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Progress in Eradicating Multidimensional Poverty: Evidence from the global MPI

Sabina Alkire, OPHI, University of Oxford

Virtual Inter-agency Expert Group Meeting on Implementation of the
Third United Nations Decade for the Eradication of Poverty (2018-2027)

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Tabita, Kenya



Rabiya, India



Stephanie, Madagascar



Agatha, Madagascar



Dalma, Kenya



Ann-Sophie, Kenya



Valérie, Madagascar



Change is possible – bottom up and top down efforts could work

There was a sharp reduction of the incidence of undernourishment in Britain in the difficult years of food shortages during the second world war. Facing a big reduction of total food availability, Britain arranged more equal food sharing, through rationing and social support. The results were astounding. During the war decade of the 1940s, life expectancy at birth in England and Wales went up by 6.5 years for men, compared with 1.2 years in the preceding decade, and for women it rose 7 years, far exceeding the 1.5 year gain of the decade before...



Can something similarly positive happen due to the experience of the present crisis? The lessons to emerge from a crisis surely depend on how it is dealt with, and what concerns come to the fore.

Amartya Sen,

Financial Times 15 April 2020

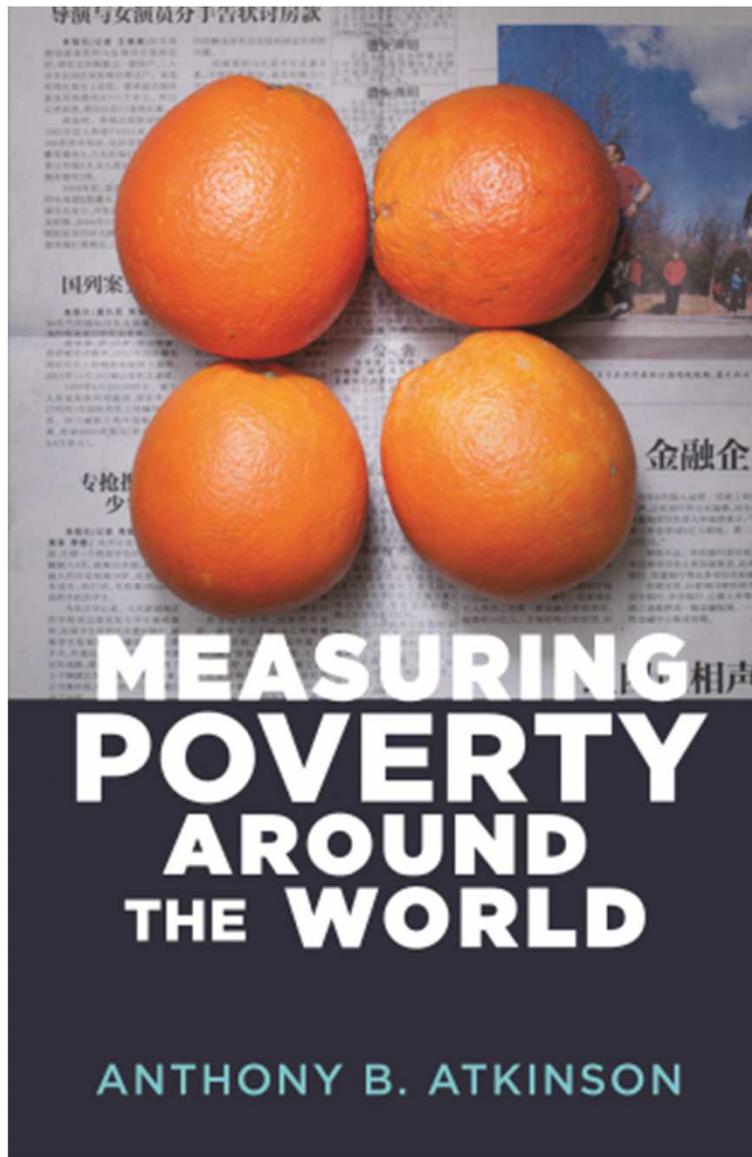
Implementation of the Third United Nations Decade for the Eradication of Poverty (2018-2027)

Accelerating Global Actions for a World without Poverty

links to multidimensional poverty?

3rd Decade and global MPI:

1. The Third UN Decade agenda's pledge to end poverty in *all its forms*, both **monetary and multidimensional** poverty: “Ending poverty is not just about people's income but also their access to basic needs, such as quality education and health care, clean water and sanitation, decent housing and security.”
2. “The poorest of the poor are subject to overlapping dimensions of poverty and inequalities.” The global MPI is extensively **disaggregated**, so inequality becomes visible between, and within countries, and trends show if the poorest are **being left behind**.
3. “The overarching objective regarding non-income dimensions of poverty is to promote integrated approaches and policy frameworks to address multidimensional poverty.” The global MPI is able to track progress in efforts oriented towards **several SDGs jointly**, to diagnose **interlinkages** of these deprivations and to support the development of **integrated and well-targeted policies** that address common deprivation bundles.

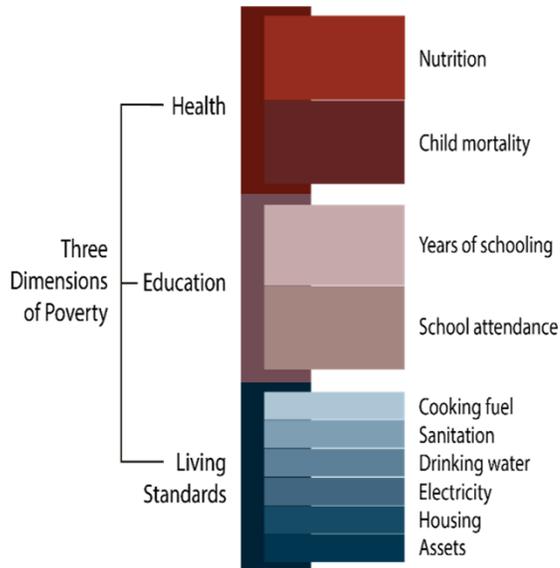


The link with action

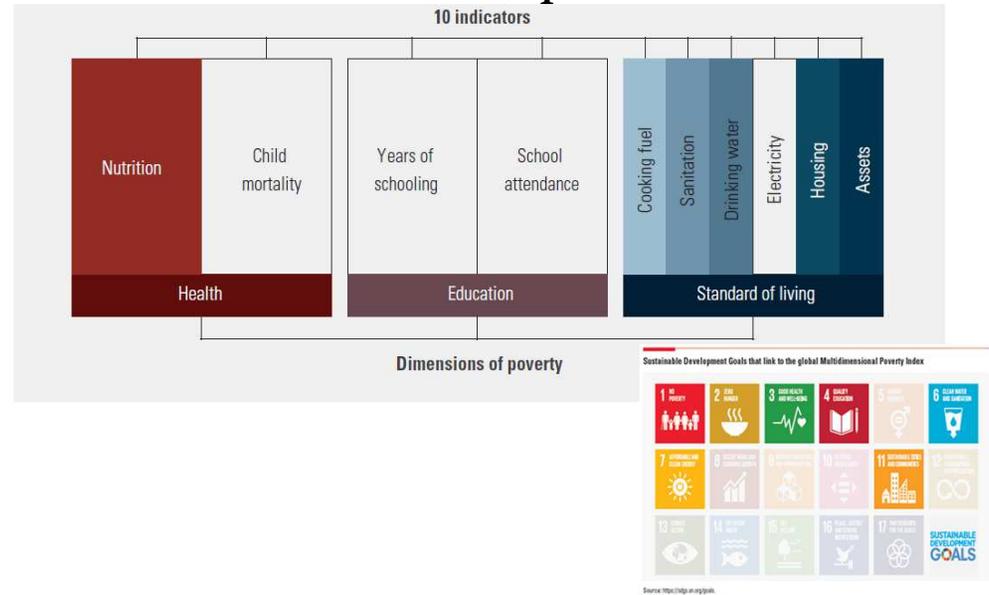
Learning about the extent of poverty is important... but it is the link with action that marks out this issue from many other subjects of study in the social sciences. **Poverty statistics matter because they motivate** people to tackle a key challenge. (p 1)

