



Transcript of IMF podcast:

Sabina Alkire: Tackling Poverty Beyond the Idea of Material Wealth

Sabina Alkire:

When there's a downturn having a hope that in the end there will be an upturn, I think that gives a kind of a strength.

Bruce Edwards:

Mahatma Gandhi once said, "Live simply so that others may simply live." Today we hear from an economist who believes there is more to poverty reduction than just money.

Sabina Alkire:

I think people find it in different ways. I find it through faith.

Bruce Edwards:

And her faith is what has kept her going throughout her long career dedicated to fighting global poverty, working in the poorest of countries.

Sabina Alkire:

One thing that struck me was that some of the impoverished communities were very rich in other senses of life, but materially very deprived; and that also their understandings of what poverty was, were perhaps not what everybody else thought.

I'm Sabina Alkire. I direct the Oxford Poverty and Human Development Initiative, which is a research center in the University of Oxford.

So I wanted to really study both how to reduce poverty without running over people's values, but rather supporting them because they're so creative and much richer than just looking at the material things of life.

Bruce Edwards:

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Journalist Rhoda Metcalfe sat down with Sabina Alkire to discuss her work for our special series on extraordinary women in economics.

Rhoda Metcalfe:

So you're very well known as an economist for your work on global poverty and I was wondering what brought you to this focus on the poor of the world? Was this something you came to early in your life?

Sabina Alkire:

Earlier I had wanted to study medicine and did the pre-med courses and got into med school, but didn't want to get into debt and took a bit of turn. And I'd been doing voluntary work in different countries.

Rhoda Metcalfe:

Oh, that's right, you traveled quite a bit. In fact, I understand you went and worked with Mother Teresa as well as other groups working with the poor. That must have had a big impact on you.

Sabina Alkire:

It did. I mean, the first time I went to Chiapas in Mexico, I went to Yucatan and then Chiapas. Of course I didn't have a TV, so I never saw stuff on TV, and I'd never seen beggars. I was like, "Why didn't somebody tell me about this?" So it was the classic shock of a young person just experiencing things for the first time.

It was three weeks with a church doing a roofing project and then two weeks... My mother had lived there for five years. So I went back to where she had lived and met the communities, and so, in the very south of Chiapas. Then I worked in a hospital in Guatemala and then in Calcutta is where I worked with Mother Teresa sisters, and also in Pune in India, so in Kalighat, the House of the Dying, in Calcutta.

Rhoda Metcalfe:

Wow. The House of the Dying with Mother Teresa, that must have been an experience.

Sabina Alkire:

Yeah. She was great because she was still alive then and still going there. So it was nice to have the balance between the prayer and the volunteer work.

Rhoda Metcalfe:

Right. But interestingly, you wanted to study poverty, but you didn't go straight into economics. You started studying theology instead, right?

Sabina Alkire:

Yeah. I didn't really know what it was. I got to Oxford and I was miserable because it was all very, very academic and I had no clue. I'd never been to Sunday school, so I wasn't very good at it.

Rhoda Metcalfe:

It wasn't what you expected.

Sabina Alkire:

Yeah. I thought it was more about God and not about more of the historical and literary aspects. But also what was fascinating was to read about the Catholic social teachings and their treatment of poverty, and to contrast them with the World Bank's operational directive on poverty and in 1990-1991 in that resurgence of interest in poverty in the Bank and to see the difference in that the Catholic social encyclicals also gave face to environment, to relationship, to beauty and peace. And the language of the time, as embodied in the World Bank's documents, really was more focused on the material aspect. So I was fascinated to just see the conversation between these two, really looking at the same phenomenon and see what we could learn each one from the other.

Rhoda Metcalfe:

But then at some point you left theology and turned to economics. How did that happen?

Sabina Alkire:

Yeah. So my doctorate was supervised, it was co-supervised by John Finnis in jurisprudence, who worked on the Catholic natural law theory. I remember asking him at one point, "What do you think?" And he said, "Well, you're okay as a philosopher, but I think your number part of your thesis is better."

Rhoda Metcalfe:

Right, the math. You're good at the math.

Sabina Alkire:

I was anyway auditing econometrics because I loved it and it was easy. So it was a natural move. As in so many of these things, a supervisor was pushing me in that direction as well and gave me some of Amartya Sen's work to read. So yeah, I think it was just quite clear.

Rhoda Metcalfe:

Interesting. So you did a Ted Talk recently where you posed the question, "Why are there still so many people living in acute poverty?" And you say it's like a puzzle that you've spent many years trying to solve. As part of that process in 2010, I believe it was, you were one of the creators of a new index called the MPI, the Multidimensional Poverty Index, which the United Nations has now adopted. So how does your index help us understand poverty better?

Sabina Alkire:

Measures are only a very small part of the puzzle of poverty. Yet they are useful because they give you a central problem that many creative people can look at and try to solve. Then they give you feedback, whether it's working, whether poverty's going down. But I guess what I felt was that the metrics of money were perhaps not having that...

Rhoda Metcalfe:

It was too limited.

Sabina Alkire:

Yeah. So we needed something alongside as a system measure that complimented monetary measures.

