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Beyond GDP: what Multidimensional Measures of Poverty and Well-being add to Dashboards and Composite Indices

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Beyond GDP: what Multidimensional Measures of Poverty and Well-being add to Dashboards and Composite Indices

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Abstract: Momentum is gathering on the implementation of commitments made by the international community to build a measurement framework that respects and accurately reflects the ambitions of sustainable development, going beyond Gross Domestic Product (GDP)—"Beyond GDP". This paper proposes eight criteria by which to assess some component indicators in the Beyond GDP framework. Applying these criteria, this paper proposes that the Beyond GDP framework includes a small suite of multidimensional measures based on the counting tradition for measuring acute poverty, moderate poverty, and well-being. This paper proposes using the existing Global Multidimensional Poverty Index for a global comparison for developing countries; a new Global Moderate Multidimensional Poverty Index that assesses multidimensional poverty in groups or countries at higher levels of human development; National Multidimensional Poverty Indices, extended to all countries according to their definitions of poverty; and finally a Multidimensional Well-Being Index trialled and developed for national contexts, rolled out across more countries, with a globally comparable Multidimensional Well-being Index (MWI) developed over time.

JEL Classification: D63; I32.

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1. Introduction: the context of Beyond GDP

The Beyond GDP initiative set in motion by the United Nations seeks to create a paradigm shift in the measurement of development progress for all countries by creating a new framework of aspirations, and a small dashboard of measures, that ultimately aim at tracking and advancing the flourishing of human society on a shared planet.

Proposals to go "Beyond GDP" comprise dashboards of single indicators, composite measures, and monetary metrics that improve on GDP by taking into account the environmental or social aspects of the economy. This paper focuses on proposing measures that assess human functionings and capabilities directly. We do not consider the various monetary measures such as wealth-accounting, expanded systems of national accounts (SNAs), biophysical or green GDP initiatives, shared prosperity or inequality measures. We suggest that a "Beyond GDP" framework includes a compact suite of multidimensional measures for the measurement of poverty and well-being to complement other perspectives. We propose that some of the suite of multidimensional measures should satisfy various desiderata elaborated in this paper. We explore counting-based measures of poverty and well-being that fulfil these criteria and would contribute powerful analyses to support the "Beyond GDP" framework.

The measurement of well-being has gained a sharpened international profile and urgency. Action 53 of the "Pact for the Future" adopted at the UN General Assembly in 2024 committed member states to building a measurement framework that respects and accurately reflects the ambitions of sustainable development that go beyond Gross Domestic Product (GDP). This framework may define the way the global community measures and acts on nurturing development progress in the years to come.

Work to improve measures of well-being has a long trajectory.[1] Building on the concepts of people-centred development circulating in economics since the Human Development Reports in the 1990s, the conversation about developing measures of economic performance for complex economies and going "Beyond GDP" gained renewed emphasis with the publication of the report of the "Stiglitz-Sen-Fitoussi" Commission in 2009. The Commission's report highlighted the influence of measurement on action, expressing a desire "for our measurement system *to shift emphasis from measuring economic production to measuring people's well-being*."[2] It named eight dimensions of quality of life (health, education, living standards, work and activities, voice and governance, relationships, environment, security), and signalled the intrinsically multidimensional nature of well-being. In 2015, the Sustainable Development Goals universally adopted by UN Member states explicitly included the need to measure progress

1 The identification of least developed countries by the United Nations has been based on a "Beyond GDP' approach since 1971, see United Nations (1971) and United Nations (2024).

2 Stiglitz, J. E., Sen, A. K., & Fitoussi, J-P. (2009) (*ital* original), p. 12.

in SDG target 17.19, which aims to "build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity building in developing countries" by 2030.[3] And in 2021, the outcome document of the Rio+20 Summit of the United Nations Conference on Sustainable Development requested that the UN Statistical Commission launch a programme of work to explore broader measures of progress to complement GDP.[4]

The "Beyond GDP" concept has gathered further momentum.[5] In 2021, the UN Secretary General argued in his report *Our Common Agenda* that "now is the time to correct a glaring blind spot in how we measure economic prosperity and progress".[6] Under the United Nations system's Chief Executives Board for Coordination (CEB), the High Level Committee on Programmes (HLCP) moved forward with developing a UN system-wide contribution on the "Beyond GDP" project leading to the draft paper by the High Level Core Group, *Valuing What Counts: United Nations' System-wide Contribution on Beyond GDP*.[7] This helped to inform a Policy Brief[8] by the UN Secretary General and then the "Pact for the Future" statement which galvanised the current phase of "Beyond GDP" discussions and set a target for the development of "a limited number of country-owned and universally applicable indicators of sustainable development that complement and go beyond gross domestic product".[9] An independent High-Level Expert Group was appointed in May 2025 and will present a report in 2026.

