

Measuring Poverty in Japan from a Multidimensional Perspective

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Abstract:

In recent years, Japan faces serious poverty issues. Even though any kind of poverty related issues is discussed in terms of just an economic dimension such as income, it is not the only determinant to measure a person's well-being. According to the capability approach, a person's well-being is considered to be multidimensional in nature. In this paper, following a methodology developed by Alkire and Foster (2011), I define a multidimensional poverty index consisted of four dimensions such as income, social life, happiness, and health. I calculate a usual headcount ratio, the censored headcount ratio, and the adjusted headcount ratio by ten groups consisted of sex by 5 age categories. Firstly, when the female group aged 20-34 is compared with the male group aged 35-44, we see the difference between the income based approach and the multidimensional poverty one. Secondly, there is a sharp contrast concerning to the percentage contributions to the adjusted headcount ratio between the two groups.

Keywords: the capability approach, functionings, poverty, multidimensional, the headcount ratio