

# Multidimensional Poverty in the Sustainable Development Goals

Special Side-Event at the  
69<sup>th</sup> UN General Assembly

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# Why Measure? Action ‘with vigour’

*Coordination ~ Policy Design ~ Monitoring ~ Targeting ~ Allocation*

“Positive changes have often occurred and yielded some liberation when the remedying of ailments has been sought actively and pursued with vigour”

Jean Dreze and Amartya Sen *India: An Uncertain Glory* 2013



# Open Working Group Final Draft Document on SDGs: 19 July 2014

## Sustainable Development Goals and targets Goal 1. End poverty in all its forms everywhere

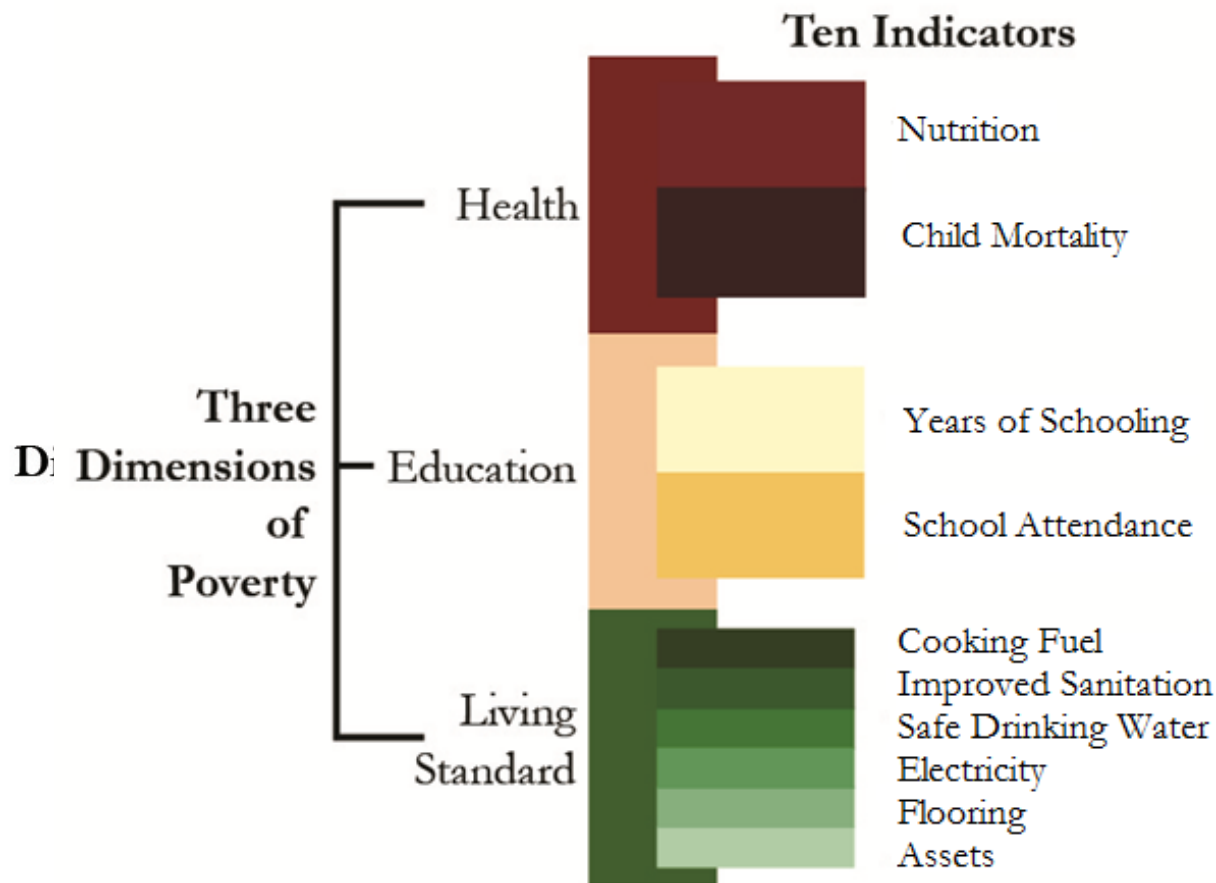
1.1 by 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day

1.2 by 2030, 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.



