

India Achieves Significant Reduction in Multidimensional Poverty, Benefiting Millions



India has made substantial progress in its fight against poverty, with the government reporting a notable decline in multidimensional poverty from 29.17% in 2013-14 to 11.28% in 2022-23. This remarkable achievement, representing a nearly 18 percentage point reduction, signifies that approximately 24.82 crore (248.2 million) people have escaped multidimensional poverty over the past nine years. The data, primarily derived from reports by NITI Aayog, a government think tank, underscores the impact of various welfare programs and a concerted national effort to improve living standards.

Multidimensional poverty, unlike traditional income-based measures, assesses deprivation across multiple indicators, encompassing health, education, and living standards. India's National Multidimensional Poverty Index (MPI), aligned with global standards but tailored to India's context, considers 12 such indicators, including nutrition, years of schooling, sanitation, cooking fuel, drinking water, electricity, housing, assets, and bank accounts. The significant improvement across all these indicators has been a driving force behind the reported poverty reduction.

According to NITI Aayog's discussion paper "Multidimensional Poverty in India since 2005-06," the pace of decline in the poverty headcount ratio accelerated significantly between 2015-16 and 2019-21. This period saw a faster annual rate of decline compared to the preceding decade, indicating the increasing effectiveness of targeted government initiatives. Rural areas,

in particular, witnessed a more rapid decline in poverty, with the headcount ratio falling from 32.59% to 19.28% between 2015-16 and 2019-21, while urban areas saw a reduction from 8.65% to 5.27% in the same period. States like Uttar Pradesh, Bihar, and Madhya Pradesh registered the largest declines in the number of multidimensionally poor.

Several key government programs are credited for this transformative change. Initiatives such as the Pradhan Mantri Ujjwala Yojana (PMUY) for subsidized cooking fuel, Saubhagya for electricity access, Pradhan Mantri Awas Yojana (PMAY) for housing, Pradhan Mantri Jan Dhan Yojana (PMJDY) for financial inclusion, and Swachh Bharat Abhiyan for sanitation have played crucial roles in addressing core deprivations. The government's strategic focus on inclusive development and direct benefit transfers has also been instrumental in uplifting vulnerable populations.

This substantial reduction in multidimensional poverty places India on a promising trajectory to achieve its Sustainable Development Goal (SDG) Target 1.2, to reduce at least half the proportion of men, women, and children of all ages living in poverty in all its dimensions, well ahead of the stipulated 2030 deadline. The continued emphasis on improving access to basic services and fostering overall well-being is expected to further solidify India's progress in poverty alleviation in the coming years.