

MULTIDIMENSIONAL POVERTY INDEX 2014

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HIGHLIGHTS ~ SOUTH ASIA

- In 2014 we have **updated poverty estimations for Afghanistan, Bangladesh, and Pakistan in South Asia**. Afghanistan is the poorest country in South Asia, with 66% of people being **multidimensionally poor** using 2010/11 data; India (2005/6) is the next poorest with 54%, followed by Bangladesh (2011) with 51%, Pakistan (2012/13) and Nepal (2011) at 44%, Bhutan (2010) at 27%, and Sri Lanka and the Maldives at 5%.
- This year we also released **a new measure of destitution**, which identifies a subset of poor people as destitute if they experience a number of extreme deprivations like severe malnutrition, losing two children, having all primary-aged school children out of school, and using open defecation. Our destitution results for South Asia (not covering Bhutan, Maldives or Sri Lanka) are significant. **Afghanistan has the highest levels of destitution at 38%**, followed by India at a troubling 28.5% (over 340 million people). But interestingly Bangladesh has much lower levels of destitution than either Nepal or Pakistan, showing that it has controlled the worst forms of destitution.

Country	Year	MPI	% of MPI poor (H)	Intensity of MPI (A)	% of Destitution
Nepal	2011	0.217	44.2	49.0	19.9
Pakistan	2012/13	0.230	44.2	52.1	20.7
Bangladesh	2011	0.253	51.3	49.4	17.2
India	2005/06	0.283	53.7	52.7	28.5
Afghanistan	2010/11	0.353	66.2	53.4	37.7

- We also study **Changes over time** for Bangladesh, Pakistan, Nepal and India. **Nepal** still did the best of all – now leading poverty reduction for 34 countries covering 2.5 billion people. Nepal is closely followed by **Bangladesh**. India reduced MPI only one-quarter as fast as Nepal, but **India and Nepal** reduced MPI significantly in every indicator and in every subnational region. Pakistan had the slowest of all (less than one-fifth of Nepal's rate), but still reduced MPI significantly 2006/7-2012/13. The relative progress across countries is the same in terms of reduction of **destitution**.
- **From 1999-2006, India reduced multidimensional poverty faster than income poverty**. The percentage of people who are poor according to the Global MPI measure fell by 1.22 percentage points per year, whereas the headcount ratio as per the World Bank \$1.25/day fell by 0.71 percentage points per year
- In 2010, we observed that the poorest 8 large states in India were home to more MPI poor people than the 26 poorest African countries. If we update that comparison using MPI 2014 estimations, **the poorest 8 large Indian states are home to more MPI poor people than the 28 poorest African countries** (435M vs 428M), and their combined MPI values are very similar (0.374 vs 0.377). However India's data are from 2005/6, whereas data for 25 of those Africa countries are more recent than India's, and 17 of these African countries have data that are 2010 or later. India's data need an update
- We decompose India, Afghanistan, Nepal, Bangladesh, and Pakistan by subnational regions. **The poorest region in South Asia is Bihar, followed by 'South' Afghanistan**. The poorest 15 subnational regions in South Asia are all in India or Afghanistan, plus one region (Balochistan) of Pakistan.
- Across our 8 South Asian countries we find that **86.3% of multidimensionally (MPI) poor people live in rural areas**. If we use the national income poverty figures which are published for 6 of these countries, 79.9% of those who are poor according to the national income poverty measures live in rural areas.

Interestingly, **Pakistan did not reduce rural poverty significantly** (with significance set at 5%). Overall, 24.2% of people living in Urban South Asia are MPI poor, and 63.5% of those living in rural areas.

- **Among all those 638 million we identify as destitute across 49 countries, (340 million in India) 90% practice open defecation.**
- **India Destitution insights:** In India 94% of people identified as ‘destitute’ in the new study practice open defecation. What the new measure of destitution shows is that in addition to the shame and danger of open defecation, those living in destitution suffer from a multitude of other deprivations at the same time. For example, 76% of India’s destitutes have at least one adult or child with severe malnutrition in their home; 64% of them don’t have electricity; 44% of them have experienced the tragic death of two children; 76% don’t have even one small asset like a mobile phone or radio or bicycle, and 85% have a dirt floor home with all the discomfort this creates during the monsoon season. The destitute people are a subset of the multidimensionally poor people in India – it’s important to reduce all forms of poverty, but to begin by addressing the very worst deprivations first.