Why Multidimensional (MD) Poverty Measures?

Sabina Alkire & Ana Vaz
Why such interest?

This session will briefly introduce some of the reasons that multidimensional measures of poverty (and well-being) are on the upswing.

In addition to the moral or ethical motivations already covered, the reasons can be divided into three types:

1. Technical – we can
2. Policy – we realize the value-added
3. Political – there is a demand
Why the new emphasis on measurement?

*We can:*  
1) Data are increasing  
2) Multidimensional measures are proliferating

*We need to:*  
3) Income poverty: important but doesn’t proxy key indicators  
4) Growth insufficient  
5) There is no single non-income proxy either  
6) Income is not a sufficient proxy of multidimensional poverty

*We are willing to:*  
7) National and international ‘demand’  
8) Political space for new current metrics
Why the new emphasis on measurement?

We can:  

1) **Data are increasing**  
2) Multidimensional measures are proliferating

We need to:  

3) Income poverty: important but doesn’t proxy key indicators  
4) Growth insufficient  
5) There is no single non-income proxy either  
6) Income is not a sufficient proxy of multidimensional poverty

We are willing to:  

7) National and international ‘demand’  
8) Political space for new current metrics
1. Relevant Data are Increasing

• Since 1985, the multi-topic household survey data has increased in frequency and coverage
• Even greater breathtaking increases have occurred with income and expenditure data
• Technology exists to process these data
1. Relevant Data are Increasing

Developing Country Surveys: DHS, MICS, LSMS, CWIQ

- Countries with national multidimensional survey data
- Countries with at least two multidimensional surveys
- Countries with at least three multidimensional surveys
- Countries with more than three multidimensional surveys
Why the new emphasis on measurement?

We can:

1) Data are increasing

2) **Multidimensional measures are proliferating**

We need to:

3) Income poverty: important but doesn’t proxy key indicators
4) Growth insufficient
5) There is no single non-income proxy either
6) Income is not a sufficient proxy of multidimensional poverty

We are willing to:

7) National and international ‘demand’
8) Political space for new current metrics
2. Multidimensional measures

- HDI, IHDI, Canada Index of Well-being, etc.
- Doing Business Index,
- Good Governance,
- Global Peace Index & related,
- SIGI & other gender-related
- CDI Index
- Social Protection, Global Hunger,
Canadian Index of Wellbeing (CIW)

Uses 64 separate headline indicators to characterise eight interconnected domains central to the lives of Canadians: Community Vitality, Democratic Engagement, Education, Environment, Healthy Populations, Leisure and Culture, Living Standards, and Time Use.
Bhutan
Gross National Happiness
Nine Domains, 33 indicators
OECD ‘How’s Life?’

http://oecdbetterlifeindex.org
Why the new emphasis on measurement?

We can: 
1) Data are increasing 
2) Multidimensional measures are proliferating

We need to: 
3) **Income poverty: important but doesn’t proxy key indicators**
4) Growth insufficient 
5) There is no single non-income proxy either 
6) Income is not a sufficient proxy of multidimensional poverty

We are willing to: 
7) National and international ‘demand’
8) Political space for new current metrics
3. Income poverty is not a proxy for key non-income deprivations

**Table 5. Lack of overlaps between monetary and CA poverty**

<table>
<thead>
<tr>
<th>Capability poverty measured as</th>
<th>Education</th>
<th>Nutrition/health</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of CA poor not in monetary poverty:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>India</td>
<td>43</td>
<td>53</td>
</tr>
<tr>
<td>Peru</td>
<td>32</td>
<td>21</td>
</tr>
<tr>
<td>% of monetary poor not CA poor:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>India</td>
<td>65</td>
<td>53</td>
</tr>
<tr>
<td>Peru</td>
<td>93</td>
<td>66</td>
</tr>
</tbody>
</table>

*Source: Franco et al. (2002).*

3. Income poverty does not proxy material deprivations in Europe

Table 6: Distribution across combined income poverty and deprivation persistence variable by country