3 See SDG Target 17.19 definition via https://sdgs.un.org/goals/goal17#targets_and_indicators and brief summary in pp. 3-4 of United Nations (2023).

4 Paragraph 38 reads: We recognize the need for broader measures of progress to complement GDP in order to better inform policy decisions, and in this regard, we request the UN Statistical Commission in consultation with relevant UN System entities and other relevant organizations to launch a programme of work in this area building on existing initiatives.

5 Alkire, S. & Kovesdi, F. (2020) for a brief summary and for a more detailed history, see Jansen, A., Wang, R., Behrens, P., Hoekstra, R. (2024), pp. 3-6.

6 United Nations (2021b).

7 United Nations (2022).

8 United Nations (2023).

9 United Nations (2024), p. 34.

2. Measurement Methodologies for a New Paradigm

The process of how to develop measures that go "Beyond GDP" has many lines of enquiry—ranging from normative foundations to the selection of dimensions and indicators, to whether Beyond GDP measures should be globally comparable or nationally specific or both, to data sources and the frequency of updates and criteria for disaggregation, to how measures can inform policy.

This paper focuses on methodology. It assumes that any "Beyond GDP" framework should include metrics for both poverty and well-being across a population as critical and distinct facets of tracking sustainable and inclusive development. Both lenses offer valuable insights that collectively can describe sustainable progress and illuminate the lived experience of economic development on a shared planet. The paper further assumes that such metrics should be multidimensional, should be disaggregated within countries, and should guide policy. It sets out eight criteria for measuring poverty and well-being, suggests feasible ways that dashboard and composite indices might be strengthened, and observes how counting-based measures could add value.

2.1 Criteria for some "Beyond GDP" measures

We suggest the following desirable criteria that measures for poverty or well-being might satisfy.

1. **Clarity. A measure of poverty or well-being should be clear and easy to understand.**

A measure with clarity can be easily used by national leaders, state and local actors to set clear priorities and to track changes visibly. A clear measure can be understood widely across society and reported in the media. A further feature of a measure that has clarity is that it is not ambiguous, but can articulate where well-being is lower, higher, or roughly similar.

2. **Multiple Indicators. A measure should cover different aspects of poverty or well-being.**

Moving beyond GDP suggests a move to include various indicators that are relevant to poverty and well-being. Engaging a core set of indicators that reflect human capabilities enhances the authenticity of the measure in reflecting lived experiences.

3. **People-centred. A measure should be based upon the same person's conditions in multiple dimensions at the same time.**

People-centred measures hone in on the conditions of individual people or households across the multiple indicators. Such measures, which include counting-based measures, reflect the joint distributions of dimensions across people, rather than taking a siloed approach.

4. **Standards-focused. A measure should seek to close shortcomings from minimum standards and not allow abundance at the top to hide what is going on at the bottom.**

Standards-focused measures assess whether each person's achievements in an indicator meet a minimum level of sufficiency—such as the mandatory years of schooling. When societies are unequal, average achievements can be misleading. If some people have completed three PhDs, this does not compensate for others who have never gone to school. Standard-focused measures do not automatically assume that more is always better, but do imply that a minimum standard may often be valued.

5. **Poverty and well-being have different faces. A measure should allow for the fact that their shape varies across people, and not impose a one-size-fits-all approach.**

Because people's aspirations and abilities vary, a "perfect score" in a societal measure may be obtainable without requiring everybody to have everything. This requires measures to recognise flexible expressions of well-being and poverty, as might be common in plural societies.

