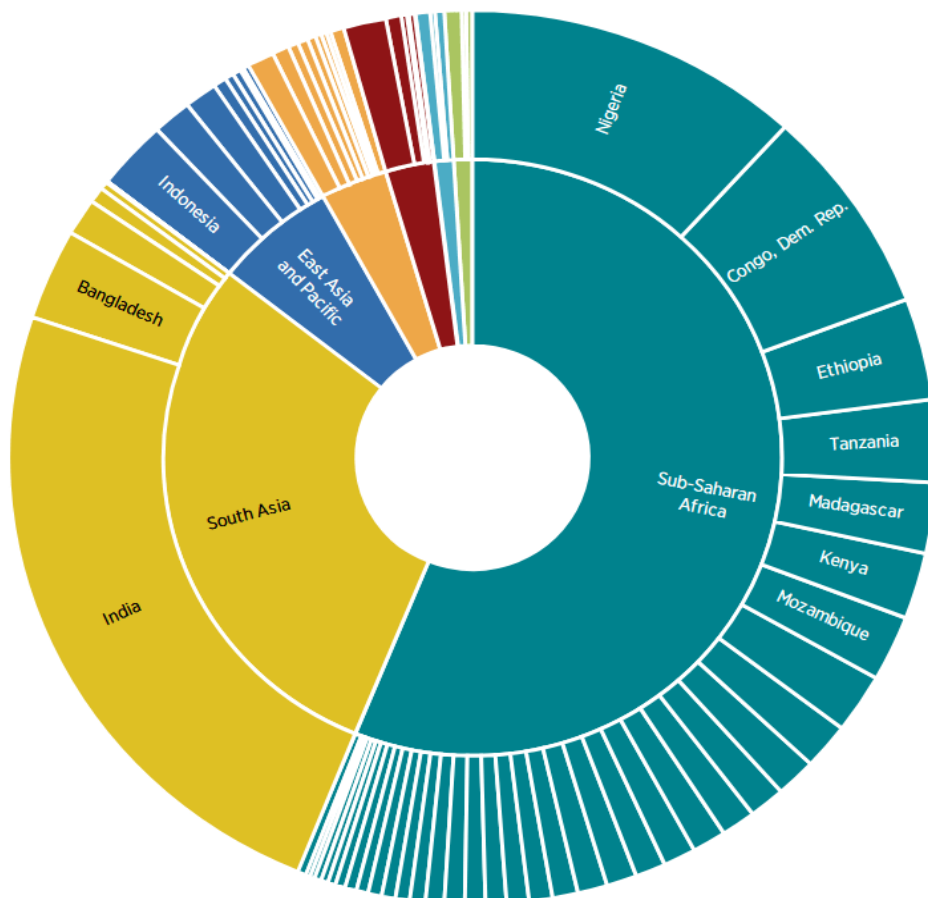


**MULTIDIMENSIONAL POVERTY IN SUB-SAHARAN AFRICA**  
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## **1.0 Introduction**

Extreme deprivation is a perennial development constraint in Africa, particularly from the 1980s into the 1990s, as the region suffered from poor economic outcomes. The level of poverty in the region has assumed a worrisome dimension, growing from 278 million in 1990 to 413 million in 2015. This is in sharp contrast to global poverty trends, which actually declined from 36% of the world's population in 1990 to 10% in 2015 (Patel, 2018). By 2015, most of the world's poor lived in Sub-Saharan Africa, with the poverty head-count ratio estimated at 41% of the population. In addition, 27 of the world's 28 poorest countries are Africa, with poverty prevalence above 30%. Figure 1 shows the regional distribution of global poverty.



**Figure 1: Distribution of Global Poverty, 2015**

**Source:** PovcalNet, World Bank, <http://research.worldbank.org/PovcalNet/>.

Figure 1 reveals the global distribution of poverty in 2015. It shows Sub-Saharan Africa and South Asia as the regions with the largest prevalence of poverty. It also reveals Nigeria, Congo DR, and Ethiopia with the largest populations undermined by the scourge in Sub-Saharan Africa. While the poverty head-count ratio in Africa has reduced from 41% of the population in 2015 to 36% in 2021, the absolute number of people living in poverty actually increased to 490 million people in 2021, up from 481 million in 2019. While this represents an increase of just over 9 million since 2019, it translates to a reduction in the incidence of poverty, masked by an increase in population by roughly 30 million people (Human, 2021). It is therefore obvious that the emergent demographic explosion in Africa undermines poverty reduction efforts by policy makers across the continent.