# Select Indicators, Cutoffs, Values

Global (comparable) or National. Example: Global



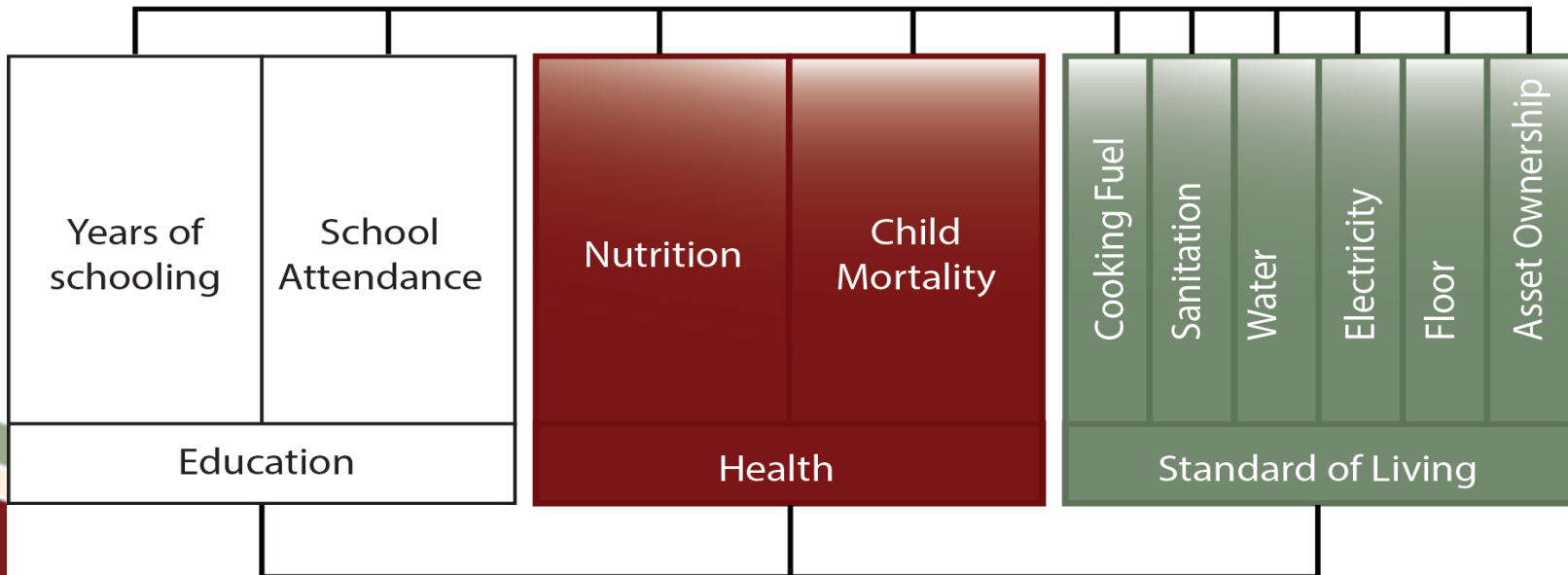
Published in UNDP *Human Development Reports* since 2010 for over 100 countries