6. **Policy Relevance: Changes in a measure should be meaningfully relatable to changes in its components**

Measures should be able to be broken down by indicator to show interconnections directly and provide information that can directly inform policy (such as policy design, targeting, budgeting, coordination, monitoring and evaluation). In policy relevant measures, an indicator improvement will improve poverty or well-being in a predictable way.

7. **Leaving No One Behind: A measure should have the capability to identify groups who are being left behind.**

To assess whether anyone is being left behind, measures need to be disaggregated to illuminate inequalities between different groups in society and examine how these evolve over time. An in-built ability to decompose measures by population groups also facilitates accurate targeting of poverty or well-being policies.

8. **Sustainability: A measure should not compel the exhaustion of planetary resources when optimized for the current generation.**

Given planetary boundaries,[10] certain improvements (more cars, more travel, more products) may create tensions between well-being and sustainability on a shared planet. Hence a measure should enable users to consider whether its fulfilment can indeed help the current generation enjoy well-being without compromising the ability of future generations to enjoy well-being. This may require a further step of analysis, but is vital to consider from the inception.

2.2 Introducing the Candidate Metrics: Dashboard, Composite and counting-based Multidimensional Measures

Since the Stiglitz-Sen-Fitoussi Commission, an array of Beyond GDP measures have been proposed by governments, non-governmental organizations, multilateral organisations and academia.[11] In *Valuing What Counts: United Nations' System-wide Contribution on Beyond GDP*, the HLCP Core Group recognised that "The world needs a common direction…":[12]

10 Richardson, J., Steffen W., Lucht, W., Bendtsen, J., Cornell, S.E., Donges, J.F., Fetzer, I. *et al*., 2023.

11 For a list of multidimensional Beyond GDP and well-being frameworks across the OECD, refer to Table 1 in Brandt *et al*. (2022), but note that some have since been updated and the number of indicators and dimensions listed in their paper may have changed; The WISE Database accessed via www.Beyond-GDP.world, hosted by the Institute for Environmental Sciences Leiden (CML) of Leiden University, The Netherlands, also offers a repository of Beyond-GDP indexes and indicators. See also Liu, K., Wang, R., Behrens, P. *et al.* (2024) and OECD's website dedicated to Wellbeing and beyond GDP, including multiple features such as The Knowledge Exchange Platform on Well-being Metrics and Policy Practice (KEP).

12 United Nations (2022), p. 3, p. 28.

> *What is missing is a coherent and focused common approach to move Beyond GDP, a moonshot to position Beyond GDP as the measure of progress, premised on the international human rights framework and accompanied by metrics that measure progress beyond income, beyond averages and beyond today and build on the core values of the UN system.*[13]

The most often proposed direct nonmonetary measures for going Beyond GDP are **dashboards of single indicators, and composite indices.**[14] We propose to add to these a third type of metrics, namely **counting-based multidimensional indices as measures for poverty and well-being.**

The following discussion explores how the three main measurement types, which it briefly describes, interact with these eight criteria namely: clarity, multiple indicators, people-centred, standards focused, pluralistic, policy relevant, leaving no one behind and sustainable. It observes that counting-based metrics have distinctive features that might make them appropriate to consider within the Beyond GDP framework.

Dashboards

WHAT THEY ARE

A dashboard shows levels or trends of multiple indicators, often in very large numbers. The Global SDG Indicator Framework could be considered a dashboard with 17 goals and 234 indicators. Examples of well-being measures include the UK Measures of National Well-being Dashboard which includes 59 indicators across 10 domains of well-being, Australia's Welfare Indicators Framework which includes 50 indicators in 14 domains across five themes and New Zealand's Living Standards Framework Dashboard which includes 62 indicators across 12 domains. Mexico has adopted the OECD Regional Wellbeing Framework with 35 indicators in 12 domains.

Dashboards use data from many different sources, collected in the same or different years. They often refer to different populations—for example children aged 0–18, or women or the labour force. In dashboards, indicators are reported at the national level, but some or all indicators may be disaggregated by various subnational groups. Entries in a dashboard may be a national average (e.g. average level of satisfaction) or may reflect deprivations (e.g. within the "Our Relationships" domain, the UK Measures of National Well-being Dashboard reports that "approximately one in 13 adults in Great Britain feel lonely often or always"). Dashboards may also incorporate composite indices or be entirely comprised of them.