Introducing the Global MPI

1. Dimensions & Indicators



2. Starts with a Deprivation Profile for each person



3. Who is Poor?

A person who is deprived in 1/3 or more of the weighted indicators is MPI poor.

The deprivation score above is: 44.4%
That person is MPI poor.

4. Compute MPI (AF methodology)

$$\text{MPI} = \text{H} \times \text{A}$$

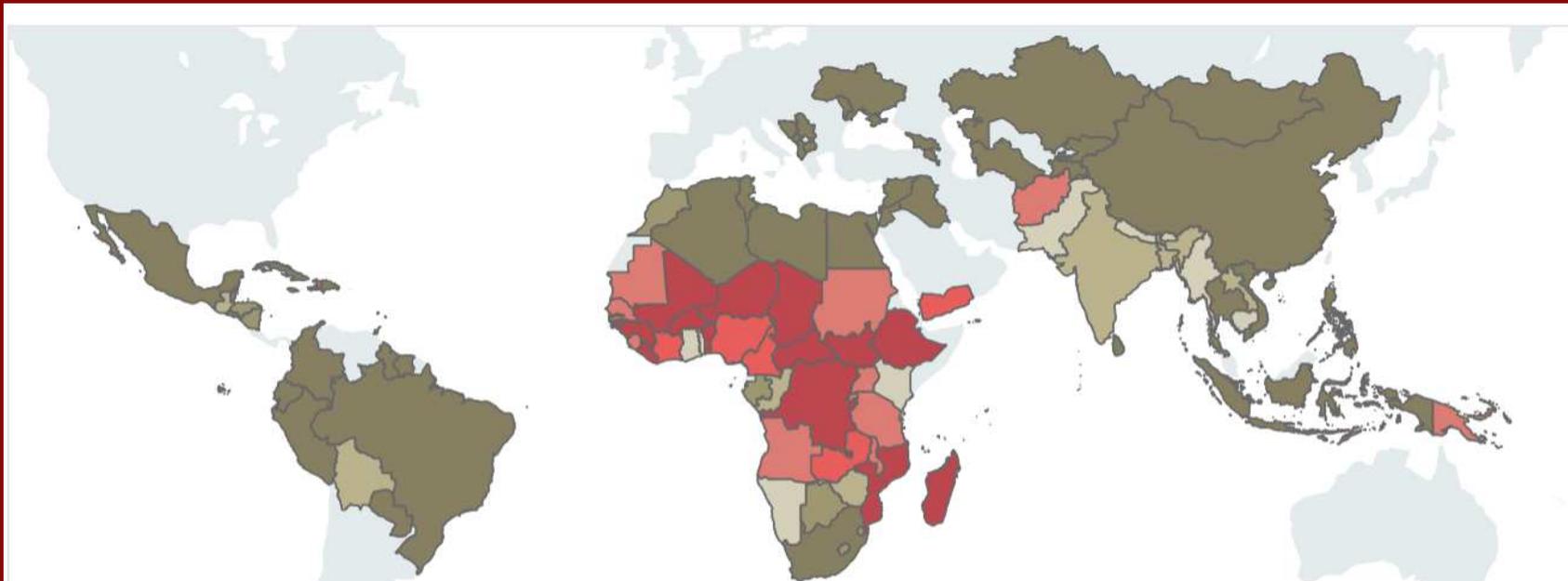
H (Incidence) = Percentage of pop who are poor

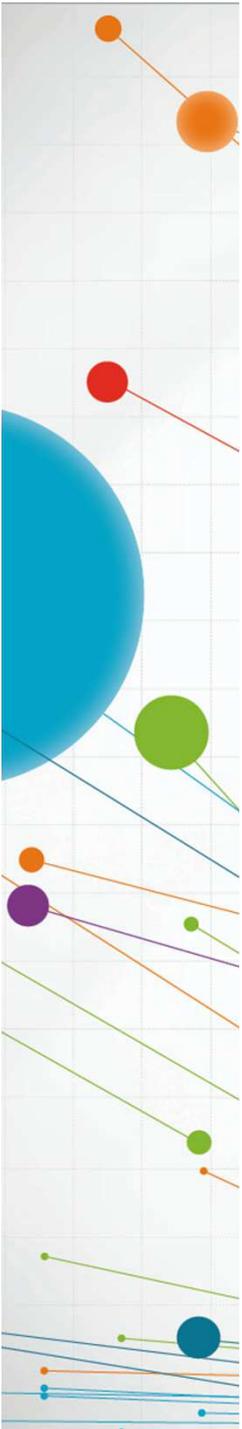
A (Intensity) = Average deprivation score among poor



