Comparative Analysis of Poverty and Inequality in Togo: A Multidimensional Approach Based on a Wealth Index

Boévi Kouglo Lawson Body and his team has carried out an inter-temporal analysis of poverty and inequality in Togo, based on household non-monetary assets drawn from the Demographic and Health Surveys conducted in 1988 and 1998. By using the multidimensional approach to poverty which gives priority to the multiple correspondence analysis, it has been possible to compute the composite poverty indicator (CPI) and an FGT type of composite poverty index. These indices reveal that:

- Non-monetary poverty is a reality in Togo, since it affects a non-negligible proportion of the population: 74.4% in 1988 and 59.8% in 1998;

- Between 1988 and 1998, the tendency of a drop in the incidence of poverty has been observed under the consideration of some given relative and absolute poverty lines. However, this drop is not generalised for all the poverty lines, and depending on the place and area of residence;

- Over the two years considered, the proportion of households in the rural areas has been much higher than that of households in urban areas. Moreover, the reduction of poverty at the national level, as observed between 1988 and 1998 is attributed for over 80% to the variations in the drop of poverty in the rural areas;

- Compared to the other economic regions, the Savanna region is the poorest region in Togo, though a tendency in the reduction in the incidence of poverty was observed in the region between 1988 and 1998;

- Amongst the identified welfare components, housing and communication provide huge contributions. On the contrary, the contributions of components such as education, access to safe drinking water and transportation means are low;

- The distribution of household non-monetary assets is uneven. This inequality is greater in the rural areas than in the urban areas, and appears to be at a relatively high level, and slightly higher in the Maritime and Savanna regions. The sources of this inequality stem from components such as education, access to safe drinking water and transportation means.

In order to reduce the incidence of non-monetary poverty in Togo, developing a potential socio-economic development policy appears being the main recommendation. These policies should focus on education, access to safe drinking water and transportation means, and also the housing component, because of its important contribution. These policy orientations should particularly focus on the Savanna region and the rural areas where the incidence of poverty is the highest. Pro-population policies should therefore seek to:

(i) increase the population’s access to safe drinking water;

(ii) promote the access of all to education;

(iii) promote income generating activities;

(iv) support a real housing-oriented policy.

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