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Are we underestimating poverty in Lagos State?

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In recent times, poverty measurement using a multidimensional approach is gaining attention. This is because it has been observed that it is possible for an economy to experience an increase in national output and yet have its citizens experience very poor welfare outcomes. As a result, attention is being shifted from the income/consumption approach to poverty measurement to the multidimensional poverty measurement approach. Measuring poverty from a multidimensional perspective provides policymakers with core deprivation indices of individuals /households. It is a known fact that poverty is a macroeconomic issue ravaging the Nigerian economy and the government over the years has struggled to free Nigeria from the horrible stronghold of this problem with minimal results. In fact, in 2018, Nigeria was tagged "the poverty capital of the world" by the World Poverty Clock. It is therefore an unarguable fact that the poverty rate is high in Nigeria. However, although poverty is a macro issue, the task of reducing poverty will have to start at the micro (household) level.

Poverty measurement in urban regions is grossly undermined, therefore, poverty eradication programmes oftentimes focus on rural areas. However, as a result of increased urbanization, urban cities are now overcrowded coupled with increased poverty. In fact, poverty in rural areas may not be as gruesome as that experienced in urban centres. This is because rural dwellers have access to family assets such as large farmlands, good housing structures, and less crowded educational facilities. However, the opposite is seen in urban centres. The urban poor are concentrated in slums and are excluded from basic amenities and provisions which other less vulnerable people have access to. A good example is Lagos State, the business hub of Nigeria and the second-largest city in Africa. Like Nigeria, Lagos State is also battling with an increased population. This is not surprising because the economic viability of Lagos

State attracts people from within and outside Nigeria into the already overcrowded city. This has led to the development of shanty settlements across tenure-loose areas in the state. These settlements are characterized by very poor living standards and poverty in all facets. Access to potable water, electricity, good roads, proper housing structures, educational and health facilities are all poorly made available. Slum-dwellers also experience high degrees of social exclusion which further trap them in poverty.

Recently, Popogbe et al (2020) carried out an evaluation of poverty in five (5) major slums in Lagos State: Makoko, Ijora Badia, Iwaya, Ilaje, and Amukoko using a fuzzy set approach and some interesting results were found. Comparing the Multidimensional Poverty Index (MPI) to that of Lagos State (as calculated by Oxford Poverty and Human Development Initiative (OPHI)), we observed that there is a very wide difference between the Lagos State MPI and that of the slum communities examined. While Lagos State had an MPI of 0.01, the MPI of the slums varied from 0.48 to 0.52. Alkire and Santos (2014) opined that a household is multi-dimensional poor if it scores 0.33 or more and severely poor if it scores 0.50 and above. They proposed a dual cut-off method to first indicate those who are poor and at a second level, severely poor. Since we focused on slums in the study, adopting a cut-off of 0.33 may be biased knowing that slum communities are often inhabited by people who are disadvantaged and cannot afford the standard of living in the city. It is, therefore, a general assertion that slum dwellers are poor. However, to realistically capture the severity of poverty, our study adopts the second cut-off of 0.50, which is a mid-point deprivation score.

The importance of education cannot be overemphasized in the development of the human capital of an economy. Our findings show that many household heads lack basic primary education and while very few households had one or more drop-outs, most of the households had school-age children attending a neighbourhood school. The quality of the education these children get now will impact their skill quality in the future. It is, therefore, incumbent on the government and other education stakeholders to improve the quality of education of public schools so that less privileged children who attend these schools will comfortably compete with their mates from privately-owned schools. Poor sanitation practices and lack of access to drinking water also significantly impacted the living standards across the slums. There is indeed a close relationship between water and sanitation. Asides quality education, the provision of water should be given priority to improve sanitation practices in the slums. Other indicators such as electricity, flooring, cooking fuel, and assets should also not be neglected. Although the current study does not show that slum communities are severely deprived in these latter indicators, however, any form of neglect can further plunge the vulnerable household members into poverty.

Measuring poverty in Lagos State with sparse attention given to slums (where poverty is

vivid) will therefore generate unreliable results. With continued migration into urban centres, it is high time policymakers focused on poverty-ridden communities in urban centres to understand the dynamics of multidimensional poverty in urban areas. In fact, UN-Habitat (2019) asserted that over 1 billion people in the world population live in slums and this figure is expected to increase to 2 billion by 2030. It is therefore now paramount to provide inclusive growth for slum dwellers. In concluding, tackling poverty at the community level is a welcome development as this will ultimately reduce multidimensional poverty in the national economy in the long run.

References

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