

# Individual Deprivation Measure

Knowing who is poor, in what way and to what extent



## POVERTY DATA IS INCOMPLETE



Right now, the world measures the poverty of households. This means that we can't see the circumstances of individuals within households.

Poverty measurement also focusses mainly on money, or on a few key areas of life, when people experiencing poverty say there are many other factors that are keeping them poor.

## WHY DOES THIS MATTER?



1

We don't understand poverty as well as we could

2

We don't put the views of poor women and men at the centre of poverty measurement

3

We can't tell how gender, age, disability and ethnicity affect the poverty of an individual

## WHAT'S THE SOLUTION?



## Individual Deprivation Measure

The Individual Deprivation Measure (IDM) is a **new, gender-sensitive and multidimensional measure of poverty**. The measure assesses deprivation at the individual level, in relation to 15 key dimensions of life, making it possible to see who is poor, in what ways and to what extent.

The Australian Government is investing \$9.5 million over four years to further develop this world-first gender-sensitive and multidimensional measure of poverty, to get it ready for global use. This program is at the forefront of efforts to not only improve gender data, but to get a better picture of what is happening on the ground, who is benefiting and who is being left behind. **Ending poverty and achieving gender equality are critical to realising the ambitious 2030 Agenda for Sustainable Development.** The Individual Deprivation Measure will support governments and organisations to address inequality and poverty more effectively.

The four-year IDM program involves collecting additional IDM data, IT development to facilitate collection and use, curriculum development, and communications outreach to build knowledge about the IDM as a new tool for global poverty measurement.

**By 2020 the IDM will be ready for global use as an individual measure of deprivation and a tool for tracking how development is changing the lives of the most deprived.**

# WHAT MAKES IT DIFFERENT FROM OTHER POVERTY MEASURES?



**Individual:** The IDM measures poverty at the individual level rather than individualising existing household data.



**Gender-Sensitive:** The IDM can be sex-disaggregated across 15 dimensions of life relevant to poor women and men, generating a gender-sensitive measure.



**Multidimensional:** The IDM assesses 15 key economic and social dimensions, including some especially important for revealing gender disparity (voice in the community, time-use, family planning and personal relationships).



**Intersectional:** The IDM collects data on 15 dimensions from each individual so it can reveal the impact of intersecting deprivations (e.g. sex, age, disability, ethnicity, religion, geographic location) to inform policy and programs.



**Scalar:** The IDM provides insight into the intensity of an individual's poverty. Knowing how poor individuals are, and in what dimensions, matters for policy and programming, and for assessing the effectiveness of action.



**Policy Relevant:** The IDM can help governments and organisations target poverty more effectively. It can also help them measure success or failure, revealing what aspects of poverty are changing, by how much and for whom.



**Grounded in Participation:** The IDM is the first poverty measure based on the views of women and men with lived experience of poverty. The dimensions were selected based on what they prioritised as important to measure.

## OVERALL IDM SCORE

Each participant receives an overall score out of 100, which is the sum of the dimension scores and determines their level of deprivation

## DIMENSIONS

The 15 dimensions reflect the priorities of people with lived experience of poverty

## INDICATORS

Indicators selected are based on information easily and readily collected and draw on best current thinking

## QUESTIONS

Data for each indicator is generated by concrete questions

**OVERALL IDM SCORE**

OVER 90 = NOT DEPRIVED  
80 - 89.99 = SOMEWHAT DEPRIVED  
70 - 79.99 = DEPRIVED  
60 - 69.99 = VERY DEPRIVED  
BELOW 60 = EXTREMELY DEPRIVED

**LEVEL OF ANALYSIS**

Nation  
**Region**  
District  
Settlement Type  
Household  
Individual

**DISAGGREGATION**

**Sex**  
Age  
Ethnicity  
**Disability**

**INTERSECTIONALITY**

**Region**  
- Sex X Disability  
Age X Sex  
Ethnicity X Sex  
Disability X Ethnicity  
- (Within district)  
Settlement type X  
Disability X Age

