India Lifted 271 Million People Out of Poverty

Why in News

According to India's **[Voluntary National Review (VNR) of Sustainable Development Goals (SDG)](#)** at least **271 million** people were **lifted out of multi-dimensional poverty** between 2005-06 and 2016-17.

- The **VNR of SDGs** has been presented by the **[Niti Ayog](#)** at the High-Level Political Forum on Sustainable Development.

Key Points

- **Related Data:**

    - The estimates presented were drawn from the 2019 **[global Multidimensional Poverty Index (MPI)](#)** released in July 2019.
    - Over **640 million people** across India were in multidimensional poverty in 2005-2006.
    - The number of people living under **poverty decreased to around 369.55 million** by 2016-2017.
    - However, 27.9% of India's population was still poor in 2016-17
- **Poverty Reduction:** In rural areas poverty reduction has outpaced that in urban areas.

Multidimensional Poverty Index

- The Multidimensional Poverty Index was launched by the **[United Nations Development Programme (UNDP)](#)** and the Oxford Poverty & Human Development Initiative (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.

Way Forward

- As the **Covid-19** feared to make the country poorer, India would need to recount its poor.
- Therefore, measuring and monitoring progress under the goal to reach **'zero poverty by 2030-Goal 1 of the SDGs',** needs a reality check on India's poor.
- While **consumption surveys** provide **important indicators required to estimate poverty,** the all-India survey on household consumption expenditure for the period July 2017-June 2018 was scrapped by the Ministry of Statistics and Programme Implementation citing **"data discrepancies".**
- Hence, there is a need to incorporate **data quality refinements** in the survey process for conducting the next **Consumer Expenditure Survey** in 2020-2021 and 2021-22.

Source: DTE

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