

The Global Multidimensional Poverty Index: Rising Poverty and Social Inequality in India

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The 2014 global Multidimensional Poverty Index (MPI) by researchers at the University of Oxford covers 108 countries: 31 Low-Income Countries, 67 Middle-Income Countries and 10 High-Income Countries. These countries have a total population of 5.4 billion people, some 78% of the world's population.

The MPI assesses poverty at the individual level. If someone is deprived in a third or more of ten weighted indicators, the global index identifies them as 'MPI poor', and the extent - or intensity - of their poverty is measured by the number of deprivations they are experiencing. Those indicators are based on health, education and living standards and comprise the following factors: years of schooling, school attendance, levels of nutrition, child mortality, access to cooking fuel, sanitation (open defecation, for example), access to water, ownership of assets, access to electricity and flooring material (eg, dirt).

Based on a rural-urban analysis, of the 1.6 billion people identified as MPI poor, 85% live in rural areas. This is significantly higher than estimates of 70-75% in poverty, where income is used as the basis for determining poverty.

Poverty reduction is not necessarily uniform across all poor people in a country or across population subgroups. An overall improvement may leave the poorest of the poor behind. The highest levels of inequality are to be found in 15 Sub-Saharan African countries and in Pakistan, India, Afghanistan, Yemen and Somalia.

The researchers have paid special attention to the situation of the destitute, or what they term the poorest of the poor. Over half of the world's poor are classed as destitute.

Countries which have reduced MPI poverty and destitution the most in absolute terms were mostly Low Income and Least Developed Countries, with Nepal making the fastest progress.

The situation in India

Eradicating poverty in India requires every person having access to safe drinking water, sanitation, housing, nutrition, health and education. According to the MPI, out of its 1.2 billion-plus population, India is home to over 340 million destitute people and is the second poorest country in South Asia after war-torn Afghanistan. Some 640 million poor people live in India (40% of the world's poor), mostly in rural areas, meaning an individual is deprived in one-third or more of the ten indicators mentioned above (malnutrition, child deaths, defecating in the open).

In South Asia, Afghanistan has the highest level of destitution at 38%. This is followed by India at 28.5%. Bangladesh and Pakistan have much lower levels. The study placed Afghanistan as the poorest country in South Asia, followed by India, Bangladesh, Pakistan and Nepal.

India had the second-best social indicators among the six South Asian countries (India, Pakistan, Bangladesh, Sri Lanka, Nepal and Bhutan) 20 years ago. Now it has the second worst position, ahead only of Pakistan. Bangladesh has less than half of India's per-capita GDP but has infant and child mortality rates lower than that of India.

Writing this week in India's Deccan Herald, Prasenjit Chowdhury notes that according to two comparable surveys conducted in Bangladesh and India in 2006, in Bangladesh, 82% of children are fully immunised, 88% get vitamin A supplements and 89% are breastfed within an hour of birth. The corresponding figures for Indian children are below 50 per cent in all case and as low as 25% for vitamin A supplementation.

Moreover, over half of the population in India practices open defecation, a major health hazard, compared with less than 10% in Bangladesh. Bangladesh has overtaken India in terms of a wide range of basic social indicators, including life expectancy, child survival, enhanced immunisation rates, reduced fertility rates and particular schooling indicators.

What has gone wrong?

In recent times, India has experienced much publicised high levels of GDP growth. So what is going wrong? Amartya Sen and the World Bank's chief economist Kaushik Basu have argued that the bulk of India's aggregate growth is occurring through a disproportionate rise in the incomes at the upper end of the income ladder. To use Arundhati Roy's term, the poor in India are the 'ghosts of capitalism': the 'invisible' and shoved-aside victims of a now rampant neoliberalism.

The ratio between the top and bottom 10% of wage distribution has doubled since the early 1990s, when India opened up its economy. According to the 2011 Organisation for Cooperation and Economic Development report 'Divided we stand', this has made India one of the worst performers in the category of emerging economies. The poverty alleviation rate is no higher than it was 25 years ago. Up to 300,000 farmers have committed suicide since 1997 due to economic distress and many more have quit farming.

