Measuring Inequality of Opportunity in Asia and the Pacific

28 June 2018
Inter-regional EGM "Placing equality at the centre of Agenda 2030"

Ermina Sokou Social Development Division ESCAP

Measures

- ➤ **14 opportunities:** Access to a good or service, which society accepts should be universal.
- > Circumstances: gender, wealth, mother's education, residence etc.
- > Data sources: DHS, MICS, Gallup World Poll
- > 2 unique methods (classification tree, D-index)

Ideally: circumstances



access to opportunities

Research Questions

Issue #1: Do circumstances matter? Who is left behind?

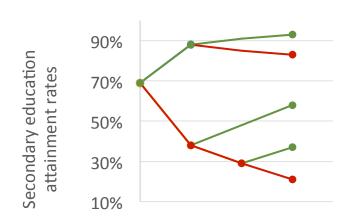
Issue #2: How high is inequality? Which circumstances matter most?

Issue #1

Who is left behind?

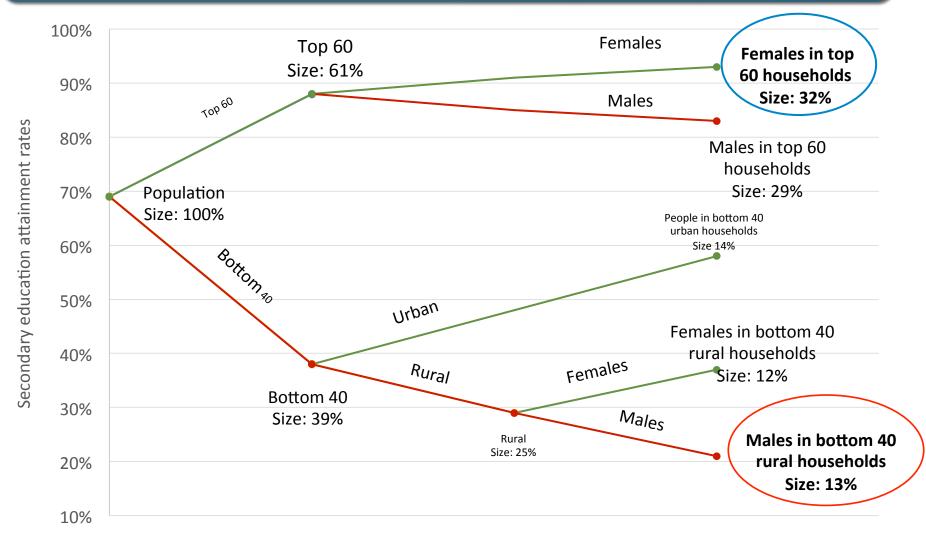
Classification Tree

➤ The classification tree method is an algorithm that estimates the access to an opportunity (e.g. secondary education) by partitioning the sample into different groups based on the circumstances chosen (e.g. gender, residence).



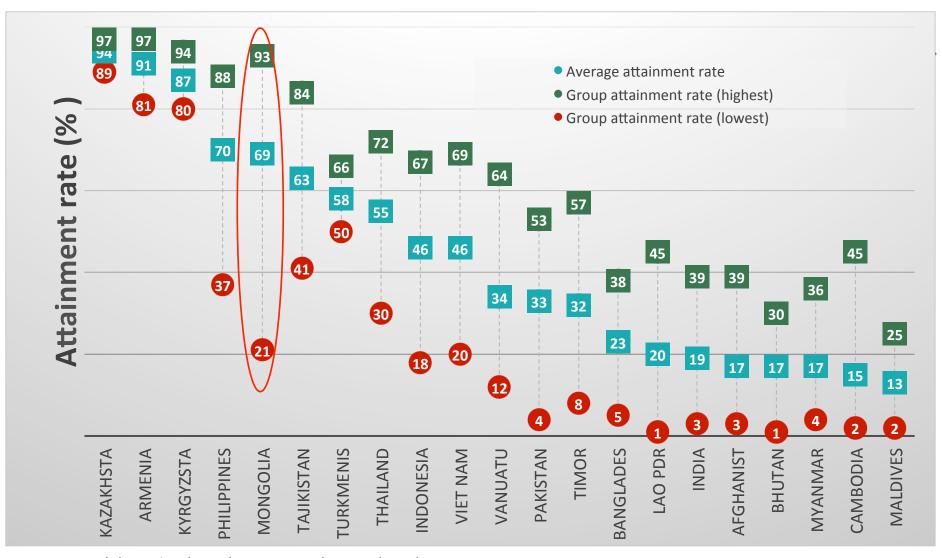


Classification Tree for secondary education attainment in Mongolia



Source: SDD elaboration based on DHS and MICS data, latest year

Gap in Secondary Education Attainment



Source: SDD elaboration based on DHS and MICS data, latest year

Analyzing more than 900 trees....