Understanding Poverty

Using the global MPI





Data for Global MPI 2020

Global MPI 2020

**DHS (47), MICS (47), PAPFAM (3)
& National (10) Surveys**

107 countries: 5.9 billion persons

**Disaggregation by age, rural/urban
+ 1,279 subnational regions**

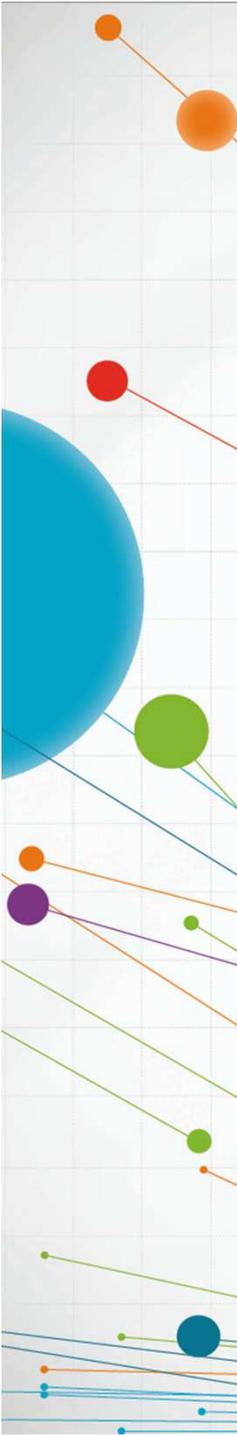
Indicator detail for each

Changes over time

75 countries analyzed; data 2000-2019

5 billion people, 2 periods

fully disaggregated



Fast Facts on global MPI 2020

Total coverage 107 countries and 5.9 billion people

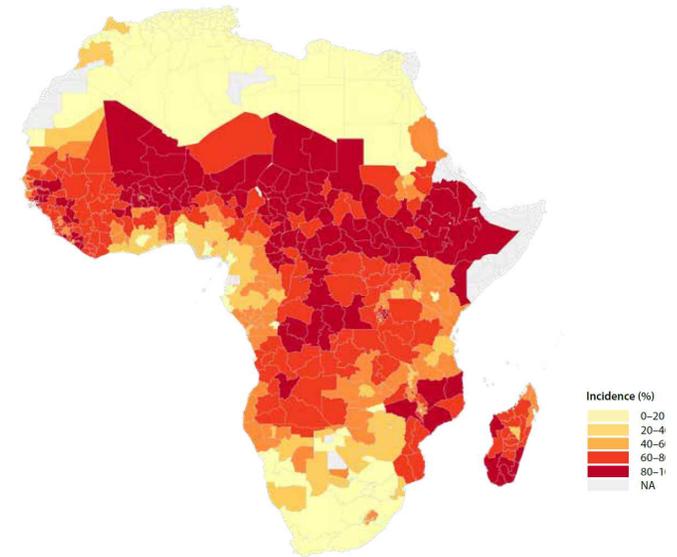
- **1.3 billion people (22%) are multidimensionally poor**
- **Half of them are children**
- **Two-thirds live in Middle Income Countries**
- **Over 84% live in South Asia & Sub-Saharan Africa**
- **Over 84% live in Rural areas**
- **98.8% have 3+ deprivations at the same time**
- **83.5% have 5+ deprivations at the same time**

Global MPI Data in Africa

48 countries, 1.25 billion people

578 regions

nearly 600 million are poor (47%)



Source: Christian Oldiges using data published by Alkire, Kanagaratnam and Suppa (2020).

Prevalence varies within and across countries:

90%+ in Niger and South Sudan, to

55% in Tanzania, 46% in Nigeria, to

26% in Zimbabwe, and 30% in Ghana, to

1% in Tunisia and the Seychelles.



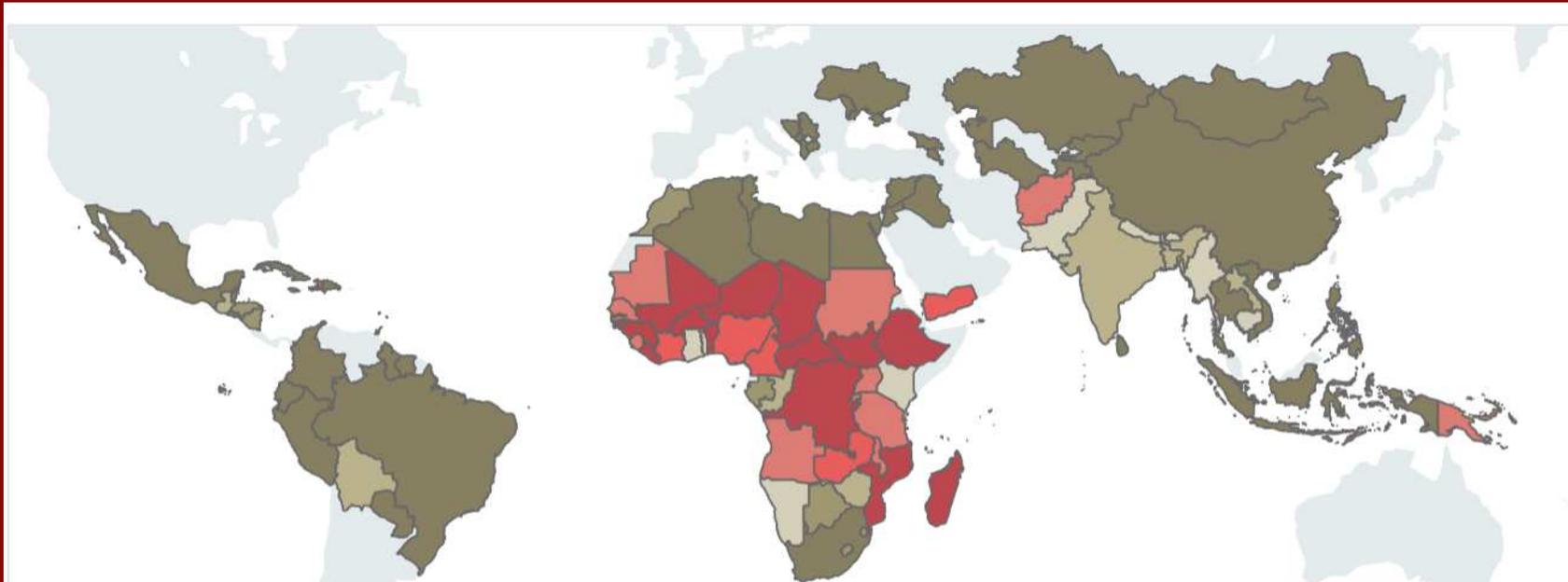
Understanding Poverty in Africa

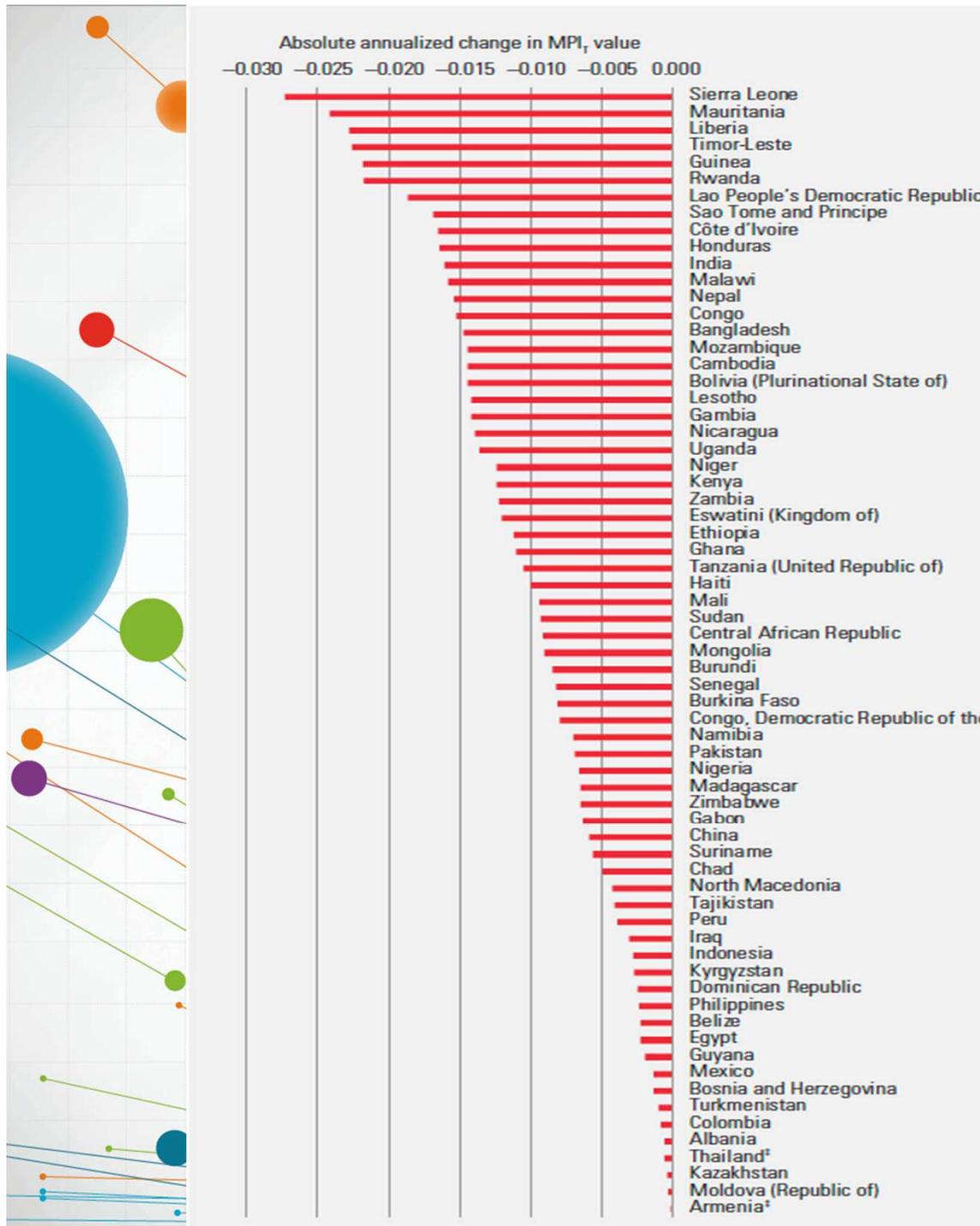
Ross Jennings and Christian Oldiges
Oxford Poverty and Human Development Initiative (OPHI), University of Oxford



