



PLANNING MALAYSIA:

Journal of the Malaysian Institute of Planners

VOLUME 24 ISSUE 3 (2026), Page 741 – 760

URBAN POVERTY THROUGH A MULTIDIMENSIONAL LENS: EVIDENCE FROM IBMT BENEFICIARIES IN KUALA LUMPUR

**Muhammad Nooraiman Zailani¹, Mohd Khairi Ismail²,
Nurulhuda Mohd Satar³, Roza Hazli Zakaria⁴, Nurul Ashikin Alias⁵**

*^{1,3,5}Faculty of Business and Economics,
UNIVERSITI MALAYA*

*²Faculty of Business and Management,
UNIVERSITI TEKNOLOGI MARA CAWANGAN TERENGGANU
KAMPUS DUNGUN*

*⁵Ungku Aziz Centre for Development Studies,
UNIVERSITI MALAYA*

Abstract

It is commonly acknowledged that poverty should not be assessed via a one-dimensional lens, such as monetary assessment. This study examines the characteristics of multidimensional poverty among households participating in the Program Inisiatif Basmi Miskin Tegar (iBMT) in Wilayah Persekutuan Kuala Lumpur. Using the Multidimensional Poverty Index (MPI) based on the Alkire–Foster (AF) methodology, the analysis draws on household-level survey data to assess deprivations across multiple dimensions relevant to an urban context. The findings reveal that, at the chosen cut-off point, 68% of iBMT households are categorised as multidimensionally poor, with an average deprivation intensity of 47% of the total indicators included. The analysis also indicates significant overlapping deprivations across health, education, living standards, and social capital, suggesting that affected households face multiple, reflecting multiple rather than isolated, forms of hardship. Disaggregated results indicate that income deprivation is the most prevalent, followed by limited access to health insurance, online learning facilities, and basic communication services. The study highlights the complex and multidimensional nature of urban poverty in Kuala Lumpur and recommends that poverty alleviation programmes would be enhanced by more cohesive policy strategies that address income vulnerabilities, digital inclusion, social protection coverage and human capital deficits.

Keywords: Poverty, Multidimensional Poverty Index, Deprivation, Kuala Lumpur

¹ Corresponding author. Email: aiman@um.edu.my

INTRODUCTION

Poverty is increasingly recognised as a complex and multidimensional phenomenon that cannot be adequately captured through income-based measures alone. Early critiques of the monetary approach argue that an exclusive focus on income and consumption overlooks other critical forms of deprivation that shape individuals' well-being and life chances (Wagle, 2005). Policymakers and researchers have adopted the capability and social exclusion approach, which are inherently multidimensional and include non-monetary characteristics. The capability approach, proposed by Sen (1987, 1993, 1999), transformed conventional poverty metrics that mostly focused on income by including non-income variables such as literacy, life expectancy, and living conditions. The inclusion of non-monetary factors such as access to healthcare, material necessities, and literacy also influences a person's happiness and well-being (Bourguignon & Chakravarty, 2009).

In response to the limitation of unidimensional poverty measurement, Alkire and Santos (2010) introduced the global Multidimensional Poverty Index (MPI), subsequently adopted by the Oxford Poverty & Human Development Initiative (OPHI) and the United Nations Development Programme (UNDP). The MPI provides a comprehensive framework for assessing poverty by capturing deprivations across multiple dimensions that reflect basic capabilities and quality of life. Its primary objective is to measure acute poverty, defined as the failure to achieve minimum thresholds in essential indicators aligned with the Sustainable Development Goals (SDGs) (Alkire & Santos, 2014).

While the global MPI has significantly advanced poverty measurement, its original emphasis on acute poverty has become increasingly insufficient in the face of evolving socio-economic realities. Contemporary challenges, such as labour market precarity, rising healthcare costs, rapid urbanisation, and the widening digital divide, have introduced new forms of vulnerability that extend beyond traditional poverty thresholds. These challenges are particularly pronounced in urban settings, where households may not be classified as extremely poor yet continue to experience persistent deprivations in education, health, digital access, and social protection. As such, there is growing recognition of the need for multidimensional assessments that move beyond acute poverty to capture overlapping and cumulative disadvantages faced by vulnerable urban populations.

In Malaysia, the application of multidimensional poverty measurement has progressed with the development of the Malaysian Multidimensional Poverty Index (MMPI). Empirical studies using MPI-based approaches have demonstrated that poverty in Malaysia extends beyond income deprivation and varies significantly across population groups. For example, previous research has identified substantial multidimensional deprivation among fishing communities,

retirees, and children and zakat recipients, with important disparities observed across gender and life-cycle stages (Solaymani & Kari, 2014; Solaymani et al., 2019; Ismail et al., 2024; Zailani et al., 2024). Despite these advances, existing studies have largely focused on multidimensional poverty identification rather than programme evaluation, and limited attention has been given to urban poverty among beneficiaries of targeted income-based interventions. In particular, there remains a lack of programme-specific evidence on whether such interventions effectively alleviate non-monetary and structural deprivations among urban households.

From a program monitoring and evaluation perspective, the MPI offers a robust outcome- and impact-oriented tool for assessing the effectiveness of poverty alleviation initiatives. Unlike conventional income-based indicators, an MPI-based assessment enables policymakers to track changes across multiple dimensions of well-being and determine whether program participation leads to meaningful improvements in the overall quality of life. The decomposability of the MPI further allows programme implementers to identify specific dimensions and indicators where deprivations persist, thereby supporting evidence-based programme refinement. This approach is particularly relevant in urban contexts, where poverty is often characterised by high living costs, insecure employment, inadequate housing, and limited access to comprehensive social protection systems (Yaacob & Hassan, 2024).

