

# The Multidimensional Poverty Indicator (in Mexico and other countries)

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# Measuring poverty in Mexico

- Before 2000, no official poverty measurement in Mexico.
- **New government** in 2000 willing to measure.
- (More **transparency** in Mexico due to free elections and democracy).
- First attempt: Income poverty (2002)
- Political parties were not happy about the way poverty was measured: **Only income and done by government.**
- All political parties agreed to have an **independent** poverty measurement including Access to social rights: **Multidimensional poverty measurement!!** (2006)

# Multidimensional Poverty in Mexico

**Social  
Development  
Law**

**Measuring Poverty is  
a technical process,  
which needs political  
engagement.... all  
the time**

## Information from the National Statistical Office

### Dimensions

- Income
- Educational gap
- Access to health services
- Access to social security
- Housing quality and spaces
- Access to basic services of housing
- Access to food
- Social cohesion grade

**States: 2 years**  
**Municipality: 5 years**

## National Council for Poverty Measurement (CONEVAL)

# Process

Exchange ideas, criteria & design of data sources

2007

2008

2009

Consultation  
with  
experts

Five  
Specific  
consultations

Survey  
Design

• Bourguignon  
• Kakwani, K  
• Walton, K  
• Feres, L  
among others

Discussions

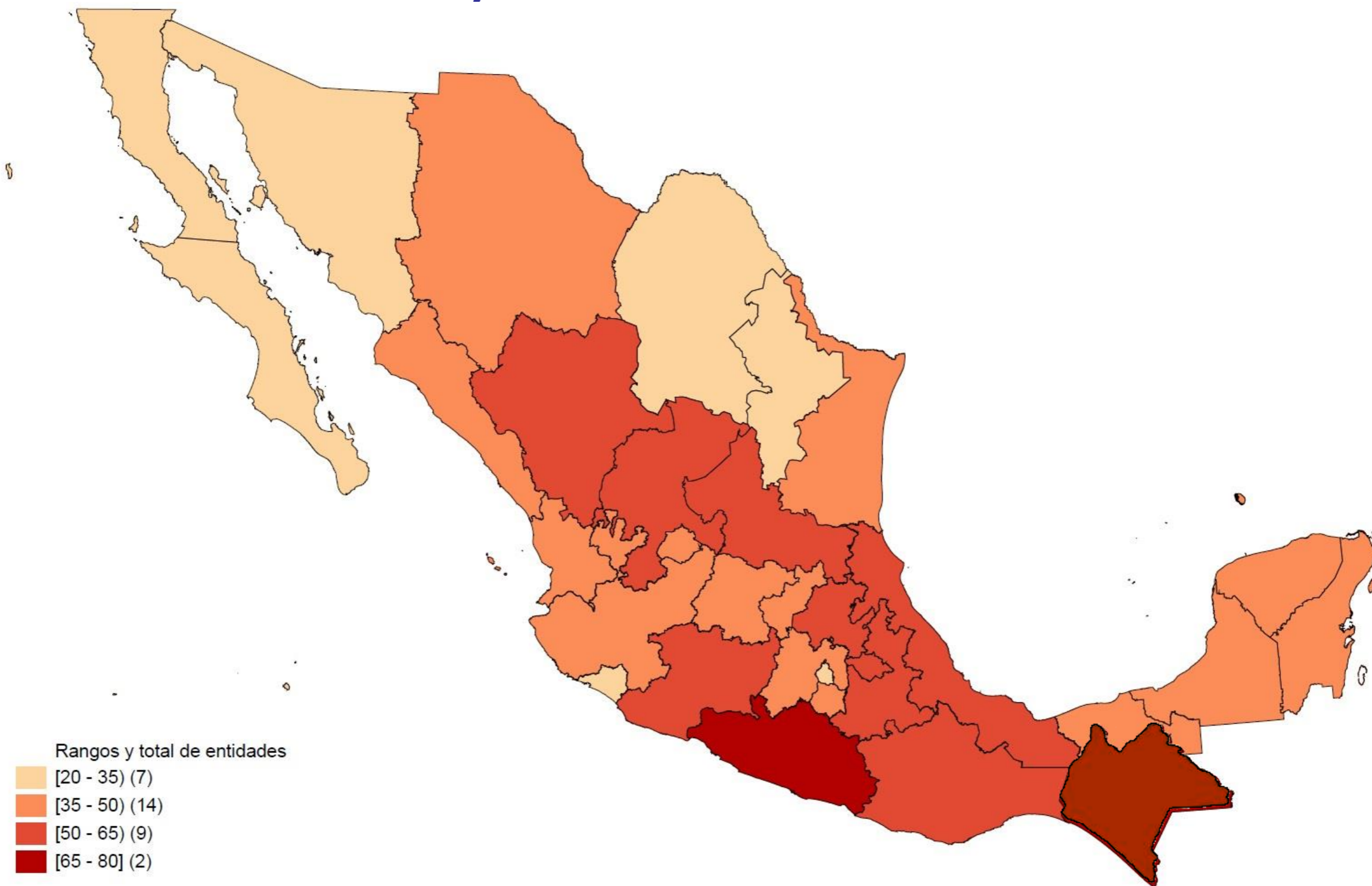
• Julio Boltvinik  
• Satya Chakravarty  
• James Foster, Sabine Alkire  
• David Gordon  
• Rubén Hernández and  
Humberto Soto

