

Multidimensional Poverty: One Aim, Three Approaches, Quite a Few Different Results

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Abstract

Normative and methodological conceptions of multidimensional poverty have shifted over time, paving the way for both specialised and comparative frameworks which have been heterogeneously adopted by global institutions and national governments to best serve the specialised purpose of assessing individuals' experiences of non-monetary poverty. A current understanding of the most relevant tools for measuring and monitoring multidimensional poverty is important for disentangling global progress towards achieving targets 1.2 and 1.2.2 of the Sustainable Development Goals (SDGs). This paper compares the Multidimensional Poverty Index (MPI), Multiple Overlapping Deprivation Analysis (MODA), and consensual deprivation methodologies and their empirical applications for measuring child poverty specifically. The three approaches share some characteristics and produce partially similar types of output, though with different results. They also differ on crucial elements, rendering each of them suited for particular types of analyses. We take a policy-oriented perspective to disentangle similarities and differences between the methodologies. We aim to present a state of affairs on their technical developments and empirical applications, in the context of effectively and efficiently achieving global child poverty reduction. We expand upon the implications of each method, particularly in the theoretical orientations, choices of input parameters, unit of analysis, aggregation and weighting procedures, and policy implications. These differences can lead to substantially different estimates of multidimensional deprivation/poverty. We clarify the specialised merit of each method for research and policy purposes, and further explore the implications of their respective frameworks to help dispel common misconceptions about the added value of each method for measuring multidimensional poverty and for multidimensional child poverty in particular.