Incorporating social capital in an MPI framework is especially important when evaluating poverty alleviation programs. Social capital, encompassing networks, trust, norms, and social relationships, plays a critical role in shaping households' ability to cope with economic shocks, access opportunities, and convert programme inputs into sustainable well-being outcomes (Putnam, 2000). From a capability perspective, social capital functions as an enabling resource that influences individuals' capacity to transform material resources into achieved functionings (Sen, 1999). In urban settings, where social fragmentation and informal employment are common, weak social networks may limit access to informal support, information, and community-based services, even among households receiving financial assistance or skills training. Excluding social capital from programme evaluation therefore risks underestimating structural and relational constraints that perpetuate multidimensional poverty.

Against this backdrop, this study examines multidimensional poverty among households participating in the Program Inisiatif Basmi Miskin Tegar (iBMT) in Wilayah Persekutuan Kuala Lumpur. The iBMT program, managed by the Ministry of Economy under Upaya@ PUJI initiative aims to support low-income households through capacity-building, skills development, and income-generating opportunities, with the ultimate objective of enabling participants to

achieve financial independence and escape poverty. While the programme places strong emphasis on income enhancement, its effectiveness should be assessed beyond monetary outcomes alone. Accordingly, this study pursues three objectives. First, it measures the extent and intensity of multidimensional poverty among iBMT beneficiaries using an MPI framework adapted to the urban context of Kuala Lumpur. Second, it examines overlapping deprivations across income, health, education, living standards, digital access, and social capital to identify cumulative and reinforcing disadvantages faced by households. Third, the study evaluates the suitability of MPI as a monitoring and evaluation tool for urban poverty alleviation programs. By providing program-specific evidence on urban multidimensional poverty in Malaysia, this study contributes to the literature on poverty measurement and offers policy-relevant insights for enhancing the design, implementation, and evaluation of income-focused interventions, such as iBMT.

LITERATURE REVIEW

Concept and Application of Multidimensional Poverty Index (MPI)

The MPI, established by the OPHI to address individual multidimensional poverty characteristics, has received more attention since its launch. Mohanty (2011) examined various forms of poverty in India and discovered that a major contributing factor to its prevalence is inequality. Alkire and Seth (2015) investigated India's significant countrywide decline in poverty. However, the outcomes differ by geography, caste, and religion. Alkire and Shen (2017) conducted a study in China, utilising the China Family Panel Study (CFPS) and the AF approach. Their findings show that China's global MPI value is comparatively low and declining over time. The authors also discovered that families with heads that have a higher education level, are smaller in size, or have relocated are frequently associated with reduced multidimensional poverty, but minority households and communities with divorced heads are more likely to be multidimensionally poor. While most research investigated the gender gap in poverty via a monetary approach, Rogan (2016) adopted the MPI method in South Africa and discovered that the multidimensional gender poverty gap is equivalent to the poverty gap evaluated using the monetary approach. Nonetheless, the study found that the MPI poverty difference between female- and male-headed families is slightly smaller than the income poverty disparity. Tran et al. (2015) in Vietnam established that the connections between monetary and multidimensional poverty measurements are minimal, indicating a significant divergence between these two measures of poverty. This aligns with Salecker et al. (2020), which observed that the poverty incidence identified by the multidimensional assessment surpasses that of the monetary poverty measure. Chen et al. (2019) found that deprivation status and multidimensional poverty

characteristics varied by district in Taiwan, with the central and southern districts exhibiting a higher percentage of individuals experiencing multidimensional poverty. Utilising MPI to examine child poverty, Qi and Wu (2019) identified a notable difference in multidimensional poverty among Chinese children in rural areas compared to urban areas, despite the absence of a substantial variation in income poverty across these places.

In the local setting, Solaymani and Kari (2014) adopted the MPI to evaluate the severity of poverty in Malaysian fishing communities. The study concluded that there is a high degree of poverty in the respective communities, with nearly all fishermen categorised as multidimensionally poor. In another study, Solaymani et al. (2019) used the MPI to assess the multidimensional poverty status among the retirees of the Malaysia Employee Provident Fund (EPF). Based on the study, 84 per cent of EPF retirees experience multidimensional poverty, with women experiencing worse deprivation than males in the areas of income, homeownership, education, and transportation. Meanwhile, Tedong et al. (2022) adopted the global MPI framework to evaluate the well-being of the Iban community in Sarawak state. The results reveal that the community suffers considerable disadvantage in the education and asset ownership aspects. More recently, Zailani et al. (2025), in their study among zakat beneficiaries in Kuala Lumpur, concluded that most of the poor and destitute households were deprived in the social protection aspect, particularly health insurance and access to digital platforms. The results of empirical studies imply that the MPI framework is tailored to the particular context of the research.

RESEARCH METHODOLOGY

This study involved active participants in the Kuala Lumpur iBMT program, totalling 79 households. This study employed a purposive sampling approach to select respondents who were most relevant to the research objectives. Purposive sampling was deemed appropriate as the study specifically targeted heads of households participating in the iBMT in Kuala Lumpur. Only active iBMT participants who had received programme assistance at the time of data collection were included in the sample. This approach ensured that the selected respondents possessed direct experience with the programme and were therefore able to provide meaningful information for assessing multidimensional deprivation among iBMT beneficiaries. The analysis of the study was done using the MPI calculation method by Alkire and Foster (2011). To operationalise the analysis, Statistical Package for the Social Sciences (SPSS) software and the Microsoft Excel application have been utilised. The SPSS software is used primarily for the descriptive analysis, while Microsoft Excel supports the MPI calculation. In deriving the final output of the MPI, two main components of the MPI, which are

the headcount ratio (H) and the intensity of poverty (A), are identified. The headcount ratio reflects the number of households who are considered as multidimensionally poor. The formula used is as below:

$$H = q/n \quad (1)$$

where,

q = number of multidimensional poor household

n = total population

Meanwhile, the intensity of poverty (A) reflects the average deprivation score among the poor individuals.

