

Poverty measures are affected only by changes in consumption for those households below the poverty line (or crossing the line). By contrast, inequality measures take into account the whole distribution of consumption per capita. While many different inequality measures are available and used in the empirical literature, we focus here on basic statistics of the ratios of consumption levels at various percentiles of the distribution, as well as on the most commonly used measures of inequality. The results at the national level are presented in Table 1. For example, the consumption level per capita at the 90th percentile of the distribution was in 2000/01 8.01 times higher than at the tenth percentile, but by 2009/10, this ratio had increased to 9.34. With a single exception, all of the inequality measures show an increase over time, which in some cases is quite large.

Table 1: Trends in consumption-based inequality in Swaziland, 2000/01 and 2009/10

	2000/01	2009/10
Distribution ratios		
p90/p10	8.01	9.34
p90/p50	3.56	3.49
p75/p25	2.80	3.20
p75/p50	1.79	1.87
Share		
Share of bottom 10%	1.70	1.39
Gini index		
Gini	0.494	0.483

Source: Authors using SHIES data.

Note: The different measures being sensitive to outliers or extreme values, the computed figures in Table 1 is based on 99 percent of the distribution, after deleting the 0.5 percent most extreme observations at both ends of the distribution.

The share of expenditure of the bottom 10 percent, a MDG indicator, has declined significantly. If one focus on the poorest of the poor, say households in the bottom 10 percent in terms of per capita consumption, its shares of total expenditure went from 1.70 percent to only 1.39 percent. This Millennium Development Goal indicator clearly shows an important increase in inequality.

Of the various measures presented in Table 1, the most widely used is probably the Gini index. This is in part because the Gini index is related in a very simple way to the Lorenz curve and takes a value between zero and one. The Gini index for consumption per capita decreased very slightly, from 0.494 in 2000/01 to 0.483 in 2009/10. Given the minimal decreased in the Gini index, we can conclude that at best inequality has not really changed over the last decades in Swaziland. And that probably inequality has increased if we focus on the bottom of the distribution. At the same time, it must be mentioned that in comparison to other African countries, Swaziland's level of inequality is in the top range, which per se is a concern.