## **2.0 Endemic Poverty in Sub-Saharan Africa**

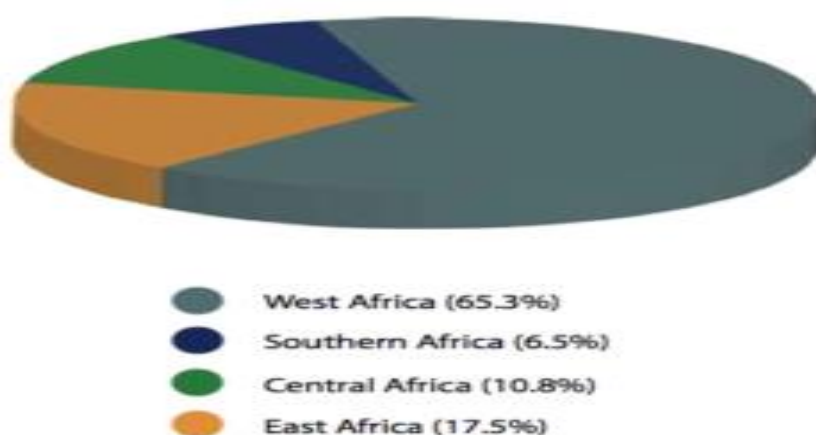
Poverty is a critical development issue that continues to pose a threat to various countries in SSA. While poverty has been reducing in other regions of the world, particularly since 1980; SSA remains an exception, where the scourge has actually trended upward, rising slightly from 45 to 46% of the population between 1990 and 2000 (Fosu, 2008). It eventually declined to 41% of the population by 2013. While poverty rates have trended downward in recent times, there is considerable disparity between and within countries in the region. The regional distribution of poverty in SSA reveals an interesting dimension in recent times (World Bank, 2020). Povacalnet data reveal, for example, that in Madagascar and South Sudan, absolute poverty is evenly distributed at the national level, while such countries as Angola and Nigeria feature considerable heterogeneity across sub-national regions.

## **3.0 Multidimensional Poverty in Sub-Saharan Africa**

Given the endemic state of poverty in SSA, as well as its perennial nature across the region over the past several decades; it is obvious that lack of income or consumption alone cannot account for the region's high and persistent rate of impoverishment. In several cases, such issues as conflict, lack of access to social services, exclusion and powerlessness, lay at the heart of poverty. Therefore, in order to understand poverty in all its ramifications, including its sources and effects, across SSA, the multi-dimensional poverty index is an imperative. Multidimensional poverty can be defined as a wide range of characteristics, such as limited financial resources, material deprivation, exclusion and powerlessness, as well as physical and psychological ill-being that undermine human wellbeing (Walker, 2015).

In 2016, the Islamic Development Bank (IDB), in collaboration with the Oxford Poverty and Human Development Institute, released the report, titled "Multidimensional Poverty Assessment in IDB Sub-Saharan African Member Countries". An analytical tool employed in this report is the Multidimensional Poverty Index (MPI), launched in 2010, published by the Oxford Poverty and Human Development Initiative (OPHI) and the UNDP. The MPI assesses people's deprivations embraced in 10 indicators organized into three equally weighted dimensions: education, health, and living standards. Findings reveal that in 2015, a total of 264.3 million people living in 22 IDB Sub-Saharan African member countries were multidimensional poor, or 61.9% of all the people living in these countries. The prevalence rate is much higher than the headcount ratio of 38.4% for the IDB region as a whole. The distribution of the poor in the 22