$$A = (c(k))/qd \quad (2)$$

where,

c(k): the share of deprivations encountered by all poor individuals

qd: maximum number of deprivation dimensions (d)

To ascertain if a household is classified as multidimensionally poor, an aggregate cut-off point (k) is determined, representing the total of indicators from which the household is deprived. In choosing the suitable cut-off point, Alkire and Foster (2011) connote that the selection of the k involves normative reasoning and may reflect specific policy goals. According to the literature, two extreme poverty cut-off point levels have been defined, which are the intersection and union methods. While the former categorises a household as multidimensionally poor if they are deprived in all indicators, the latter defines a household as multidimensionally poor if they are found to be deprived in at least one indicator. To moderate this extreme cut-off point level, the Alkire-Foster (AF) dual method suggests an intermediate method, which defines a household as multidimensionally poor if they experience deprivation in at least 30% of the total deprivation score (Alkire & Foster, 2011). Hence, the study adopted an intermediate method in determining the multidimensional poverty level among the iBMT Kuala Lumpur active participants.

The study adopted extended MPI, which is an extended version of the MMPI by incorporating enhanced capabilities as reflected by the Sustainable Development Goals (SDGs), primarily on the effort to eliminate poverty as outlined in Agenda 2030. The selection of dimensions and indicators for the construction of the MPI is a normative decision and is the starting point in the empirical evaluation of poverty (Alkire & Seth, 2015). The MPI framework used is outlined as per Table 1:

Table 1: MPI Framework used in the study

Dimension	Indicator	Cut-off point	Weight
Education	• Years of schooling	• All household members aged 17-60 have less than eleven years of education	1/15
	• School attendance		1/15
	• Access to online learning	• Any school-aged children (aged 6-16) not schooling	1/15
		• Household member does not have access to internet connectivity and/or do not have sufficient devices	
Health	• Access to clean water supply	• Other than treated pipe water inside house and public water pipe/standpipe	1/15
	• Nutrition intake		1/15
	• Health Insurance	• Households that do not receive adequate food intake of at least 3 times per day.	1/15
		• Any household do not have health insurance coverage	
Living standard	• Conditions of living quarters	• Dilapidated or deteriorating in components including floor, roof or walls.	1/30
	• Number of bedrooms		1/30
	• Toilet facility	• More than 2 members per room	1/30
	• Waste collection facility	• Other than flush toilet	1/30
	• Transportation	• No facility	1/30
	• Access to basic communication tools	• All members in the household do not use private or public transport to commute	1/30
		• Does not have consistent fixed line phone, mobile phone and internet access	
Social Capital	• Social support	• Any household member does not get sufficient support from family members, relative, friends and communities.	1/20
	• Involvement in community and cultural activities		
	• Togetherness	• Household members do not participate in any community and cultural activities.	1/20
	• Trust	• Household members feel the sense of community togetherness as very weak.	1/20
		• Household members found difficulties to trust other than family members	
Income	• Mean monthly household income	• Mean monthly household income less than PLI	1/5

ANALYSIS AND DISCUSSION

Descriptive Statistics

Table 2 presents the sociodemographic characteristics of the heads of households participating in the iBMT program in Kuala Lumpur. In terms of gender, the sample is relatively balanced, with male-headed households accounting for 47 per cent and female-headed households for 42 per cent of respondents. In terms of gender, the sample is predominantly male-headed households (61%), while female-headed households account for 39 per cent of respondents. The majority of respondents (82%) are Malay, followed by a significant proportion of Indian households (16%), and a minor fraction (1%) are Chinese households. This distribution shows that multidimensional poverty within the program is not limited to a single ethnic group but is particularly prevalent among Malaysian and Indian urban households. Regarding the age distribution, the majority of household heads fall into the economically active age range. The majority of responders are in the 45–59 age range, with the largest concentrations seen in the 45–49 and 50–54 age groups (25% and 22%, respectively).

In terms of educational attainment, approximately 28 percent of the respondents report having no formal education or only primary education, while nearly half of the sample (49 percent) attained education up to the SPM/SPV level. Only a small proportion of respondents possess post-secondary qualifications, including STPM/matriculation (5 per cent), certificates or diplomas (3 per cent), and bachelor's degrees (3 per cent). From an employment type perspective, while 20 per cent are in permanent employment, a substantial proportion are engaged in self-employment (46 per cent) or part-time/contract work (29 per cent). Meanwhile, around 53 per cent of respondents report monthly incomes below RM1,500, while an additional 25 per cent earn between RM1,501 and RM2,000. Only 13 per cent report incomes exceeding RM2,500 per month.

Table 9: Head of Household Profile

Items	Description	Frequency (n=79)	Percentage (%)
Gender	Male	48	61
	Female	31	39
Ethnicity	Malay	65	82
	Chinese	1	1
	Indian	13	16
	Others	0	0
Age	25–29	2	3
	30–34	0	0
	34–39	7	9
	40–44	10	13
	45–49	20	25
	50–54	17	22

Items	Description	Frequency (n=79)	Percentage (%)
Educational level	55–59	11	14
	60–64	11	14
	65–69	1	1
	No education	8	10
	Primary school	14	18
	PMR/SRP	10	13
	SPM/SPV	39	49
	STPM/Matriculation	4	5
	Certificate/Diploma	2	3
	Bachelor's degree	2	3
Employment status	Permanent employment	16	20
	Self-employed	36	46
	Part-time/Contract	23	29
	Unemployed	4	5
Monthly Income	RM501–RM1,000	6	8
	RM1,001–RM1,500	22	28
	RM1,501–RM2,000	20	25
	RM2,001–RM2,500	15	19
	RM2,501–RM3,000	10	13