<table>
<thead>
<tr>
<th></th>
<th>Neither persistently income poor nor deprived</th>
<th>Persistently income poor only</th>
<th>Persistently deprived only</th>
<th>Persistently income poor and deprived</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>82.8</td>
<td>6.9</td>
<td>8.9</td>
<td>1.4</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>78.8</td>
<td>7.1</td>
<td>7.3</td>
<td>6.8</td>
</tr>
<tr>
<td>Belgium</td>
<td>73.0</td>
<td>9.3</td>
<td>8.8</td>
<td>8.9</td>
</tr>
<tr>
<td>France</td>
<td>70.8</td>
<td>11.6</td>
<td>8.5</td>
<td>9.0</td>
</tr>
<tr>
<td>Ireland</td>
<td>64.8</td>
<td>11.4</td>
<td>9.7</td>
<td>14.0</td>
</tr>
<tr>
<td>Italy</td>
<td>68.8</td>
<td>9.2</td>
<td>11.3</td>
<td>10.7</td>
</tr>
<tr>
<td>Greece</td>
<td>68.8</td>
<td>11.2</td>
<td>9.9</td>
<td>10.1</td>
</tr>
<tr>
<td>Spain</td>
<td>72.7</td>
<td>9.2</td>
<td>8.7</td>
<td>9.4</td>
</tr>
<tr>
<td>Portugal</td>
<td>64.5</td>
<td>12.0</td>
<td>11.3</td>
<td>12.2</td>
</tr>
<tr>
<td>All</td>
<td>70.7</td>
<td>10.4</td>
<td>9.2</td>
<td>9.7</td>
</tr>
</tbody>
</table>

Source: Whelan Layte Maitre 2004 Understanding the Mismatch between Income Poverty & Deprivation
Europe 2020: Multidimensional Poverty

In Europe, while 20% of people are persistently income poor, and 20% are persistently materially deprived, ONLY 10% of people are BOTH persistently income poor and materially deprived.

This observation motivated the move in Europe to a multidimensional poverty measure EU 2020. Income doesn’t tell the full story – even of material deprivation in industrial economies.

Source: Whelan Layte Maitre 2004 Understanding the Mismatch between Income Poverty & Deprivation
Europe 2020: Multidimensional Poverty

Income poverty

Material Deprivation

Joblessness

3. Income poverty is incomplete

Other issues with income poverty:
• shows some changes with lag; others at once
• does not show how people are poor
• affected by different policies
• measurement error & data collection issues
Why the new emphasis on measurement?

**We can:**

1) Data are increasing  
2) Multidimensional measures are proliferating

**We need to:**

3) Income poverty: important but doesn’t proxy key indicators  
4) **Growth insufficient**  
5) There is no single non-income proxy either  
6) Income is not a sufficient proxy of multidimensional poverty

**We are willing to:**

7) National and international ‘demand’  
8) Political space for new current metrics
4. Growth? Claims are strong

2008 Growth Commission

“Growth is not an end in itself. But it makes it possible to achieve other important objectives of individuals and societies. It can spare people *en masse* from poverty and drudgery. Nothing else ever has.”
4. Growth Commission

The Growth Commission 2008 generated a nuanced set of observations on sustained economic growth based on case studies of countries that had 7% growth for over 25 years.

BUT after 25 years of growth:
- In **Indonesia**, 28% of children under five were still underweight and 42% were stunted.
- In **Botswana**, 30% of the population were malnourished, and the HDI rank was 70 places below the GDP rank.
- In **Oman**, women earned less than 20% of male earnings.
4. Growth? Claims are strong …and debated

François Bourguignon, Agnès Bénassy-Quéré, Stefan Dercon, Antonio Estache, Jan Willem Gunning, Ravi Kanbur, Stephan Klasen, Simon Maxwell, Jean-Philippe Platteau, Amedeo Spadaro

‘The correlation between GDP per capita growth and non-income MDGs is practically zero…’
Figure 2.3 Heterogeneity across MDGs

Correlation of annual growth rates, 1990–2006

- Growth in poverty headcount ($1, PPP) vs. growth in undernourishment
- Growth in poverty headcount ($1, PPP) vs. growth in primary education completion
- Growth in poverty headcount ($1, PPP) vs. growth in underweight
- Growth in poverty headcount ($1, PPP) vs. growth in ratio of female-to-male enrollments in secondary education
4. Growth? Claims are strong…and debated

