What does it mean to live in poverty? This question has often been answered by lack of income, but the traditional narrow focus on income as the only measure of a person’s wellbeing, or lack of it, is being increasingly challenged. Recent high-profile initiatives, such as the Stiglitz-Sen-Fitoussi Commission, have called for broader measures that take account of other vitally important aspects of life.

These initiatives are not alone in this thinking. The human development approach has long argued that although income is important, it has limitations that call for more direct measures. The 1997 United Nations Development Programme’s flagship Human Development Report (HDR) introduced the Human Poverty Index (HPI), which measured multiple deprivations in key dimensions of human development, including illiteracy and lack of access to clean water. UNDP researchers concluded that the HPI had limited utility because it combined average deprivation levels for each dimension and thus could not be linked to any specific group of people.

In its 20th anniversary year, the UNDP HDR decided to introduce a new international measure of poverty – the Multidimensional Poverty Index (MPI).

A focus on deprivation is fundamental to human development. Poverty is multifaceted and thus multidimensional. The dimensions of poverty go far beyond inadequate income. It involves poor health and nutrition, low education and skills, inadequate livelihoods, bad housing conditions, social exclusion and lack of participation. Money-based measures are important, but deprivations in other dimensions and their overlap also need to be considered, especially because households facing multiple deprivations are likely to be in worse situations than income poverty measures suggest.

The Global Multidimensional Poverty Index was introduced in the Human Development Report 2010 and has been updated every year since then.

Extracted from:
The MPI uses microeconomic data to reflect the percentage of households that experience overlapping deprivations in three dimensions — education, health and living conditions.

The new MPI was developed and applied by OPHI with UNDP support and it supplants the HPI. Sabina Alkire and Maria Emma Santos designed the MPI using a technique for multidimensional measurement known as the Alkire Foster method, created by Sabina Alkire and James Foster. In 2010, OPHI analyzed poverty across 78% of the world’s people in 104 developing countries using the MPI and released the results in advance of the 2010 HDR. Forty-six researchers in 13 countries in both the developed and developing world worked on the project. The Winter 2014/2015 MPI took this total to 110 countries.

From their inception, the UNDP HDRs have pioneered new ways to analyze human development and poverty, intended to have a direct impact on development strategy and methodology. By featuring this independently conceived new approach to poverty measurement in their reports, UNDP HDR hopes to encourage its use in the field by governments, development agencies, and other institutions dedicated to the eradication of poverty.

**What is the MPI?**

The MPI is published by Oxford Poverty & Human Development Initiative (OPHI) and the United Nations Development Programme (UNDP) Human Development Report. It aims to give a multidimensional picture of people living in poverty and measures poverty at the individual level in education, health and standard of living. The MPI is featured in the 20th Anniversary edition of the UNDP Human Development Report 2010 and has been updated every year since. The most recent Global MPI was updated in Winter 2014/2015 and now covers 110 countries in total, which are home to 78% of the world’s population. Of this proportion, 30% of people (1.6 billion) are identified as multidimensionally poor.

**Indicators**

The Global MPI is composed of ten indicators corresponding to same three dimensions as the Human Development Index:

1. Health (each indicator weighted equally at 1/6):
   - Child Mortality: If any child has died in the family.
   - Nutrition: If any adult or child in the family is malnourished.

2. Education (each indicator weighted equally at 1/6)
   - Years of Schooling (if no household member has completed 5 years of schooling).
   - School Attendance (if any school-aged child is not attending school up to class 8).

3. Standard of Living (each of the six indicators weighted equally at 1/18):
   - Electricity (no electricity is poor).
   - Drinking water (MDG definitions).
   - Sanitation (MDG definitions, including that toilet is not shared).
   - Flooring (dirt/sand/dung are poor).
   - Cooking Fuel (wood/charcoal/dung are poor).
   - Assets (poor if do not own more than one of: radio, TV, telephone, bike, motorbike).

Each dimension is equally weighted; each indicator within a dimension is also equally weighted. A household is identified as multidimensionally poor if it is deprived in more than 30% of the weighted indicators (some combination of two to six indicators, the number varies because the indicators carry different weights). The Global MPI of a country or region is the product of the proportion of poor people and the average number of deprivations that poor households face at the same time i.e. the average intensity of their poverty.

The Global MPI measures poverty by:

- Showing all the deprivations that impact someone’s life at the same time.
- Identifying the poorest people.
- Examining which deprivations are most common in different regions and among different groups.
- Reflecting the results of effective policy interventions quickly.
- Integrating many different aspects of poverty related to the Millennium Development Goals into a single measure.

In other words, it is a new measure designed to capture the severe deprivations that people face. The Global MPI reflects both the incidence of multidimensional deprivation, and its intensity — how many deprivations people experience at the same time. It can be used to create a comprehensive picture of
people living in poverty, and permits comparisons both across countries, regions and the world and within countries by ethnic group, urban/rural location, as well as other key household and community characteristics. The Global MPI builds on recent advances in theory and data to present the first global measure of its kind, and offers a valuable complement to traditional income-based poverty measures.