Understanding Poverty Reduction

Using the global MPI





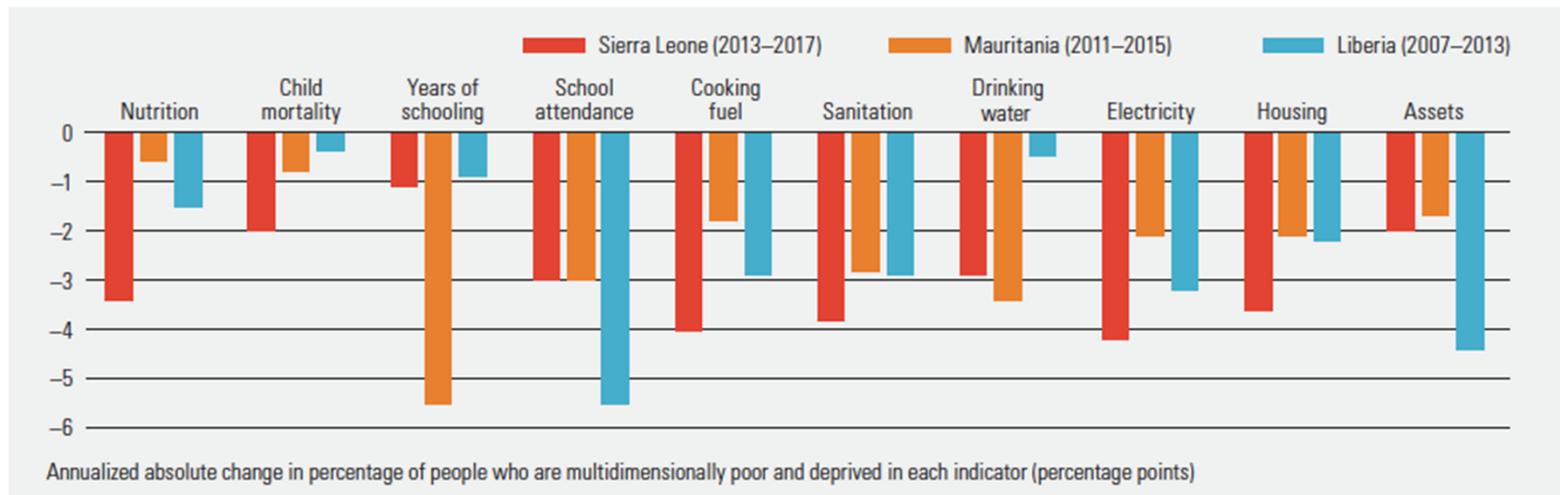
65 out of 75 countries experienced a statistically significant reduction of their MPI value in absolute terms.

96% of the total population of 5 billion people lived in these 65 countries.

Four countries halved their MPI value in 5.5. to 10.5 years – including India

How did MPI change?

- The fastest reduction overall took place in Sierra Leone (2013-2017) during the Ebola epidemic.
- Sierra Leone, Mauritania, and Liberia reduced their MPI_T the fastest in absolute terms, but **each in different ways**

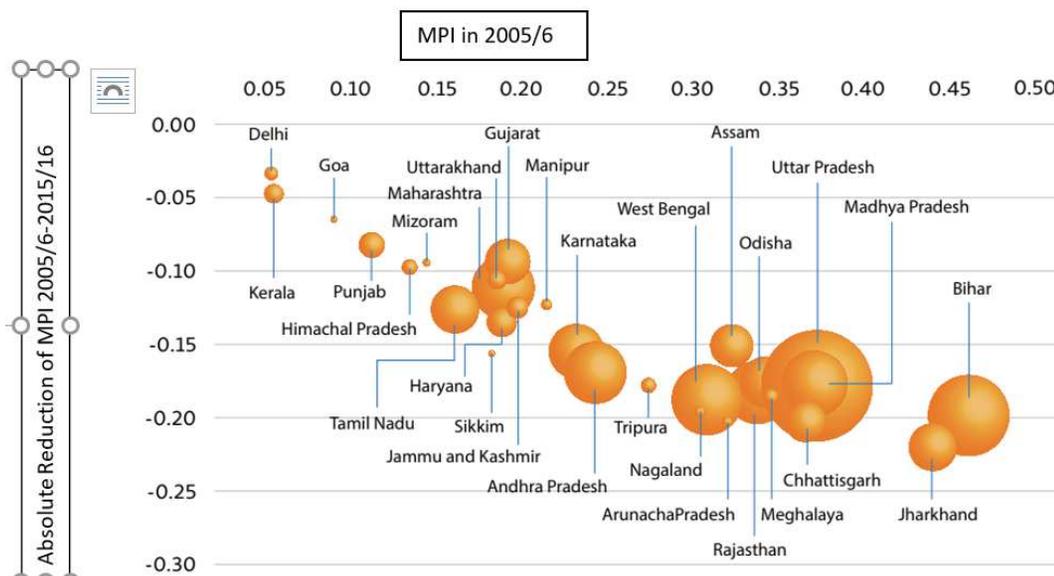


Number of MPI poor

- The greatest number of multidimensionally poor people – over **270 million** in total – **left poverty in India** 2005/6 to 2015/16.
- **50 of the 65** countries reduced the number of multidimensionally poor.
- In **China 70 million** people moved out of poverty over four years. In **Bangladesh 19 million** people exited poverty in five years.
- Smaller countries like **Nepal (4M)** and **Kenya (3M)** reduced strongly in five years.
- **14 Sub-Saharan African countries** reduced MPI but the **number of poor people increased**

Did the poorest regions reduce MPI fastest?