François Bourguignon, Agnès Bénassy-Quéré, Stefan Dercon, Antonio Estache, Jan Willem Gunning, Ravi Kanbur, Stephan Klasen, Simon Maxwell, Jean-Philippe Platteau, Amedeo Spadaro

‘The correlation between growth in GDP per capita and improvements in non-income MDGs is practically zero, . . . [thereby confirming] the lack of a relationship between those indicators and poverty reduction. Because it would be hard to believe that information on nonincome MDGs is so badly affected by measurement error that it is pure noise, this lack of a relationship reflects some relative independence among policy instruments governing progress in the various MDGs. Furthermore, it highlights substantive differences in country policies and circumstances that may affect the relationship between these policies. This interesting finding suggests that economic growth is not sufficient per se to generate progress in nonincome MDGs. Sectoral policies and other factors or circumstances presumably matter as much as growth.’

India: strong economic growth since 1980s.

1998-9 NHFS-2: 47% children under 3 were undernourished
2005-6 NHFS-3: 46% were undernourished (wt-age)

“Growth, of course, can be very helpful in achieving development, but this requires active public policies to ensure that the fruits of economic growth are widely shared, and also requires – and this is very important – making good use of the public revenue generated by fast economic growth for social services, especially for public healthcare and public education.”

Dreze and Sen ‘Putting Growth in its Place’ Outlook. November 2011

**India:** strong economic growth since 1980s.

"Growth, of course, can be very helpful in achieving development, but this requires active public policies to ensure that the fruits of economic growth are widely shared, and also requires – and this is very important – making good use of the public revenue generated by fast economic growth for social services, especially for public healthcare and public education."

Dreze and Sen 'Putting Growth in its Place' Outlook. November 2011
Why the new emphasis on measurement?

*We can:* 
1) Data are increasing  
2) Multidimensional measures are proliferating

*We need to:* 
3) Income poverty: important but doesn’t proxy key indicators  
4) Growth insufficient  
5) **There is no single non-income proxy either**  
6) Income is not a sufficient proxy of multidimensional poverty

*We are willing to:* 
7) National and international ‘demand’  
8) Political space for new current metrics

---

Technical

Policy

Political
5. Associations across indicators

Can we just choose a non-income indicator as a proxy of the main social deprivations? (empirical question)
5. Non-income deprivations

India NFHS data 2005-6, MPI set

% of people living in a hh where a child has died: 25.7%
% of people living in a hh where no one has 5 yrs schooling: 18.2%

Are they mostly the same people?

Less than one-third of the time.

<table>
<thead>
<tr>
<th>Child mortality</th>
<th>Anyone has 5 yrs of schooling</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Non-depr</td>
<td>Deprived</td>
</tr>
<tr>
<td>Non-deprived</td>
<td>61.8</td>
<td>12.5</td>
</tr>
<tr>
<td>Deprived</td>
<td>20.0</td>
<td>5.8</td>
</tr>
<tr>
<td>Total</td>
<td>81.8</td>
<td>18.2</td>
</tr>
</tbody>
</table>
5. Non-income deprivations

India NFHS data 2005-6, MPI set

Another example: mortality and school attendance

Percentage of people living in a hh where a child has died: 25.7%
Percentage of people living in a hh where a child is not attending school: 21.2%

Are they mostly the same people? Less than 40% of the time.

<table>
<thead>
<tr>
<th>Child mortality</th>
<th>School Attendance</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Non-depr</td>
<td>Deprived</td>
</tr>
<tr>
<td>Non-depr</td>
<td>61.2</td>
<td>13.0</td>
</tr>
<tr>
<td>Deprived</td>
<td>17.6</td>
<td>8.1</td>
</tr>
<tr>
<td>Total</td>
<td>78.8</td>
<td>21.2</td>
</tr>
</tbody>
</table>
Why the new emphasis on measurement?

