Multidimensional Poverty Measurement: The Mexican Wave

Launch of Multidimensional Poverty Peer Network

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www.coneval.gob.mx
A common approach on poverty:

• One single Ministry had the mandate to reduce poverty in Mexico

• Mistrust about official statistics
Measuring poverty according to the Social Development Law (2005)

**Dimensions for poverty measurement**

- Current income per capita
- Educational gap
- Access to health services
- Access to social security
- Quality of living spaces
- Housing access to basic services
- Access to food
- Degree of social cohesion

**Social rights’ approach**

- Measured by an independent institution
Advantages of the social rights approach

• It solves problems of weights and thresholds:
  – Since human rights are indivisible & interdependent, they all have the same relative importance. They have the same weight.
  – The Mexican regulation sets thresholds for several dimensions.

• The poverty measurement has a normative approach.
Main features
(CONEVAL members, with the help of Sabina, James, D. Gordon and others 2007-9)

Income cut-off

Income

Deprivations
Social Rights

Without Deprivations

Poor
Poverty identification

- Extreme poor
- Moderate poor
- Vulnerable people by social deprivations
- Not poor and not vulnerable

Deprivations
Social Rights

Minimum Income Cut-off
Income cut-off
Evolution of multidimensional poverty, 2008-2010

**Deprivations**

- Access to health services: -9.0
- Access to social security: -2.9
- Access to basic household services: -2.5
- Quality and spaces of the dwelling: -2.3
- Educational gap: -0.8

**Population below the wellbeing line**

- Access to food: 4.1
- Access to basic household services: 4.8
- Quality and spaces of the dwelling: 3.5
- Educational gap: 3.2

**Poverty**

- 2008: 44.5% (48.8 million)
- 2010: 46.2% (52.0 million)

Source: estimates of the Coneval based on the MCS-ENIGH 2008 and 2010
Changes in poverty by State 2008-2010

Miles de personas

Veracruz 309
Guanajuato 255
Chihuahua 247
Oaxaca 218
Baja California 207
Tamaulipas 204
Chiapas 198
Sonora 159
Zacatecas 141
Querétaro 124
Sinaloa 113
Tabasco
Distrito Federal 72
Baja California Sur 71
Jalisco 71
Durango 60
San Luis Potosí 57
Colima 53
Campeche 50
Yucatán 49
Hidalgo 43
Quintana Roo 43
México 35
Tlaxcala 33
Aguascalientes 23
Nuevo León 15
Nayarit 8
Guerrero 4
Michoacán
Morelos
Coahuila
Puebla

Fuente: estimaciones del CONEVAL con base en el MCS-ENIGH 2008 y 2010
Using the multidimensional approach for policy purposes

- In 2013 the President and the Minister of Social Development established poverty strategies and goals for all Ministries.

- The new National Development Plan was launched in May 2013 with 14 indicators. 2 of them are taken from the multidimensional poverty methodology.

- State Governors are now concerned about reducing poverty. They keep asking how can they do it.

- Opposing political parties use and believe in the multidimensional poverty estimates since 2009 (as well as the media).
Final remarks

- Measuring social problems in a truthful way is an essential element of modern and democratic governments.
- Measuring poverty in a multidimensional way helps governments to do better in terms of policy.
- “Poverty is a multidimensional phenomenon and must be tackled and measured in a multidimensional way.”
Percentage of people in poverty by municipality.
México, 2010

Fuente: estimaciones del CONEVAL con base en el MCS-ENIGH 2010 y la muestra del Censo de Población y Vivienda 2010.
Total population 2010 (112.6 millions)

**Vulnerable people by social deprivation**
- 32.3 million
- 28.7%
- 1.9 deprivations on average

**Vulnerable people by income**
- 6.5 million
- 5.8%

**Not poor and not vulnerable**
- 21.8 million
- 19.3%

**Poverty**
- 46.2%
- 52.0 millions
- 2.5 deprivations on average

Source: estimates by CONEVAL based on MCS-ENIGH 2010.
Explaining changes in poverty: I Evolution of income poverty (\%)