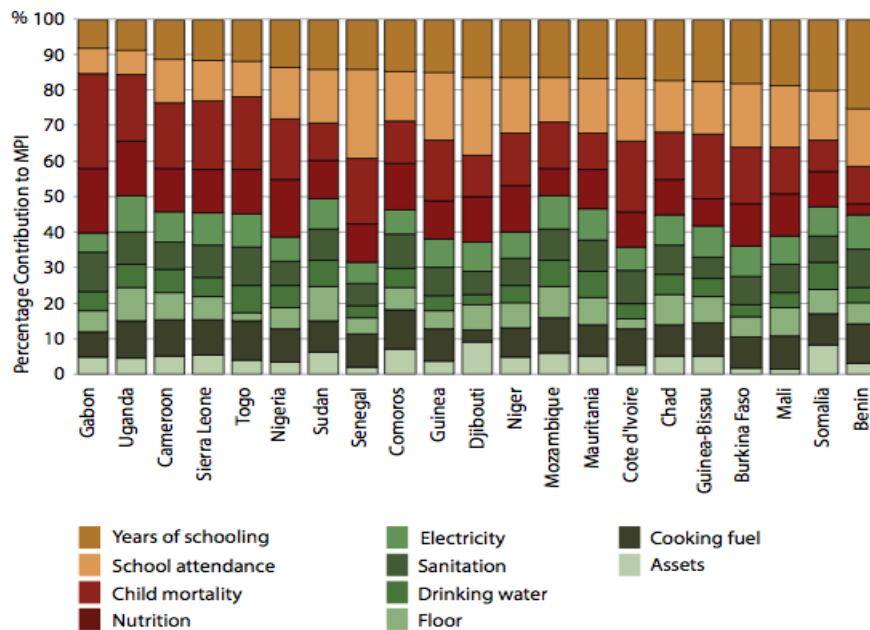
countries presents an interesting dimension: of the 264.3 million affected, 65.3% live in West Africa, 17.4% in East Africa, 10.8% in Central Africa; and 6.5% in Southern Africa. Nigeria alone was home to 87.4million of MPI poor, or one-third of the total number of IDB MPI poor in SSA. However, the country with the highest incidence of MPI in the report is Niger, with a headcount poverty ratio (H) of 89.3%. Figure 2 shows the regional distribution of the multidimensional poor in SSA's sub-regions, revealing the prevalence rates in Western, Central, Eastern and Southern Africa.



**Figure 2: Multidimensional Poverty Profile in SSA's Sub-regions**  
**Source: Islamic Development Bank, 2016**

The IDB (2016) report presents destitution data for 20 of the 22 IDB African countries, which is home to 150.1 million destitute people. Of these, over one-half, or 58.8% of MPI Poor were in African member countries. The prevalence reveals that 36.2% of the total population in IDB member countries in SSA is destitute. In terms of MPI dynamics, 7 of 8 African IDB member countries for which time-series data were available showed statistically significant reductions in multidimensional poverty. The exception was Senegal, with no significant change. Findings also reveal that nearly all countries which reduced multidimensional poverty also reduced inequality among the poor. However, when increases in population was considered along with

reduction of poverty headcount ratio during the same period, only Gabon and Nigeria feature reductions in the number of people living in poverty over the same period. The country-level data of the MPI report presents an interest dimension. As already noted, Niger features the highest multidimensional poverty, placed at 68.8% of its population. The prevalence rates of Chad and Burkina Faso are also very high, at 65.8% and 57.5%, respectively. However, in Gabon, the rate was much lower, at 3.2%. Furthermore, the composition of poverty for each country is different. For example, in Gambia, Cote D'Ivoire, and Burkina Faso, the contribution of each indicator on the MPI tends to be relatively equal, while in Gabon, deprivation in health indicators dominates the MPI. On the other hand, deprivations in education contributed the most to poverty in Benin and Senegal, while deprivations in living standards accounted for 45% or more of the MPI in ten countries, including Uganda, Sudan and Mozambique. Figure 3 reveals the percentage contribution of each indicator to overall MPI for 21 IDB member countries in SSA.