We can:  
1) Data are increasing  
2) Multidimensional measures are proliferating

We need to:  
3) Income poverty: important but doesn’t proxy key indicators
4) Growth insufficient
5) There is no single non-income proxy either
6) **Income is not a sufficient proxy of multidimensional poverty**

We are willing to:  
7) National and international ‘demand’
8) Political space for new current metrics
6. Income & AF MPIs

But if we put these non-income deprivations all together in an MPI (that reflects joint distribution of deprivations), perhaps they are associated? *(empirical question)*
6. Income & non-AF measures:

– Klasen 2000: Poverty & deprivation in South Africa

<table>
<thead>
<tr>
<th></th>
<th>Both</th>
<th>Poor, not deprived</th>
<th>Deprived, not poor</th>
<th>Neither</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor/Deprived, %</td>
<td>44.2</td>
<td>8.7</td>
<td>8.7</td>
<td>38.4</td>
</tr>
<tr>
<td>Poor/Deprived, Numbers (m.)</td>
<td>168</td>
<td>3.3</td>
<td>3.3</td>
<td>14.6</td>
</tr>
<tr>
<td>Poorest/Most Deprived, %</td>
<td>20.3</td>
<td>8.6</td>
<td>8.8</td>
<td>62.4</td>
</tr>
<tr>
<td>Poorest/Most Deprived, Numbers (m.)</td>
<td>77</td>
<td>3.2</td>
<td>3.3</td>
<td>23.7</td>
</tr>
</tbody>
</table>

Convergence and Divergence of Incidence of Poorest/Most Deprived by Population Groups (figures in parentheses sum to 100% in each column category such as race, the other figures sum to 100% in each row)
# 6. Income & AF MP\亲近

Cross Tabs of Multidimensional and Monetary Poverty with matching headcounts

\[ k = 40\% \]

<table>
<thead>
<tr>
<th>Unit of analysis</th>
<th>MD poor</th>
<th>Income poor</th>
<th>Both</th>
<th>MD poor &amp; Income non poor</th>
<th>MD non poor &amp; Income poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>16.8</td>
<td>16.2</td>
<td>7.1</td>
<td>9.8</td>
<td>9.2</td>
</tr>
</tbody>
</table>

Source: Apablaza and Ballon, Multidimensional Poverty in Indonesia 2013, *mimeo*
6. Income & AF MPIs

Graphically,

- Income Poor: 16.2%
- MD Poor: 16.8%
- Poor in Both: 7.1%
6. Income & AF MPIs

Cross Tabs of Multidimensional and Monetary Poverty with matching headcounts

\[ k = 26\% \]

<table>
<thead>
<tr>
<th>Unit of analysis</th>
<th>MD poor</th>
<th>Income poor</th>
<th>Both</th>
<th>MD poor &amp; Income non poor</th>
<th>MD non poor &amp; Income poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>31.8</td>
<td>31.8</td>
<td>18.4</td>
<td>13.4</td>
<td>13.3</td>
</tr>
</tbody>
</table>

Source: Apablaza and Ballon, Multidimensional Poverty in Indonesia 2013, *mimeo*
6. Income & AF MPIs

Graphically,

- Income Poor: 31.8%
- MD Poor: 31.8%
- Poor in Both: 18.4%
6. Income & AF MPIs
Cross Tabs of Multidimensional and Monetary Poverty with matching headcounts.

Recall: MPI indicators are differently defined, and their definition will affect cross-tabs.

Income would accurately identify multidimensionally poor people 20% to 70% of the time, depending on country and design of MPI.

