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Policy Brief

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Sources of Poverty, Inequality and Gender Disparities in Cameroon

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ONE FIGHT, MULTIPLE GAINS

In the 2009 Growth and Employment Strategy Paper (GESP), the government of Cameroon acknowledged that, in order to achieve their objectives, efforts to increase living standards in the country should target both income inequality and gender disparities. Indeed, both poverty and inequality rates have stagnated since 2001 in Cameroon and, despite efforts to fight discrimination, gender disparities in access and return to key endowments (resources) persist – thus impairing women's capacities to fully participate in growth.

Understanding how poverty, inequality and gender disparities may have causes that are both common and interactive may provide crucial insights for the formulation of policies that aim to improve household welfare.

With this particular study, a team of Cameroonian researchers sought to empirically identify variables that are important determinants of poverty, income inequality and inter-household gender disparities, in the distribution of living standards in Cameroon.

PEP RESEARCHERS FIND COMMON ROOTS TO POVERTY, INEQUALITY AND GENDER DISPARITIES

To do so, the team applied a specific decomposition technique to conduct rigorous distributive analysis on data from the country's 2001 and 2007 national household consumption surveys.

They found that, during the period under review, both household economic well-being (poverty), income inequality, AND interhousehold gender disparity (discrimination) was largely explained by relatively the same group of factors:

- Education, health and age
- Share of active household members,
- Employment in the formal/informal sector,
- Living in urban/rural areas

POLICY RECOMMENDATIONS

Drawing from the study's findings and outcomes, the researchers propose a list of policy recommendations to address, both effectively and simultaneously, several identified issues related to poverty, inequality and gender disparities in Cameroon.

Government policies should aim to:

- 1. Encourage expansion of the formal sector, versus informal, by
 - i) encouraging the creation of small and medium enterprises in rural areas,
 - ii) reducing administrative bureaucracy and
 - iii) improving the tracking of procedures and documents
 - Would contribute to (1) improve welfare, by securing sources of income for poor households, (2) promote equity, by reducing income inequality and empowering women in terms of decision making.
- 2. Improve access to education and training
 - ➤ Would contribute to empower women and rural dwellers by enabling them to accumulate assets or increase returns on existing assets, thus reducing their vulnerability to external shocks.
- 3. Improve and promote access to family planning:
 - ➤ <u>Would contribute to</u> enable household-level investments into education and health.

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4. Improve working conditions of health personnel, up-grade rural health services and equipment, and provide affordable health insurance systems for informal sector workers.

Premiums for such systems could be structured flexibly to allow a large number of informal sector and rural workers to participate.

- 5. Contribute to relax cultural barriers (e.g. via educational campaigns) that prevent women from acquiring productive assets such as land as farming is the mainstay of the rural economy. Also, the new "family code", currently being developed in Cameroon should include clauses that secure access to land and resources for all.
- Bridge urban/rural disparities by
 - i) improving hard and soft infrastructure in rural areas and
 - ii) increasing inter-rural business networking and communication facilities

More practicable roads linking rural communities, both among themselves and with urban areas,

would contribute to expand market access to rural products, contributing to curb the rural exodus, reduce rural/ urban income inequality and empower women financially (as main producer of farming goods)