



KAMARAJ IAS ACADEMY
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‘National Multidimensional Poverty Index: A Progress Review 2023’

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Why in News:

India has registered a decline in the number of “multidimensionally poor” individuals, from 24.85 per cent in 2015-16 to 14.96 per cent in 2019-2021, according to a report by the government think tank Niti Aayog titled ‘National Multidimensional Poverty Index: A Progress Review 2023’

About Multidimensional Poverty

This is the second edition of Niti Aayog’s report on the Multidimensional Poverty Index (MPI). It captures overlapping deprivations in health, education and living standards and other broader qualitative aspects of life, like child mortality, housing conditions, and other basic services such as water and sanitation to ascertain multidimensional poverty.

The primary data source to arrive at these figures was National Family Health Survey-5 (NFHS-5).

Under the three broad indicators of health, education and living standards, Niti Aayog assigns specific dimensions – such as nutrition and child adolescent mortality under health, years of schooling under education, and access to cooking fuel, electricity, bank accounts etc. under quality of living.

Each of these specific parameters are assigned a value to calculate what is called a ‘deprivation score’.

The deprivation score is the sum of the weighted status of all the indicators for an individual – if it is more than 0.33, only then an individual is considered multidimensionally poor.

Reasons for Multidimensional Poverty

Even as there has been a significant reduction in the number of multidimensionally poor individuals, it is worth noting that one in seven Indians continue to fall under that category – primarily because poverty reduction is not equally represented in the three main indicators of standard of living, health, and education.

Within the health category, three sub-indicators — nutrition, child and adolescent mortality, and maternal health — showed only moderate improvement, the report showed.

Nutrition deprivation decreased from 37 per cent to 31 per cent, maternal health deprivation improved from 22.5 per cent to 19.17 per cent, and child and adolescent mortality deprivation declined from 2.69 per cent to 2.06 per cent.

Lack of proper nutrition contributed close to 30 per cent — the highest — in the overall calculation of India’s multidimensional poverty index. “Contributing to nearly one-third of the multidimensional poverty in India, nutrition is arguably one of the most important indicators in India’s national MPI

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The number of states with less than 10 per cent people living in multidimensional poverty doubled in the five years between 2016 and 2021.

According to the report, in 2015-16 (NFHS-4), only seven states had less than 10 per cent of their population living in multidimensional poverty — Mizoram, Himachal Pradesh, Punjab, Sikkim, Tamil Nadu, Goa, and Kerala.

However, in 2019-21 (NFHS-5), the list had doubled to include 14 states, with the seven new additions being Telangana, Andhra Pradesh, Haryana, Karnataka, Maharashtra, Manipur, and Uttarakhand

Except for Bihar, no other state in India has more than one-third of its population living in multidimensional poverty.

However, even in Bihar's case, the reduction in multidimensional poverty has been significant over the five year time period – in 2015-16, over 51.89 per cent of Bihar's population lived in multidimensional poverty. By 2019-21, the figure had dropped to 33.76 per cent.

Jharkhand reduced the percentage of people living under multidimensional poverty from 42 per cent in 2015-16 to 28.82 per cent in 2019-21, Uttar Pradesh saw a decline from 37.68 per cent to 22.93 per cent, and in Madhya Pradesh, multidimensional poverty dropped from 36.57 per cent to 20.63 per cent.