**INDICATORS**

1 FOOD  
2 WATER  
3 SHELTER  
4 HEALTH  
5 EDUCATION  
6 ENERGY/FUEL  
7 SANITATION  
8 RELATIONSHIPS  
9 CLOTHING  
10 VIOLENCE  
11 FAMILY PLANNING  
12 ENVIRONMENT  
13 VOICE  
14 TIME-USE  
15 WORK

**Question**

**Question**

**Question**

# AN ILLUSTRATION OF THE IDM – NEPAL AND FIJI

## NEPAL FAST FACTS

Population: 28.51 million  
(World Bank 2015)

Gross National Income per person: USD730  
(World Bank 2015)

Percentage of population living under  
\$1.90 a day: 15%  
(World Bank 2010)

Global Gender Gap Index: 0.605  
(Ranked 110/145 countries) (World Economic Forum 2015)

## FIJI FAST FACTS

Population: 892 145  
(World Bank 2015)

Gross National Income per person: USD4800  
(World Bank 2015)

Percentage of population living under  
\$1.90 a day: 4%  
(World Bank 2008)

Global Gender Gap Index: 0.645  
(Ranked 121/145 countries) (World Economic Forum 2015)

## NEPAL BACKGROUND

Nepal is a post-conflict state and a relatively new democracy. It has over 300 different caste and ethnic groups with significant inequality based on positioning in the caste system. An earthquake in April 2015 exacerbated national deprivation, resulting in 9,000 fatalities and 22,000 people injured. Widespread destruction to property and infrastructure left 3.5 million people homeless.

Geographical differences (including severity of terrain and extreme climates) impact susceptibility to natural disasters, population density, food production, access to services, and governance. These differences combine with poor infrastructure, financial instability, and reliance on agricultural production to shape the nature of poverty and inequality in Nepal.

## FIJI BACKGROUND

Fiji gained independence from the United Kingdom in 1970. The post-independence period has involved significant political instability, with four military coups in 22 years, the most recent in 2006. The subsequent eight years of military rule ended in 2014 with elections that a Multinational Observer Group assessed as “credible” while calling for restrictions on the media and civil society groups to be eased.

Discussions of poverty and inequality in Fiji over the last three decades have documented multiple deprivations faced by Fiji's poor. Differences in inequality, poverty and vulnerability to poverty have been found between urban, rural and squatter settlements, among Fijians of different sociocultural background, and gender inequality across class and ethnic lines.

### IDM NEPAL SAMPLE (2016)

- 803 Households; 2225 Individuals
- 971 Identified as men and 1254 Identified as woman
- 1775 Rural and 434 Urban (16 participants had no response)
- 54 caste/ethnic groups represented (43 participants identified as 'other')

### IDM FIJI SAMPLE (2015)

- 1125 Households; 2966 individuals
- Men = 1481; Women = 1485
- Age range 18-97; mean age 42.91
- Rural = 2054; Urban = 757; Informal = 155

- The IDM randomly selects households and then seeks to interview all household members over 18 years of age.
- All analysis presented here is preliminary, reflecting the current refinement of the IDM.

# INDIVIDUAL MEASUREMENT MATTERS

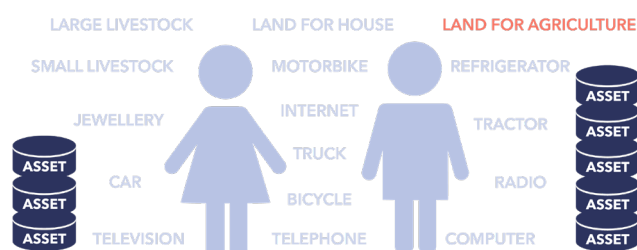
## GENDER INEQUALITY AND WEALTH IN NEPAL

Measuring household assets is commonly used as a proxy for wealth. However, measuring ownership of assets at the household level is likely to underestimate any gender inequality in asset ownership.

In Nepal, we asked about assets at both the household and the individual level. When assets are measured at the household level, no gender differences in asset wealth are evident, because asset ownership is assumed to be equally shared. When assets are measured at the individual level, women are revealed to be significantly more deprived in asset wealth.

