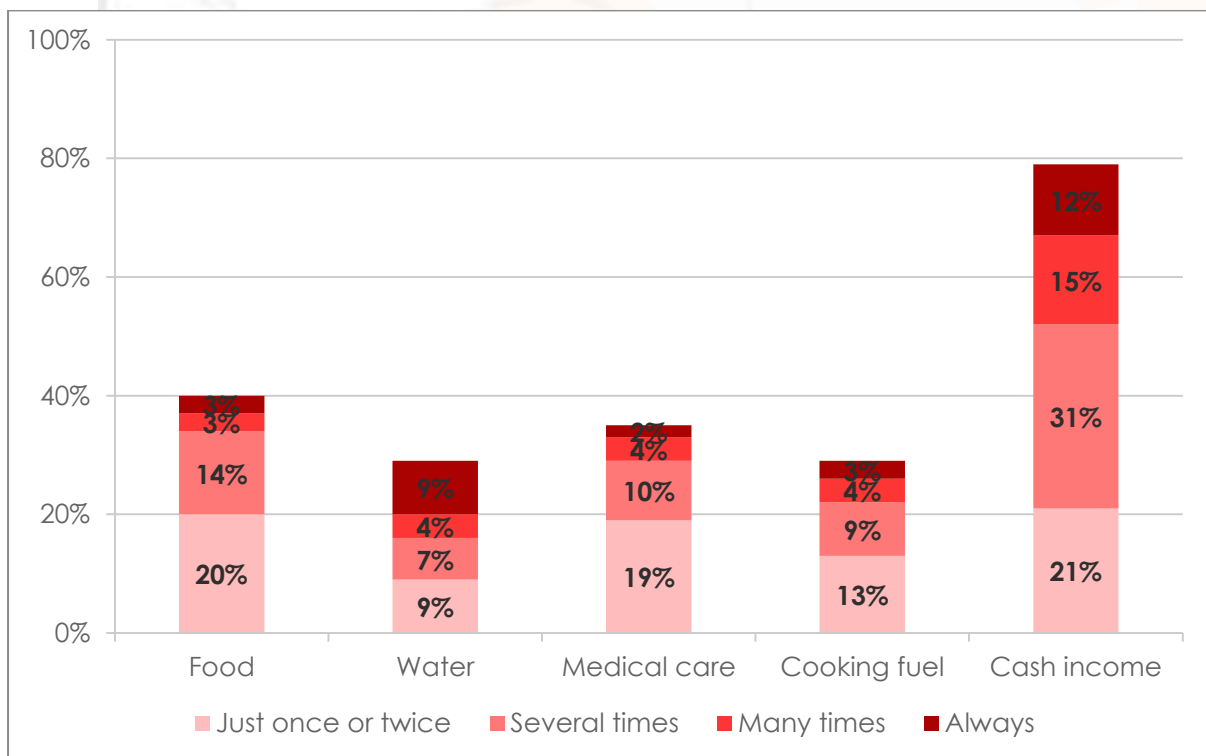
*In general, how do you rate your living conditions compared to those of other São Toméans?*

### Lived poverty

While São Toméans' assessments of economic and living conditions tend toward the middle of the road, sizeable proportions of the population report experiencing "lived poverty," i.e. going without some basic necessities of life. Afrobarometer tracks lived poverty by asking respondents how frequently they or their families went without enough food, enough clean water, medicines or medical treatment, enough cooking fuel, and a cash income during the previous year.

In São Tomé and Príncipe, four in 10 citizens (40%) say they went without enough food at least once during the year preceding the survey, including 20% who did so "several times," "many times," or "always" (Figure 4). About three in 10 lacked water (30%), medical care (35%), or cooking fuel (28%) at least once. By far the most common deprivation was a cash income (78%), with its negative multiplier effect on a family's ability to meet other basic needs. Among citizens who say they lacked one of the basic necessities of life "several times," "many times," or "always," the majority (52%) went through this experience at least once a week.