# Build a deprivation score for each person

*Nathalie faces multiple deprivations in health and living standards*

10 Indicators



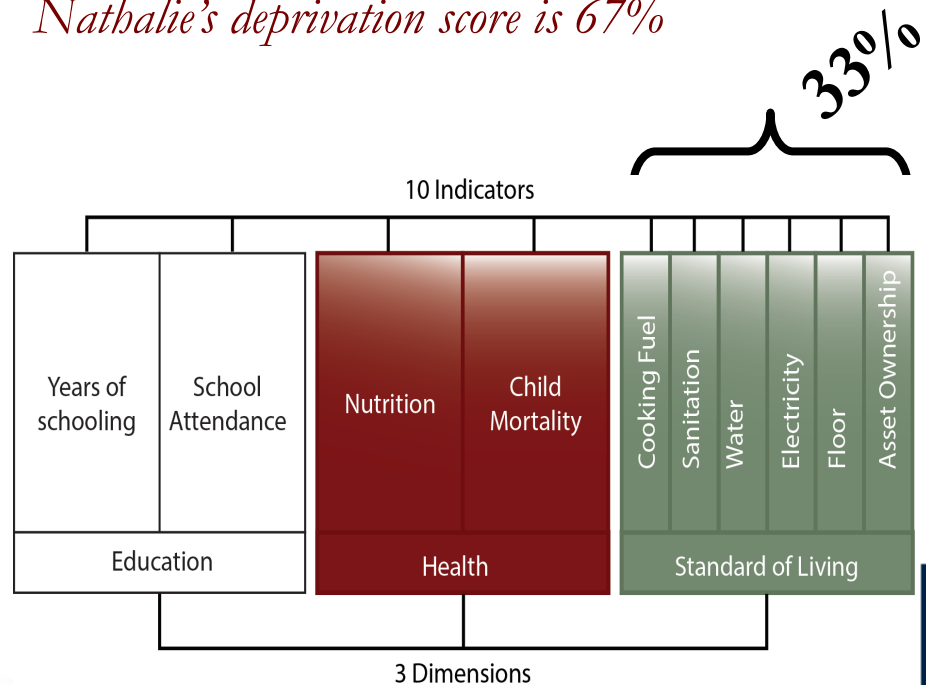
3 Dimensions

# Identify who is poor

**Example:** A person is multidimensionally poor if they are deprived in 33% or more of the dimensions.



*Nathalie's deprivation score is 67%*



# Compute the MPI (Alkire-Foster)

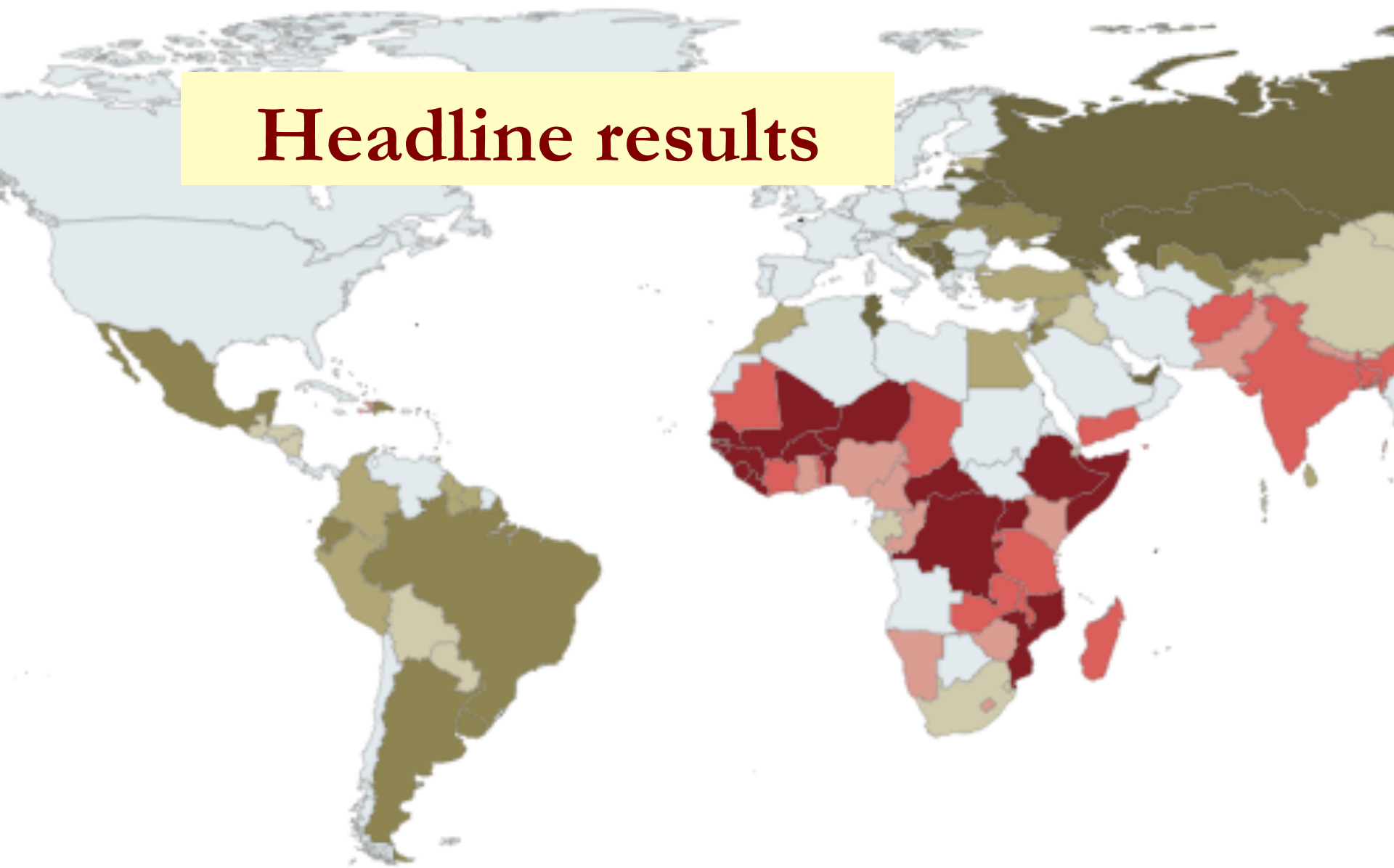
The MPI is the product of two components:

$$MPI = H \times A$$

- 1) *Incidence*  $\sim$  the percentage of people who are poor,  $H$ .
- 2) *Intensity*  $\sim$  the average percentage of dimensions in which poor people are deprived  $A$ .