Rhoda Metcalfe:

Right. So it takes into account, not just the monetary situation of a family, but the education, health...?

Sabina Alkire:

Yes. Basically it looks at each person and the deprivations that person or that household experience at the same time. So is anybody undernourished, has a child very sadly died, is a child out of school who should be attending school? Does anybody in the household have primary schooling or not? Then do you have clean water, adequate sanitation, electricity, clean energy, a good quality house and more than one of a set of small assets? By looking at that at the household level, you catch people for whom multiple things are going wrong at the same time. So that's this idea of multidimensional poverty that there's a critical mass of deprivations that each person is carrying.

Rhoda Metcalfe:

Do you think with your index, we now have a better sense of the true poverty that exists in the world?

Sabina Alkire:

I think with this and together with the monetary measure, I think you need both because money is also important, it's a general purpose resource. People can spend it as they like, but I think with these two

together, because they tell different stories, but when we analyze them for the same country or for the same region or for different regions of the same country, we often really understand a little bit better than if we just use one or the other.

Rhoda Metcalfe:

I understand that the index can be adapted to different countries. It can kind of be tweaked by the people who use it?

Sabina Alkire:

Absolutely. So what we call the global Multidimensional Poverty Measure, which we release annually with UNDP is three dimensions and 10 indicators across every country. But in another country, they might have data on work or data on food security for more frequent surveys. Or maybe they'd like to look at secondary school or internet access. And so, many countries now tailor this methodology to their own surveys and their own definitions of poverty. You can't compare them across countries, but the point is that they're made by national statistics offices, and they really are tailored to the priorities of that country at that point.

Rhoda Metcalfe:

I know that certain countries like Bhutan, Colombia, various others have really embraced the index. So I mean, in real terms, what would a country like Colombia...how would they use this index?

Sabina Alkire:

When Colombia launched, 30.4% of the people in 2010 were multidimensionally poor. So they could see in which of their 15 indicators they were deprived, how many thousand people are unemployed or how many children are not attending school or lagged for school, how many don't have housing. Then they could use that for budgeting, for looking at integrated policies, because people are actually experiencing these things at the same time, like school feeding programs that get kids to school and address other kinds of deficits and making the budgets tailored to the face of deprivations across different parts of the country is one use.

Another was to coordinate the different ministries. So the president of the Republic chairs a round table with the ministries and they update every year. So they sort of have red, yellow, green stoplight system of whether or not they're on track to meet their targets. Then they all decide, "Okay, what can we do this year to accelerate reduction in rural areas? To accelerate children going to preschool? To accelerate employment?" So it is a priority that then can be used to address the bottlenecks. So the coordination is quite important in this time of breaking silos. In Colombia as a situation of conflict there was also programs for the victims for ex combatants.

Rhoda Metcalfe:

Of course.

Sabina Alkire:

Because some of the areas were particularly poor that were also conflict affected. So it's really vital to close that gap. So I think there are these kinds of uses, very practical that the countries are doing and then targeting exactly the households that are deprived, knowing exactly their deprivations. So the benefit packages match their profiles.

Rhoda Metcalfe:

So has it had an impact on Colombia, for example, taking this approach?

Sabina Alkire:

Yes. Now in 2020, I think that poverty is below 20%. So it has had a reduction, it's almost a third of poor people coming out of poverty. Which, for an advanced country, I think it's quite a lot.

Rhoda Metcalfe:

Yeah, absolutely. The world has just been through two years of pandemic. Inflation is rising. The war in the Ukraine is causing shortages in many key products. I mean, how are we doing now in the world in terms of poverty?

Sabina Alkire:

We did estimations, as many did at the beginning of the pandemic. We estimated between 131 and 547 million people had gone into poverty just because of increases in undernutrition, children out of school and so on. So that was our starting point.

Rhoda Metcalfe:

Right.

Sabina Alkire:

Now a number of countries have updated after the pandemic. In some of those, of course they are the countries with a better infrastructure, we've not seen a rise of more than two percentage points. Even two percentage points is a lot, but these very active social protection policies in a number of countries were able to contain and address some of that poverty, and they were rolled out very well. But there are many countries for which we don't have post pandemic data. And we know that there's been migration,

we know that food insecurity has gone up, especially with the food inflation, food price inflation. But I think the positive thing is that with the pandemic, there was a recognition of the need to really invest. Now there's a need to really continue the momentum, but hopefully some of the COVID emergency responses, many of which used multidimensional poverty metrics for targeting and for delivering very cost effective benefit packages, hopefully those will segue into the rise of social protection and responses in this current very, very difficult time.

Rhoda Metcalfe:

Are women and girls particularly affected by rise in poverty?

Sabina Alkire:

We think so. With my colleague Abdul Alim in UNICEF and Rizwan ul Haq in OPHI we've developed a way of taking a household poverty measure. So you combine the education of the man and woman and the children into one overall measure.

Rhoda Metcalfe:

Right.