**Figure 4: Going without basic necessities at least once | São Tomé and Príncipe | 2015**



**Respondents were asked:** Over the past year, how often, if ever, have you or anyone in your family: (A) Gone without enough food to eat? (B) Gone without enough clean water for home use? (C) Gone without medicines or medical treatment? (D) Gone without enough fuel to cook your food? (E) Gone without a cash income?

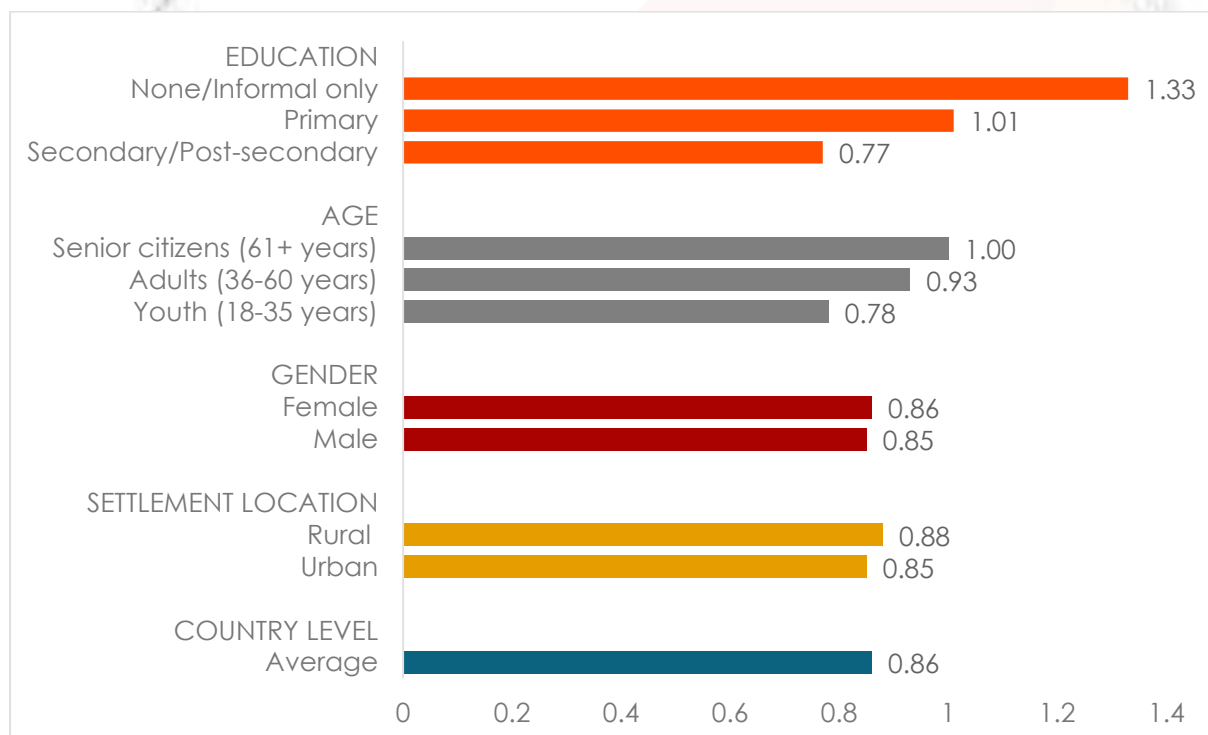
(Note: Due to rounding, summed response categories reported in the text may differ slightly from the sum of categories shown in graphics.)

The responses to this set of five questions can be combined in a Lived Poverty Index (LPI) score for each respondent and each country. LPI scores range along a five-point scale from

0 (no lived poverty) to 4 (a constant absence of all five basic necessities). São Tomé and Príncipe's LPI score for 2015 is 0.86, which is well below (less lived poverty) the average score of 1.13 across 36 countries surveyed in 2014/2015. (For more on LPI scores, see Mattes, Dulani, & Gyimah-Boadi, 2016).

Lived poverty is considerably more prevalent among less educated São Toméans, with LPI scores ranging from 1.33 for those with no formal education to 0.77 for those with at least a secondary education (Figure 5). Older citizens are also more likely to experience lived poverty (1.00 for ages 61 and above, compared to 0.78 among those aged 18-35 years). Rural areas (0.88) are somewhat more prone to lived poverty than urban centers (0.85).

