

Southern comfort: India's global poverty rank improves

Study says poverty levels fell from 55% to 21% in a decade, mainly due to the lowered burden in the southern States. India's Multidimensional Poverty (MDP) has dropped significantly, largely as a result of the performance of five key southern States. Between 2005-06 to 2015-16, poverty level came down from 55% to 21%, improving the country's MDP ranking. Following the drop in poverty levels, India moved to the 26th rank from its earlier 54, in a decade, among 102 developing countries with MDP.

MDP is "an international measure of acute poverty" based on three key categories – health, education and living standards.

The fall, at the rate of 3.4 points per annum on average, is largely due to the "lower burden of poverty" among the southern Indian States, a paper titled 'Estimates of Multidimensional Poverty in India: Evidence from National Family Health Survey-4 (2015-2016)' says.

National average

While the national average is 21%, in the five southern States (Kerala, Tamil Nadu, Karnataka, Telangana and Andhra Pradesh) the average MDP is 9%. However, poverty levels have dropped in all States.

The paper, authored by Professor S. P. Singh and research scholar Akarsh Arora of Department of Humanities and Social Sciences in IIT Roorkee, and Mohammad Zakaria Siddiqui, an Australia-based development scientist, is to be published later this month. Researchers have extracted data from the National Family Health Survey-4 (NFHS 2015-16) for the comparison.

Bihar is the poorest State with 43% incidence of poverty. Jharkhand (36%), Uttar Pradesh (31%), Rajasthan (31%) and

Odisha (29%) are also above the national average (21%), as are the other big States – Madhya Pradesh (28%) and Assam (25%).

The key southern States performed exceedingly well. Kerala has an MDP of 1%, Tamil Nadu (6%), Karnataka (11%), Telangana (14%) and Andhra Pradesh (13%) are also significantly low.

Dr. Siddiqui notes that “it is clear” from the total population share and poor population share of States that the “burden of poverty is disproportionately high for Bihar and U.P.”

“Even in dynamic terms Kerala, with the lowest poverty level in 2005-06 at 12%, has the fastest rate of decline in relative terms, that is, relative to its previous level of poverty of 91%, while Bihar’s poverty declined in relative terms by only 45%. This pattern is generally true with all other south Indian states,” he notes.

Of 640 districts, 31 districts – all in eastern or central India – have over 50% MDP. The top five districts with the largest prevalence of MDP are in Shravasti, Baharaich and Balrampur in Uttar Pradesh, and Alirajpur and Jhabua in Madhya Pradesh.

“Integrating Indian States’ MPI estimates in global ranking, Bihar stands between Congo and Yemen, Jharkhand between Cambodia and Comoros, Uttar Pradesh between Vanuatu and Ghana, and Madhya Pradesh and Odisha between Nepal and Djibouti,” the paper said.

Economists differ

Gujarat (at 16%) and West Bengal (at 17%) are below average as well. Chhattisgarh, which is affected by Left Wing insurgency, has done well, bringing down its poverty level from 71% to 22%.

Economists, however, are divided about the findings. While one section said there are “technical problems” related to State-wise disaggregation, another section noted that India “definitely” did not do well enough in certain indicators of

MDP.

“It can be said that India did not perform well at least in two indicators of MDP – nutrition and child mortality – till the recent past. But, as it is said [in the paper] that overall ranking has improved, so we may say that it could be a result of better performance in other areas,” said Professor Achin Chakraborty, Director of the Kolkata-based Institute of Development Studies.

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