Pakistan’s Multidimensional Poverty Index

Sabina Alkire, U of Oxford
1. Pakistan’s MPI is robust

**Cutoff:** A person is multidimensionally poor if they are deprived in 33% of the weighted indicators. **Results are highly robust:**

For 114 districts, the Kendall Tau b rank correlations for cutoffs from 20% to 40% were 0.95 or higher. Considering standard errors, 100% of the pairwise comparisons between the 4 provinces and 96% of all pairwise comparisons between 114 districts are robust to changes in the poverty cut-off from 20% to 40%.

**Weights:** If we change the weights from 1/3 per dimension, to 25% on two dimensions and 50% on the third, **results are robust.**

For 114 districts, the Kendall Tau b rank correlations were 0.83 or higher with an average value of 0.89. Considering standard errors, 100% of pairwise comparisons between the 4 provinces and 89% of pairwise comparisons between the 114 districts are unchanged.
2. Pakistan’s MPI: a tool for governance

- Led by Planning Commission
- Reflecting Vision 2025
- Updated every two years
- Estimated in Pakistan, using national data
- Available at provincial and district levels
- Results are publicly available
- Monitors level, trend, and composition of poverty in all its dimensions
3. Pakistan’s MPI: Fulfilling SDGs

- Pakistan’s MPI can be reported as Indicator 1.2.2 of the Sustainable Development Goals from 2016 onwards.

- Progress in reducing MPI will achieve Target 1.2 of the SDGs.
The 17 SDGs

Goal 1  End poverty in all its forms everywhere

Goal 2  End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Goal 3  Ensure healthy lives and promote well-being for all at all ages

Goal 4  Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Goal 5  Achieve gender equality and empower all women and girls

Goal 6  Ensure availability and sustainable management of water and sanitation for all

Goal 7  Ensure access to affordable, reliable, sustainable and modern energy for all

Goal 8  Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Goal 9  Build resilient infrastructure, promote inclusive & sustainable industrialization and foster innovation

Goal 10  Reduce inequality within and among countries

Goal 11  Make cities and human settlements inclusive, safe, resilient and sustainable

Goal 12  Ensure sustainable consumption and production patterns

Goal 13  Take urgent action to combat climate change and its impacts*

Goal 14  Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Goal 15  Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Goal 16  Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Goal 17  Strengthen the means of implementation and revitalize the global partnership for sustainable development
**Preamble.** We recognise that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development.

**SDG Target 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. [Indicator 1.2.2 ~ MPI]
4. Pakistan – a voice in a community

- Pakistan is a member of the Multidimensional Poverty Peer Network (MPPN) with 42 countries (the newest member is Bangladesh).

- With a population nearly 1.5 times that of Mexico, Pakistan becomes the most populous country to launch an official National MPI.

- Pakistan’s experience in using their MPI will be of interest to many other countries in Africa and Asia.
National MPIs: Tailor made for policy

- Reflect National Priorities
- Vital for policy: target, coordinate, monitor
- Comparable over time, groups, provinces
National Multidimensional Poverty Indices

Official Poverty Statistics

Colombia
Mexico
Bhutan
HCMC (Vietnam)
Chile
Costa Rica
El Salvador

Ecuador
Pakistan
Descomposición del IPM

¿Por qué son pobres?

Ecuador – February 2016

Logro educativo incompleto
Desempleo o emp. inadecuado
Sin servicio de agua por red pública
No contribución al sistema de pensiones
Déficit habitacional
Sin saneamiento de excretas
IPM

Logro educativo incompleto
Inasistencia Educación básica y bachillerato
Desempleo o emp. inadecuado
Pobreza extrema por ingresos
Hacinamiento
Sin servicio de recolección de basura
Déficit habitacional
Empleo infantil y adolescente
No acceso a la educación por razones económicas
Poverty from the view of its protagonists

Participatory study used to design MPI indicators in El Salvador

- "Water drips through the holes in the roof, and floods the outside. Inside the house it’s the same story.”
  - Isidra, from Ayutuxtepeque

- "One is worried about losing the thing one has”
- "You don’t go out because you need to take care of the house”
- Restrictions due to insecurity
- "The day I went out, I got robbed”
- Crime
- "If I had been educated…”
- "We won’t continue our studies”
- Lack of school attendance
- "This year we won’t go to school, we won’t be able until next year”
- Educational underachievement
- "It is hard to find someone to take care of the kids”
- Inadequate child care services
**Costa Rica:** Does our allocation match our levels of poverty by sector? (Not yet)

<table>
<thead>
<tr>
<th>Indicador</th>
<th>% Carencia</th>
<th>Presupuesto Ejecutado</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sin acceso a educación</td>
<td>22,8%</td>
<td>€217,477,650,077.62</td>
</tr>
<tr>
<td>Rezago educativo</td>
<td>27,6%</td>
<td>€0</td>
</tr>
<tr>
<td>Sin bachillerato</td>
<td>27,6%</td>
<td>€0</td>
</tr>
<tr>
<td>Bajo capital humano</td>
<td>61,3%</td>
<td>€8,570,200,000.00</td>
</tr>
</tbody>
</table>

Starting MPI: used to diagnose Mismatches between objectives & Programmes/allocations
**Mexico: Inclusive Cabinet**

In order to build basic levels of social protection and guarantee social inclusion, Enrique Peña Nieto, President of Mexico, created the Cabinet *Mexico Incluyente*. Every Ministry at the federal level undertakes a full commitment to reduce social inclusion gaps related with the MMPI. SEDESOL coordinates the Cabinet Mexico Incluyente.