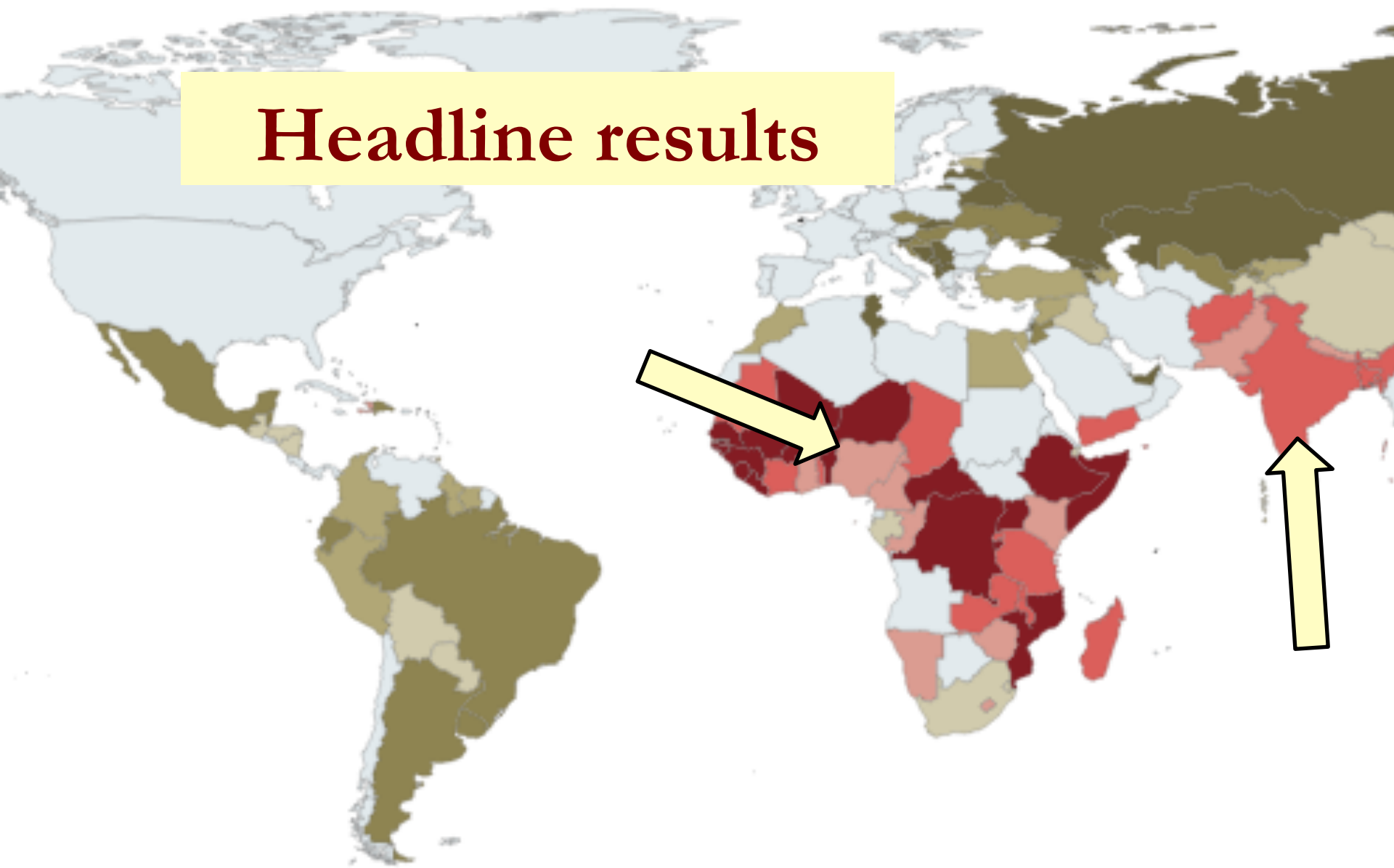
Alkire and Foster *Journal of Public Economics* 2011