When only individual ownership of assets is considered (rather than household ownership or access), the gender gap widens. Women average 1.8 personally owned assets; men average 2.9.

**On average men personally own 61% more assets than women.**



Only 20% of women personally own more than two assets, compared to 50% of men. When land assets are considered (for agriculture or residence), the gender gap widens further.

**LESSON? Policy makers seeking to measure and address poverty and gender inequality need to measure wealth at an individual level.**

# INTRAHOUSEHOLD INEQUALITY MATTERS

Individual-level measurement with the IDM may also allow us to explore intrahousehold inequality, which is increasingly a focus in the literature on poverty and gender. Investigation of the power of the IDM to reveal such differences is underway.

Currently we estimate that 34% of all inequality in IDM scores in Nepal occurs within households. With a caveat that this calculation includes some shared and individual deprivations, this could mean that overall inequality is being seriously underestimated by household-level measurement.

Theil index: a powerful measure “to analyse patterns and dynamics of inequality” Conceição & Ferreira, 2000 [When you collect data that allows decomposition.]

### Between-group inequality, GE\_B(a)

All obs	GE(-1)	GE(0)	GE(1)	GE(2)
+				
	0.00783	0.00744	0.00715	0.00694

### Within-group inequality, A\_W(e)

All obs	A(0.5)	A(1)	A(2)
+			
	0.00188	0.00377	0.00757

For within- and between- household variation, decomposition of the Theil index shows that the majority of inequality in IDM scores attributes to between-household difference. This accounts for 66% (0.00715/0.01089) of the Theil index, with 34% due to within-household difference.

**LESSON? Measuring multidimensional deprivation at the household level may underestimate intrahousehold inequality, and thus overall poverty and inequality.**

We continue to explore how the IDM can contribute to understanding intrahousehold inequality and its relationship to both individual deprivation and overall inequality.





# INTERSECTIONALITY MATTERS

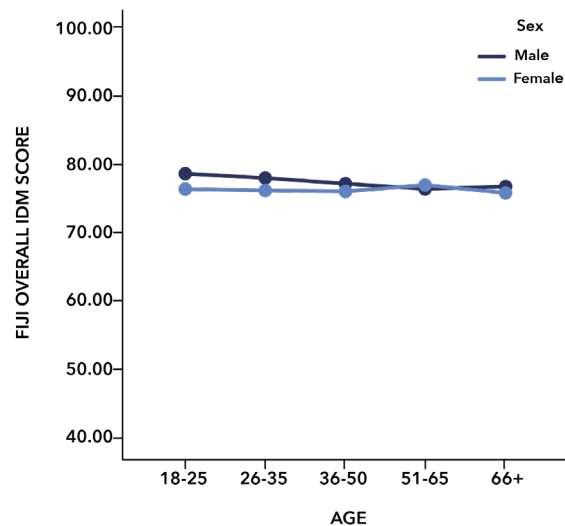
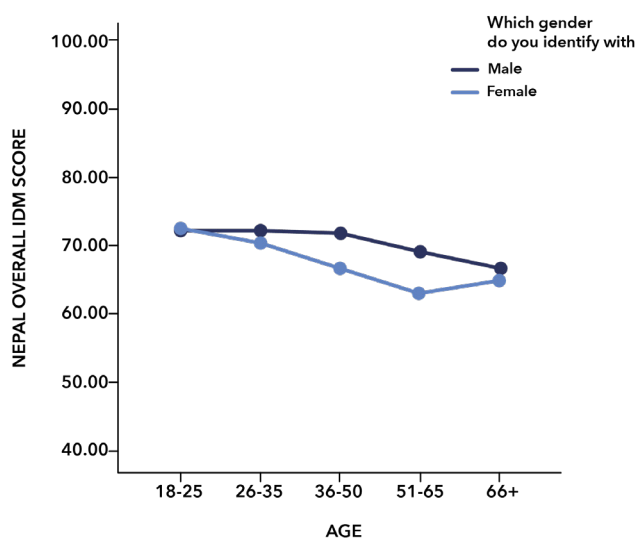
Collecting data from individuals allows analysis of intersectionality, showing how multiple factors (including gender, age, disability) intersect to produce and deepen deprivation. The graphs of Nepal and Fiji below intersect overall IDM scores (y-axis) with age categories (x-axis) and gender (green line = women; blue line = men), to show how IDM scores vary by age and sex.