**Figure 5: Lived Poverty Index scores | by demographic factors | São Tomé and Príncipe | 2015**



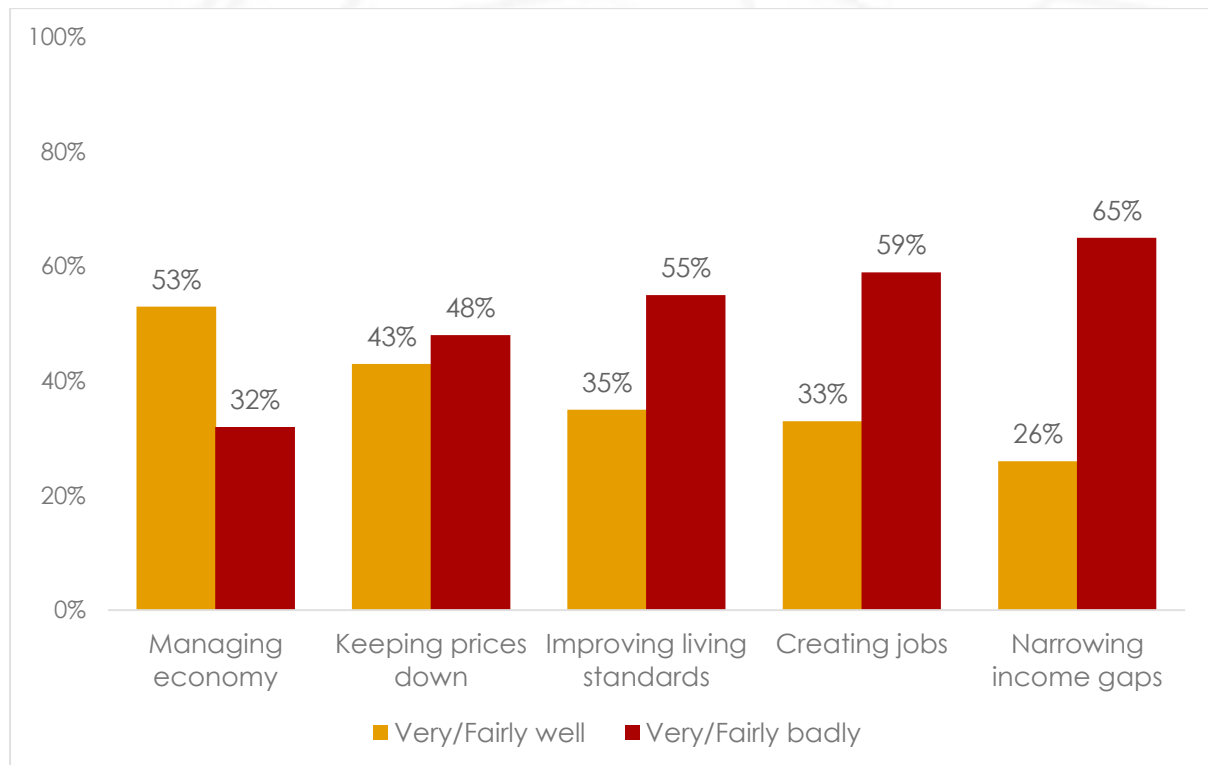
**Respondents were asked:** Over the past year, how often, if ever, have you or anyone in your family: (A) Gone without enough food to eat? (B) Gone without enough clean water for home use? (C) Gone without medicines or medical treatment? (D) Gone without enough fuel to cook your food? (E) Gone without a cash income? (Figure shows Lived Poverty Index scores combining responses to all five questions.)

### Government management of the economy

Perhaps reflecting their experience of lived poverty, in July-August 2015 São Toméans were fairly critical of the government's performance on economic issues. (A year later, they elected Carvalho as their new president.)

While a majority (53%) gave the government good marks for overall management of the economy, majorities also said the government performed "very badly" or "fairly badly" on narrowing income gaps (65%), creating jobs (59%), and improving living standards of the poor (55%) (Figure 6).