Some estimations

The 2010 UNDP HDR estimated the Global MPI for 104 countries with a combined population of 5.2 billion (92 percent of the population in developing countries). According to the report, about 1.75 billion people in the 104 countries covered by the Global MPI—a third of their population—lived in multidimensional poverty—that is, with at least 30 percent of the indicators reflecting acute deprivation in health, education and standard of living. This exceeded the estimated 1.44 billion people in those countries who lived on $1.25 a day or less (though it was below the share who live on $2 or less).

Since then the Global MPI Winter 2014/2015 results cover 110 countries in total, which are home to 78% of the world’s population. Of this proportion, 30% of people (1.6 billion) are identified as multidimensionally poor.

Using the January 2015 updates of the MPI released today, the study team looked at more than 230 regions of countries where multidimensional poverty is at least as high as the 25 poorest Least Developed Countries (LDCs), identified by the United Nations (Economic and Social Council). They found that nearly 60% of the 768 million multi-dimensionally poor people in these subnational regions live in countries that are not classified as LDCs, and all but one non-LDC region were in countries classed as middle-income: India, Nigeria, Pakistan, Cameroon, Cote D’Ivoire, Ghana, Namibia and the Republic of Congo.

What does the Global MPI tell us?

The new Global MPI Report 2017 was released on June 1st at a special event at the University of Oxford’s Department of International Development to mark the 10th anniversary of the Oxford Poverty and Human Development Initiative (OPHI). It also included the first ever child poverty disaggregation for every country, which found that half of multidimensionally poor people across 103 countries were children. The new report investigates poverty across 5.4 billion people. Of these, 1.45 billion people are MPI poor, some 26.5% of people living in 103 countries. Around 48% of these poor people live in South Asia and 36% in Sub-Saharan Africa. Over one billion MPI poor people live in middle-income countries.

For decades, lack of financial resources has been a problem, and it still is in the developing economies. But too often people are plagued by ‘time poverty’—the idea that there’s not enough time to do all ones needs to do. And time is money. The more money people make, the more valuable their time, the more time they devote to work to earn more.

With that logic, work breaks become money-losers. But unpaid work is what it says it is: you don’t get any money for doing it but every society needs it to function. The problem is, people are stressed and burned out, and they often don’t look after those in their family who need help and support. A third dimension of poverty arises that way—poverty of care and affection.

And maybe this can be part of a more complete poverty index in the future.


Addressing the Sustainable Development Goals' (SDGs) aim to end poverty in all its forms and dimensions, the global MPI complements measures based on income and directly measures ten indicators that reflect poor health, lack of education, and low living standards. In 2017, MPI estimations for Algeria and El Salvador were added, and MPI statistics were updated for 23 other countries including China, India, Mexico, and South Africa. Turning to the poorest of the poor, OPHI found that nearly half of all MPI poor people are destitute – 706 million – and experience extreme deprivations such as severe malnutrition. Destitution rates are the highest in Sub-Saharan Africa, where in six countries and 117 subnational regions more than half of the citizens live in destitution. But India is home to more destitute people than Sub-Saharan Africa.

"Across the countries surveyed, children were found to constitute 34% of the total population – but 48% of the poor."
During the side event at the UN General Assembly, ‘Using the Multidimensional Poverty Index to Track Progress in the SDGs’ (19 September 2017).

Destitute people than Sub-Saharan Africa (295 million vs 282 million), and Pakistan is home to more destitute people (37 million) than either East Asia and the Pacific (26 million) or the Arab States (26 million).

Child multidimensional poverty

Across the 103 low and middle-income countries surveyed, children were found to constitute 34% of the total population — but 48% of the poor (the international definition of a child, used here, is anyone less than 18 years of age).

Nearly two out of every five children — 37%, for a total of 689 million children — are multidimensionally poor. Some 87% of these 689 million poor children are growing up in South Asia and in Sub-Saharan Africa — around 300 million in each region. Half of South Asia’s children and two-thirds of Sub-Saharan children are multidimensionally poor.

Poverty is a complex and multidimensional phenomenon that goes beyond the simple lack of income. It is now widely accepted that ending monetary poverty is unlikely to mean the end of the many overlapping deprivations faced by people living in poverty, including malnutrition, poor sanitation, lack of electricity, and poor education, among others.

Multidimensional poverty measures, such as a MPI, can be used to create a more comprehensive picture of the lived experiences of the poor. They can show the overlap of deprivations associated with many different SDGs, encouraging integrated, multi-sectoral policies. They can reveal both who is poor and how they are poor—the range of different disadvantages they experience.

As well as providing a headline measure of poverty, an MPI can be disaggregated to reveal poverty levels and compositions in different areas of a country and among different sub-groups of people. This focuses attention on the most vulnerable populations, helping to ensure that “no one is left behind”. By bringing under one index a number of programs handled by different ministries, the MPI has been used as a powerful tool for helping to improve poverty reduction governance.

To date, the governments of Mexico, Bhutan, Colombia, Chile, Costa Rica, El Salvador, Ecuador, Honduras, Pakistan, Armenia, Mozambique, Panama, and Dominican Republic have adopted official multidimensional poverty measures, with a rapidly increasing number of other countries in the process of developing their own measures.

These National MPIs reflect their particular contexts, in much the same way that national income poverty statistics do, but are not suitable for international comparisons. In addition, since 2010, the United Nations’ Human Development Report Office, along with OPHI, has calculated and reported an internationally comparable Global MPI.