# Headline results

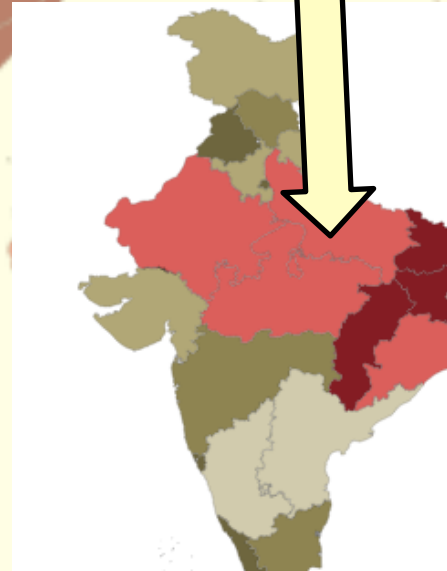
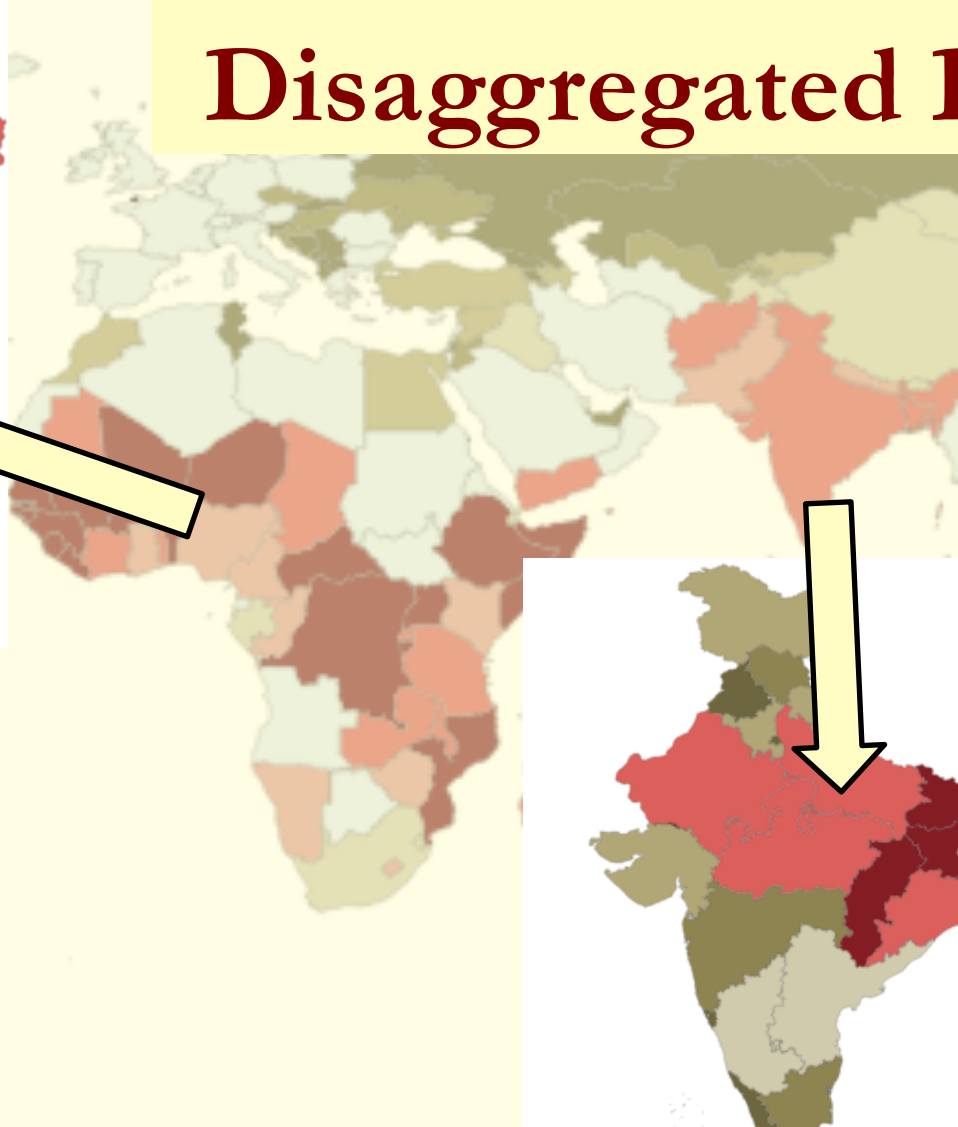
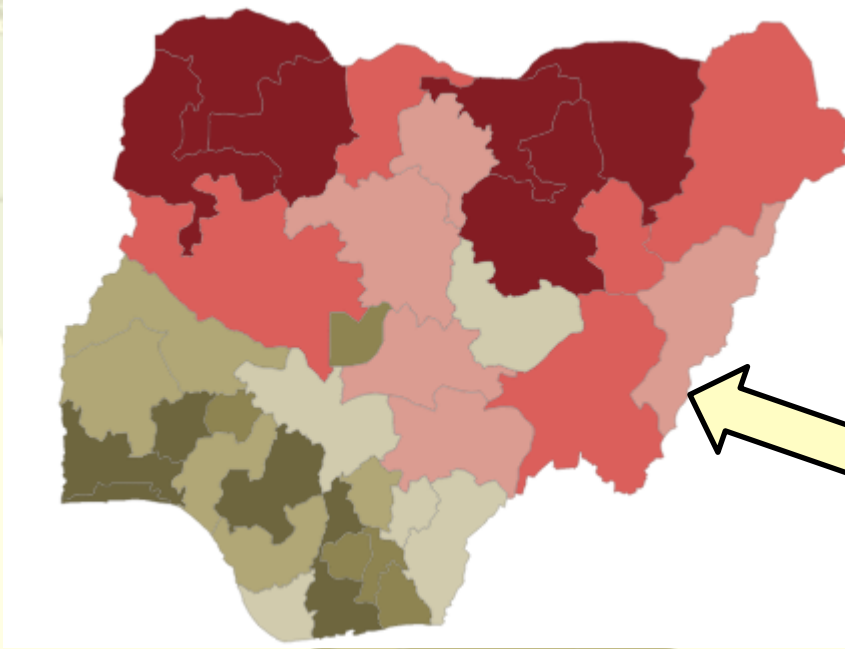




