



**SMALL AREA METHODS
FOR MONITORING OF POVERTY
AND LIVING CONDITIONS IN EU**



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Chair**
European Commission

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**WORKSHOP “SMALL AREA METHODS AND LIVING CONDITIONS
INDICATORS IN EUROPEAN POVERTY STUDIES IN THE ERA OF
DATA DELUGE AND BIG DATA”**

FINAL EVENT OF THE JEAN MONNET CHAIR SAMPLEU



Table 2. Multidimensional poverty at a local level – how to synthesize the dimensions?

Pisa, May the 8th 2018

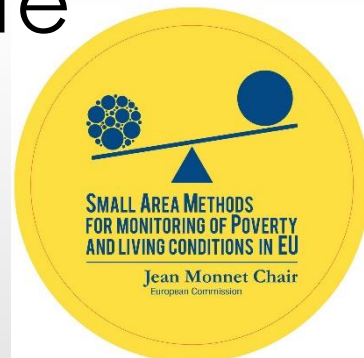
Coordinator:

Achille Lemmi
Centro Camilo Dagum



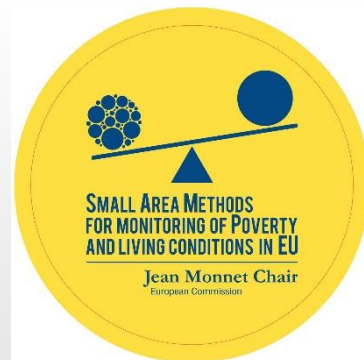
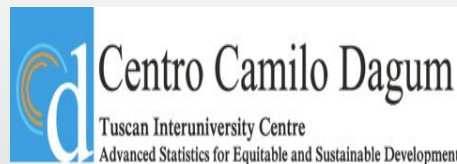
Multidimensional poverty: from Townsend to Sen - 1

- *The debate concerning the need of adopting a multidimensional approach to measuring poverty has initiated by Townsend (1979)*
- Peter Townsend's idea consisted that poverty is less about shortage of income and more about the inability of people on low incomes to participate actively in society



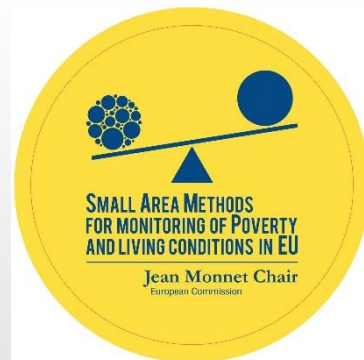
Multidimensional poverty: from Townsend to Sen - 2

- Following the words of Amartya Sen (1999):
- « Policy debates have indeed been distorted by overemphasis on income poverty and income inequality, to the neglect of deprivation that relates to other variables, such as unemployment, ill health, lack of education, and social exclusion »
- The debate has reached its peak in Brasilia, 29-31 August 2005, *The Many Dimensions of Poverty*



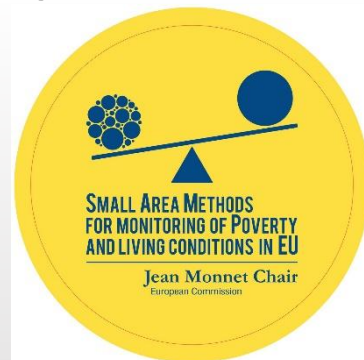
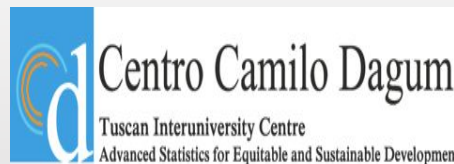
Multidimensional poverty: important caveat

- Many dimension, but not ALL dimensions
- It is necessary to define dimensions *a priori* maybe following socio-economic theories
- *Data* should confirm such theories (*a là* Popper)
- Such dimensions should be relevant and appropriate when measuring poverty at a local level (Eurostat, 2002; European Social Statistics, Second Report on Income, Poverty and Social Exclusion)



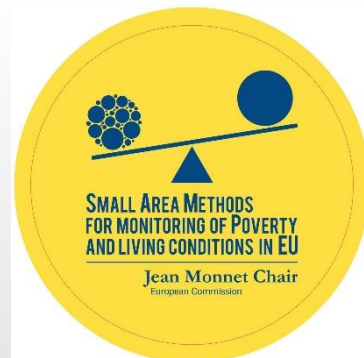
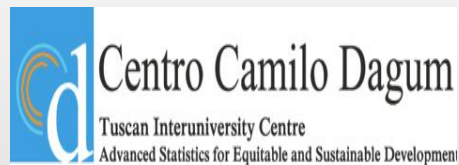
Multidimensional poverty at a local level

- First of all, data availability is fundamental
- Then, take care of «subjective» data
- According to type and disaggregation of data, do select the best method of Small Area Estimation (SAE)
- Then the question is: **how to better synthesize the dimensions?**
- In the present Table 2 we will try to answer to this question



Multidimensional poverty: references

- OPHI: Alkire, S. Foster, J. (2011) Counting and multidimensional poverty measurement. Journal of Public Economics, 95: 476–487.
- Eurostat (2002), European Social Statistics, Second Report on Income, Poverty and Social Exclusion. Luxembourg: Office for Official Publications of the European Communities, 2002
- Sen, A. (1999), Development and Freedom, Oxford University Press, 1999
- Townsend, P. (1979) Poverty in the United Kingdom. Harmondsworth: Penguin



Multidimensional, small area and ... fuzzy!

- Still citing Townsend (1979):
- «So the social scientist has to collect evidence about (a) objective deprivation, (b) conventionally acknowledged or normative deprivation, and (c) individual subjective or group deprivation. The distinction between the second and third is in some ways a **matter of degree**.
- Fuzzy set theory is able to take into account such **matter of degree**. Vijay Verma will tell us how.