Source: Fieldwork

Multidimensional Poverty Characteristics

Figure 1 presents the percentage contribution of individual indicators to multidimensional poverty among iBMT beneficiaries in Kuala Lumpur. The results reveal a clear concentration of deprivation in economic, social protection, and digital-related indicators, highlighting the complex and non-monetary nature of urban poverty among programme participants. Based on the results, it was found that household monthly income contributed the most significantly to deprivation among the iBMT participants, reflecting that income inadequacy remains a central challenge and reinforcing the relevance of income-focused interventions within the program. Nonetheless, the persistence of high deprivation levels in non-income indicators suggests that income poverty alone does not fully capture the vulnerability faced by these households. It is evident that there is a significant deprivation that exists related to social protection and human capital whereby 78 per cent of the households were deprived in the indicator of access to health insurance. A significant number of individuals in poverty face limited access to essential financial services, such as takāful and credit, primarily due to the enormous cost associated with these goods and services, which exceeds their financial means (Rom & Rahman, 2012). Limited access to healthcare essentials may lead individuals to fall trapped in the vicious cycle of poverty (Banerjee & Duflo, 2011).

Meanwhile, more than half of the households are deprived of access to online learning (57%) and basic communication facilities (52%), underscoring the growing importance of digital access in an urban context. This is consistent with Abdullah et al (2019), Jafar et al. (2022) and Zailani et al. (2024), whereby many children, including those in urban areas, experienced poor access to online learning and communication. These findings are particularly salient in light of increasing reliance on digital platforms for education, employment opportunities, and access to public services). In a specific context, e-learning in Malaysian schools is still in a nascent stage in comparison to high-income nations (Hawati & Jerud, 2020). The delivery of home-based online education was hindered by many challenges, including insufficient technology, subpar learning environments, and inadequate connectivity. In addition, another aspect of educational deprivation remains evident, with years of schooling (51%) contributing significantly to overall poverty. This suggests persistent human capital constraints among iBMT households, which may limit their ability to benefit fully from skills development and income-generating initiatives.

In addition, deprivations in nutrition (41%) and access to clean water (46%) indicate that basic living standards continue to be compromised for a considerable proportion of beneficiaries, despite residing in an urban setting. Indicators related to social capital including social support (39%), trust (32%), and togetherness (27%) also exhibit notable levels of deprivation. This pattern suggests that many households face relational and community-level constraints, which may hinder their capacity to mobilise informal support networks or access information and opportunities. Such social capital deficits may reinforce other deprivations, particularly in income generation and access to services. Through involvement in social networks, individuals obtain access to diverse resources (Portes, 2024). The findings show that the conditions of living home indicator contribute 29% to multidimensional poverty, indicating that housing quality remains an important source of deprivation for many households. Poor housing conditions influence multidimensional poverty in several interconnected ways. Houses with weak structures, leaking roofs, poor ventilation, overcrowding, or limited living space can negatively affect physical and mental health, increase exposure to disease, and reduce household safety and comfort.

