

[DOI: 10.20472/IAC.2019.052.038](https://doi.org/10.20472/IAC.2019.052.038)

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ANTECEDENTS OF THE NEXUS BETWEEN HOUSEHOLD CHARACTERISTICS AND POVERTY: A SOUTH AFRICAN PERSPECTIVE

Abstract:

Numerous households in developing and emerging countries suffer the indignities of poverty, South Africa is no exception. Approximately half of South Africa's populace is deemed chronically poor at the upper-bound national poverty line of R1183 (in 2018 prices) per individual monthly. Poverty is a multidimensional phenomenon, thus a consequence of a number of interactive socioeconomic aspects. Literature proposes that head of household characteristics determine, to a certain extent, the capacity of a household to earn a given level of income to meet the household's material and non-material needs. The primary objective of this study was to provide a South African perspective of the antecedents of the nexus between household characteristics and poverty. Poverty is thus examined at micro level by analysing head of household characteristics such as age, gender, level of education, employment status, income, geographical location, size of the household etcetera. In so doing, this paper used primary data obtained through the latest General Household Survey conducted (GHS) in 2018 by Statistics South Africa with a sample of 72 291 respondents. The following statistical methods were employed; descriptive statistics, chi-square tests, Logistic regression analysis and cross tabulations in order to determine the impact of the selected micro level variables on household poverty. The estimation results show that the level of education of the head of household, gender and geographical location, have substantial impacts on the poverty status and living standard of the respective household. There is a positive correlation between poverty and education attainment, the higher the level of education, the lower the predominance of poverty. A large household size intensifies the probability of poverty in the household. Compared to their female counterparts, male headed households are reportedly less likely to live in poverty. Capturing poverty at macro level provides a national perspective of poverty, however from a micro level perspective one can expect to get the effect of the internal household characteristics on poverty thereby providing policies and strategies in line with alleviating poverty at both household and national level. For future research, it would be interesting to conduct a comparative study, analysing poverty at both household and national level.

Keywords:

Poverty, Head of household, Household characteristics, Household, South Africa

JEL Classification: O10, D10, I30