Dashboards have the advantage of being able to use data from different sources, and to profile variables that reflect different populations (the percentage of women in Parliament and the percentage of the population who lack clean energy, for example). But they are somewhat lacking in aspects of clarity, and share together with composite measures some important disadvantages according to the eight criteria in this brief.

HOW DO THEY FARE AGAINST THE 8 CRITERIA?

In terms of **clarity**, by including a large number of indicators with no explicit weights, a key disadvantage of dashboards is that they do not set priorities. Also, as the Stiglitz Sen Fitoussi Commission observed, dashboards—especially "large eclectic dashboards"[a]—do not provide a headline or bird's eye view of the direction of travel to show if things are, overall, improving or worsening.

Component measures in dashboards tend not to include **multiple indicators** but rather include dimensions one by one. They do not show if the same person is deprived in, or enjoys sufficiency in, just one indicator or multiple indicators, so are not **"people-centred"**. However, in some cases several indicators may be drawn from one dataset, in which case some assessment of overlaps could be added to enrich the people-centred insights.

Dashboards often report national averages of all people, so are not **standards focused**. However, some dashboards including some SDG indicators, do set a standard—as in the example of loneliness in the "Our Relationships" domain of the UK Measures of National Well-being Dashboard, thereby mitigating the problem, even if averages are used. Also, for dashboards, higher achievements in every indicator is always better, so they do not permit a pluralism that recognises **many faces** of poverty and well-being even if people opt out of certain indicators.

In terms of **leaving no one behind**, dashboard indicators are often disaggregated, but when datasets and root populations differ, different indicators will be disaggregated for different groups so a whole-of-society perspective is lost. Finally, the implicit aim of dashboards is for everyone to enjoy everything—hence **sustainability** is not fulfilled.

[a] Stiglitz *et al.* (2009).

13 Executive Summary, United Nations (2022).

14 Alkire *et al.* (2015) for a fuller introduction to dashboards and composite indices, pp. 72-75.

COMPOSITE INDICES

WHAT THEY ARE

A composite index combines achievements across many indicators into one number. Usually this is achieved by aggregating information in each indicator first in a way similar to a dashboard. Next, each indicator is normalised—converted to a value between 0 and 1 that is arguably comparable to the scale of other indicators. Finally, the indicators are weighted then aggregated to create a composite national index.

Examples include the Human Development Index (HDI), the Global Peace Index, the Social Progress Index, and the Better Life Index of the OECD. Composite indices are often used to "rank" countries in the particular topic they examine.

Composite indices, like dashboards, usually use diverse data sources, often from different years, and may include indicators with different base populations (children, the labour force, the population, women). They are usually presented at the national level without disaggregation.

Sometimes a combination of dashboard and composite indices are used. An example is the Global Solutions Initiative which proposes the "Recoupling Dashboard" inspired by the four principles of solidarity, agency, material gain and environmental connectedness (SAGE). The dashboard profiles GDP alongside three component indices that each capture different aspects of well-being: agency domain, social domain and environmental domain.

HOW DO THEY FARE AGAINST THE 8 CRITERIA?

In contrast to dashboards, composite measures provide a **clear headline** level. Their final clarity may depend on details of their construction. For example, if the normalization of composite indicators uses the maximum and minimum from each dataset, then its trends are complex to interpret because the measure may change either due to changes in the indicators or in the minima and maxima. But some composite measures are clear. Composite measures by definition use **multiple indicators** so perfectly fulfil that criterion. However, standard composite indices also do not show if inequalities overlap—if the same people are deprived in, or enjoy sufficiency in, multiple indicators (the joint distribution), so do not fulfil the **people-centred** aspect.

The component indicators of composite indices may or may not be standards-focused, so each needs to be evaluated on a case-by-case basis. The HDI for example is not standards-focused. By and large, standard composite indicators are also challenged in terms of the **policy-relevance** criteria, because the marginal rates of substitution between indicators vary as component indicator levels rise or fall. This can be ameliorated when component indicator information for each period is also reported directly.

For composite indices as for dashboards, a perfect score is often obtained only when everyone has the maximum achievement in every indicator—which challenges **sustainability**. This means composite indices too may face the criticism of perfectionism: in plural societies, people should be able to shape diverse life patterns, and measures should recognise the **many faces** of success.