We can see that in **Nepal**, the gap between women and men widens when women's reproductive, caring and productive lives overlap, and is particularly

pronounced among the age cohorts 36-50 and 51-65\*. In **Fiji**, the gender difference is most pronounced in the 18-25 age group. Intersectional analysis of age and gender allows us to compare the specific impacts of age and gender across countries.

**LESSON? Targeted intervention aimed at reducing the poverty of the most deprived requires intersectional analysis.**

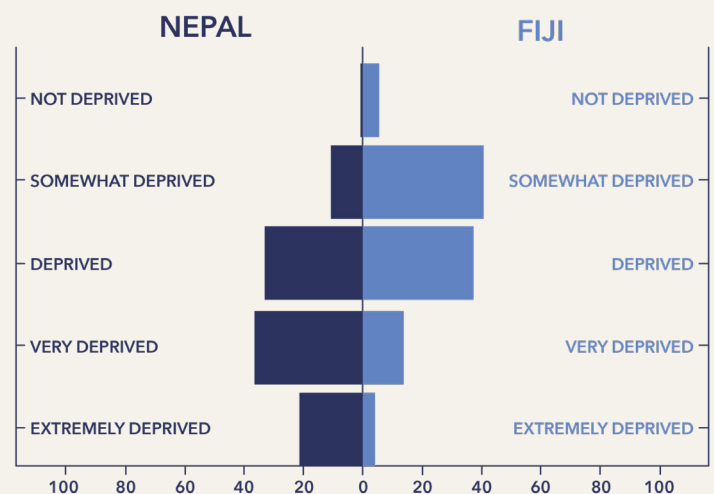
\* All discussed differences are statistically significant at  $p < 0.05$ .



# SCALAR MEASUREMENT MATTERS

Scalar measurement allows analysis 'below the poverty line', helping to reveal those in extreme deprivation and those vulnerable to extreme deprivation. Depth of poverty matters for policy response. Poverty profiles may also be different for men and women, which household measurement does not allow us to fully capture.

Following data collection in Nepal and Fiji, we can provide an initial comparison of the profiles of poverty between the two countries. The mean IDM score in Nepal (67.59) was significantly lower than in Fiji (77.69), showing significantly greater deprivation. The main gender difference in deprivation in Nepal emerges in the category of 'Extremely deprived', with 24% of women compared to 16% of men falling into this category.



**LESSON? Scalar measurement allows a more nuanced comparison of country-level poverty statistics than binary poor / not poor categorisation. Different country 'profiles of poverty' will require different policy responses to alleviate poverty most effectively.**