**Note: These paper are work in progress – not to be cited or circulated without permission**

<table>
<thead>
<tr>
<th>Presenter</th>
<th>Country</th>
<th>Average poverty (m)</th>
<th>Poor in Both</th>
<th>Match</th>
<th>Cutoff 2</th>
<th>Poor in both</th>
<th>Match</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jose M Roche</td>
<td>Venezuela</td>
<td>16.8%</td>
<td>3.4%</td>
<td>20.2%</td>
<td>8.4%</td>
<td>2.0%</td>
<td>23.8%</td>
</tr>
<tr>
<td>Stephan Klasen</td>
<td>South Africa</td>
<td>11.0%</td>
<td>3.0%</td>
<td>27.3%</td>
<td>34.0%</td>
<td>19.0%</td>
<td>55.9%</td>
</tr>
<tr>
<td>Rajeev Kumar*</td>
<td>India</td>
<td>43.4%</td>
<td>14.3%</td>
<td>32.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Van Tran-Quang</td>
<td>Vietnam</td>
<td>16.7%</td>
<td>5.7%</td>
<td>34.1%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ivan Gonzalez</td>
<td>Mexico</td>
<td>26.6%</td>
<td>10.4%</td>
<td>39.2%</td>
<td>74.9%</td>
<td>49.2%</td>
<td>65.7%</td>
</tr>
<tr>
<td>Juan Pablo Ocampo</td>
<td>Peru</td>
<td>83.8%</td>
<td>35.4%</td>
<td>42.3%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paola Ballon*</td>
<td>Indonesia</td>
<td>16.5%</td>
<td>7.1%</td>
<td>43.0%</td>
<td>31.8%</td>
<td>18.4%</td>
<td>57.9%</td>
</tr>
<tr>
<td>Ram Hari</td>
<td>Nepal</td>
<td>24.9%</td>
<td>12.2%</td>
<td>49.1%</td>
<td>41.7%</td>
<td>27.0%</td>
<td>64.7%</td>
</tr>
<tr>
<td>Bilal Kiswani</td>
<td>Iraq</td>
<td>13.3%</td>
<td>7.9%</td>
<td>59.4%</td>
<td>20.0%</td>
<td>13.6%</td>
<td>68.0%</td>
</tr>
<tr>
<td>Maria Emma Santos</td>
<td>Bhutan</td>
<td>23.2%</td>
<td>16.4%</td>
<td>70.7%</td>
<td>31.3%</td>
<td>20.9%</td>
<td>66.9%</td>
</tr>
</tbody>
</table>
6. Income & AF MPIS

$1.25/poverty and MPI do not trend together in absolute or relative terms

![Graph showing annualized absolute variation of MPI incidence and $1.25 incidence for various countries.](image-url)
## 6. Income & AF MPIs: Does Growth reduce MPI?