Composite indices are usually (but not always) reported at the national level because they tend to be built from multiple datasets which are not representative for the same groups. But national averages prevent effective monitoring of key SDGs and the promise to Leave No One Behind.

COUNTING-BASED MULTIDIMENSIONAL INDICES

WHAT THEY ARE

A counting-based multidimensional index sets minimum standards for each indicator and identifies which persons are deprived and which have sufficient attainments. It then adds these up to create a weighted deprivation or sufficiency score for each person based on their interconnected profiles. The score is used to identify each person as poor or to place them on a well-being gradient. Thus, a counting-based approach performs two steps that dashboards and composite indices do not: 1) it considers and adds up all weighted information for the same person or household (the joint distribution), and 2) it identifies who is poor or non-poor, or who has well-being of a given level. Finally, it aggregates scores of those who are poor (or who enjoy well-being) into a counting-based index that can be disaggregated by group and broken down by indicator.

The Multidimensional Poverty Index (MPI)—the most widely used measure of multidimensional poverty globally—uses the counting-based Alkire-Foster (AF) method to track progress and plan policy responses. MPIs provide a **single number** or summary score to track official trends over time. The MPI value is reported alongside the **percentage of the people** who are poor. This offers an easy-to-understand headline that is easier to communicate to the wider public. MPI analyses also convey the average intensity of poverty among the poor. The MPI value is always broken down by its **component indicators** to show what problems need to be addressed where. Also, it is always **disaggregated** by geographical area and groups to pinpoint priority areas for action and how action packages need to change to address different portfolios of deprivations cost-effectively.

COUNTING-BASED MULTIDIMENSIONAL INDICES (*continued*)

WHAT THEY ARE

It is important to stress that the AF method is flexible and can be adapted for different uses. Here are three examples:

- **Global MPI:** The United Nations Development Programme and OPHI co-publish a global Multidimensional Poverty Index. Based on 3 dimensions and 10 indicators, this internationally comparable measure of multidimensional poverty covers over 100 countries predominantly in developing regions.
- **Official National MPIs:** To date, over 50 national statistics offices have tailored the number and content of indicators and dimensions and adopted their own official National MPIs to measure poverty and guide policy at the national level.
- **Bhutan's GNH Index:** The Royal Government of Bhutan adapted the MPI methodology to create an official Gross National Happiness (GNH) Index which has been published and updated since 2010 (See Box 1). This paper proposes that Bhutan's adaptation of the AF method be extended to create a Multidimensional Well-being Index where positive attainments in domains of well-being are tracked with similar statistical outputs to the MPI but focused on advancing well-being.

HOW DO THEY FARE AGAINST THE 8 CRITERIA?

Counting-based indices fulfil all eight criteria for measuring both poverty and well-being.

Counting-based indices provide **clarity** in that they give a headline level and trend for poverty or well-being. They are fundamentally based on a person's overlapping (joint distribution of) attainments or deprivations in **multiple indicators**. They draw on each person's information on each indicator directly hence are **people-focused**. Specific "bundles" of deprivations, such as people who lack both water and sanitation, or education and nutrition, can also be illuminated so that policies address both together.

Counting-based measures apply a deprivation (or in the case of well-being—sufficiency) cutoff to each indicator in order to assess whether each person is considered to be deprived or not deprived. They are thus **standards focused**, and shortfalls from each indicator's standard is not hidden by national averages.[a] The application of standards makes the measures transparently comparable across time, and groups.

Counting-based measures apply a cross-dimensional cutoff to identify who is poor, or who enjoys sufficient causes and conditions of well-being.[b] For example, a person who is non-poor or who enjoys well-being may have a deprivation (no schooling) by choice or by circumstance or due to a data error, (they may be self-taught or were home schooled, or have excelled anyway). This ability to "opt out" of indicators leaves room for some kind of pluralism—which we refer to as acknowledging how poverty and well-being may have **many faces**.

Furthermore counting-based multidimensional indices are always reported with an information platform showing the percentage of the population (and number of people) with shortfalls from various standards, and indicator deprivations associated with poverty or well-being, all with standard errors. If any deprivation of any poor person is solved, the MPI improves—so the **policy relevance** of MPIs—and of counting-based multidimensional well-being indices—is easy to see.