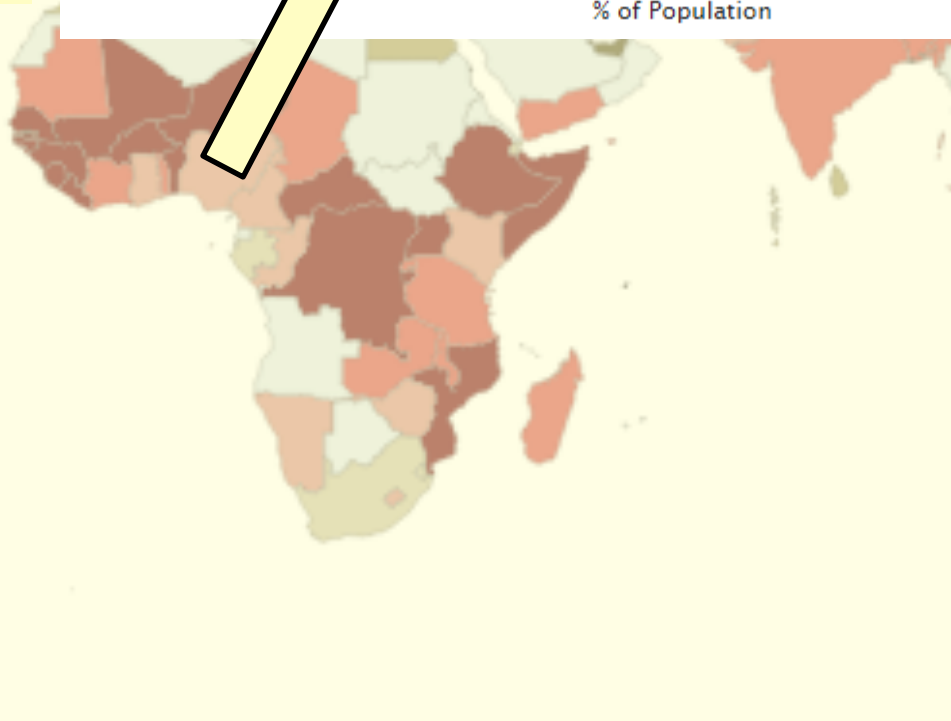
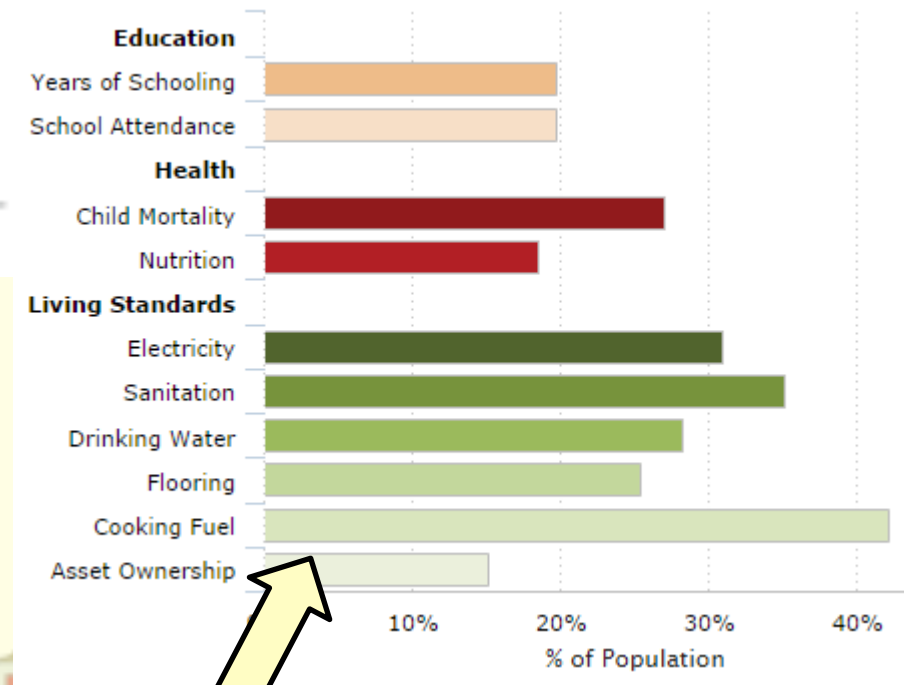
# Headline results