Sabina Alkire:

But what we've done have been to then look at the individual achievements of girls and boys, men and women, and look within the household. And I must say I work on poverty, but it was still a surprise. So when we launched the global NPI this year, 1.3 billion people are poor. We asked, "How many of those 1.3 billion people live in a household in which no girl, no woman has completed six years of school?" Very sadly it was two thirds. It was 836 million. And we've been talking about the priority of educating girls and mothers and yet that's just a number that won't go away. So that's a sobering fact. Now we are doing that also for undernourished children and out of school children and finding out how are girls different than boys.

A happy story is that in south Asia, we looked at nutrition of children under the age of five, there's around 70 million children who are undernourished, which is not good news. But half were girls and half were boys. There was no statistically significant difference in any country for which we had data. So that is something positive because earlier we knew girls were more likely to be undernourished. In education, not so much so, girls are still deprived.

Rhoda Metcalfe:

So they're not prioritizing boys over girls in terms of feeding, but they're still a prioritizing of boys over girls in terms of sending them to school.

Sabina Alkire:

In Afghanistan, Pakistan, even India, there's statistically significant differences; in Bangladesh it's the other way, where they're more girls in school than boys. And then in others there's parity.

But the point is that with a household measure, we're trying to pull out gender disparities, disparities across age and then policy relevant facts. Like we found that 22% of children who are undernourished in Pakistan, live with another child who's not undernourished. So something's going right for one child and wrong for another. So when we can learn about that, it's a different kind of a policy response than if all kids are undernourished or all are not.

Rhoda Metcalfe:

Right. So how do governments react when you come out with this kind of data? I mean, how do they respond? Are they open to it?

Sabina Alkire:

I mean, we now are the secretariat of 60 countries in a South-South network that work on national multidimensional poverty reduction. It's always interesting cause you don't know what the reaction will be, but a lot of them now are demanding to put this in their measure because it's practical and it gives them information that they can use.

The more we can see poverty metrics, not as a diagnosis of a failure, but as a tool to be used and linked to action that actually makes the job of fighting poverty easier because it's more precise and you can do more with less money. I guess, that's the hope, is that the new generation of poverty metrics will be seen in that light. I've been pleasantly surprised by not having a lot of pushback. Often people know it's a problem and they're just wanting to say, "Well, what do we do about it?"

Rhoda Metcalfe:

Right. So, finally, I thought it interesting, you started in theology, went into economics, but then as a working economist, I believe it was while you were working at the World Bank, you were ordained as a minister in the Church of England. Does your faith help inform your work in some way or perhaps sustain you in your work as an economist?

Sabina Alkire:

Yeah. I mean, I remember reading about Gandhi when somebody came to join his movement and it was a doctor and he said, "Look, I don't have any faith." Gandhi said, "Well, do you believe that in the end, good will overcome?" And the doctor said, "Yes." So Gandhi said, "Well, that's the operational definition of faith and that's what you need." And I think sometimes it's having a place to go for peace, having a place to go to pray when you just feel inefficient and ineffective and things are going wrong. I think

that's very useful. I think also that when there's a downturn, having a hope that in the end there will be an upturn that gives a kind of a strength. I think people find it in different ways. I find it through faith and others would find it through nature, through philosophy. But I think we each need to find within us, some kind of strength for when times get really, really rough.

Rhoda Metcalfe:

Right. Because working on acute poverty, I mean, that must be quite depressing at times.

Sabina Alkire:

It is. I mean, we are a very diverse team. We have lots of different beliefs, but there are times when we're sort of looking at the numbers on our screen, getting a little bit down because we're like, "These are real people and this is really bad." So I think trying to be emotionally healthy and mature about how we cope with different kinds of stress as a team is also useful and many others in this line of work do the same. But I think the importance is also then not to just have it be numbers. And so, keep it so distant that you cease to see the people behind the numbers. So getting that balance right isn't easy. But I think it's one that you have to keep working on.

Rhoda Metcalfe:

Are you able to get out of the office and see the real people sometimes in your work?

Sabina Alkire:

Sometimes. Yes. So sometimes with governments, we do participatory work in different communities where there's focus group discussions where there's maybe a quick, quick survey and then you mock up what would be a trial measure in the capital city and show it, and then they can tell you what's wrong about it. So you can really have some good feedback. That's very, very valuable. Of course, I would wish to do more, and of course, during the pandemic, it's not been possible.

Rhoda Metcalfe:

No.

Sabina Alkire:

So we are all looking forward, I think, to having a better balance between being in the office and being in the communities.

Rhoda Metcalfe:

Well, Sabina Alkire, I think your work is really impressive and very interesting. It makes us all think about the great puzzles in the world. Thank you so much for joining us on the podcast today.

Sabina Alkire:

Thank you so much.

Bruce Edwards:

Sabina Alkire is the director of the Oxford Poverty and Human Development Initiative at the University of Oxford. She was speaking with journalist Rhoda Metcalfe. Look for other podcasts in our Women in Economics series on Apple Podcasts or wherever you listen. You can also follow us on Twitter @imf_podcast. I'm Bruce Edwards

Rhoda Metcalfe:

And I'm Rhoda Metcalfe. Thanks for listening.