**Figure 6: Rating of government performance on key economic indicators | São Tomé and Príncipe | 2015**



**Respondents were asked:** How well or badly would you say the current government is handling the following matters, or haven't you heard enough to say: (A) Managing the economy? (B) Improving the living standards of the poor? (C) Creating jobs? (D) Keeping prices down? (E) Narrowing gaps between rich and poor?

As shown in Table 2, São Toméans living in urban centres are generally more critical than their rural counterparts in their assessment of how government has handled the management of the economy (33% vs. 29% fairly/very badly), improving living conditions (56% vs. 51%), creating jobs (61% vs. 54%), keeping prices down (50% vs. 43%), and narrowing income gaps (67% vs. 60%).

To further explore this data, please visit Afrobarometer's online data analysis facility at [www.afrobarometer.org/online-data-analysis](http://www.afrobarometer.org/online-data-analysis).

Men and women are similar in their assessments of government performance on these five indicators except in the area of keeping prices down (50% for men vs. 45% for women saying fairly/very badly). Youth and

adults are more critical of government performance than senior citizens. And negative assessments increase significantly with respondents' level of education, with differences ranging from 7 to 24 percentage points between respondents with no formal education and those with at least a secondary education.

**Table 2: Negative economic management ratings** | by demographic group | São Tomé and Príncipe | 2015

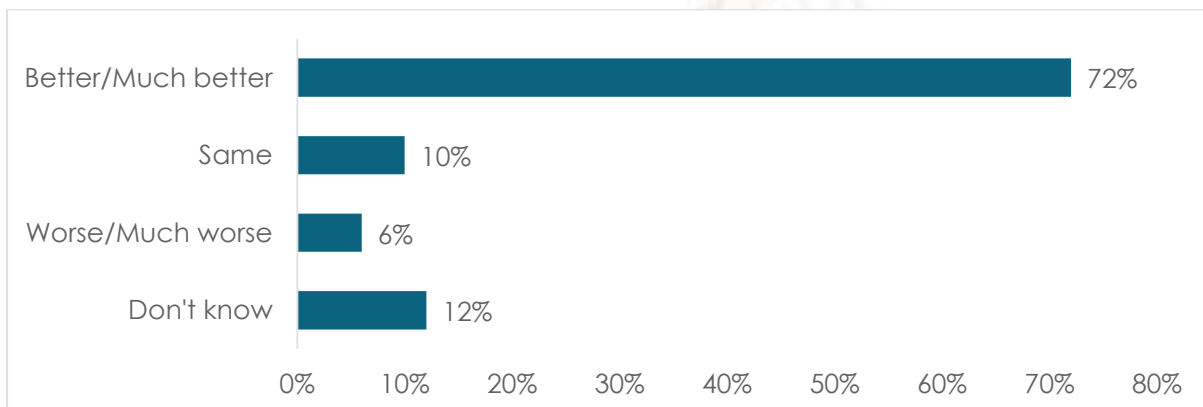
	"Fairly badly" or "Very badly"				
	Managing economy	Improving living standards	Creating jobs	Keeping prices down	Narrowing income gaps
<b>Urban</b>	33%	56%	61%	50%	67%
<b>Rural</b>	29%	51%	54%	43%	60%
<b>Men</b>	31%	54%	58%	50%	66%
<b>Women</b>	33%	55%	60%	45%	64%
<b>Youth (18-35 years)</b>	31%	54%	59%	47%	65%
<b>Adults (36-60 years)</b>	33%	58%	60%	49%	67%
<b>Senior citizens (61+ years)</b>	27%	38%	41%	41%	43%
<b>No formal education</b>	26%	35%	38%	42%	48%
<b>Primary</b>	26%	50%	54%	44%	59%
<b>Secondary/Post-secondary</b>	34%	57%	62%	49%	67%

**Respondents were asked:** How well or badly would you say the current government is handling the following matters, or haven't you heard enough to say: (A) Managing the economy? (B) Improving the living standards of the poor? (C) Creating jobs? (D) Keeping prices down? (E) Narrowing gaps between rich and poor?