- 398 of the 625 subnational regions – home to over $\frac{3}{4}$ of MPI poor people– significantly reduced MPI.
- 14 countries reduced multidimensional poverty in all their subnational regions.
- In countries like China, Bangladesh, India, Indonesia, and the Philippines, the **poorest subnational regions** achieved the **fastest reduction**.



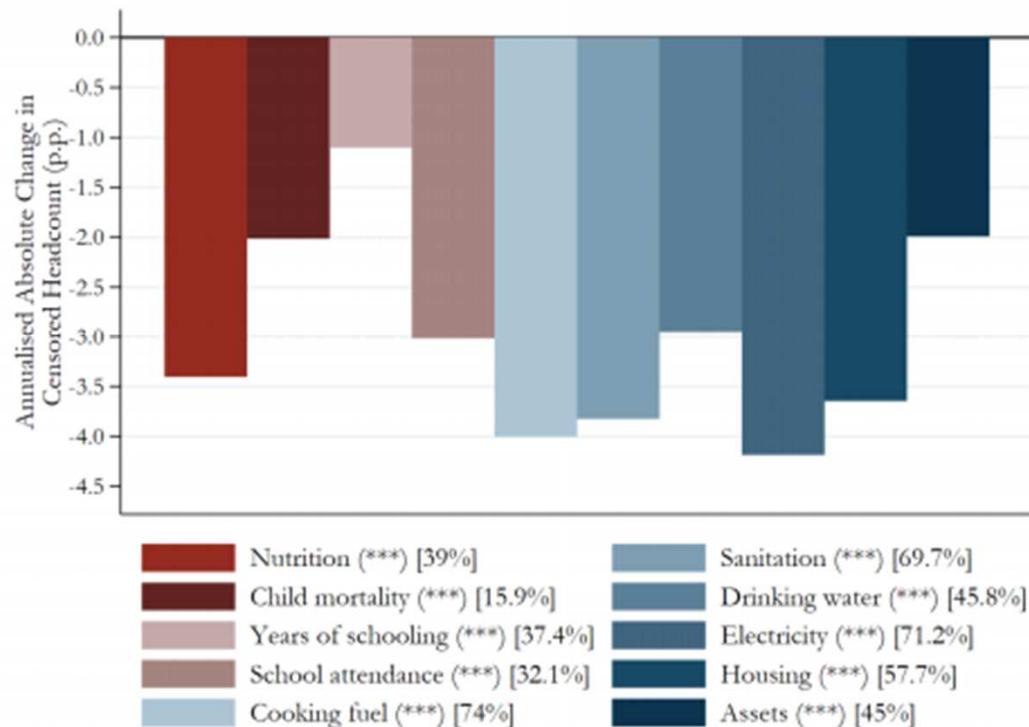
India Pictured

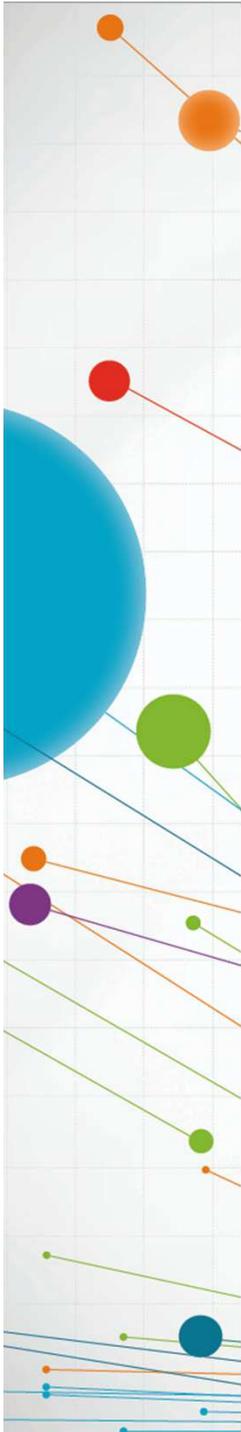
What indicator changes drove progress?

- 20 of the 75 countries were able to achieve significant reductions in all 10 indicators.
- 11 of these are in Sub-Saharan Africa

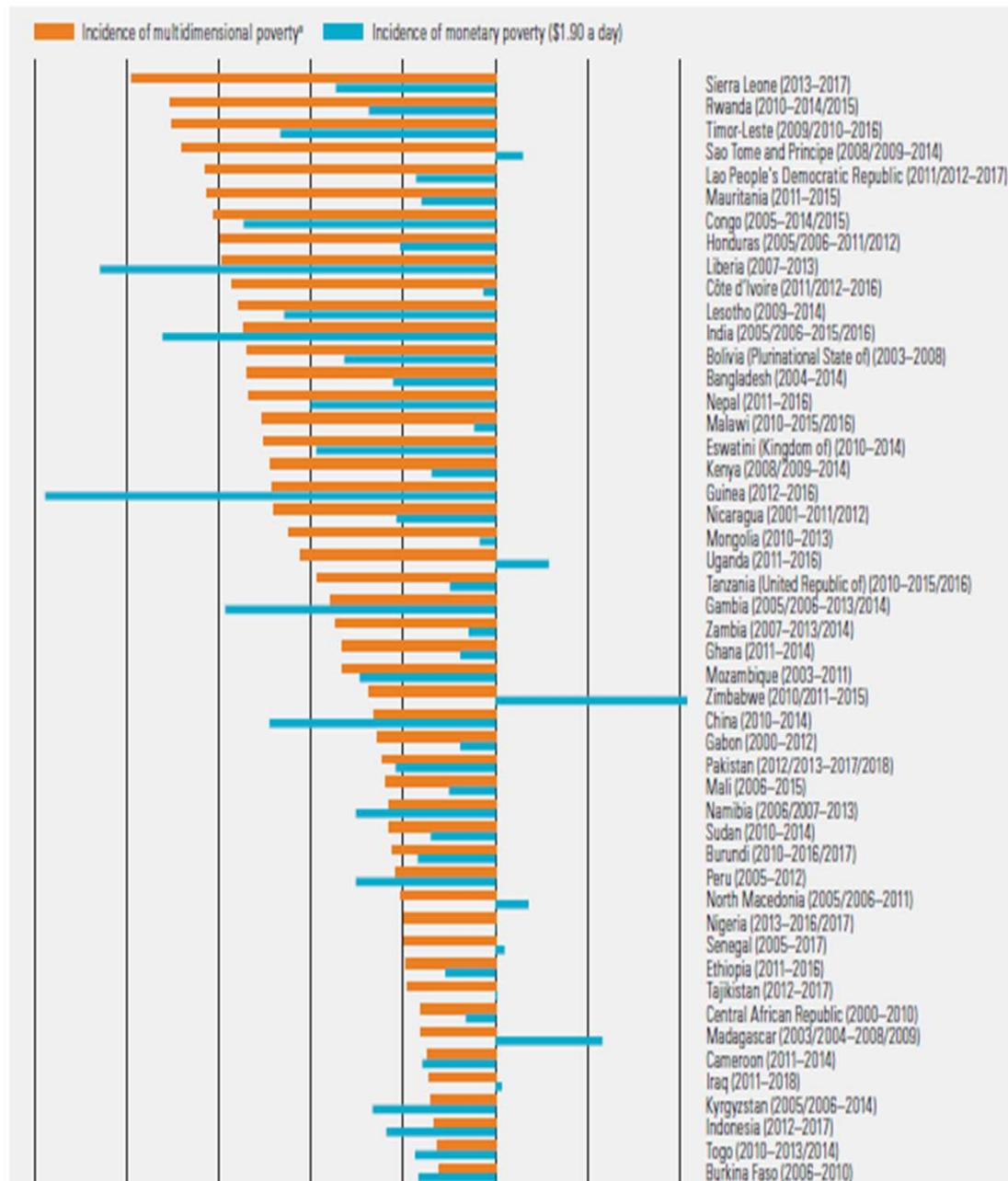
Sierra Leone Pictured Below.