# Disaggregated I

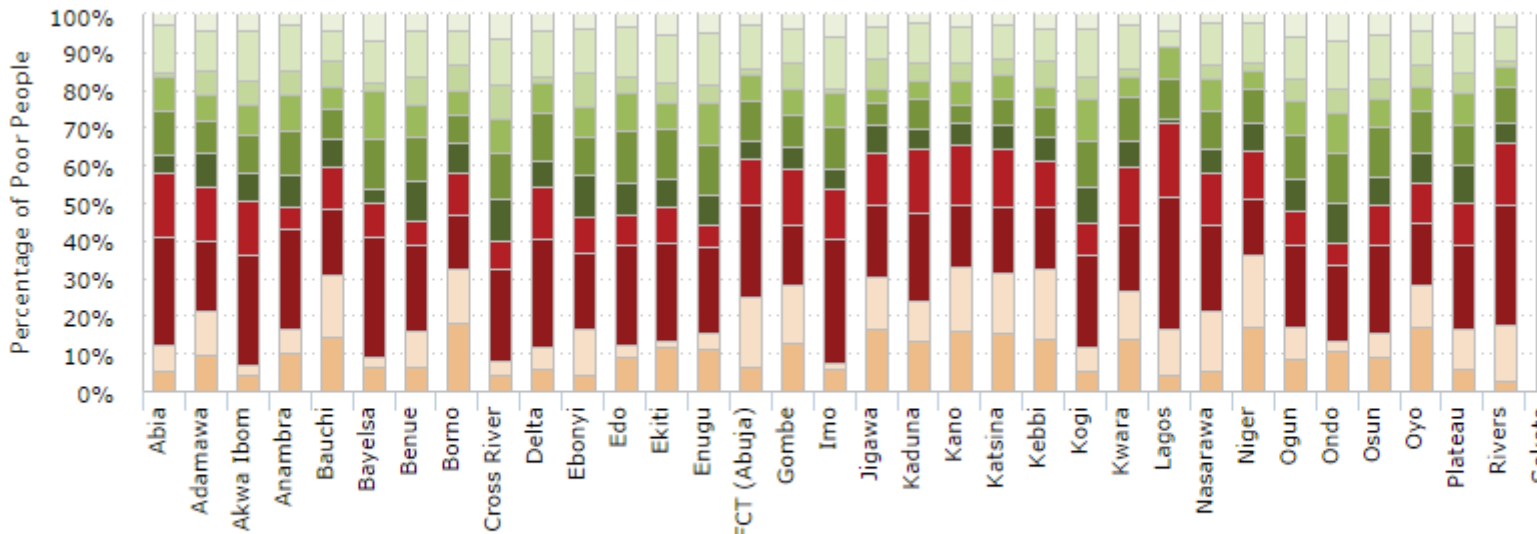


# How people are poor



# Both

Percentage Contribution of Each Indicator to the MPI at the Sub-national Level



# Breakdown by Indicator

The MPI is like a high resolution lens...