**Figure 3: The percentage contribution of each indicator to overall MPI for the 22 IDB member countries in SSA**

**Source: Islamic Development Bank, 2016**

Alkire and Houseini (2014) also examined multidimensional poverty trends in SSA. The authors rely on the Oxford OPHI data, covering 24 SSA countries, which are home to 644.6 million people, or 75% of the region's population. The study also presents changes in MPI and destitution over time for 19 SSA countries and 161 sub-national regions, covering 547 million people, and translating to about 63.9% of the SSA population as at 2010. Findings reveal that 462 million people were poor. Of these, 36.3% lived in West Africa, 30% in East Africa, 14.5% in Central Africa and 13.3% in Southern Africa. Nigeria was home to the highest number of MPI poor at 71.2million, or 15.4% of the total number of SSA MPI poor. Niger was identified

with the highest proportion of MPI poor, where in 2012; it featured a headcount ratio (H) of 89.3%.

The rural-urban decomposition the MPI for SSA presents an interesting dimension. Of the 462 million people categorized as MPI poor, 85.8% lived in rural areas – a significantly higher level than the income poverty estimate of 73.8%. Findings also reveal a pattern of higher incidence and intensity of poverty in rural areas than urban centers across the region. It is noteworthy that in 33 of the 37 SSA countries examined, more than one-half of their population lives in rural areas, a testimony to the high prevalence of poverty in rural areas.

The findings further reveal the trends with destitution in SSA. Across the region, about 200.3 million people are identified with destitution, or 53.3% of the population. Destitution features disadvantages in at least one-third of the weighted averages in the MPI. Of the people identified as destitute in 24 of 37 SSA countries for which MPI is available, 60.9% have experienced the loss of two or more children, while more than one-half has at least one household member that is severely malnourished. Also, 53% of the destitute lack any household member, who has completed even one year of schooling, while in about 52% of them; all primary school-aged children were out of school. Also, almost all the destitute (93.3%) lack access to electricity and 63.4% feature a dearth of such basic asset as bicycle, radio, telephone, refrigerator, television, motorbike, car or truck. In addition, 89.4% of the destitute in SSA practice open defecation, while 71% lack access to safe drinking water.

#### **4.0 Poverty Reduction Strategies in Sub-Saharan Africa**

Anti-poverty initiatives have emerged across SSA, as part of policy makers' poverty reduction strategies, particularly since the late 1990s, against the backdrop of the social impact of structural adjustment. As part of the paradigm shift of the focus of SAP, from structural reform to poverty reduction; policy makers across SSA embraced country-driven Poverty Reduction Strategy Papers (PRSPs), following widespread Consultations in each country. The PRSPs reinforced ownership of the initiative and enabled widespread acceptance across the region. This development allowed SSA countries to access Poverty Reduction and Growth Facility (PRGF), the IMF's concessional lending instrument, which allowed benefiting countries to receive debt relief from the Bretton woods Institutions (IMF, 2000).

In recent times, policy makers across SSA have aligned their poverty reduction strategies with the African Union's Agenda 2063, which envisions a united and prosperous Africa, rich in human capital and leaving no one behind. Consequently, empowerment initiatives have been embraced across SSA, including conditional and unconditional transfers, in-kind transfer schemes, as well as public works programs (Sembene, 2017).

However, in view of the high and stagnation prevalence of poverty in Sub-Saharan Africa, the World Bank (2019) published a report, titled "Accelerating Poverty Reduction in Africa". Key elements of the report highlighted the substantial reduction of poverty in Africa, from 54% in 1990 to 41% in 2015. The report however indicated that the decline in the proportion of people living in poverty was accompanied by an increase in the actual number living with the scourge, rising from 278 million in 1990 to 413 million people in 2018. In the light of this disturbing

trend, the World Bank (2019) report advocated four primary issues for policy action: (i) Accelerating the fertility transition, (ii) Leveraging on the Food system, (iii) Mitigating Fragility and (iv) Addressing Poverty financing gap.

## **5. Conclusion**

Endemic poverty is a development constraint across Africa, which has acquired a worrisome dimension over the past several decades, particularly in Sub-Saharan Africa. While poverty has declined steadily around the world since the 1990s, the scourge has remained at high levels in the region, estimated at 36% of the population in 2021. The region is home to some of the world's most impoverished people. While income/consumption poverty measures have been used to capture extreme deprivation in Africa over the past several decades, the methodology has failed to assess critical elements driving extreme deprivation. Hence, policy makers are now embracing Multidimensional Poverty Index, which measures poverty in all its ramifications. The tool is a more effective measure of poverty, not only economic, but also social deprivation of the population.

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