<table>
<thead>
<tr>
<th>Countries</th>
<th>First Year</th>
<th>Second Year</th>
<th>Absolute Annualized reduction in MPI</th>
<th>Percentage decrease p.a.</th>
<th>First Year</th>
<th>Second Year</th>
<th>Growth p.a.</th>
<th>Relative Growth Elasticity of $M_T$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Armenia 2005-2010</td>
<td>0.003</td>
<td>0.001</td>
<td>0.000</td>
<td>-12.90%</td>
<td>$4,096.44</td>
<td>$4,900.47</td>
<td>3.93%</td>
<td>-3.286</td>
</tr>
<tr>
<td>Bangladesh 2004-2007</td>
<td>0.365</td>
<td>0.289</td>
<td>0.025</td>
<td>-7.00%</td>
<td>$1,114.63</td>
<td>$1,290.69</td>
<td>5.27%</td>
<td>-1.330</td>
</tr>
<tr>
<td>Bolivia 2003-2008</td>
<td>0.175</td>
<td>0.089</td>
<td>0.017</td>
<td>-9.80%</td>
<td>$3,597.70</td>
<td>$4,172.33</td>
<td>3.19%</td>
<td>-3.068</td>
</tr>
<tr>
<td>Cambodia 2005-2010</td>
<td>0.298</td>
<td>0.212</td>
<td>0.017</td>
<td>-5.80%</td>
<td>$1,508.01</td>
<td>$1,968.13</td>
<td>3.22%</td>
<td>-1.803</td>
</tr>
<tr>
<td>Colombia 2005-2010</td>
<td>0.04</td>
<td>0.023</td>
<td>0.003</td>
<td>-8.40%</td>
<td>$7,304.56</td>
<td>$8,479.35</td>
<td>3.22%</td>
<td>-2.611</td>
</tr>
<tr>
<td>Ethiopia 2000-2005</td>
<td>0.677</td>
<td>0.605</td>
<td>0.014</td>
<td>-2.10%</td>
<td>$527.30</td>
<td>$636.07</td>
<td>4.13%</td>
<td>-0.509</td>
</tr>
<tr>
<td>Ethiopia 2005-2011</td>
<td>0.605</td>
<td>0.523</td>
<td>0.014</td>
<td>-2.20%</td>
<td>$636.07</td>
<td>$979.21</td>
<td>8.99%</td>
<td>-0.245</td>
</tr>
<tr>
<td>Ghana 2003-2008</td>
<td>0.309</td>
<td>0.202</td>
<td>0.021</td>
<td>-6.90%</td>
<td>$1,134.15</td>
<td>$1,380.12</td>
<td>4.34%</td>
<td>-1.591</td>
</tr>
<tr>
<td>Guyana 2005-2009</td>
<td>0.053</td>
<td>0.041</td>
<td>0.003</td>
<td>-5.40%</td>
<td>$2,536.38</td>
<td>$2,979.60</td>
<td>4.37%</td>
<td>-1.236</td>
</tr>
<tr>
<td>India 1998/9-2005/6</td>
<td>0.3</td>
<td>0.251</td>
<td>0.007</td>
<td>-2.40%</td>
<td>$1,632.30</td>
<td>$2,293.16</td>
<td>5.78%</td>
<td>-0.415</td>
</tr>
<tr>
<td>Jordan 2007-2009</td>
<td>0.011</td>
<td>0.011</td>
<td>0.000</td>
<td>-3.60%</td>
<td>$4,844.75</td>
<td>$5,245.63</td>
<td>4.14%</td>
<td>-0.870</td>
</tr>
<tr>
<td>Kenya 2003-2008/9</td>
<td>0.296</td>
<td>0.244</td>
<td>0.009</td>
<td>-3.20%</td>
<td>$1,274.30</td>
<td>$1,441.08</td>
<td>2.38%</td>
<td>-1.345</td>
</tr>
<tr>
<td>Lesotho 2004-2009</td>
<td>0.239</td>
<td>0.182</td>
<td>0.012</td>
<td>-4.80%</td>
<td>$1,185.99</td>
<td>$1,383.86</td>
<td>3.34%</td>
<td>-1.438</td>
</tr>
<tr>
<td>Madagascar 2004-2008/9</td>
<td>0.383</td>
<td>0.4</td>
<td>0.004</td>
<td>1.00%</td>
<td>$855.71</td>
<td>$915.36</td>
<td>1.55%</td>
<td>0.646</td>
</tr>
<tr>
<td>Malawi 2004-2010</td>
<td>0.381</td>
<td>0.334</td>
<td>-0.008</td>
<td>-2.00%</td>
<td>$644.62</td>
<td>$780.37</td>
<td>3.51%</td>
<td>-0.570</td>
</tr>
<tr>
<td>Nepal 2006-2011</td>
<td>0.35</td>
<td>0.217</td>
<td>-0.027</td>
<td>-7.60%</td>
<td>$969.65</td>
<td>$1,105.72</td>
<td>2.81%</td>
<td>-2.708</td>
</tr>
<tr>
<td>Nigeria 2003-2008</td>
<td>0.368</td>
<td>0.313</td>
<td>-0.011</td>
<td>-3.00%</td>
<td>$1,577.12</td>
<td>$1,945.47</td>
<td>4.67%</td>
<td>-0.642</td>
</tr>
<tr>
<td>Peru 2005-2008</td>
<td>0.085</td>
<td>0.066</td>
<td>-0.006</td>
<td>-7.30%</td>
<td>$6,386.96</td>
<td>$7,967.33</td>
<td>8.25%</td>
<td>-0.885</td>
</tr>
<tr>
<td>Rwanda 2005-2010</td>
<td>0.46</td>
<td>0.33</td>
<td>-0.026</td>
<td>-5.60%</td>
<td>$840.47</td>
<td>$1,077.01</td>
<td>5.63%</td>
<td>-0.995</td>
</tr>
<tr>
<td>Senegal 2005-2010/11</td>
<td>0.44</td>
<td>0.423</td>
<td>-0.003</td>
<td>-0.70%</td>
<td>$1,677.00</td>
<td>$1,737.55</td>
<td>0.66%</td>
<td>-1.066</td>
</tr>
<tr>
<td>Tanzania 2008-2010</td>
<td>0.367</td>
<td>0.326</td>
<td>-0.021</td>
<td>-5.70%</td>
<td>$1,208.45</td>
<td>$1,293.08</td>
<td>3.50%</td>
<td>-1.628</td>
</tr>
<tr>
<td>Uganda 2006-2011</td>
<td>0.417</td>
<td>0.343</td>
<td>-0.015</td>
<td>-3.50%</td>
<td>$977.07</td>
<td>$1,187.65</td>
<td>4.31%</td>
<td>-0.812</td>
</tr>
<tr>
<td>Zimbabwe 2006-2010/11</td>
<td>0.18</td>
<td>0.145</td>
<td>-0.008</td>
<td>-4.20%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

*OPHI work, presented in “How MPI Decreased”, Alkire and Roche 2013, ADB*
6. Income & AF MPVs: Does Growth reduce MPI across Indian States equally?