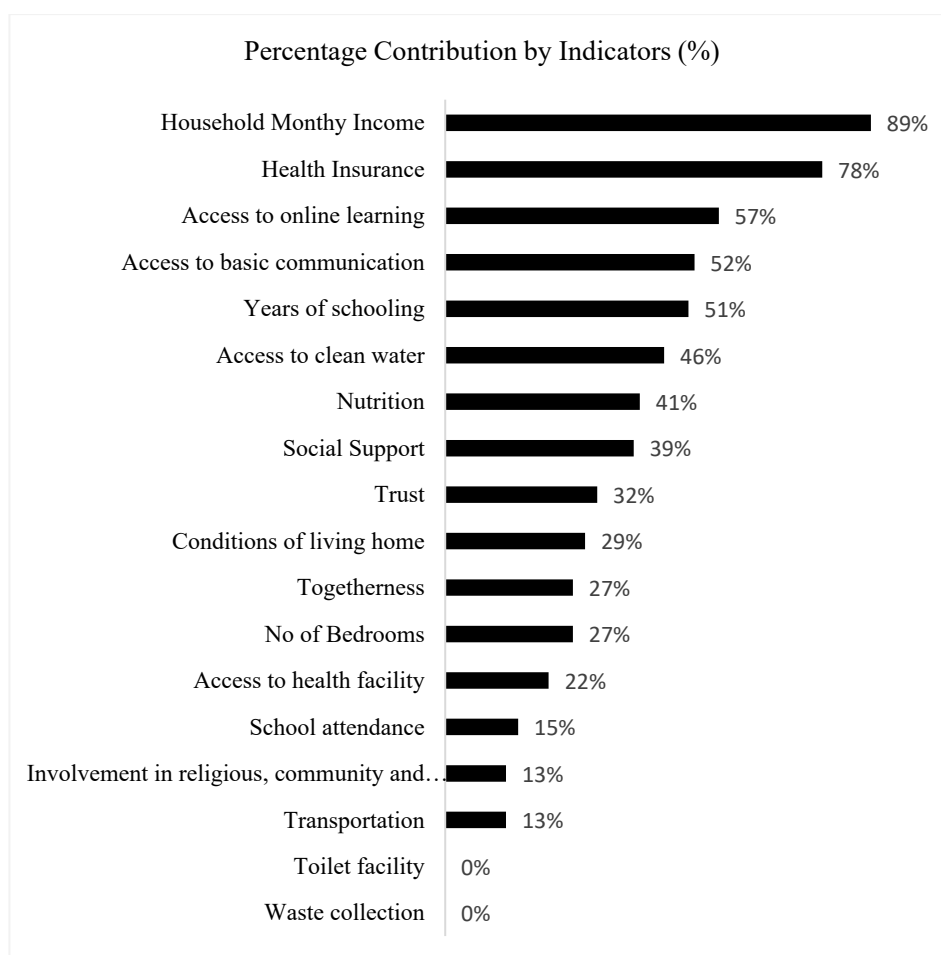


Figure 1: Indicator-Level Contribution to Multidimensional Poverty

To determine which dimension led to the largest percentage of deprivation experienced by the households, an analysis of the average aggregate across all dimensions employed in the study was carried out. Based on Figure 2, the results demonstrate a markedly uneven distribution of deprivation across dimensions, reinforcing the multidimensional and cumulative nature of urban poverty experienced by programme beneficiaries. Income deprivation emerges as the most severe dimension, with an average deprivation level of 89 per cent, indicating that the vast majority of iBMT households continue to face significant income insufficiency. The health dimension records the second-highest level of deprivation at 46.5 per cent, reflecting limited access to health insurance and

healthcare-related security. This level of deprivation highlights households' exposure to health-related shocks, which may undermine income stability and increase long-term vulnerability. Similarly, deprivation in the education dimension remains substantial, with an average of 40.9 per cent, indicating persistent constraints in human capital accumulation that may limit participants' capacity to benefit from skills training and employment opportunities promoted under the iBMT programme. In contrast, deprivation in the living standards dimension is relatively lower at 20 per cent, suggesting that most households have access to basic urban infrastructure and essential services. This pattern reflects the urban context of Kuala Lumpur, where extreme infrastructural deprivation is less prevalent. Nevertheless, the presence of some deprivation in this dimension indicates that a subset of households continues to experience inadequate housing conditions or basic amenities. The social capital dimension exhibits an average deprivation level of 27.5 per cent, pointing to notable deficits in social support, trust, and community engagement among iBMT beneficiaries.

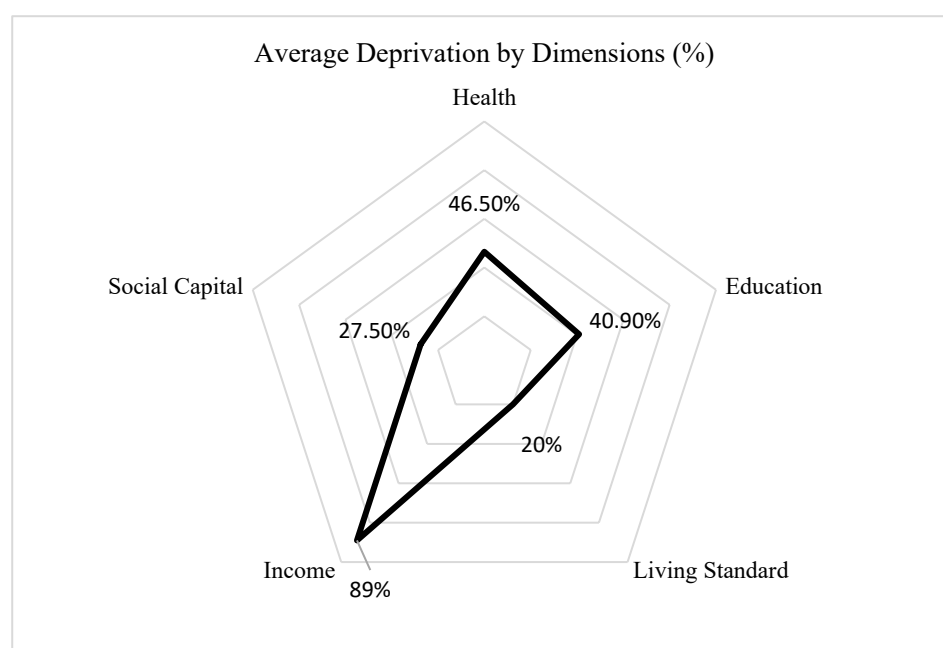


Figure 3: Average Deprivations by Dimensions

Since all five dimensions used in the MPI framework are equally weighted, Venn diagram is used to illustrate some of the overlaps of the dimensions experienced by the households. The analysis reveals that multidimensional poverty among iBMT beneficiaries is characterised not only by

high deprivation within individual dimensions but also by substantial simultaneous deprivations across multiple dimensions, indicating the presence of cumulative and reinforcing disadvantages. The overlap findings shows that a large number of families are deprived in more than one dimension concurrently. For example, 67 per cent of families lack both health and education at the same time, and 62 per cent lack both education and living standards concurrently. Overlaps involving social capital are also notable whereby approximately 46 per cent of households are jointly deprived in health and social capital, while 38 per cent experience overlapping deprivations in social capital and living standards. The analysis also highlights that a significant number of households experience triple and quadruple deprivation., In particular, 37 per cent of households are deprived simultaneously in health, education, and social capital, while 34–35 per cent experience joint deprivations across three dimensions involving living standards. In more extreme case, 32 per cent of households are found to be deprived across all four dimensions, representing the most severely disadvantaged group within the sample. This reinforce that a considerable number of household face deep constraints that extend beyond any single dimension.

