Introduction to the Multidimensional Poverty Index Workshop
Facilitators

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Aims and Objectives

**Aim**
Conceptual and technical introduction to the Alkire and Foster multidimensional poverty measure.

**Objectives**
1. To understand the framework and relevance
2. To adapt the Alkire and Foster multidimensional poverty method according to their own requirements and contexts.
3. To calculate and interpret the main statistics of the measure in a national or regional level.

**Structure**
- First Day
- Second and Third day (Calculations using the Thailand’s Multiple Indicator Cluster Survey 2005-2006)
# Programme

Day 1

<table>
<thead>
<tr>
<th>Modules</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>30’</td>
</tr>
<tr>
<td>Why multidimensional poverty measurement?</td>
<td>60’</td>
</tr>
<tr>
<td>The Alkire and Foster Method</td>
<td>90’</td>
</tr>
<tr>
<td>Normative Issues in Multidimensional Poverty Measurement</td>
<td>60’</td>
</tr>
<tr>
<td>Work in Groups (Selection of Dimensions/ Indicators)</td>
<td>120’</td>
</tr>
<tr>
<td>Optional</td>
<td>30’</td>
</tr>
</tbody>
</table>
# Programme

## Day 2

<table>
<thead>
<tr>
<th>Modules</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alkire and Foster Multidimensional Poverty</td>
<td>60’</td>
</tr>
<tr>
<td>Calculating the M0 step by step (Identification)</td>
<td>30’</td>
</tr>
<tr>
<td>Work in Groups (Creating Deprivations)</td>
<td>90’</td>
</tr>
<tr>
<td>Calculating the M0 step by step (Aggregation)</td>
<td>30’</td>
</tr>
<tr>
<td>Work in groups (calculation M, H &amp; A)</td>
<td>60’</td>
</tr>
<tr>
<td>Work in groups (Continuation)</td>
<td>60’</td>
</tr>
<tr>
<td>Analysis of results (1)</td>
<td>30’</td>
</tr>
</tbody>
</table>
## Programme

### Day 3

<table>
<thead>
<tr>
<th>Modules</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calculating the M0 step by step (3)</td>
<td>30’</td>
</tr>
<tr>
<td>Analyses of results (2)</td>
<td>30’</td>
</tr>
<tr>
<td>Work in Groups (4)</td>
<td>150’</td>
</tr>
<tr>
<td>Presentations</td>
<td>90’</td>
</tr>
<tr>
<td>Closing</td>
<td>60’</td>
</tr>
</tbody>
</table>
Oxford Poverty and Human Development Initiative (OPHI)

Introduction
What is OPHI?

The Oxford Poverty and Human Development Initiative (OPHI) is an economic research centre within the Oxford Department of International Development at the University of Oxford. Established in 2007, the centre is led by Sabina Alkire.

Advisors:
Sudhir Anand, Tony Atkinson, and Amartya Sen

Management Committee:
Valpy FitzGerald, Ian Goldin, John Hammock, Barbara Harriss-White
OPHI’s Mission

OPHI’s mission is to reduce poverty by ensuring that policy is grounded in people’s experiences and values.

OPHI works towards this by:

- Broadening poverty measurement (OPHI/UNDP MPI)
- Improving data on poverty (Missing dimensions)
- Building capacity (this course)
- Impacting policy
OPHI’s principles

- Academic rigor
- Practicality and policy relevance
- Engagement of southern researchers
- Research co-ordination
- Engagement with economics
- To enrich welfare economics
Developing modules for inclusion in internationally comparable household surveys. Analysing key policy questions

**Problem:** We are obtaining better data on health, data on education, consumption, and other MDGs but other key dimensions are missing…

- Violence
- Informal Work
- Psychological & subjective well-being
- Empowerment
- Dignity
Missing Dimensions

Employment
• Informal (some), insecure and unsafe work

Empowerment
• Acting under force or compulsion

Physical safety
• Victim of violence or lethal violence

Ability to go about without shame
• Stigmatized, humiliated, isolated, discriminated against

Meaning & satisfaction
• Alienation, unhappiness, dissatisfaction

Piloted in Kenya, South Africa, Mexico, Philippines, China, Pakistan, Ecuador, Bolivia & the Czech Republic.

Nationally representative sample in Chile complete

Studies Chad, Nigeria & Sri Lank.
Multidimensional Poverty

“The correlation is close to zero between different non-income MDGs”

Multidimensional (Poverty) Comparisons

• Developing new measures & analyses
  ▪ Santos & Foster – Chronic poverty
  ▪ Yalonetzky – MD inequality of opportunity
  ▪ Seth – association sensitive inequality

Bourguignon, Bénassy-Quéré, Dercon, Estache, Gunning, Kanbur, Klasen, Maxwell, Platteau, Spadaro, 2008
Millennium Development Goals at Midpoint: Where do we stand?
Multidimensional Poverty

Multidimensional (Poverty) Comparisons

• Applying these to regions, countries, and sectors
  ▪ 25 country studies
  ▪ MPI for 2010 HDR, with UNDP input
  ▪ MPI across time
  ▪ AF measures with panel data

• Developing better evaluation of analysis and methodologies
  Dashboard vs. Index / Ordinal data / Weights & Cut-offs / MD Poverty Dynamics / Decomposability / Income / Individual vs. Household Data / Endogeneity / Data Qualities / Complementarities and Substitutability
Current Stage

• Measurement Methodologies of Multidimensional Poverty – but also well-being etc - are on the upswing.

• Policy Space is opening for multidimensional measures (Governments; UNDP MPI; Stiglitz Sen Fitoussi).

• Multidimensional methods of measurement and analysis are also advancing (and need to do so more).

• Multidimensional measures must be coherently related to a core economic framework akin to welfare economics.
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