

Multidimensional Poverty Reduction in India 2005/6–2015/16: Still a Long Way to Go but the Poorest Are Catching Up

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Abstract

This paper assesses the change in multidimensional poverty in India from 2005/6 to 2015/16 using data from the NFHS-3 and NFHS-4 surveys. Estimates of changes are disaggregated by age cohort, state and by socio-economic group-level, and broken down by indicator; sampling errors are considered throughout. Multidimensional poverty is defined using the global Multidimensional Poverty Index 2018 (Alkire and Jahan 2018). The paper finds a very strong reduction, indeed a halving of the MPI during that decade. Furthermore, subnational patterns of poverty reduction are strongly pro-poor, whereas from 1998/9 to 2005/6 they had been regressive. The reductions of MPI are hardly correlated with state level growth in GDP, making this a rich terrain for future research. District level analyses in 2015/16 only document extensive ongoing intra and interstate variation. These explorations confirm that at the end of the decade under study, at least 271 million fewer persons were living in multidimensional poverty – a magnitude of change rivalling the numbers exiting monetary poverty in China.

Keywords: India, poverty measurement, multidimensional poverty, disaggregation, Inter-temporal poverty reduction, NFHS-4, NFHS-3, child poverty, caste, religion, state, district, nutrition.

JEL classification: I3, I32, O1, O5, O53