

Global Multidimensional Poverty Index 2015

Sabina Alkire, Christoph Jindra and Gisela Robles Aguilar | June 2015

The Global Multidimensional Poverty Index (MPI) is an index of acute multidimensional poverty that covers over 100 developing countries. It assesses the nature and intensity of poverty, by directly measuring the overlapping deprivations poor people experience at once, then building up from this information. It provides a vivid picture of how and where people are poor, within and across countries, regions and the world, enabling policymakers to better target their resources at those most in need. The Global MPI is built using DHS, MICS, and national survey data, 2004-2014.

Key findings from 2015

(Alkire, Jindra, Robles, Seth and Vaz 2015)

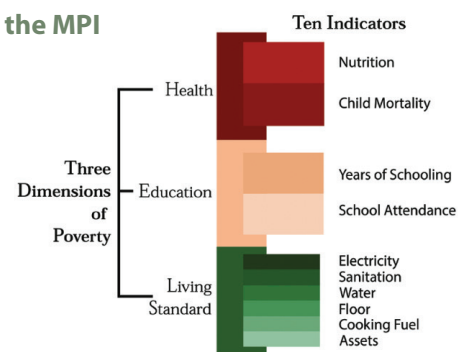
- **Disaggregated analysis** of the MPI is available for all rural-urban areas and for 884 subnational regions, the poorest of which is Salamat, in Chad.
- A total of **1.6 billion people are living in multidimensional poverty**; about 30% of the people living in the 101 countries analysed in 2015.
- Of these 1.6 billion people, **54% live in South Asia, and 31% in Sub-Saharan Africa**. Poverty is highest in terms of both incidence and intensity in Sub-Saharan Africa, but malnutrition is highest in South Asia.
- The number of MPI poor people is **more than twice as high as the \$1.25/day** income poverty figure in Cambodia, Chad, Egypt, Ethiopia, Iraq, Mauritania, Mexico, Niger, Pakistan, Peru, Sudan, Tajikistan, and Yemen.
- 70% of MPI poor people live in **Middle Income Countries**, and over 60% live in countries of **High or Medium Human Development**.
- 62% of MPI poor people do not live in **Failed States**. However in countries classified as in very high alert by the Fragile States Index, on average 72% of people are multidimensionally poor.
- The countries that are designated 'least peaceful' by the **Global Peace Index** are home to 71% of the MPI poor.
- **The Global MPI is robust** to changes in weights and poverty cut-offs (considering standard errors), and overall robustness has increased since the first MPI results in 2010.
- Nearly half of all MPI poor people are **destitute** – 736 million – and 91% of destitute people live in South Asia and Sub-Saharan Africa.

GLOBAL MPI – AT A GLANCE

The Global MPI was developed in 2010 by OPHI and the United Nations Development Programme for UNDP's flagship *Human Development Reports*, and has been published in the reports since then. The Global MPI has 3 dimensions and 10 indicators; for details see www.ophi.org.uk/multidimensional-poverty-index. A person is identified as **multidimensionally poor** if they are deprived in **at least one third** of the dimensions. **The MPI** is calculated by multiplying the **incidence** of poverty by the average **intensity** of poverty across the poor; so it reflects both the share of people in poverty and the degree to which they are deprived.

The Global MPI shows not just which people are poor and where, but **which disadvantages they are experiencing simultaneously**. It reveals different **intensities** of poverty, as some people are deprived in a bigger share of indicators than others. And it can be **disaggregated** to reveal varying rates of poverty reduction within a country, or between ethnicities, castes or other social groups.

Inside the MPI



CHINA'S MPI: A NATIONAL CASE STUDY

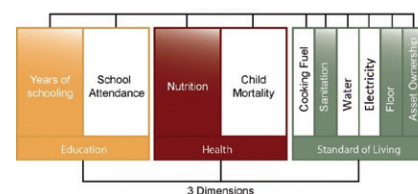
(Alkire and Shen 2015)

- Multidimensional poverty overall in China is low, affecting 5.5% of the population in this China Family Panel Studies dataset, but is significantly higher in Western China, in rural China, and when the head of the household is not educated.
- The deprivations contributing most to multidimensional poverty concern nutrition and school attendance.
- The MPI complements income poverty: 12.6% of people are income poor and 5.5% of people are MPI poor but only 1.6% of people are poor by both measures.

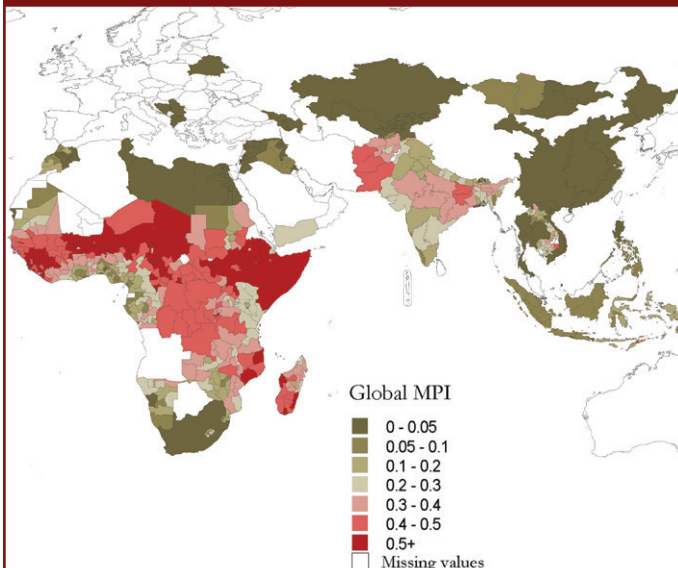
Multidimensional poverty profiles: Mario and Olga, Colombia



Mario and Olga*, both over 70 years old, live in the poorest area of Cartagena, Colombia. They moved from a rural area looking for opportunities. Their hard work (Mario as a watchman in the city and Olga as a housemaid) has enabled their family to achieve a better quality of life than the previous generation. The shaded indicators show they are deprived in 50% of MPI indicators. *Names have been changed.