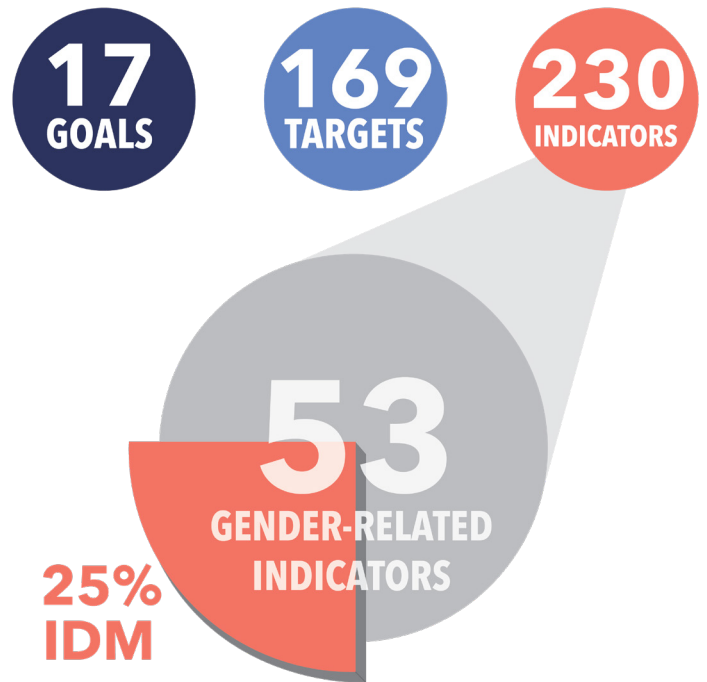
## IDM AND THE GLOBAL GOALS FOR SUSTAINABLE DEVELOPMENT

The Global Goals for Sustainable Development have 17 goals, 169 targets and 230 indicators. Recent adoption of the indicators has highlighted the inadequacy of existing disaggregated data collection relevant to these indicators. It has also underlined the importance of individual-level data to support targeting of policy and programming towards achieving the global commitment to **leave no one behind**.

**The IDM presently provides direct alignment with 25% of the 53 gender-related indicators.**

Currently, 68% of these gender-related indicators have no established methodology / standards for data collection or limited data availability. This is a concern as these gaps may lead to indicators being dropped from the SDG framework.

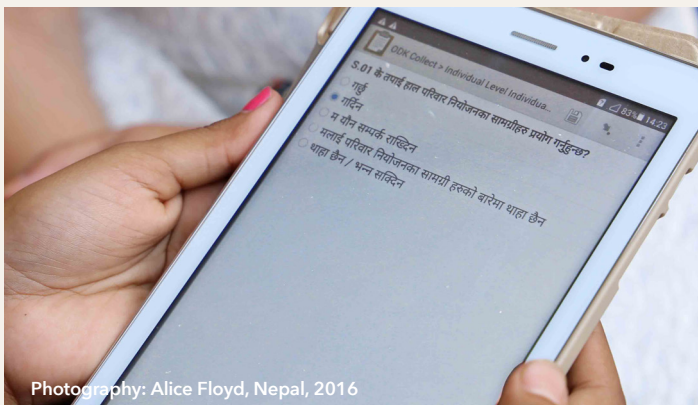
The IDM can provide disaggregated data for some at-risk gender-related indicators. It can also generate data for indicators which do not currently specifically require disaggregated data. The IDM offers a relevant complementary tool, to support better targeting of policies and programs.



**Individual, intersectional and intrahousehold measurement matters for improving the accuracy of global data on inequality and poverty.**

## HARNESSING TECHNOLOGY

The IDM program recognises the importance of harnessing technology to improve data collection. Our goal is for the IDM to be globally available, with technology facilitating data collection, storage and security, and data analysis and display.



Photography: Alice Floyd, Nepal, 2016

## WHAT'S NEXT? GETTING READY FOR GLOBAL USE BY 2020

Six country studies will enable us to assess the performance of the IDM in a range of contexts and to further refine the measure, including the survey and method of analysis. This is to ensure that we can meet our goal that by 2020, a robust measure is ready for global use.

Findings from the country studies (Nepal and Fiji) will be available soon. The next study will be in Indonesia, followed by LGBTI research in Fiji, commencing in late 2017.

Stay connected and learn more about this exciting program at:

[individualdeprivationmeasure.org](http://individualdeprivationmeasure.org)

The IDM Program is a partnership between the Australian National University, the International Women's Development Agency and the Australian Government through the Department of Foreign Affairs and Trade. The original research that developed the IDM was a four-year, international, interdisciplinary research collaboration, led by the Australian National University, in partnership with the International Women's Development Agency and the Philippine Health and Social Science Association, University of Colorado at Boulder, and Oxfam Great Britain (Southern Africa), with additional support from Oxfam America and Oslo University. It was funded by the Australian Research Council and partner organisations. Subsequent IDM research undertaken in Fiji was led by IWDA in partnership with the Fiji Bureau of Statistics with contributions from the State, Society and Governance Program at the ANU. It was funded by the Australian Government's Pacific Women Shaping Pacific Development program.