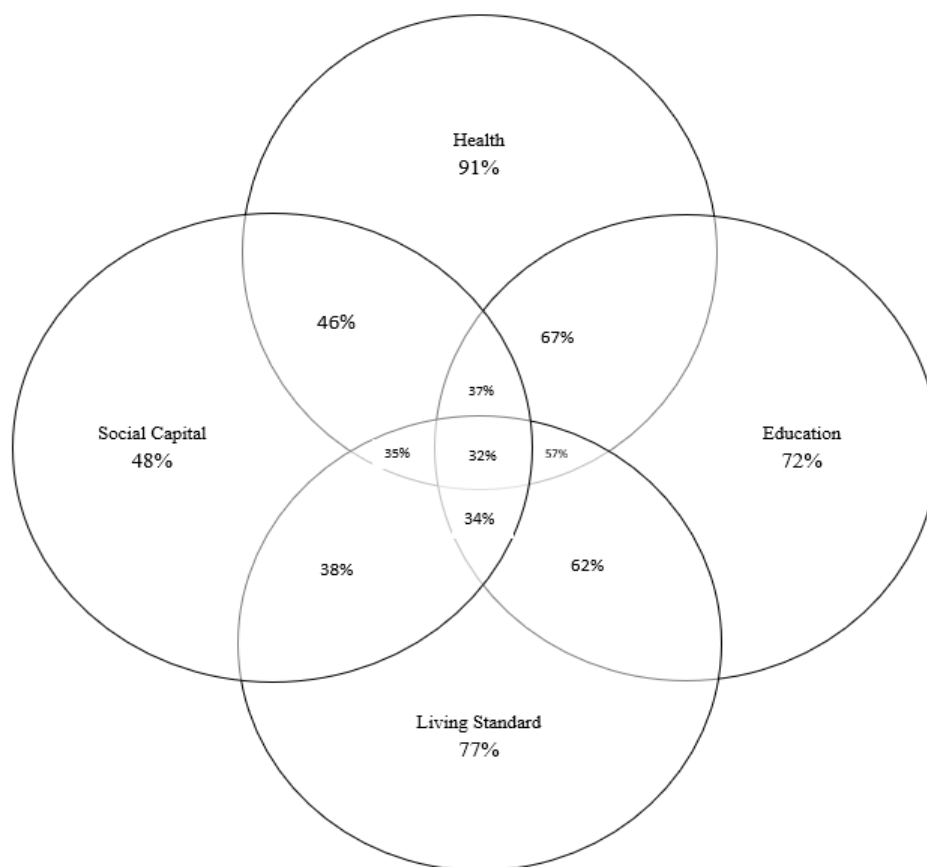


Figure 3: Venn diagram of Joint Distribution of Deprivations

It is essential to evaluate the robustness and stability of the MPI estimates prior to assessing the multidimensional poverty outcomes of the iBMT participants. Sensitivity analysis is an important part of verifying to determine if the poverty assessment is accurate with different assumptions or criteria. Since the MPI relies on two key components, which is the identification of the poor based on a certain cutoff point, and the aggregation of their deprivations, small changes in the cutoff level may potentially influence the classification of participants as multidimensionally poor or non-poor. To assess the sensitivity of multidimensional poverty estimates, MPI results based on an alternate cut-off point (k) will be observed.

Based on Table 2, the findings reveal an opposite relationship between the value of k and both the headcount ratio (H) and the adjusted headcount ($M0$).

As the cut-off point used is higher, the headcount ratio and the adjusted headcount ratio will be lower. This outcome implies that the calculation for the MPI was done appropriately. Conversely, the average intensity (A) demonstrates a positive correlation with the cut-off point. This confirms that the M0-value, H-value, and A-value are responsive to variations in poverty cutoff points. To determine the multidimensional poverty status of the household, an aggregate cut-off point (k) need to be determined. Atkinson et al (2002) noted that several previous studies depend on two conceptual extremes level for poverty identification, namely the union and the intersection method. Under the union method, in the poverty cut-off is set at $k=1$, 97 per cent of the household were found to be multidimensionally poor. Nonetheless, such a low cut-off point used is may overstate poverty by classifying households with minor, isolated, or temporary deprivations as multidimensionally poor. Conversely, if intersection method was applied, whereby $k=18$ is established, only 1 per cent of the household were considered as multidimensionally poor. While the intersection approach is effective in identifying households facing the most severe and entrenched forms of multidimensional poverty, it is overly restrictive for programme evaluation purposes

Due to the limitation of these extreme methods, intermediate approach is applied in this study, whereby k is set at $1/3$ or 0.33 of the sum of deprivation score, as recommended by Alkire and Foster (2011). Alkire and Santos (2014) further argue that a poverty cut-off of 0.33 is normatively justified because it provides a wide distribution of poverty results. At $k = 3$, the headcount ratio (H) is 0.91 , indicating that 91 per cent of iBMT beneficiary households are classified as multidimensionally poor. This high incidence suggests that multidimensional deprivation is widespread among programme participants, even when applying a moderate threshold that requires deprivation in one-third of the indicators. Importantly, this finding does not merely reflect isolated or marginal deprivation but indicates that most households' experience deprivation across multiple domains simultaneously. Meanwhile, the average intensity of deprivation (A) at $k= 3$ is 0.42 , implying that multidimensionally poor households are deprived, on average, in 42 per cent of the total indicators. This level of intensity suggests that households that are considered poor at this cut-off are experiencing deprivation that is considerably greater than the level that is needed to be classified as poor. In other words, households are not only exceeded the threshold of poverty, but they are also enduring more severe and widespread deprivation in many areas. The adjusted headcount ratio (M_0) for $k = 3$, which integrates incidence and intensity, is recorded at 0.38 . This result signifies a considerable overall burden of multidimensional poverty among iBMT recipients, indicating that poverty is both widespread and moderately severe.