Multidimensional Poverty across 101 countries and 884 subnational regions using data 2004-2014



The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by OPHI or the University of Oxford. This map is intended for illustrative purposes only.

THE GLOBAL MPI 2010 TO 2015: WHAT HAS CHANGED?

(Alkire and Santos 2014; Alkire and Robles 2015)

- Since the Global MPI was first published, 217 national MPI estimations have been produced, using 2000–2014 datasets, for 117 countries.
- In 2010, 60% of countries only had all 10 indicators. In 2015, 83% of the 101 countries included in the Global MPI analysis have all 10 indicators.
- In the 2010 Global MPI, the most up-to-date data was from 2008. In the 2015 MPI, 87 of the 101 countries have data that was fielded from 2009–2014.
- In 2010, subnational decompositions were provided for 2 countries. By 2015, decompositions to 1362 subnational regions have been published for 100 country-periods.
- In 2010, vulnerability, severity, income category, standard errors, destitution, inequality among the poor were not computed; now they are released in every update, and data visualization is available for every country and subnational region.
- In 2010, changes in multidimensional poverty over time were not available; now they are available for 2.5 billion people in 34 countries and 331 subnational regions, with further updates coming shortly.

Oxford Poverty & Human Development Initiative (OPHI)
 Oxford Department of International Development (ODID)
 Queen Elizabeth House (QEH)
 University of Oxford, Mansfield Road
 Oxford OX1 3TB UK

Telephone: +44 (0)1865 271915

Email: ophi@qeh.ox.ac.uk

Website: www.ophi.org.uk

OPHI gratefully acknowledges support from research councils, non-governmental and governmental organisations, and private benefactors. For a list of our funders and donors, please visit our website: www.ophi.org.uk.

MULTIDIMENSIONAL POVERTY IN THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The outcome document on the SDGs by the Open Working Group proposes a Target (1.2) of reducing poverty ‘in all its dimensions’. The indicators that have been proposed for this target include the Global MPI and National MPIs. The advantage of an MPI, built using the Alkire-Foster (2011) method, is that it is not just a headline measure – it is also a policy tool. An MPI can serve as a focal point for integrated policy interventions that tackle the many different aspects of poverty together. It can provide analysis at a disaggregated level, and can monitor changes quickly.

The Global MPI is a headline indicator of acute multidimensional poverty that, countries have pointed out, reflects Goals 1-8 and 10 of the SDG agenda. It complements income poverty measures by shining a light on other disadvantages that ‘batter people’s lives’ at the same time, as Amartya Sen says.

National MPIs in Mexico, Bhutan, Colombia, and Chile for example, adapt this framework using indicators, standards, and weights that reflect the culture, national plans, and priorities of each country. It can be used with national data to monitor progress and celebrate success. National MPIs are designed as tools to inform allocation, targeting, monitoring, and policy coordination (OPHI May 2015).

A well-designed MPI in the SDGs could complement income poverty measures and energise action to overcome the suffering that continues to afflict so many. For more information see www.mppn.org, the website of the Multidimensional Poverty Peer Network – a network of over 40 governments and institutions that supports a new Global MPI.

INTERACTIVE DATABANK

OPHI’s Interactive Databank enables you to study how over 100 developing countries perform in terms of multidimensional poverty. Interactive graphs reveal where and in which indicators people are poor and destitute, and show how MPI values compare with complementary data, such as \$1.25/day poverty. You can also download individual country profiles for each of the countries included in the Global MPI, illustrated with graphs, maps and charts. See www.ophi.org.uk/multidimensional-poverty-index.

REFERENCES:

- Alkire, S. and Foster, J. (2011) Understandings and misunderstandings of multidimensional poverty measurement. *The Journal of Economic Inequality*. June 2011, Volume 9, Issue 2, pp 289-314.
- Alkire, S., Jindra, C., Robles Aguilar, G., Seth, S. and Vaz, A. (2015) “Global Multidimensional Poverty Index 2015.” Oxford Poverty & Human Development Initiative, University of Oxford. Briefing 33.
- Alkire, S. and Robles, G. (2015) “Multidimensional Poverty Index 2015: Brief Methodological Note and Results.” Oxford Poverty & Human Development Initiative, University of Oxford. Briefing 31.
- Alkire, S. and Santos, M. E. (2014). “Measuring Acute Poverty in the Developing World: Robustness and Scope of the Multidimensional Poverty Index.” *World Development*, 59: 251–274.
- Alkire, S. and Shen, Y. (2015) “Exploring Multidimensional Poverty in China.” Oxford Poverty & Human Development Initiative, University of Oxford. Briefing 34.
- Oxford Poverty & Human Development Initiative (May 2015) “Informing Policy Around the World.” Briefing 30.