14 opportunities

 $\times 2$ points in time (DHS/ MICS)

x 22 countries in Asia-Pacific



= 616 classification trees

+ 308 trees with ethnicity/religion

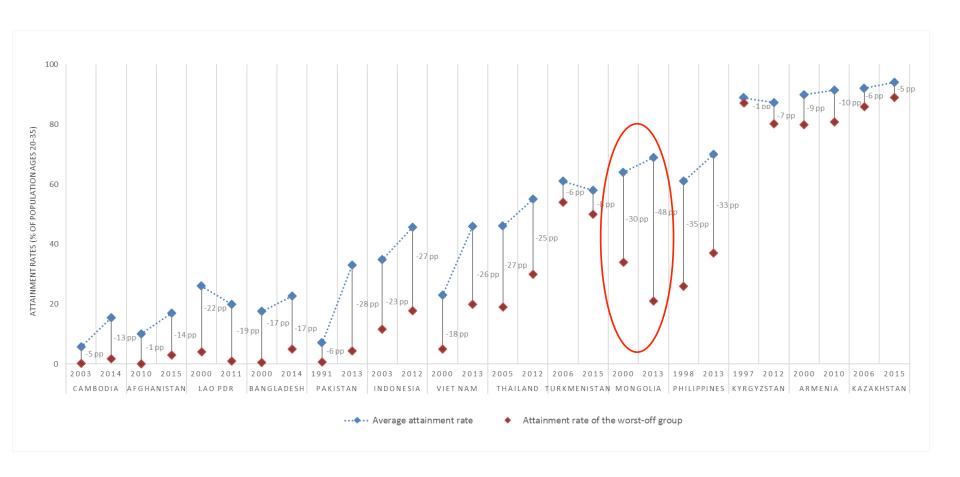
Characteristics of those furthest behind/ahead

FURTHEST BEHIND	
	Count
Circumstances	(times)
Bottom 40 of wealth distribution	80
Lower and primary education	74
Female	63
Living in a rural area	42
Age 15-24	33
Male	16
Age 50-64	14

FURTHEST AHEAD	
	Count
Circumstances	(times)
Top 60 of wealth distribution	69
Secondary and higher education	53
Male	50
Living in an urban area	46
Age 25-49	28
Female	17
Age 15-24	9

Source: SDD elaboration based on DHS and MICS data, secondary education, latest year

Average progress over time conceals detailed picture - Secondary education



Source: SDD elaboration based on DHS and MICS data, secondary education, latest year

Issue # 2

How high is inequality?

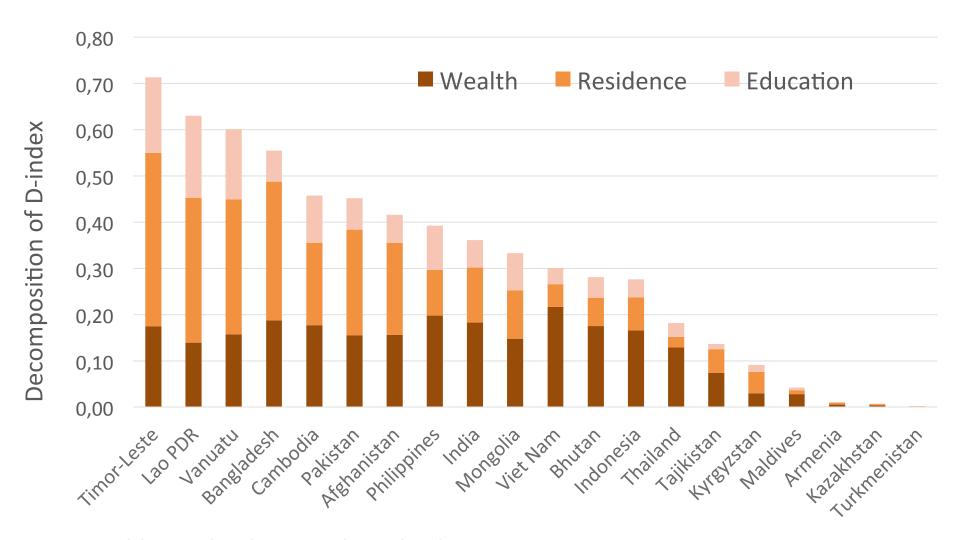
D-index

➤ The dissimilarity index, or D-index, measures how different groups fare in terms of accessing a certain opportunity

