

Understanding Poverty: Implications on Measurement and Data Collection

INTERNATIONAL MOVEMENT ATD FOURTH WORLD

Introduction

“The worst thing about living in extreme poverty is the contempt, that they treat you like you are worthless, that they look at you with disgust and fear and that they even treat you like an enemy. We and our children experience this every day, and it hurts us, humiliates us and makes us live in fear and shame.”¹

Under MDG 1, the main measurements of poverty are either the *percentage of population living below \$1 (PPP) per day or percentage population living below \$1.25 USD*. However, UNDP, many member states² and civil society organizations question the usefulness of these income-based measures.³ Despite real progress in some regions in poverty eradication in the last years, the 2013 Multidimensional Poverty Index (MPI) shows that out of the 109 countries (mostly in the Global South) analysed, 1.7 billion people are still living in multidimensional poverty⁴—multiple and simultaneous deprivations at individual levels in health, education and living standards. There is now evidence showing that we are failing to reach the most vulnerable populations⁵, who are most affected by both environmental degradation and social and economic exclusion. Furthermore, development policies and projects have not had the desired impact on the target populations and many have contributed to isolate and displace the most marginalized populations.

Recently, the UN discourse has shifted towards understanding poverty as a multidimensional phenomenon. From the perspective of people living in poverty, there has been an over emphasis in traditional measures based on assessment of income or consumption. Those measures are important and certainly easier to quantify, but they have contributed to an understanding of poverty that is partial. This understanding ignores elements such as discrimination, exclusion, insecurity, violence, lack of voice and control⁶, (or, for others, social exclusion, low education, bad housing conditions, violence, shame, and disempowerment⁷) and does not reflect the impact those combined deprivations have in people’s lives. Accordingly, policies and programs constructed to eradicate poverty lack coherence and coordination and are often ill-adapted to the needs and realities of those living in extreme poverty⁸. As a result, they are of only limited effectiveness, and fail to reach those who are the most in need.

In order to better capture the different dimensions of poverty, it is necessary to combine quantitative and qualitative measures, listen to the views of people living in poverty on what dimensions are important, and develop new measures and metrics and combine different indicators⁹. It is also important to gather (and for

¹ International Movement ATD Fourth World, *Extreme Poverty is Violence, Breaking the Silence, Searching for Peace*. France (2013), 39

² *Post-2015, Global action for an inclusive and sustainable future: full report*. Luxembourg: Office for Official Publications of the European Communities (2013), 69

³ NGLS, *Advancing Regional Recommendations on the Post-2015 Development Agenda: A consultation with Civil Society* (2013), 20

⁴ UNDP, *Multidimensional Poverty Index (MPI)*, <http://hdr.undp.org/en/statistics/mpi/>

⁵ *The Millennium Development Goals Report 2011*. New York: United Nations (2011), 4

⁶ Overseas Development Institute, *Understanding Poverty and Wellbeing: A Note with Implications for Research and Policy* (2012), 5

⁷ OPHI, *Policy – A Multidimensional Approach*, <http://www.ophi.org.uk/policy/multidimensional-poverty-index/>

⁸ International Movement ATD Fourth World, *Extreme Poverty is Violence, Breaking the Silence, Searching for Peace*. France (2013), 51

⁹ Overseas Development Institute, *Understanding Poverty and Wellbeing: A Note with Implications for Research and Policy* (2012), 3

countries to report) disaggregated data¹⁰ that makes it possible to monitor and attribute success based on the lowest quintile in every country.

Multidimensional Poverty Measures and the Post 2015 Agenda

In conversations with people living in poverty ATD Fourth World has determined that income-based measures of poverty are inadequate for the identification of vulnerable and excluded populations.¹¹ Today, many UN member states are applying multidimensional measures of poverty in their national capacities. Moreover, there has been an increased prevalence of multidimensional poverty within the development discourse at the United Nations.

The Oxford Poverty and Human Development Initiative has organized a group of over twenty member states who are engaged in “implementing multidimensional poverty measures [and interested in] harnessing multidimensional measurement for more effective poverty reduction”¹². **ATD Fourth World welcomes such initiatives and encourages member states to explore the potential benefits of applying multidimensional measures of poverty to the Post-2015 Sustainable Development Agenda.**

Key Dimensions of Poverty: Social Exclusion and Participation

“Extreme poverty engenders a fear, a shame in people, doubts that stop them from expressing themselves when they should.”¹³

It is difficult to define poverty with a limited number of dimensions. Most existing measures such as the Alkire Foster method and UNDP’s Multidimensional Poverty Index share common aspects. However, as leading anti-poverty researchers demonstrate, existing measures often underplay the significance of “more qualitative elements (powerlessness, stigma, discrimination and isolation, for example.)”¹⁴ These omissions can also hide the interconnectedness of various forms of deprivation and the nature of poverty in countries of higher income.