National  
and  
international  
seminars

Presentation  
(December)

Building the methodology

# State Level Multidimensional Poverty in Mexico, 2020



**Constitutional  
mandate:  
Importance of  
Social Rights**

**National Law: Independent  
Institution to measure  
poverty: **CONEVAL****

**Monitor poverty in the  
country and regions;  
Accountability;  
Coordination of poverty  
strategies; Targeting;  
Budget allocations**

**Multidimensional  
poverty measurement:  
**Basic access to social  
rights; income****

**National, State  
and Municipality  
level**

**Public policy is visible with  
this approach. Various  
dimensions in one indicator**

# MPI in many countries, according to their needs

- Colombia
- Bhutan
- Chile
- Seychelles
- Maldives
- India
- Panama
- Costa Rica
- Sierra Leone
- Rwanda
- Namibia.....

**MPPPN**

Multidimensional Poverty Peer Network

**OPHI**

Oxford Poverty & Human Development Initiative

[www.ophi.org.uk](http://www.ophi.org.uk)

# MPI Uses

## Mexico. Oaxaca State. Puebla State.

- MPI monitoring at state level.
- **Targeting:** 20 municipalities highest MPI% and 20 municipalities with higher number of people in poverty.
- Through **geographical maps; coordination** between federal government, state government, municipalities and ministries; better **budget** process.
- Poverty 68%-60% in 6 years.
- The **poorest** municipality in the country: Santos Reyes Yucuná: From 1 to 231

## Bhutan

- From 2013, MPI was used in Bhutan as one of the **five criteria for budget allocation**.
- It is one of the main considerations to allocate annual capital grants across **districts**.
- **Resource Allocation Formula:** Population, 35%; Geographical Area, 10%; **MPI, 45%** and 10% for the Transport Cost Index.
- Poverty was reduced from 12.7% to 5.8% between 2012 and 2017.

## Costa Rica

- In 2016 a **Social Management Dashboard** was developed to justify **public spending to taxpayers** using empirical evidence. It connected **each indicator with its related responsible institution** and included a traffic light system to monitor the correct use of resources.



# MPI today and tomorrow

- Multidimensional poverty is **part of the SDGs. 1.2.**
- Important to have **more countries with their own MPIs.**
- **Technical skills and political engagement** are needed to develop and use a national MPI.
  - **Handbook for Policy Entrepreneurs: From metrics to Policy**
- **COVID** showed the importance of multidimensional approaches: with MPI and Multidimensional **Vulnerability** Indices, possible to see **vulnerable** social groups: Those having **multiple deprivations** on water, sanitation, access to health services, cooking with wood.. were the most vulnerable against COVID.
- The **recovery** needs to be in all dimensions.
- Income is important but other dimensions are crucial to **build back better.**

# Indonesia T20

- **Congratulations** to Indonesia for having **these events** during the T20 Summit.
- Hopefully we will have them as well in future **summits**.