### Government action to improve economic conditions

Despite their criticism of the government's performance, a large majority of São Toméans (72%) were optimistic that economic conditions would be "better" or "much better" within 12 months' time (Figure 7). Only 6% envisaged "worse" or "much worse" conditions in the coming year.

**Figure 7: Country's economic condition in 12 months' time** | São Tomé and Príncipe | 2015

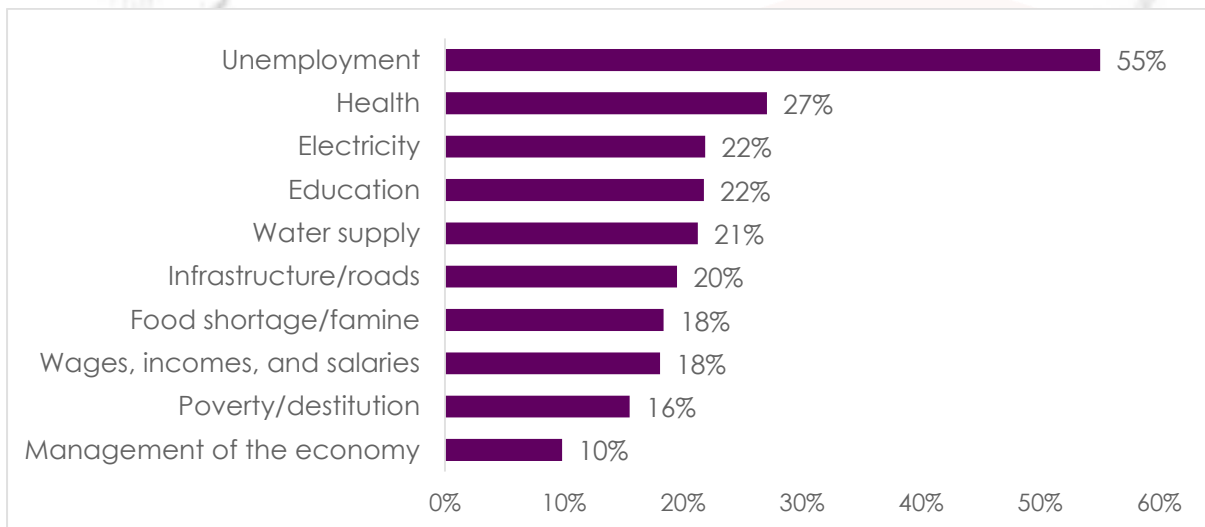


**Respondents were asked:** Looking ahead, do you expect economic conditions in this country in 12 months' time to be better or worse?



A key issue for economic well-being – unemployment – is São Toméans' top priority for government action. When asked what they consider the most important problems that the government should address (and allowed up to three responses), by far the most frequently cited problem (by 55% of respondents) is unemployment (Figure 8). Next in priority are public services: health (27%), electricity (22%), education (22%), water supply (21%), and infrastructure/roads (20%).

**Figure 8: Most important problems that government should address | São Tomé and Príncipe | 2015**



**Respondents were asked:** *In your opinion, what are the most important problems facing this country that government should address? (Figure shows % of respondents who cite each issue as one of their three most important problems.)*

## Conclusion

São Toméans' perceptions of their economic circumstances are more reflective of stagnation than of crisis: The most common assessments highlight "neither good nor bad," no change from the previous year, and, when it comes to their personal living conditions, no difference from other citizens.

But sizeable proportions of the population experienced shortages of basic necessities, and public assessments of government performance on key macroeconomic indicators are mostly negative.

Nonetheless, most São Toméans are optimistic that economic conditions will improve, a foundation of goodwill that the government can capitalize on as it grapples with unemployment and other persistent challenges.

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Afrobarometer is produced collaboratively by social scientists from more than 30 African countries. Coordination is provided by the Center for Democratic Development (CDD) in Ghana, the Institute for Justice and Reconciliation (IJR) in South Africa, the Institute for Development Studies (IDS) at the University of Nairobi in Kenya, and the Institute for Empirical Research in Political Economy (IREEP) in Benin. Michigan State University (MSU) and the University of Cape Town (UCT) provide technical support to the network.

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