Table 3: Multidimensional Poverty Measures across different cut-off points

Cut-off Points	k=1	k=2	k=3	k=4	k=5	k=6	k=7	k=8	k=18
Headcount (H)	0.97	1.00	0.91	0.86	0.82	0.68	0.47	0.34	0.01
Average Intensity (A)	0.40	0.41	0.42	0.44	0.44	0.47	0.52	0.57	1.48
Adjusted Headcount (M ₀)	0.39	0.41	0.38	0.37	0.36	0.32	0.25	0.19	0.02

DISCUSSIONS

This study offers empirical evidence that poverty among iBMT participants in Kuala Lumpur is highly multifaceted, exceeding mere income insufficiency to include deprivations in health, education, living conditions, internet access, and social capital. These results are consistent with the broader literature emphasising that poverty is increasingly shaped by intersecting economic and non-monetary disadvantages rather than income deprivation alone (Wagle, 2005). In line with the targeted objectives of the iBMT program, income deprivation is identified as the primary factor contributing to the multidimensional poverty. This also confirms that the program successfully targets economically disadvantaged populations. Nonetheless, the ongoing existence of significant deprivation in health insurance coverage, education, internet access and social capital indicates that income-based initiatives alone are unable to tackle the intricate realities of urban poverty. This study substantiates the capability-based argument that increases in wealth do not always result in improved functionings or less susceptibility when complementing capabilities remain scarce (Sen, 1999).

The significance of digital deprivations, particularly limited access to online learning and basic communication underscores the changing dynamics of poverty in urban context. The internet facilitates access to public and market information and serves as a way to safeguard basic freedoms, as indicated in SDG 9, which aims to 'provide universal and affordable access to the Internet in least developed countries by 2020' (Alkire et al., 2023). Inadequate access to digital information and communication technologies can therefore constrain poor households' ability to participate effectively in economic activities by limiting their access to employment opportunities, markets, public services, and timely information. As a result, digital exclusion may reinforce existing economic vulnerabilities and perpetuate multidimensional poverty, especially in urban contexts where digital connectivity increasingly underpins economic and social

participation. The dimensional analysis further indicates that while income deprivation is most severe, health and education deprivations remain widespread, affecting approximately 40–47 per cent of households. These findings are consistent previous studies in Malaysia showing that health-related vulnerabilities and educational disadvantages are key drivers of sustained poverty, even among households receiving targeted assistance (Tong et al., 2011; Solaymani et al., 2019; Shahar et al., 2019; Ismail et al., 2024). In contrast, relatively lower deprivation in the living standards dimension recorded reflects the urban setting of Kuala Lumpur, where access to basic infrastructure and municipal services is comparatively widespread. Another key contribution of the study lies in its examination of overlapping deprivations, demonstrating that most iBMT beneficiaries experience multiple disadvantages across dimensions concurrently. It is worth to highlight that a considerable number of households were experiencing deprivation across all dimensions, including health, education, living standard, social capital and income.

The results of this study hold important implications for the design, execution, and monitoring of poverty reduction programs such as iBMT. Although income-based metrics are effective for identifying beneficiaries, the findings conclusively illustrate that poverty in urban communities is complex, marked by overlapping deprivations in health, education, internet access, and social capital. The MPI offers a practical and rigorous framework suitable for integration into program monitoring and evaluation (M&E) systems. In contrast to static poverty metrics, the MPI enables policymakers to monitor variations in both the incidence (headcount) and the intensity of deprivation over time. By consistently revisiting MPI values for program participants, implementing agencies may evaluate whether interventions result in significant enhancements across several aspects of well-being, rather than only transient income increases. Further, the decomposability of the MPI allows program implementers to track progress at both the dimensional and indicator levels, hence pinpointing specific areas where deprivations continue despite program participation. Thus, MPI-based monitoring facilitates evidence-based program modifications and enhances resource allocation efficiency. In terms of policy coordination, MPI can enhance inter-agency collaboration by mapping deprivations to appropriate line ministries and agencies. Health-related deprivations could motivate cooperation with public health authorities, education and digital access gaps may direct collaboration with education and telecommunications agencies, and social capital shortfalls may highlight the need for community-based or local government measures.

CONCLUSION

This study concludes that poverty among iBMT recipients in Kuala Lumpur is multifaceted, encompassing considerable deprivations in health, education, digital access, living conditions, and social capital. The MPI findings show pervasive and overlapping deprivation, implying that many households experience cumulative and reinforcing limits rather than isolated disadvantages. While economic deprivation remains the most visible feature, the high incidence of non-monetary deprivations underlines the difficulties of income-based poverty reduction measures in urban settings. Conceptually, the findings imply that poverty should be regarded as a capability deprivation process rather than a lack of financial resources.

ACKNOWLEDGMENT

The author gratefully acknowledges the financial support provided by the Poverty Research Lab UAC 3.0 under the Ungku Aziz Centre for Development Studies, Universiti Malaya, through research grant UMG020-2025UAC. The support from this grant has been instrumental in facilitating the completion of this research.

REFERENCES

- Abdullah, M.F., Othman, A., Juli, E. & Jani, R. (2019), 'Multidimensional poverty index of marginalized Orang Asli in Terengganu, Malaysia', *Pertanika Journal of Social Sciences and Humanities*, Vol. 27, pp. 1241–1259.
- Alkire, S. & Seth, S. (2015), 'Multidimensional poverty reduction in India between 1999 and 2006: Where and how?', *World Development*, Vol. 72, pp. 93–108.
- Alkire, S., & Foster, J. (2011). Counting and multidimensional poverty measurement. *Journal of public economics*, 95(7-8), 476-487.
- Alkire, S., & Santos, M. E. (2010). Acute multidimensional poverty: a new index for developing countries. *Working Paper 38. Oxford Poverty and Human Development Initiative*.
- Alkire, S., & Santos, M. E. (2014). Measuring acute poverty in the developing world: Robustness and scope of the multidimensional poverty index. *World Development*, 59, 251-274.
- Alkire, S., Nogales, R., Quinn, N. N., & Suppa, N. (2023). On track or not? Projecting the global Multidimensional Poverty Index. *Journal of Development Economics*, 165, 103150.
- Atkinson, T., Cantillon, B., Marlier, N. & Nolan, B. (2002), *Social Indicators: The EU and Social Inclusion*, Oxford University Press, Oxford.
- Bourguignon, F., & Chakravarty, S. R. (2009). Arguments for a Better World: Essays in Honor of Amartya Sen. In K. Basu & R. Kanbur (Eds.), Volume I: Ethics, Welfare, and Measurement (pp. 337–361). Oxford: Oxford University Press

