

Abstract for “Disparities between Monetary and Multidimensional Measurements of Poverty”

Quang-Van Tran (University of Göttingen, Germany)

Sabina Alkire (OPHI, U.K.)

Stephan Klasen (University of Göttingen, Germany)

There has been a rapid expansion in literature on the measurement of multidimensional poverty in recent years. Nevertheless, researchers have paid little attention to the longitudinal aspects of poverty in multidimension. This study will combine the two strands of multidimensional poverty together with monetary poverty in an application to the developing country of Vietnam. Panel household survey data from years 2007, 2008 and 2010 will be employed in the analyses of the prevalence and the dynamics of both measures of poverty.

The estimates show that the monetary poor (or non-poor) are not always multidimensionally poor (or non-poor). Additionally, the monetary dimension shows faster progress as well as a higher level of fluctuation than multidimension. The income indicator is also more sensitive to the differences in households' characteristics than non-income indicators. Moreover, improvements in the multidimensional poverty are attributed mainly to the reduction in the incidence of poverty but little to the intensity of poverty. The study conveys that the effects of rapid economic growth on the monetary dimension are usually higher and more elastic than that on multidimension.