



Is there really so little urban poverty in Sub-Saharan Africa?

Prepared by Diana Mitlin and David Satterthwaite, International Institute for Environment and Development (IIED)

Introduction

People working on agriculture and on rural development can be defensive about their rural agenda, to the extent that they dismiss or try to minimise concerns for urban poverty. Certainly in Sub-Saharan Africa, there are more rural dwellers suffering serious deprivation than urban dwellers. But the scale of the region's urban population is changing dramatically. In 1950, the urban population of Sub-Saharan Africa was only 20 million, and it remained under 100 million in 1980; now it is over 300 million and projected to exceed 500 million by 2025.

Assessing the scale and depth of urban poverty

A large proportion of this urban population suffers from serious deprivation – in food intakes, incomes, premature mortality, access to services, and poor quality housing that is often insecure. It is difficult to provide precise figures, but depending on which aspect of poverty is considered, between 30 and 55 per cent of Sub-Saharan Africa's 300 million urban dwellers are poor. (The latest United Nations statistics suggest there were 321,400 million urban dwellers in the region by

2010).¹ Asia also has a fast-expanding urban population that reached 1.8 billion in 2010. One recent study on maternal health care in 30 countries in the Global South concluded that:

Poor and marginalized urban subgroups compare unfavourably with other urban dwellers with respect to mortality, and groups such as the poorest migrants from rural areas and slum dwellers may have maternal, newborn and child mortality rates as high as or even higher than the rural poor.²

The scale and depth of urban poverty in Sub-Saharan Africa has not yet reached the level of poverty in rural areas, but it is growing rapidly and is significant within the region's total population. The needs and priorities of approximately 30 to 35 per cent of Sub-Saharan Africa's poorest groups should not be ignored because they live in urban areas, and because a majority (65 to 70 per cent) of the poor live in rural areas. Asking for more attention to be paid to urban poverty in the region does not always equate to asking for attention to rural poverty to be dropped.

¹ United Nations, Department of Economic and Social Affairs, Population Division (2010), *World Urbanization Prospects: The 2009 Revision*, CD-ROM Edition - Data in digital form, POP/DB/WUP/Rev.2009, United Nations, New York.

² Matthews, Zoe, Amos Channon, Sarah Neal, David Osrin, Nyovani Madise and William Stones (2010) "Examining the 'urban advantage' in maternal health care in developing countries," *Public Library of Science Medicine*, Vol 7, No 9, page 1.

One reason why the scale and depth of urban poverty is often under-estimated is the use of inappropriate poverty base determinant. Applying the same income-based poverty base line to rural and urban areas in any nation will not work if the costs of basic (food and non-food) needs differ significantly between rural and urban areas. For instance, many low-income urban households have to pay rent for tiny rooms in informal settlements, whereas the vast majority of rural households do not pay for housing. Most urban poverty base lines do not take this into account. Using the same poverty base line in all urban areas in a nation will also not work if the costs of needs differ – for instance with non-food costs particularly high in larger or more successful cities compared to most small market towns or administrative centres.

In most nations, the scale and depth of urban poverty is hugely under-estimated when assessed with the base line of \$1 or \$1.25 a day per person. This is because in urban areas, most low-income households are having to pay rent for their housing (which often takes 20 to 30 per cent of their household income) and high prices for water (from vendors or kiosks because they have no piped supplies to their home) and transport (cheaper accommodation is often on city peripheries, which means high transport costs to and from work, services or schools). In many cities, a considerable proportion of the urban population cannot enrol children into government schools, so these residents have to pay to send their children to very poor quality but cheap ‘private’ schools. Even if these are cheap, they can represent 5 to 10 per cent of a household’s income. Similarly, many residents have no access to government-provided health care and must pay for private health care as well as needed medicines (although this may also be the case for large sections of the rural population).

The \$1 or \$1.25 a day poverty base line was originally set and predicated almost entirely on the cost of food needs in a small sample of low-income nations. Little consideration was given to the cost of non-food requirements. This line was then applied to all low- and middle-income nations.

“If however an analysis is performed of the costs low-income groups face in meeting their non-food needs, even if these are met inadequately, the costs in cities and many smaller urban centres are much more than \$1 or \$1.25 per person per day.”

If the analysis is extended to the income they would need to afford very modest accommodation with pipe borne water and a toilet in the house, this would push up the dollar amount per person per day even further above the \$1 or \$1.25 line. This is especially true in successful cities or capital cities such as Nairobi and Lusaka.

We do not know how the overall figures for poverty – or the proportion of poverty in rural and urban areas – in Africa, Asia and Latin America would change if every nation set poverty baselines on the real cost of meeting food and non-food needs, and adjusted by district and by rural and urban areas. For certain cities, such as Cairo and Lusaka, we know that a large percentage of the population earning more than \$1 or \$1.25 per person per day suffers deprivation, including under-nutrition and living in very poor quality, overcrowded accommodation in informal settlements lacking provision for water and sanitation.³

We also know that the income a household needs to avoid poverty in these cities is even higher. This is the case in India and Argentina,⁴ and it is likely to be the case in other low- and middle-income nations as well.

This is not an issue of rural versus urban; in many contexts, rural poverty may be considerably under-estimated by the \$1 or \$1.25 per person per day

³ Sabry, Sarah (2009), Poverty Lines in Greater Cairo: Under-estimating and Misrepresenting Poverty, *Poverty Reduction in Urban Areas Series Working Paper 21*, IIED, London, 48 pages; Chibuye, Miniva (forthcoming), Interrogating Urban Poverty Lines – the Case of Zambia, *IIED Working Paper*, IIED, London.

poverty line. In addition, there are areas of particular disadvantage faced more by rural than by urban populations. But what is beyond doubt is that it is very misleading to use the \$1 or \$1.25 per person per day poverty line in calculating the scale and depth of urban poverty. In general, it is always misleading to use the same poverty base line for different nations or for all regions in a nation. Therefore, this problem is not solved by applying a higher poverty line of \$2 per person per day, as in many urban contexts that figure is also too low.

