**What is Governance?**

Governance consists of the traditions and institutions by which authority in a country is exercised.  This includes the process by which governments are selected, monitored and replaced; the capacity of the government to effectively formulate and implement sound policies; and the respect of citizens and the state for the institutions that govern economic and social interactions among them.

# **Multidimensional Poverty Index (MPI)**

Like development, poverty is multidimensional — but this is traditionally ignored by headline money metric measures of poverty. The Multidimensional Poverty Index (MPI), published for the first time in the 2010 Report, complements monetary measures of poverty by considering overlapping deprivations suffered at the same time. The index identifies deprivations across the same three dimensions as the HDI and shows the number of people who are multi-dimensionally poor (suffering deprivations in 33% or more of weighted indicators) and the number of deprivations with which poor households typically contend with. It can be deconstructed by region, ethnicity and other groupings as well as by dimension, making it an apt tool for policymakers. For more technical details see [Technical notes](http://hdr.undp.org/sites/default/files/hdr2015_technical_notes.pdf).

The MPI can help the effective allocation of resources by making possible the targeting of those with the greatest intensity of poverty; it can help address MDGs strategically and monitor impacts of policy intervention. The MPI can be adapted to the national level using indicators and weights that make sense for the region or the country, it can also be adopted for national poverty eradication programs, and it can be used to study changes over time.

Almost 1.5 billion people in the 101 developing countries covered by the MPI—about 29 percent of their population — live in multidimensional poverty — that is, with at least 33 percent of the indicators reflecting acute deprivation in health, education and standard of living. And close to 900 million people are vulnerable to fall into poverty if setbacks occur – financial, natural or otherwise.

This year we also publish trends in multidimensional poverty for 61 countries for which data were available. For these countries, multidimensional poverty is on decline – although it still remains.

Mixed-effects models: Moreover, researchers in ecology (Schielzeth & Forstmeier, 2009), psycholinguistics (Barr, Levy, Scheepers, & Tilly, 2013) and other fields have shown via simulations that mixed models without random slopes are anticonservative or, in other words, they have a relatively high Type I error rate (they tend to find a lot of significant results which are actually due to chance).