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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General Observations

- This an important and interesting paper, assessesing change in multidimensional poverty in India from 2005/6 to 2015/16.
- A period which comprised one of the fastest economic growth rates for India; and India was also among one of the fastest growing economies in the world.
- Reduction in money-metric poverty well documented.
- The paper fills an important void in our understanding of the record on multi-dimensional poverty reduction during this period.

Observations on overall and state-wise differences

- The paper finds very strong poverty reduction: MPI reduced by half.
- The extent of the reduction rivals the money-metric poverty reduction in China.
- Subnational reductions in poverty are shown to be pro-poor unlike in the earlier period (1998-2006).
- While the above is shown to hold for more for *absolute* poverty reduction, this itself is different from the record on money-metric poverty reduction (e.g. using Tendulkar Committee poverty lines) between 2004-2012.
- Poorer states (e.g. Jharkhand, Chhattisgarh, etc.) *did not* necessarily witness greater absolute money-metric reduction.

On Findings – State wise differences (contd.)

- Even with respect to relative poverty reduction, the performance of some of these poorest states is better in reducing MPI than in money-metric poverty.
- Are there differences within states across rural and urban areas? [Does the NFHS sample allow rural/urban by state?]

On Findings – Vulnerability and Severity

- While the overall measure of MPI reduced, the paper shows that vulnerability to poverty increased marginally during this period – 17.1% to 19.1%.
- Can this be compared to the period 1998-2005/06?
- Illuminating discussion on differences in the changes of censored and uncensored headcount ratios for various dimensions.
- So, those 'vulnerable to poverty' more likely to be deprived in the dimensions where there is greater dissonance between changes in censored and uncensored headcount ratios.
- Also, what is record on the extent of reduction of severe poverty? Is it as impressive as total MPI reduction? Figure 4 offers clues but more explicit numbers would be helpful.

On Findings – contd.

- Censored HCRs for three indicators are shown to be driving high number of multidimensional poor at national level:
- Nutrition; Cooking Fuel; and Sanitation.
- Two out of these three are also likely to be important in contributing to vulnerability to poverty (given the high dissonance between censored and uncensored HCRs for these two shown in Table 13).
- Thus they invite high priority to policymaking?
- With regard to demographic factors, children aged 0-9 shown to be most likely to be in poor households.
- Are there additional spatial dimensions to this given some (poor) states have greater fertility rates?

On sample robustness

- The sample consists of households where information on both women and men was collected.
- Since information on men was collected for only one-third of the sample, would be a nice robustness exercise to see if the findings are similar for at least the 'living standards' indicators if the entire sample of women was considered (e.g. Figure 1).

Thank you