Relatively little attention has been paid to this point, although the studies noted above for Cairo and Lusaka suggest a very considerable under-estimation of urban poverty as a result of applying these standard poverty baselines.



Urban poverty can result in high infant and maternal mortality rates.
© Andrea Merrick/Cities Alliance

One exception is the World Bank's Ethiopia poverty assessment project and the resulting significance of price sensitive approaches to the work.⁵ The approach adjusts government poverty lines (based on an average consumption bundle) by improving the accuracy of expenditure variables (rent and energy), adjusting for different prices in the different regions and allowing for region- and time-specific poverty lines as households

adapt consumption to changes in relative prices. The results suggest that while rural poverty is lower than the government estimates, urban poverty is significantly higher.

The Ethiopian government estimates that urban poverty was 33 per cent in 1995 and 37 per cent in 1999. The World Bank assessment concludes that allowing for or recognising variation in food choices significantly increases the percentage of the urban population in poverty. With the variable basket, the percentage below the lower poverty line is 32 per cent in 1995 (broadly similar to the government) but it rises to 46 per cent in 1999. Figures for the higher poverty lines are 47 per cent and 70 per cent in the two periods. It is likely that better methodologies for defining and measuring urban poverty would produce similar results in other nations.

If only 93 million urban dwellers in Sub-Saharan Africa are poor – as suggested by the application of the US\$1 or \$1.25 per person per day poverty line – why is it that a much larger number (130 to 170 million) live in informal settlements or 'slums' lacking adequate provision for water, sanitation, drainage, health care, and schools? If such a low proportion of the urban population is 'poor,' why are the proportions of the urban children who are under-height and underweight so much higher?

Impacts on maternal and child health mortality rates

There is also a growing evidence base that a large proportion of the urban population in Sub-Saharan Africa is in very poor health (usually seen in high rates of infant, child and maternal mortality or some measures of under-nutrition). Where there are comparisons to rural populations,⁶ these often show much worse health among urban poor groups than among rural populations, although of course this does

⁴ Hardoy, Jorgelina with Florencia Almansi (forthcoming), "Assessing the scale and nature of urban poverty in Buenos Aires," *IIED Working Paper*; Chandrasekhar, S. and Mark R. Montgomery (2010), "Broadening Poverty Definitions in India: Basic Needs in Urban Housing," *IIED Working Paper*, IIED, London; Bapat, Meera (2009), "Poverty Lines and Lives of the Poor: Underestimation of Urban Poverty, the case of India," *IIED Working Paper*, London, 47 pages.

⁵ World Bank (2005) Ethiopia: "Well being and Poverty in Ethiopia; the role of agriculture and agency." *Poverty Reduction and Economic Management 2* (AFTP2), Country Department for Ethiopia, World Bank: Washington D.C., pages 14-15.

⁶ APHRC (2002), *Population and Health Dynamics in Nairobi's Informal Settlements*, African Population and Health Research Center, Nairobi, 256 pages.



Squatter settlement in Alexandria, Egypt. ©Andrea Zeman/Cities Alliance.

not mean worse health than for the rural poor. But low-income urban dwellers would be expected to have a health advantage over their rural counterparts because it is cheaper and easier to reach them with health care provision and with key determinants of health such as good quality sanitation, schools, and piped, treated water. But this is often not the case.

An analysis of data from Demographic and Health Surveys (DHS) in 47 nations found that for 30 of these, under-five mortality rates did not differ significantly between the rural and the urban poor.⁷ A study on childhood stunting drawn from DHS data found that the ‘urban advantage’ in child health disappears in all but one nation, once the socio-economic status of

⁷ Van de Poel, Ellen, Owen O’Donnell, and Eddy van Doorslaer (2007), “Are urban children really healthier? Evidence from 47 developing countries,” *Social Science & Medicine* Vol 65, No 10, November, pages 1986-2003.

⁸ Fotso, John-Christophe (2007), “Urban–rural differentials in child malnutrition: Trends and socioeconomic correlates in sub-Saharan Africa,” *Health & Place*, Vol 13, No 1, March, pages 205-223.

⁹ Tacoli, Cecilia (2003), “The links between urban and rural development,” *Environment and Urbanization*, Vol 15, No 1, pages 3-12.

households is accounted for⁸. There are also studies from Asia and Latin America that show little or no health advantage for the urban poor when compared to the rural poor, and some that show an urban health penalty.

However, we must also avoid under-stating rural poverty or the selective use of data to bolster the case for more attention to urban poverty in ways that underplay rural poverty.

“A commitment to poverty reduction also needs to recognise that it requires strong rural and urban components and an understanding of how rural-urban links influence poverty (or less poverty).”

A high proportion of rural households in Sub-Saharan Africa and other regions have one or more family members working in urban areas, and their remittances are important for household survival. Much of the non-farm and off-farm work that is so important for rural livelihoods is in urban areas. Meanwhile, many low-income urban households benefit from rural connections, for instance keeping some rural capital assets, getting staple food cheaper or rural family members helping with child care.⁹

It is likely that on aggregate, Sub-Saharan Africa will continue to urbanise. Estimates for just 15 years into the future suggest that 43 per cent of the region’s population will be urban in 2025. A failure to develop the methods to assess and reduce urban poverty now means a continuing escalation in the number facing poverty.