Counting-based measures are built from a single data source and are always **disaggregated** by feasible geographic and social groups, dependent on sample design, to show disparities.[c] This powerful feature can inform actions by local and state actors or civil society. Finally, in counting-based measures, due to the standards and pluralism criterion, "more" is not necessarily better, so they might cohere with **sustainability**. While counting-based measures are not currently evaluated as to whether they are feasible on a shared, it could be possible to do so.[d]

a The axiom that AF counting measures satisfy is *Deprivation focus* (Alkire and Foster 2011).

b The axiom that AF counting measures satisfy is *Poverty Focus* (Alkire and Foster 2011).c

c The axiom that AF counting measures satisfy is *Subgroup Consistency & Decomposability* (Alkire and Foster 2011).

d Raworth, Kate (2012).

3. Recommendations: Including Counting-based Multidimensional Indices in the Beyond GDP framework

The previous section probed dashboards, composite indices, and counting-based measures against eight criteria and found that dashboards and composite indices did not necessarily satisfy several of them. Given the need to offer policy actors diverse measurement tools, our suggestion is that the Beyond GDP framework includes a small suite of counting-based Multidimensional Indices that cover both poverty and well-being. This section elaborates that suggestion.

Multidimensional Poverty in Beyond GDP: This paper proposes that multidimensional poverty indices should be included in the Beyond GDP initiative of the United Nations to effectively monitor development progress on a shared planet. We are not going Beyond GDP if progress in poverty ebbs. It is vital to track overlapping disadvantages as a visible part of going beyond GDP and an MPI does so.[15]

Multidimensional Well-being in Beyond GDP: This paper also proposes the development of a global Multidimensional Well-being Index to capture higher aspirations for human flourishing across the whole population of each country.

Using Multidimensional Poverty & Well-being Indices together: By pinpointing overlapping deprivations among the poor and by highlighting well-being shortfalls, multidimensional poverty measures could complement well-being measures, which could in turn complement other Beyond GDP measures. Together, multidimensional poverty and well-being lenses provide an inclusive and comprehensive picture of human development, offering policy actors more nuanced, but pragmatic, analyses of what is going "right" and where more attention needs to be invested.

The proposed measures include global and nationally defined poverty and well-being indices as follows:

1a. We recommend the inclusion of the **Global Multidimensional Poverty Index (global MPI),** which is an internationally comparable measure of acute multidimensional poverty that covers over 100 countries in predominantly developing contexts. GDP was born out of a need for global comparisons. Comparable measures are as important as ever for tracking development progress on a shared planet. The global MPI was launched in 2010 and is co-produced by OPHI and the UNDP, including annual updates and thematic reports.[16] The global MPI measures

15 Also for an analysis of higher well-being outcomes becoming delinked from economic growth, please see OECD *et al.* (2019), *Latin American Economic Outlook 2019: Development in Transition*, OECD Publishing, Paris, https://doi.org/10.1787/g2g9ff18-en.

16 For the latest report OPHI (Oxford Poverty and Human Development Initiative) and UNDP (United Nations Development Programme) (2024) and visit https://ophi.org.uk/global-mpi and https://hdr.undp.org/content/2024-global-multidimensional-poverty-index-mpi#/indicies/MPI.

poverty using ten indicators covering three dimensions of human development: health, education and living standards. It focuses on acute problems such as lack of clean drinking water, lack of electricity, out of school children, or malnutrition, that remain an issue for many countries and subnational regions around the world. Importantly, the global MPI is disaggregated by subnational regions, urban and rural areas, age groups, gender of the household head, and in some countries by ethnicity, caste, and disability status. This level of granularity, and the presence of trends data, helps to assess if the poorest groups are catching up or falling behind, in line with the goal of Leaving No One Behind.

1b. The global MPI should be reported alongside a **more ambitious Moderate Multidimensional Poverty Index** that illuminates the lived deprivations of people in middle-human-development contexts, where more ambitious standards for gender equity, health, education, digital access, living standards and so forth are increasingly attainable. By going beyond acute poverty, this index (which could be called a "Moderate MPI", or "Multidimensional Deprivation Index") would illuminate poverty-related challenges and empower middle-income countries and lower-poverty countries locations across the world to track progress and share lessons on how to advance towards more ambitious standards.