- Chen, K. M., Leu, C. H., & Wang, T. M. (2019). Measurement and Determinants of Multidimensional Poverty: Evidence from Taiwan. *Social Indicators Research*, 145(2), 459–478. <https://doi.org/10.1007/s11205-019-02118-8>.
- Duflo, E., & Banerjee, A. (2011). *Poor economics* (Vol. 619). New York: PublicAffairs.
- Hawati, A. H., & Jerud, R. K. (2020). Covid-19 and Unequal Learning. *Khazanah Research Institute*, April, 1–8.
- Ismail, M. K., Zailani, S. H. M., Muhamad, M. Z., Alias, N. A., & Zailani, M. N. (2025). Exploring the Multidimensional Poverty Index: National and Children's Dimensions in Malaysia. *World*, 6(1), 30.
- Jafar, A., Dollah, R., Sakke, N., Mapa, M. T., Hua, A. K., Eboy, O. V., ... & Hung, C. V. (2022). Assessing the challenges of e-learning in Malaysia during the pandemic of Covid-19 using the geo-spatial approach. *Scientific reports*, 12(1), 17316.
- Mohanty, S. K. (2011). Multidimensional poverty and child survival in india. *PLoS ONE*, 6(10). <https://doi.org/10.1371/journal.pone.0026857>.
- Portes, A. (2024). Social capital: Its origins and applications in modern sociology. *New critical writings in political sociology*, 53-76.
- Putnam, R. D. (2000). Bowling alone: America's declining social capital. In *Culture and politics: A reader* (pp. 223-234). New York: Palgrave Macmillan US.
- Qi, D., & Wu, Y. (2019). Comparing the extent and levels of child poverty by the income and multidimensional deprivation approach in China. *Child Indicators Research*, 12, 627-645.
- Rogan, M. (2016). Gender and multidimensional poverty in South Africa: Applying the global multidimensional poverty index (MPI). *Social Indicators Research*, 126, 987-1006.
- Rom, N. A. M., & Rahman, Z. A. (2012). Financial protection for the poor in Malaysia: Role of zakah and micro-takaful. *Journal of King Abdulaziz University, Islamic Economic*, 25(1), 25-1.
- Salecker, L., Ahmadov, A. K., & Karimli, L. (2020). Contrasting Monetary and Multidimensional Poverty Measures in a Low-Income Sub-Saharan African Country. *Social Indicators Research*, 151(2), 547–574. <https://doi.org/10.1007/s11205-020-02382-z>.
- Sen, A. (1993). Capability and well-being. In N. Nussbaum and A. Sen (Eds.), *The Quality of Life* (pp. 30–53). Oxford: Clarendon Press.
- Sen, A. K. (1987). The Standard of Living. Cambridge: Cambridge University Press. (1976). *Poverty: An ordinal approach to measurement*", *Econometrica*, 44, 219-231.
- Sen, A.K. (1999) *Development As Freedom*, Knopf Press, New York
- Shahar, S., Lau, H., Puteh, S. E. W., Amara, S., & Razak, N. A. (2019). Health, access and nutritional issues among low-income population in Malaysia: introductory note. *BMC Public Health*, 19(Suppl 4), 552.
- Solaymani, S., & Kari, F. (2014). Poverty evaluation in the Malaysian fishery community. *Ocean & Coastal Management*, 95, 165-175.
- Solaymani, S., Vaghefi, N., & Kari, F. (2019). The multidimensional poverty measure among Malaysian employee provident fund (EPF) retirees. *Applied Research in Quality of Life*, 14(5), 1353-1371.

Muhammad Nooraiman Zailani, Mohd Khairi Ismail, Nurulhuda Mohd Satar, Roza Hazli Zakaria,
Nurul Ashikin Alias
URBAN POVERTY THROUGH A MULTIDIMENSIONAL LENS: EVIDENCE FROM IBMT
BENEFICIARIES IN KUALA LUMPUR

- Tedong, P. A., Abdullah, M. F., Jani, R., & Md Dali, M. (2022). Multidimensional poverty and wellbeing of Iban community in East Malaysia. *Asia Pacific Journal of Social Work and Development*, 32(2), 113-130.
- Tong, S. F., Low, W. Y., & Ng, C. J. (2011). Profile of men's health in Malaysia: problems and challenges. *Asian Journal of Andrology*, 13(4), 526.
- Tran, V. Q., Alkire, S., & Klasen, S. (2015). Static and dynamic disparities between monetary and multidimensional poverty measurement: Evidence from Vietnam. In *Measurement of poverty, deprivation, and economic mobility* (pp. 249-281). Emerald Group Publishing Limited.
- Wagle, U. (2005). Multidimensional poverty measurement with economic well-being, capability, and social inclusion: a case from Kathmandu, Nepal. *Journal of Human Development*, 6(3), 301-328.
- Yaacob, M. A., & Hassan, N. Z. A. P. (2024). Exploring the Challenges Faced by the Urban Squatter Dwellers in Sentul, Kuala Lumpur, Malaysia. *Journal of Population and Social Studies*, 32(1), 14-35
- Zailani, M. N., Satar, N. M., Zakaria, R. H., & Ismail, M. K. (2025). Measuring the Poverty Level of Poor and Destitute Aşnāf in Kuala Lumpur: Application of an Enhanced Malaysian Multidimensional Poverty Index. *International Journal of Islamic Finance and Sustainable Development*, 17(3), 4-21.

Received: 19th February 2026. Accepted: 14th April 2026