

**A CAUSAL ANALYSIS OF RELATIONSHIP BETWEEN  
MULTIDIMENSIONAL POVERTY AND SELECT SOCIO-ECONOMIC  
INDICATORS IN INDIA**

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**ABSTRACT**

*Poverty is immensely painful to experience and tremendously complex to understand as it entails comprehensive layers of human deprivation on parallelly occurring physical and psychological realities at multiple facets of socio-economic life of the poor people. The effects are generally so deeper that they engulf many generations in the poverty trap. Therefore, several socio-economic variables together need to be analysed to understand poverty in the true sense. The present study analyses eleven socio-economic parameters to make a comprehensive assessment of the possible causes of variations in the level of multi-dimensional poverty across states of India. The study makes use of correlation, step-wise regression, t-test and F-test to address the objectives of the study. The study concludes that value added in services, gross enrolment ratio at secondary level, average size of land holding and expenditure on education together can explain more than 80% of variations in the level of multi-dimensional poverty across the states of India. Therefore, prevention of further fragmentation of land holdings, greater expenditure on education and growth of service sector should be the major thrust areas in the national policy formulation.*

**KEYWORDS:** *Multidimensional Poverty, Socio-Economic parameters, Step-Wise Regression Analysis, F-test.*

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