2. We also recommend the inclusion of **National Multidimensional Poverty Indices (National MPIs)** which could potentially extend to all countries. These are official government metrics of poverty tailored to the country context and national definitions, just like national monetary measures. SDG Target 1.2 aims to "reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions". Well over 80 countries already report their results in the global SDG database under Indicator 1.2.2[17], of which the majority are MPIs, and the number grows each year. Since these MPIs reflect national definitions of poverty and showcase contextual priorities, they are used to drive and guide policy actions within the country and cannot be compared to each other (hence the role of the global MPI). Some countries, such as Bhutan[18], which dramatically reduced its national MPI within 15 years, have decided to augment their existing national MPI with a moderate MPI that captures the higher aspirations they now seek to address, illustrating how national measures can be adapted to remain fit for purpose.

3. Alongside poverty measures, we recommend the development and reporting of an innovative counting-based **Multidimensional Well-being Index (MWI)** following the example of the Royal Government of Bhutan's Gross National Happiness (GNH) index. An MWI lens would provide an additional perspective on the lived experience of a population or society but cover additional dimensions. In Bhutan's case, these include governance, environment, time use, community, culture and psychological well-being. Ideas could include other dimensions such as social connectedness and belonging, mental health, and human security.[19] An MWI would analyse well-being across the total population in each country—it would not, for example, simply be a measure for affluent households. Within a pluralistic context, an MWI would consider persons who have sufficient attainments to enjoy well-being. And for persons who lack those attainments, as with MPIs, MWI data would pinpoint which investments would be pivotal

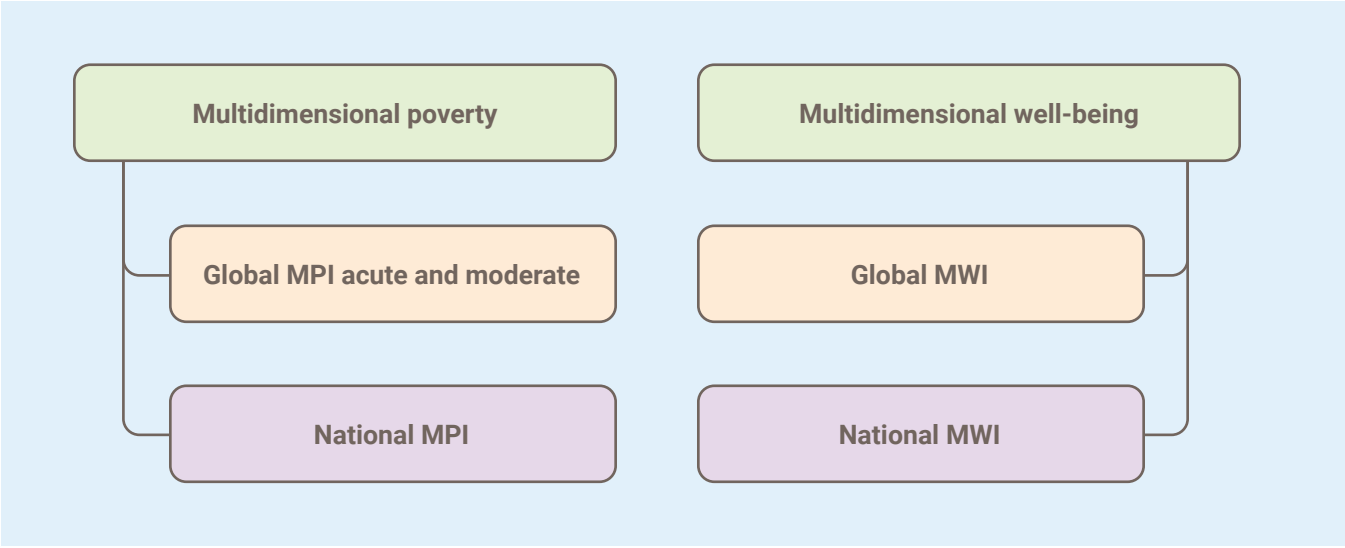
17 Alkire, S. and Dirksen, J. (2024), p. 2.