Figure 2. Changes in censored headcount ratios (absolute) between 2013 and 2017





In 52 of the 71 countries with both multidimensional and monetary poverty data, the incidence of multidimensional poverty fell faster in absolute terms



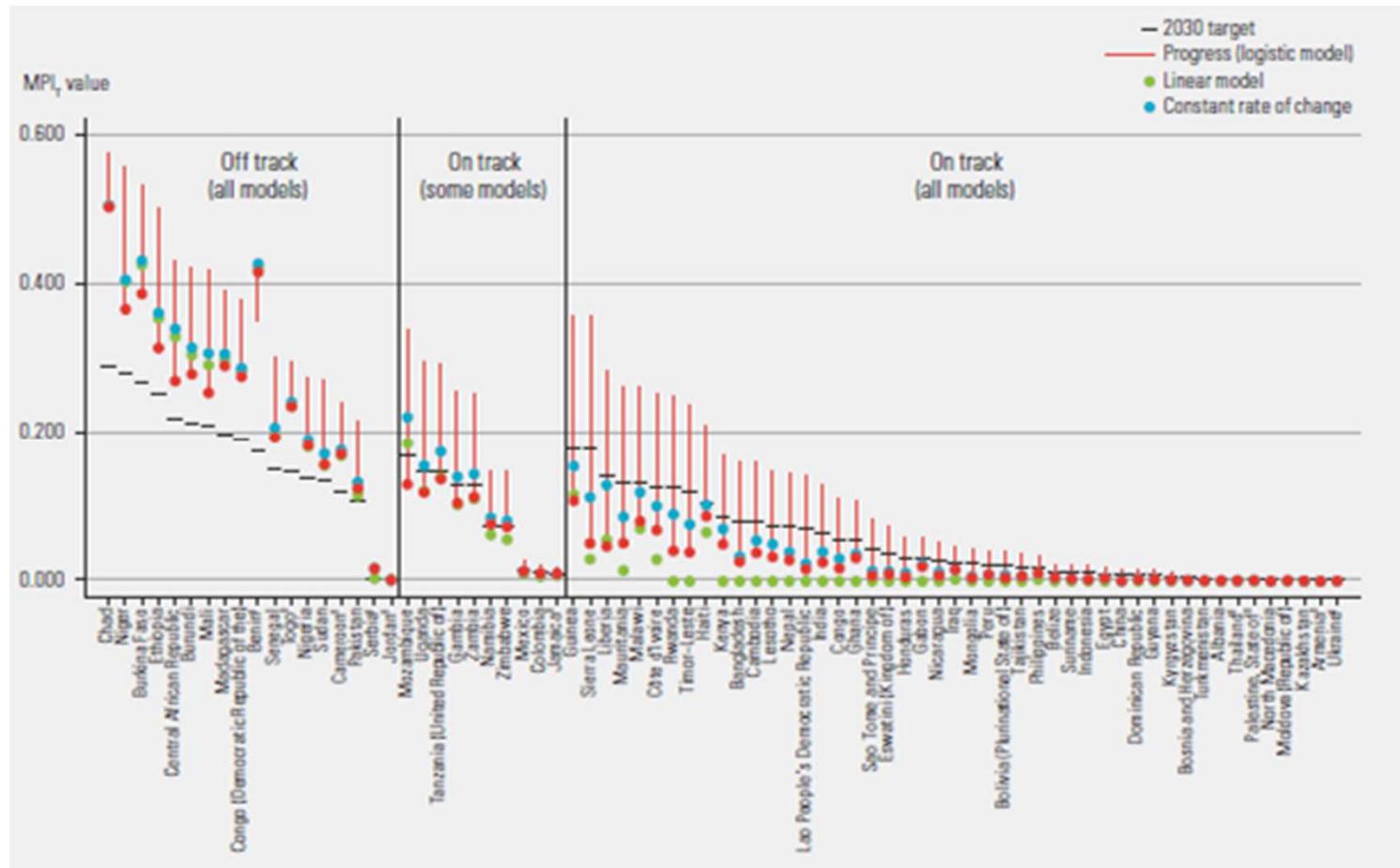
Sierra Leone and Bangladesh's annualised reduction of the incidence of MPI were twice as fast as their reduction of \$1.90/day poverty.

Could the global MPI have halved 2015–2030?

47 of the 75 countries were 'on track' to halve global MPI 2015–30 using linear, logistic, or constant rate of change projections.

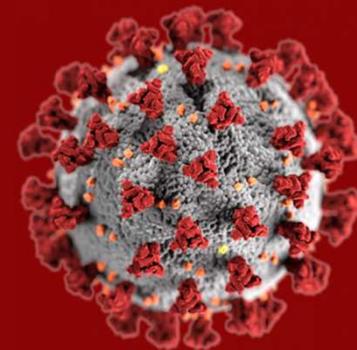
18 are off track – including the poorest

all data pre-pandemic



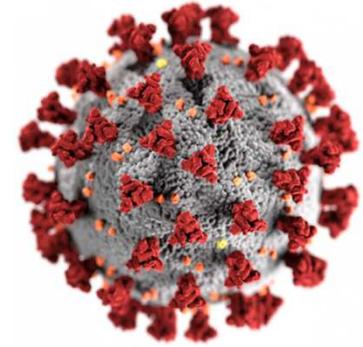


Enter COVID-19
How might Trends
be Impacted?



Enter COVID-19

Impact on Trends?



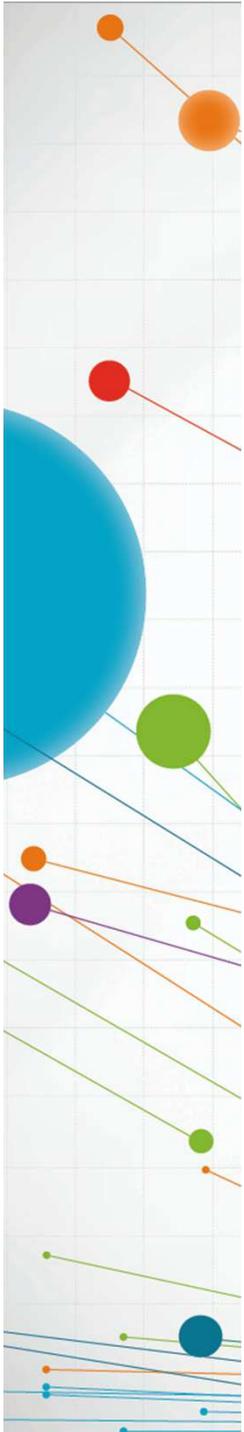
We use World Food Programme & UNESCO predictions to simulate 6 scenarios *in the absence of policy action*

1-3: undernutrition among the poor & vulnerable rises by 10%, 25%, and 50%

130 million people across 55 countries with acute food security

4-6: half of all primary school children leave school.