The MPI is like a high resolution lens...

You can zoom in



The MPI is like a high resolution lens...

You can zoom in

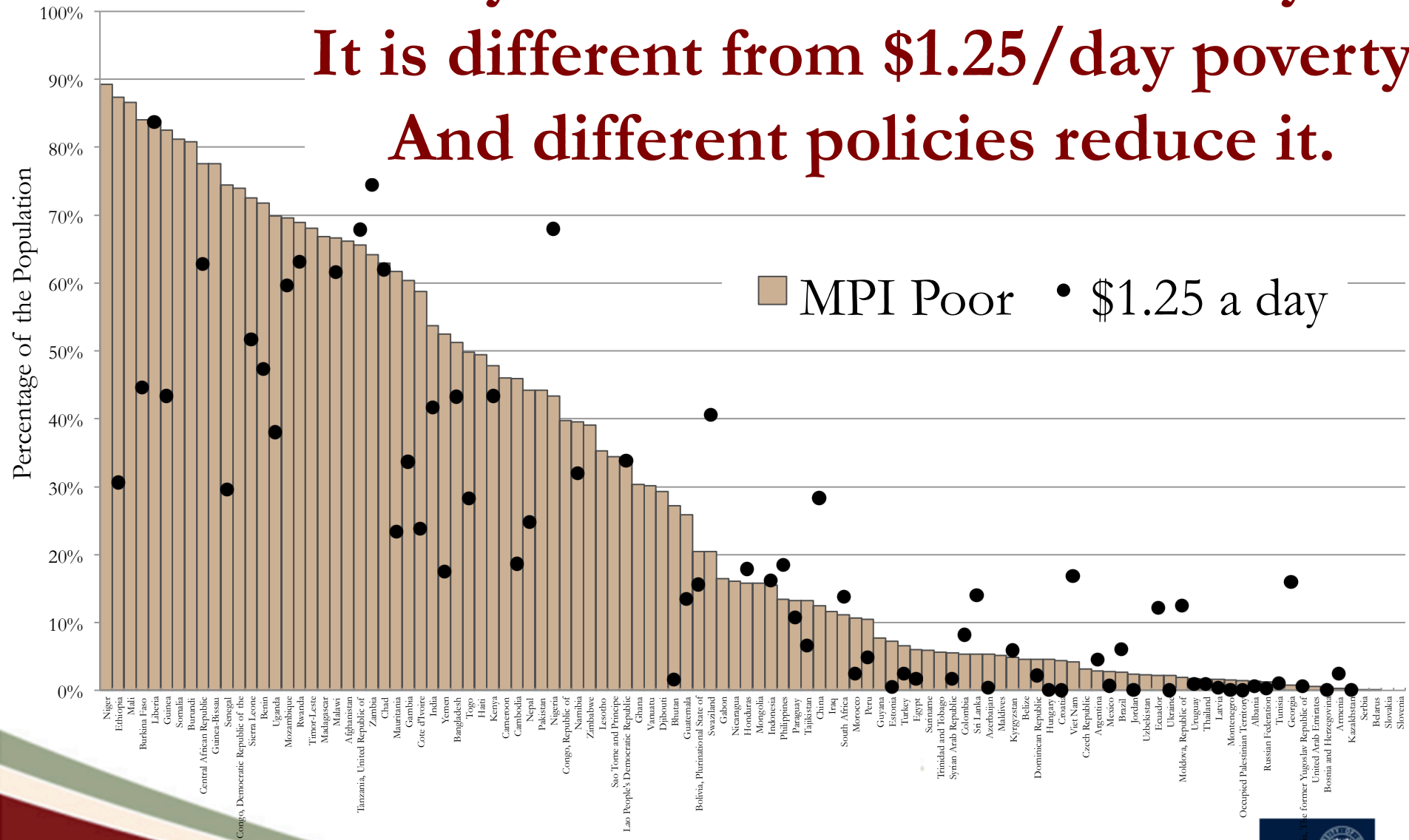
and see more



# Why Multidimensional Poverty?

## It is different from \$1.25/day poverty

## And different policies reduce it.





# MPPN has 30 countries plus 10 international agencies in 2014



Supported by the German Federal Ministry for Economic Cooperation and Development (BMZ)





# Our proposal to advance Multidimensional Poverty Reduction under the **SDG on extreme poverty**

- Support **National MPIs** that inform powerful policies
- Construct an improved **Global MPI 2015+** that reflects the SDGs
- Strengthen the **data sources** for the Global MPI 2015+