18 For more information visit https://ophi.org.uk/national-mpi-directory/bhutan-mpi and read National Statistics Bureau, Royal Government of Bhutan and Oxford Poverty and Human Development Initiative (OPHI). (2023).

19 On social connectedness and belonging, please see Samuel, K. (2022) and on other dimensions please see https://ophi.org.uk/research/missing-dimensions-and-data-gaps.

to improve well-being in different locations and across different population groups within a country, and when using a globally comparable MWI around the world. An MWI would also recognise that not all deprivations go together and recognise attainments that would not otherwise be valued. For example, according to the GNH Index for 2022, people living in some of Bhutan's poorer regions have higher well-being than prosperous urban centres because they tend to have stronger community bonds, cultural practices, environmental harmony, and psychological well-being.[20] At this time, while an in-depth highly disaggregated globally comparable MWI is not feasible, various nationally apt versions that are feasible could be trialled.

4. As data and global discourse permit, a global MWI could be developed and reported.



Box 1

Bhutan's GNH Index

The Royal Government of Bhutan's concept of GNH is multidimensional, and differs from western concepts of happiness. It encompasses nine domains: health, education, living standard, governance, environment, time use, culture, community, and psychological well-being. These are measured using 33 indicators: two to four per domain. For example, psychological well-being includes positive emotions, negative emotions, satisfaction with quality of life, and spirituality. Each indicator has a standard that reflects a sufficient attainment. The domains are equally weighted, and the majority of indicators within are equally weighted.[a] GNH is measured on a gradient: a person whose sufficiency score (the percentage of weighted indicators in which they have sufficiency) is under 50% is considered to be unhappy; if 50–66.6%, they are designated narrowly happy; if 66.7%–77%, moderately happy and if 77% or higher, deeply happy. Government action focuses on those who lack sufficiency in at least two-thirds (66.7%) of the domains. The GNH Index is disaggregated by age, gender, district, occupation, disability status, rural-urban areas and so on. It is broken down by indicator to show the indicators requiring policy response nationally and for specific populations or locations. Methodologically, the GNH is equivalent to (1-MPI)—that is, it is an AF counting-based metric focused on well-being instead of poverty. Examination of GNH trends show which indicators have improved significantly and which are static or have deteriorated. For example, across the pandemic period, GNH indicators related to health declined, whilst living standard indicators and positive emotions improved.[b]

Bhutan's GNH index is used for policy and programme screening and to inform subnational budget allocations and programme design. It has also been extended to certify private sector activities that are aligned with GNH.

a If a domain includes both subjective and objective indicators, then the subjective indicators carry a lighter weight due to the (already-observed) issue of shifting frames of reference that complicate the interpretation of trends.

b Ura *et al* (2023).

20 Ura, K., Alkire, S., Wangdi, K. and Zangmo, T. (2023). *GNH 2022*, Centre for Bhutan and GNH Studies, Thimphu, chapter 3.

4. Conclusion

As Sir Tony Atkinson wrote "[t]he key take-away message for the reader is that estimates of poverty [and, we would add, well-being], at all levels, and on all different approaches, are imperfect, but they are fit for purpose."[21] Using plural measures to overcome the inherent limitations of any single estimate, the Beyond GDP initiative aims to create a new framework for conceptualising and measuring advances in human progress that are intuitive, pragmatic and feasible—balancing the need to include more detail with the need to be parsimonious to avoid diluting attention.

This paper proposes that the ambitious goal of going Beyond GDP includes a small suite of imperfect multidimensional measures of poverty and well-being that together can shed a light on profound and meaningful human and societal aspirations. It suggests that the new suite of Beyond GDP measures should include the measurement of acute and moderate poverty at the national and global level, and also encompass a new multidimensional well-being methodology reflecting higher yet sustainable aspirations nationally and eventually globally across a wider set of dimensions. Our hope is that including some counting-based multidimensional measures in a new suite of indicators might sharpen the policy reach of the Beyond GDP initiative and build toward a happier, equitable, and more flourishing global society on a shared planet that leaves no one behind.

21 Anthony B. Atkinson (2019). *Measuring Poverty around the World*. Ed. by John Micklewright and Andrea Brandolini. Princeton University Press, Princeton (NJ) 2019.

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