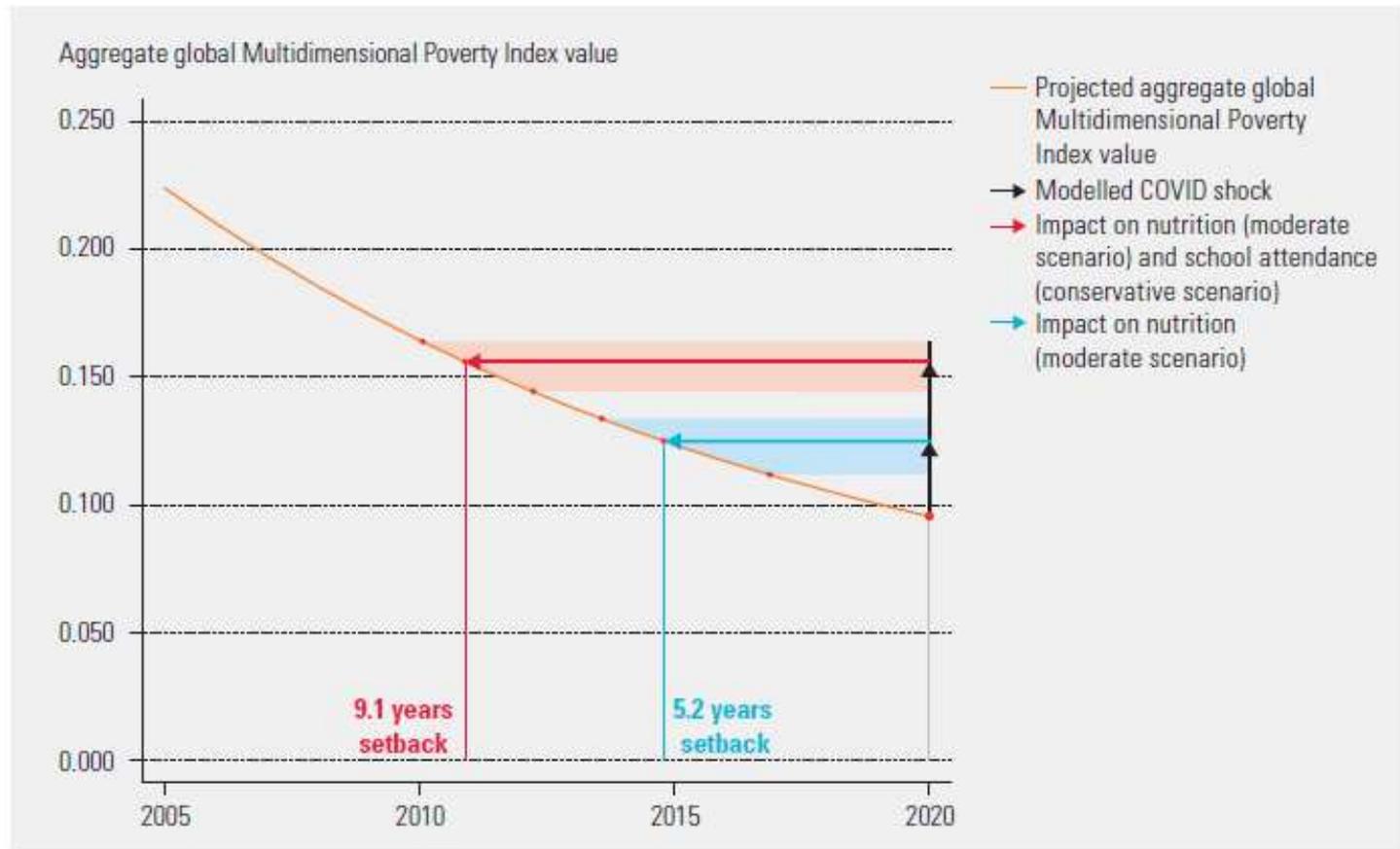
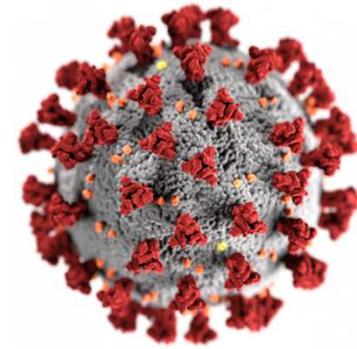
April 2020: 91% of children out of school



Enter COVID-19

How are Trends Impacted?

Set back 3.1 to 9.9 years



Response and Recovery

- Examples of using existing data (mainly) to guide emergency response during the pandemic.

Global MPI data: Who might be most at risk?

In part, those deprived in:

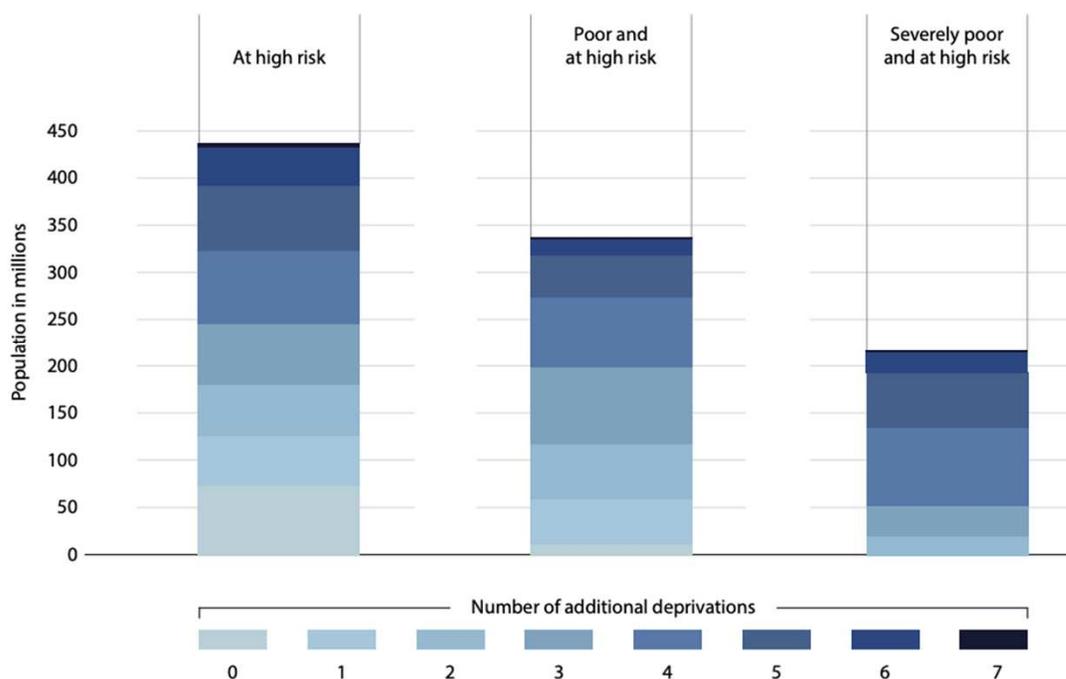
- **Nutrition**
- **Clean Water**
- **Clean Cooking Fuel**

Rapidly re-analysing global MPI data we found:

- **3.6 billion** people, or 62% of 5.8 billion people living in 103 countries of developing regions covered by the 2020 global MPI, are affected by at least one COVID-19-related deprivation. They are **'at risk'**.
- Fully **435 million** people are deprived in all three COVID-19 risk factors **at the same time**. They are at **'high risk'**.

