Global Multidimensional Poverty Index 2021

Why in News

Recently, **Global Multidimensional Poverty Index** 2021 was released by the **United Nations Development Programme (UNDP)** and the **Oxford Poverty & Human Development Initiative (OPHI).**

The Index considers data from **109 countries and 5.9 billion people.**

Key Notes

- **Global Data:**
    - 1.3 billion people are **multidimensionally poor.**
    - About half (644 million) are children **under age 18.**
    - Nearly **85% live in Sub-Saharan Africa** (556 million) or **South Asia** (532 million).
    - More than 67% live in **middle-income countries.**
- **Periodic Reduction in Poverty:**
    - Of the 80 countries and five billion people for which there is data over time, **70 reduced MPI in at least one period,** with the fastest changes coming from **Sierra Leone** (2013-2017), followed by **Togo** (2013/2014-2017).
- **Absolute Reduction in Poverty:**
    - Some countries saw the fastest **absolute reductions** in their poorest regions-helping to fulfil their pledge to leave no one behind.
        - These areas include **North Central in Liberia** (2013–2019/2020) and **Province 2 in Nepal** (2016–2019).

- **Poverty Across Ethnic and Racial groups:**
  - In some cases, **disparities in multidimensional poverty across ethnic and racial groups are greater** than disparities across geographical subnational regions.
  - Within a country, **multidimensional poverty among different ethnic groups can vary immensely.**
  - Therefore **different policy actions are needed** to reduce multidimensional poverty.
- **Education:**
  - Worldwide about **two-thirds** of multidimensionally poor people (836 million) live in households where **no woman or girl completed at least six years of schooling.**
    - 227 million live in India.
  - One-sixth of all multidimensionally poor people (215 million) live in households in which at least one boy or man has completed six or more years of schooling but **no girl or woman has.**
  - The report also finds that **women and girls living in multidimensional poverty are at higher risk of intimate partner violence.**
- **Living Standard:**
  - 1 billion are exposed to solid cooking fuels, another billion live with **inadequate sanitation** and another billion have **substandard housing.**
  - 788 million live in a household with at least one **undernourished person.**
  - 568 million lack improved **drinking water** within a 30-minute round trip walk.
- **Effect of Covid:**
  - The **Covid-19 pandemic** has **eroded development progress around the world,** and we are still grappling to understand its full impacts.
  - It has **exposed the weaknesses** in social protections systems, education, and workers' vulnerability around the world.
    - These weaknesses are **deepest in countries with higher levels of multidimensional poverty.**
- **Indian Scenario:**
  - As **castes and tribes are a more prevalent line of social stratification in India,** this index presents the incidence and intensity of multidimensional poverty among castes and tribes and among individuals who are not members of any caste or tribe.
  - In India **five out of six multidimensionally poor people are from lower tribes or castes.**
    - **9.4%** of the **Scheduled Tribe** group lives in multidimensional poverty
    - **33.3%** of the **Scheduled Caste** group lives in multidimensional poverty.
    - **27.2%** of the **Other Backward Class** group lives in multidimensional poverty.
  - In India close to 12% of the population live in **female-headed households.**

Multidimensional Poverty Index

- The Multidimensional Poverty Index was launched by the **UNDP** and the **OPHI** in 2010.
- MPI is based on the idea that **poverty is not unidimensional** (not just depends on income and one **individual may lack several basic needs like education, health etc.**), rather it is multidimensional.
- The index shows the proportion of poor people and the **average number of deprivations each poor person experiences at the same time.**
- MPI uses **three dimensions** and ten indicators which are:
    - **Education:** Years of schooling and child enrollment (1/6 weightage each, total 2/6);
    - **Health:** Child mortality and nutrition (1/6 weightage each, total 2/6);
    - **Standard of living:** Electricity, flooring, drinking water, sanitation, cooking fuel and assets (1/18 weightage each, total 2/6).
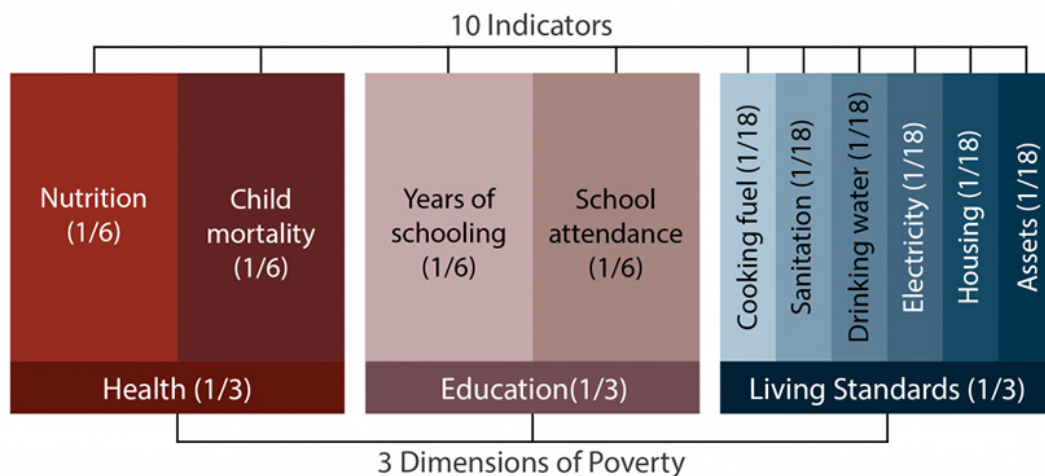
- A person is **multidimensionally poor** if she/he is deprived in one third or more (means 33% or more) of the weighted indicators (out of the ten indicators). Those who are deprived in one half or more of the weighted indicators are considered living in **extreme multidimensional poverty.**
- MPI is significant as it recognizes poverty from different dimensions compared to the conventional methodology that measures poverty only from the income or monetary terms.

Source: UNDP