

SOCIOECONOMIC DETERMINANTS OF POVERTY AMONG URBAN HOUSEHOLDS IN SOUTH-WEST NIGERIA

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Abstract

Purpose – The role of household socio-economic factors towards achieving enduring poverty interventions especially among urban households of Nigeria cannot be overemphasized. Household socio-economic factors, among others, have been identified by development practitioners in developing countries as variables which can easily be manipulated through policy levers to improve welfare of the poor. The purpose of this paper is to examine poverty situations among urban households in Ekiti State, Nigeria with emphasis on household socioeconomic characteristics and their associated influence on poverty.

Design/methodology/approach – A multistage sampling approach was used to select 80 households who were interviewed using a well structured questionnaire. Data collected were analyzed through Poverty index and Tobit regression model.

Findings – The study found that 41.0 percent of the households covered by the study were poor and would have to mobilize financial resources up to 45.0 percent of 1 US Dollar (N130) per day (for each household member) to be able to escape poverty. The incidence and depth of were higher among female headed households with values 0.26 and 0.43, respectively. The same pattern was also found among households with larger number of dependants with values ranging from 0.74 to 1.00 for incidence of poverty and from 0.70 to 0.77 for depth of poverty. Dependency ratio, household assets and educational status of household head, among others, are socio-economic factors influencing the poverty.

Originality/value – The study recommends, among others, implementation of the new minimum wage scheme, encouragement of the universal basic education and adult education programmes, employment generations, family planning measures, and a well focused gender specific interventions for poverty reduction.

Keywords: Developing countries, Households, Nigeria, Poverty, Socio-economic determinants, Urban economies