Poor People are Disproportionately Affected

Figure 3. High-risk persons (in millions) and their additional deprivations



Note: Population figures are based on 2018 UN DESA population estimates.

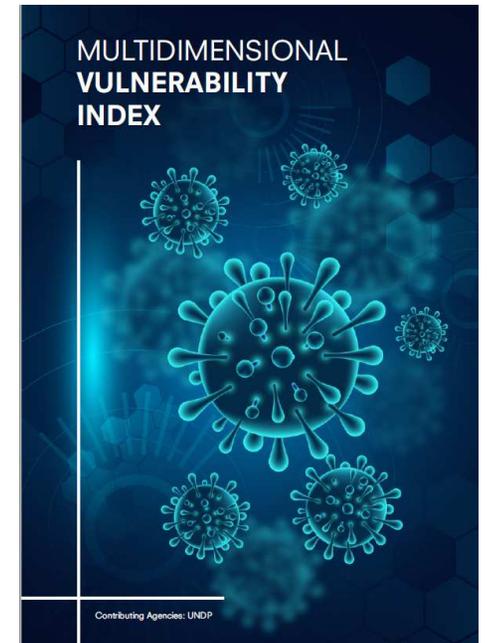
Source: MPI data computed by Alkire, Kanagaratnam, and Suppa (2020).

Of 435 million people at high risk, **336 million are multidimensionally poor**. 216 million are at high risk and severely multidimensionally poor. Their overall deprivation load is at least 50% of all weighted global MPI indicators.

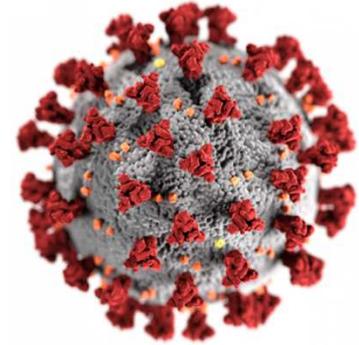
Response and Recovery

National MPIs are, at country level, being innovated to
**MVIs – Multidimensional Vulnerability Indices and
Analyses for Emergency response**

- Employment
- Intergenerational Households
- Overcrowding
- Handwashing
- Ownership of mobile phone
- Domestic Violence
- Chronic health condition



Response and Recovery



National MPI **simulations** on the possible impact of the pandemic: Afghanistan, Dominican Republic, and Angola

Iraq, Mexico, Pakistan: Multidimensional **Vulnerability** Index

Honduras, Colombia etc: MPI based on census or registry data to **target emergency response** bundles

MPPN: Events on **leadership**, data collection, pandemic response, sharing of lessons.

**Implementation of the
Third United Nations Decade
for the
Eradication of Poverty (2018-2027)**

**“Accelerating Global Actions for a World
without Poverty”**

View online:

hdr.undp.org/en/content/2020-MPI

ophi.org.uk/multidimensional-povertyindex/

- [OPHI's global MPI databank](#)
- [Country briefings](#)
- [Excel data tables and do-files](#)
- [Methodological notes](#)
- [HDRO's Interactive Databank](#)
- [MPI Frequently Asked Questions](#)
- [MPI statistical programs](#)

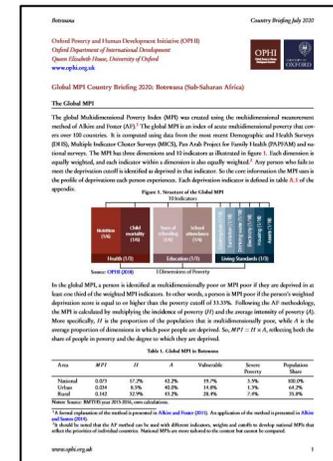


Table 6.1 Changes in MPI_i at the National Level
This table provides the levels (with standard errors) and annualized absolute and relative change in the Multidimensional Poverty Index: harmonized for comparisons across time (MPI_t) and their statistical significance.
 Citation: Aikie, S., Kovess, F., Mitchell, C., Paila-Roucouac, M. and Schiulin-Petee, S. (2020). 'Changes over time in the global Multidimensional Poverty Index', OPHI MPI Methodological Notes 50, Oxford

ISO country code	Country	World Region	MPI Data Source Year 1		MPI Data Source Year 2		Multidimensional Poverty Index (MPI _t)	
			Survey	Year 1	Survey	Year 2	Year 1	Year 2
AFG	Afghanistan	South Asia	MICS	2010/11	DHS	2015/16	0.439 (0.007)	0.332 (0.009)
ALB	Albania	Europe and Central Asia	DHS	2008/09	DHS	2017/18	0.008 (0.001)	0.003 (0.001)
ARM	Armenia	Europe and Central Asia	DHS	2010	DHS	2015/16	0.001 (0)	0.001 (0)
BGD	Bangladesh	South Asia	DHS	2014	MICS	2019	0.175 (0.007)	0.101 (0.001)
BLZ	Belize	Latin America and Caribbean	MICS	2011	MICS	2015/16	0.030 (0.004)	0.020 (0.003)
BEN	Benin	Sub-Saharan Africa	MICS	2014	DHS	2017/18	0.346 (0.007)	0.362 (0.007)
BOL	Bolivia	Latin America and Caribbean	DHS	2003	DHS	2008	0.168 (0.005)	0.096 (0.004)
BIH	Bosnia and Herzegovina	Europe and Central Asia	MICS	2006	MICS	2011/12	0.015 (0.001)	0.008 (0.001)
BFA	Burkina Faso	Sub-Saharan Africa	MICS	2006	DHS	2010	0.607 (0.013)	0.574 (0.006)
BDI	Burundi	Sub-Saharan Africa	DHS	2010	DHS	2016/17	0.464 (0.006)	0.409 (0.006)
KHM	Cambodia	East Asia and the Pacific	DHS	2010	DHS	2014	0.228 (0.006)	0.170 (0.006)
CMR	Cameroon	Sub-Saharan Africa	DHS	2011	MICS	2014	0.258 (0.007)	0.243 (0.007)
CAF	Central African Republic	Sub-Saharan Africa	MICS	2000	MICS	2010	0.574 (0.005)	0.482 (0.006)
TCD	Chad	Sub-Saharan Africa	MICS	2010	DHS	2014/15	0.600 (0.006)	0.578 (0.005)
CHN	China	East Asia and the Pacific	CFPS	2010	CFPS	2014	0.041 (0.006)	0.018 (0.002)
COL	Colombia	Latin America and Caribbean	DHS	2010	DHS	2015/16	0.024 (0.001)	0.020 (0.001)