Assets such as airports, roads, ports and other infrastructure built up with public money or toil have been sold off into private hands.

Secretive Memorandums of Understanding have been signed between the government and resource extraction-related industries, which has led to 300,000 of the nation's poorest people being driven from their lands in tribal areas and around 50,000 placed into 'camps'. As a result, naxalites and insurgents are in violent conflict with the state across many of these areas.

Where have the benefits been accrued from the 8-9% year on year GDP growth in recent times?

Sit down and read the statistics. Then step outside and see the islands of wealth and privilege surrounded by the types of poverty and social deprivations catalogued by the MPI.

Global Finance Integrity has shown that the outflow of illicit funds into foreign bank accounts has accelerated since opening up the economy to neoliberalism in the early nineties. 'High net worth individuals' (ie the very rich) are the biggest culprits here. Crony capitalism and massive scams have become the norm. It is not too hard to see what is going wrong.

India's social development has been sacrificed on the altar of greed and corruption for bulging Swiss accounts, and it has been stolen and put in the pockets of the country's ruling class 'wealth creators' and the multinational vultures who long ago stopped circling and are now swooping.

Me-first acquisitiveness is now pervasive throughout the upper strata of society. Run out and buy some useless product because Kareena, Priyanka or another icon of deception says 'because you're worth it'... but never ever let this narcissism give way to contemplate why the rivers and soils have been poisoned and people are being made ill in places like Punjab, agriculture is being hijacked by the likes of Monsanto, land is being grabbed on behalf of any number of corporations, the great nuclear power money fest is in full swing or why ordinary people are violently opposing state-corporate power. Much of this acceptance results from deals hammered out behind closed doors. Much of it results because too many are conditioned to be ignorant of the facts or to accept that all of the above is necessary.

This is a country where the majority sanctify certain animals, places, rivers and mountains for being representations of god or for being somehow touched by the hand of god. It's also a country run by Wall Street sanctioned politicians who convince people to accept or be oblivious to the destruction of the same.

Many are working strenuously to challenge the selling of the heart and soul of India. Yet how easy will it be for them to be swept aside by the corrosive impacts of a rapacious capitalism and its hugely powerful corporations that colonise almost every area of social, cultural and economic life and encourage greed, selfishness, apathy, irretrievable materialism and acquisitive individualism, as well as the ignorance of reality 'out there' - what lies beyond the narrow concerns of spend and buy middle class India?

Western capital had known that India has always been ripe for the taking. Consumerism's conspicuous purchasing and consumption draws on and manipulates the pre-existing tendency to buy favour, the perceived self importance deriving from caste, the sense of entitlement due to patronage, the desire nurtured over the centuries to lord it over and seek tributes from whoever happens to be on the next rung down in the pecking order. Lavish, conspicuous displays of status to reinforce difference and hierarchy have always been important for cementing social status. Now icons of capitalism, whether renowned brand products, labels or product endorsing celebrities, have also taken their place in the pantheon of Indian deities to be listen to, worshiped and acquiesced to.

And the corporations behind it all achieve hegemony by altering mindsets via advertising, clever PR or by sponsoring (hijacking) major events, by funding research in public institutes and thus slanting findings and the knowledge paradigm in their favour or by securing key positions in international trade negotiations in an attempt to structurally readjust retail, food production and agriculture. They do it by many methods and means.

Before you realise it, culture, politics and the economy have become colonised by powerful private interests and the world is cast in their image. The prevailing economic system soon becomes cloaked with an aura of matter of factuality, an air of naturalness, which is never

to be viewed for the controlling hegemonic culture or power play that it really is.

Seeds, mountains, water, forests and the biodiversity are being sold off. The farmers and tribals are being sold out. And the more that gets sold off, the more who get sold out, the greater the amount of cash that changes hands, the easier it is for the misinformed to swallow the lie of Wall Street's bogus notion of 'growth' – GDP. And India suddenly becomes capitalism's poster boy 'economic miracle'.

India is suffering from internal hemorrhaging. It is being bled dry from both within and without. Too extreme a point of view? Tell that to the 340 million destitute who make up over half of India's poor.

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