$$D=1/2p \sum_{i=1}^{n} f_{i} |p \downarrow_{i} - p|$$

➤ The D-index can be decomposed

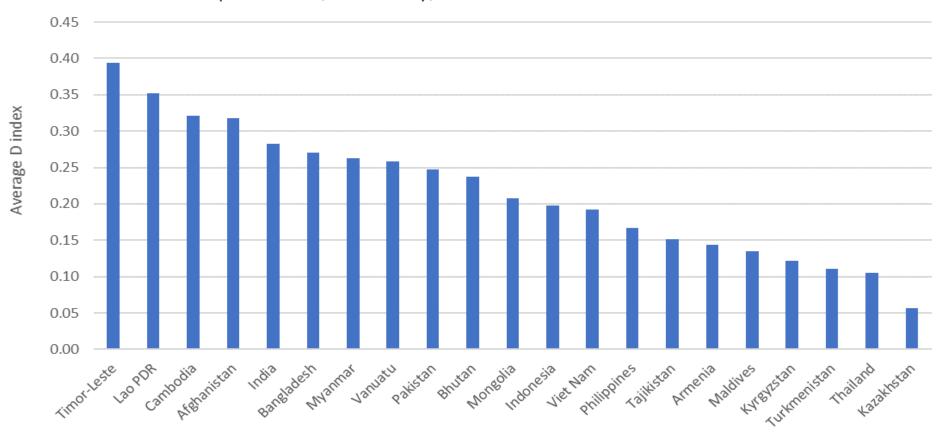
D-index in access to clean fuels



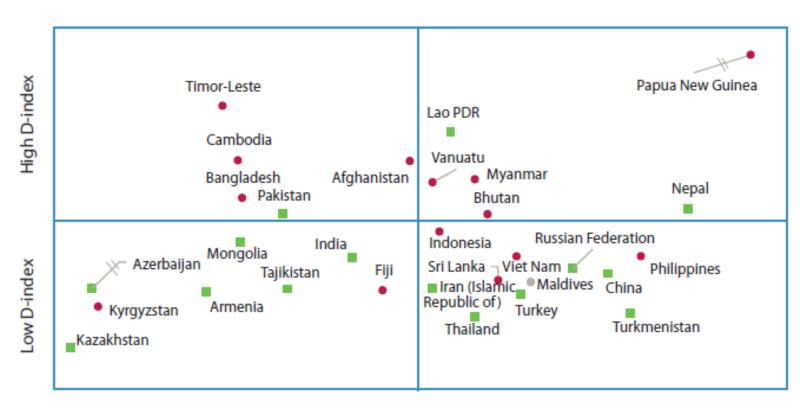
Source: SDD elaboration based on DHS and MICS data, latest year

Average D-index - ESCAP

- Most unequal: sanitation, clean fuels, education & full-time employment
- Most equal: water, electricity, children's nutrition outcomes



Overlapping inequalities



Low Gini coefficient

High Gini coefficient

Source: ESCAP (2018). Inequality in Asia and the Pacific in the era of the 2030 Agenda for Sustainable Development Note: in red dots are countries with high risk of disaster and in green squares are countries in low risk (World Risk Index)

Policy Options

Better data and research

Political commitment

Public support & trust in institutions

Multi ministerial & stakeholder collaboration

Strengthen social protection

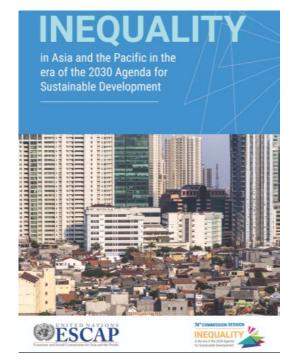
Reducing inequality requires...

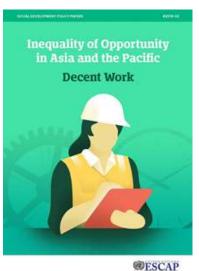
Decent work creation and labour market interventions

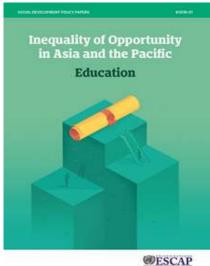
Tax policies

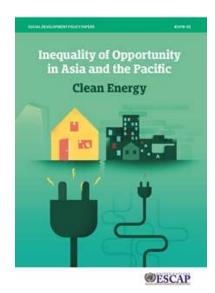
Understanding the impact and drivers

Human rightsbased approach

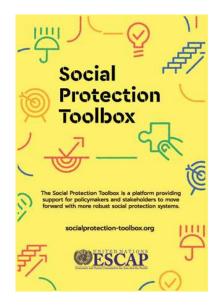














ESCAP

Thank you!

www.unescap.org/our-work/social-development

www.socialprotection-toolbox.org