Alkire and Seth, ADB.

Andhra Pradesh
Arunachal Pradesh
Assam
Bihar
Goa
Gujarat
Haryana
Himachal Pradesh
Jammu & Kashmir
Karnataka
Kerala
Madhya Pradesh
Maharashtra
Manipur
Meghalaya
Mizoram
Nagaland
Orissa
Punjab
Rajasthan
Sikkim
Tamil Nadu
Tripura
Uttar Pradesh
West Bengal

Percentage Change in MPI

Growth Rate of Per-capita SDP

-11.0%
-9.0%
-7.0%
-5.0%
-3.0%
-1.0%
0.0%
1.0%
3.0%
5.0%
7.0%
9.0%
11.0%
0.0%
2.0%
4.0%
6.0%
8.0%
6. Conclusions:

Income does not strongly proxy MPI

Change in MPI vs Income vary

Growth and MPI reductions vary

MPI usually adds new information
Why the new emphasis on measurement?

We can:

1) Data are increasing
2) Multidimensional measures are proliferating

We need to:

3) Income poverty: important but doesn’t proxy key indicators
4) Growth insufficient
5) There is no single non-income proxy either
6) Income is not a sufficient proxy of multidimensional poverty

We are willing to:

7) National and international ‘demand’
8) Political space for new current metrics
60+ countries - including:
- The New York Times (US)
- TIME Magazine (US)
- Xinhua (China)
- Al Jazeera (Qatar)
- The Hindu (India)
- Dawn (Pakistan)
- BBC (UK)
- The Daily Nation (Kenya)
- Agence France Presse (France)
- The Wall Street Journal (US)
- The Economist (UK)
- The Cape Times (South Africa)
- The Australian (Australia)
- The Guardian (UK)
- The Financial Times (UK)
- Radio Netherlands

MPI Media Coverage

THE LANCET

Poverty index: who is the poorest of them all?

The Lancet, Volume 376, Issue 9777, Page 260, 14 July 2010
doi:10.1016/S0140-6736(10)61125-7 (Cite or Link Using DOI)

'Three times more poor' in India than Africa

Eleven Indian states account for more poor people than in the 26 poorest African countries combined, a new measure of global poverty has found.

The Economist
The Global Multidimensional Poverty Peer Network (Global MPPN)

launched 6 June 2013, Oxford

Angola, Bhutan, Brazil, Chile, China, Colombia, ECLAC, Ecuador, El Salvador, Dominican Republic, Germany, India, Iraq, Malaysia, Mexico, Morocco, Mozambique, Nigeria, OECD, the Organization of Caribbean States, OPHI, Peru, Philippines, SADC, and Vietnam
Why the new emphasis on measurement?

*We can:*  
1) Data are increasing  
2) Multidimensional measures are proliferating

*We need to:*  
3) Income poverty: important but doesn’t proxy key indicators  
4) Growth insufficient  
5) There is no single non-income proxy either  
6) Income is not a sufficient proxy of multidimensional poverty

*We are willing to:*  
7) National and international ‘demand’  
8) **Political space for new current metrics**
8. Interest in AF Poverty measure

1. **Birds-eye view** - can be unpacked
   a. by region, ethnicity, rural/urban, etc.
   b. by indicator, to show composition
   c. by ‘intensity’ to show inequality among poor

2. **Adds Value:**
   a. focuses on the multiply deprived
   b. shows joint distribution of deprivation.

3. **Incentives** to reach the poorest of the poor

4. **Flexible:** you choose indicators/cutoffs/values

5. **Robust** to wide range of weights and cutoffs
Why the new emphasis on measurement?

We can:  
1) Data are increasing  
2) Multidimensional measures are proliferating

We need to:  
3) Income poverty: important but doesn’t proxy key indicators  
4) Growth insufficient  
5) There is no single non-income proxy either  
6) Income is not a sufficient proxy of multidimensional poverty

We are willing to:  
7) National and International ‘demand’  
8) Political space for new metrics
Thanks!