Abstract for "Multidimensional Poverty in India: Has the Growth been Pro-poor on Multiple Dimensions?"

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Recent work on poverty has defied the belief that growth is the sufficient condition for the removal of poverty. Many a times the process of growth favours the already privileged sections of the society and the under privileged are further marginalized by the process of growth. Theoretically, if the benefits of growth are smaller for these underprivileged/marginalized sections of the society vis-à-vis the average growth of income, the growth cannot be termed as pro-poor. The recent studies on pro-poor growth have the shortcoming of not including the non-income indicators. The estimates measuring the pro-poor growth are purely based upon the income indicators and do not reflect any change in the non-income indicators of the pro-poor growth. The shortcoming of the one-dimensional focus on income is that a reduction in income poverty does not guarantee a reduction in the non-income dimensions of poverty, such as education, health etc. This means that finding income based pro-poor growth does not automatically mean that non-income poverty has also been reduced. The outcome of any growth process is needed to be evaluated regarding achievements on front of many dimensions.

For this purpose, this paper is an attempt to synergize the uni-dimensional as well as multidimensional approaches to measure poverty as well as pro-poor growth. Since we already have a range of methodologies to measure the extent, degree and severity of poverty using the income indicators (e.g. FGT indexes) and the attempts to measure the pro-poorness of growth on multiple dimensions are scanty, this paper is an attempt to compare the pro-poor growth rates in India on account of income indicators with that of the non-income indicators. In this perspective, this paper discusses the deprivations in India on account of many cardinal and ordinal measures. Based upon the availability of data, the poverty/deprivations on account of 8 dimensions have been identified. The poverty line of these dimensions has been fixed according to the MDG indicators. An attempt has been made to capture the deprivations on account of the living conditions, the nutritional status, ownership of the assets and attainment of human capital. This analysis is based upon FGT indices for measuring uni-dimensional poverty, the Alkire and Foster (2008) methodology for multi-dimensional poverty and then Pro-Poor growth rates on non-income indicators have been calculated by using Klasen (2008) approach which is based upon Ravillion and Chen (2003) index.

This paper shows that both the uni-dimensional and multidimensional poverty in India had declined over a period of time. But, it seems that the growth had not been pro-poor across all the dimensions and for all social groups. It has been observed that the dimensions of education, expenditure and regular salary had not been pro-poor in most of the cases. Among the social groups, the marginalized social groups (Scheduled castes and the Scheduled Tribes) are the poorest categories and by household types, the labour households are the poorest one. These households suffer from the deprivations of multiple dimensions. It has been observed that the dimension of education and cooking fuel are the biggest contributors to overall poverty rate and the poorest suffer the most from these deprivations. Therefore any poverty removal strategy needs to focus on these deprivations. Finally, this paper also tries to estimate the impact on poverty through targeting the poor under a lump sum subsidy programme. The study concludes that by targeting the poorest social groups as well as the household types, the overall

poverty rate of population can be reduced at a greater speed and the time to achieve the MDG goals of removal of poverty can be reduced.