

Multidimensional Poverty and Its Correlates among Rural Households in Limpopo Province, South Africa

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Abstract : This study investigates multidimensional poverty, and its correlates among rural households in Sekhukhune and Capricorn District municipalities (SDM & CDM) in Limpopo Province, South Africa. Primary data were collected from 407 rural households selected through purposive and simple random sampling techniques. Analytical techniques employed include descriptive statistics, principal component analysis (PCA), and the Alkire Foster (A-F) methodology. The results of the descriptive statistics showed there are more females (66%) than males (34%) in rural areas of Limpopo Province, with about 45% of them having secondary school education as the highest educational level attained and only about 3% do not have formal education. In the analysis of deprivation, eight dimensions of deprivation, constructed from 21 variables, were identified using the PCA. These dimensions include type and condition of dwelling water and sanitation, educational attainment and income, type of fuel for cooking and heating, access to clothing and cell phone, assets and fuel for light, health condition, crowding, and child health. In identifying the poor with poverty cut-off (0.13) of all indicators, about 75.9% of the rural households are deprived in 25% of the total dimensions, with the adjusted headcount ratio (M0) being 0.19. Multidimensional poverty estimates showed higher estimates of poor rural households with 71%, compared to 29%, which fall below the income poverty line. The study conducted poverty decomposition, using sub-groups within the area by examining regions and household characteristics. In SDM, there are more multidimensionally poor households than in CDM. The water and sanitation dimension is the largest contributor to the multidimensional poverty index (MPI) in rural areas of Limpopo Province. The findings can, therefore, assist in better design of welfare policy and target poverty alleviation programs and as well help in efficient resource allocation at the provincial and local municipality levels.

Keywords : Alkire-Foster methodology, Limpopo province, multidimensional poverty, principal component analysis, South Africa

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