### Cabinet México Incluyente

<table>
<thead>
<tr>
<th>Category</th>
<th>Ministries/Agencies</th>
<th>Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>SEP (CDI, INEA)</td>
<td>Educational gap reduction</td>
</tr>
<tr>
<td>Healthcare</td>
<td>SALUD, SEGOB</td>
<td>Increase Healthcare memberships</td>
</tr>
<tr>
<td>Social Security</td>
<td>SHCP-SALUD (STPS-SEDESOL, IMSS, ISSSTE)</td>
<td>Increase access to social security</td>
</tr>
<tr>
<td>Basic Services in Homes</td>
<td>SEDESOL (SEMARNAT-CONAGUA, CDI, SEDATU, CFE, SENER, SCT, CNA)</td>
<td>Potable water, power, drainage</td>
</tr>
<tr>
<td>Housing, quality and spaces</td>
<td>SEDATU (SEDESOL, INFONAVIT)</td>
<td>Floor, roof, walls, household overcrowding</td>
</tr>
<tr>
<td>Food Access</td>
<td>SEDESOL (SEP, SALUD, SAGARPA, DIF)</td>
<td>Household food insecurity scale</td>
</tr>
<tr>
<td>Income</td>
<td>ECONOMÍA (SEDESOL, CDI, SCT, SEMARNAT, SALUD-DIF, STPS, SEDATU, SAGARPA, SHCP, SRE)</td>
<td>Income above the Basic Food Basket</td>
</tr>
</tbody>
</table>

**Full Cooperation**

Between the federal government, governments from all states and municipalities.

**New Paradigm:**

From the sectorial glance to a intersectorial and transversal approach.
Colombia: a more efficient market for social investment

SOCIAL i MAP

- National Government
- Local Authorities
- Companies and Foundations
- International Organisms
- Colleges and Universities
- Police and Military Forces
Social Map: enables all Stakeholders to share activities
South South Network with 42 countries
Multidimensional Poverty Peer Network (MPPN)
Political Voices
27 Sept 2015: Side-Event at UN General Assembly

• H.E. Mr. Luis Guillermo Solís Rivera, President of Costa Rica
• H.E. Mr. Tshering Tobgay, Prime Minister of Bhutan
• H.E. Mr. Juan Orlando Hernández, President of Honduras
• H.E. Mr. Kenny Anthony, Prime Minister of Saint Lucia
• H.E. Mr. Wu Hongbo, Under-Secretary-General for Economic and Social Affairs, UN, delivering a message of the UN Secretary General

Plus 15 speakers from Philippines, Colombia, South Africa, Ecuador, Vietnam, Chile, Islamic Development Bank, Georgia, Panama, Arab League, Senegal, USAID, UNESCWA, Germany, and Mexico
“Measures are like eyes
They help us to see things
They bring matters into focus.”

“Bhutan’s National MPI is not only a measure, it is a tool – a policy tool.”

Tshering Tobgay, Prime Minister of Bhutan at the UN High Level event Anchoring a Global Multidimensional Poverty Index within the Sustainable Development Goals. New York, 27 Sept 2015
Heads of Statistical Offices presented:

- Mauricio Perfetti, Colombia
- José Rosero, Ecuador
- Julio Santaella, Mexico
- Aboubacar Sedikh Beye, Senegal
- Pali Lehohla, South Africa (Chair)
- Hedi Saidi, Tunisia
- Sabina Alkire, Oxford

Reflections from the floor were offered by chief statisticians in Cuba, Egypt, Peru, Philippines, Morocco, and by Martin Evans at UNICEF.
“Analysing the MPI helps policy makers to sharpen their understanding of poverty-related challenges, and to monitor their success in addressing them.”

Savas Alpay, Chief Economist, Islamic Development Bank
5. Pakistan’s MPI: an ethical orientation

To
This day
And the deep pain of this day:
A pain that is a silent insult
To the false glamour of life around…

From ‘Antesaab’, by Faiz Ahmed Faiz
translated by Mahbub ul Haq
Pakistan’s MPI Incidence (H), 2004-2015

- 2004/05: 55.2%
- 2006/07: 52.5%
- 2008/09: 49.3%
- 2010/11: 44.7%
- 2012/13: 40.8%
- 2014/15: 38.8%