ATD Fourth World urges member states and data collection specialists to give special attention to these hidden dimensions of poverty and to make strides to include them in national measures of poverty. The use of qualitative and subjective data when measuring progress will make this all the more possible.

Using Participatory Research Methodology to Create Multidimensional Measures

In order to fully grasp the many dimensions of poverty (particularly social exclusion and lack of participation) people who live in poverty should be engaged in research. Such participation not only brings forth critical hidden knowledge, it also effectively counteracts the social exclusion experienced by people living in poverty¹⁵. These participatory methods have been promoted by UN agencies, academic institutions, and NGOs. Notably, the Oxford Poverty and Human Development Initiative has stressed it in its recommendations

¹⁰ The MDGs included target 3C Share of poorest quintile in national consumption. Yet, very few countries reported the necessary data.

¹¹ International Movement ATD Fourth World, *Towards Sustainable Development that Leaves No One Behind: The Challenge of the Post-2015 Agenda* (Working Paper: 2012), 21

¹² Oxford Poverty and Human Development Initiative, *The Global Poverty Peer Network*. p.1 < <http://www.ophi.org.uk/wp-content/uploads/MDPPN-2013-brochure-v7-online.pdf?3f40f1>>

¹³ International Movement ATD Fourth World, *Towards Sustainable Development that Leaves No One Behind: The Challenge of the Post-2015 Agenda* (Working Paper: 2012), 6

¹⁴ Overseas Development Institute, *Understanding Poverty and Wellbeing: A Note with Implications for Research and Policy* (2012), 3

¹⁵ International Movement ATD Fourth World, *Towards Sustainable Development that Leaves No One Behind: The Challenge of the Post-2015 Agenda* (Working Paper: 2012), 21

for multidimensional poverty in the Post-2015 agenda.¹⁶ DESA's 2010 report titled *Analyzing and Measuring Social Inclusion in a Global Context* also names three notable studies that used this participatory strategy.

Accordingly, ATD Fourth World proposes that member states take on participatory-research methods that include people living in poverty to determine the most nationally appropriate indicators to be included under their particular multidimensional measures. The UN Guiding Principles on Extreme Poverty and Human Rights provide an excellent framework for member states to apply when conducting participatory research and development programmes.

Measuring Progress: Special Attention to the Lowest Quintile

One final recommendation for improving poverty measurement is a shift in the way we monitor progress or attribute success under the post-2015 agenda. Based on aggregated measures, states can consider a particular goal as achieved when a national percentage reaches a particular level. Yet, attributing success in such conditions ignores the realities of the most excluded populations. For example, in its 2010 report analysing the progress of the MDGs for children, UNICEF demonstrates that much of the success attributed under the MDGs was actually concentrated in certain social groups, namely the upper income quintiles and urban populations.¹⁷ Moreover, UNICEF recently stated that 1 in 3 children is not registered, which often keeps them “hidden from the progress of their nations”¹⁸; another reason to pay special attention to the most excluded.

In today's development discourse at the UN, there has been a surge in calls for a “data revolution”. Although this is an important need for the future of development, it is not enough. Most important is that *data disaggregation is used when attributing success* to national development programs. **ATD Fourth World proposes ending evaluation based on national averages and granting “success” only when targets are reached at the lowest (income or MPI) quintile.**

¹⁶ UN DESA, *Analyzing and Measuring Social Inclusion in a Global Context*. p. 25-28 (2010); WHO, *Social Exclusion Meaning, measurement and experience and links to health inequalities A review of literature*. p. 48-58; OPHI, *Multidimensional Poverty and the Post-2015 MDGs*. <<http://www.ophi.org.uk/wp-content/uploads/Multidimensional-Poverty-and-the-Post-2015-MDGs-May-2013.pdf?7ff332&18be84&3f40f1>>

¹⁷ UNICEF, *Progress for Children Achieving the MDGs with Equity*. (2010); cited by UN Task Team on the Post 2015 UN Development Agenda, *Addressing inequalities: The heart of the post-2015 agenda and the future we want for all*. p.4 (2012)

¹⁸ UN News Centre, *One in Three Children Do Not Officially Exist*. (2013).

<<http://www.un.org/apps/news/story.asp?NewsID=46713&Cr=unicef&Cr1=#.UrG3GvRDsrl>>