

Criteria By Which Gini Indices for the Eight Societies Were Culled From the WIDER Database

McGuireB1GiniCriteria.pdf

Web Appendix B1 to:

James W. McGuire
Wealth, Health, and Democracy in East Asia and Latin America
New York: Cambridge University Press, 2010

Source: WIDER [United Nations University - World Institute for Development Economics Research] (2007). World Income Inequality Database Version 2.0b, May 2007. Accessed January 21, 2008, at http://www.wider.unu.edu/research/Database/en_GB/wiid/

Gini indices used are from the database's "Gini" column, not from its "reported Gini" column.

Argentina

WIDER database contained 77 observations.

1. Retained only observations whose quality was 3 or higher (10 quality 4 observations, 9 for 1961 and 1 for 1970, were discarded). 67 observations left.
 2. Retained only observations for which AreaCovr was metro, urban, 15 main cities, or 28 main cities. 56 observations left.
 3. From 1961 to 1989, retained only observations whose IncDefn was "Monetary Income, Disposable." 54 observations left.
 4. From 1961 to 1988, retained only observations whose PopCovr was "all" (i.e., 13 observations covering only the economically active population were discarded). 41 observations left.
 5. In 1963, retained the observation for which the AreaCovr was "metro"; discarded the observation for which the AreaCovr was "urban" because all but one of the other remaining observations from 1965 to 1991 had "metro" AreaCovr. 40 observations left.
 6. For 1980, retained the observation for which the unit of analysis was "household"; discarded the observation for which the unit of analysis was "person." The discarded observation had a higher quality rating (2 vs. 3), but this advantage was outweighed by a consistency imperative: all other observations 1961-1981 had "household" as the unit of analysis and came from the same source (Altimir 1986). 39 observations left.
 7. From 1992 onward, if two observations existed for the same year, retained the observations for which AreaCovr was "15 main cities" or "28 main cities" and discarded the observations for which AreaCovr was "urban" or "metro," because the former observations were more numerous and were the only observations available for 1999 onward. 31 observations left.
 8. For 1998, retained the observation for which the AreaCovr was "28 main cities"; discarded the observation for which the AreaCovr was "15 main cities" (in any case both observations produced the same Gini and Reported Gini).
- 30 observations left, each for a unique year except for 2003-2005 inclusive, where there are 2 observations for each year, one for the first half of the year and one for the second half of the year.

Brazil

WIDER database contained 88 observations

1. Retained only observations for which both "AreaCovr" and "PopCovr" were both "All." 57 observations left.
2. Retained only observations for which "Quality" was 3 or higher. 54 observations left.
3. Retained only observations whose IncDefn was "Monetary Income, Gross," "Monetary Income,..." "Income, Gross," or "Income,..."; discarded all other observations (one based on expenditure, four based on gross earnings). 49 observations left.
4. For 1970 to 2004, retained only observations based on the Pesquisa Nacional por Amostra de Domicilios. One observation for 1989 based on "HBS" was thus deleted. 48 observations left.
5. Discarded observations whose IncDefn was "Income,..." if another observation was available for the same year with an IncDefn of "Income, Gross," "Monetary Income," or "Monetary Income, Gross." Only three observations whose IncDefn was "Income,..." were retained (such observations were the only ones in the database for 2002, 2003, and 2004). 39 observations left.
6. For 1992 to 1998, when two observations existed for the same year, retained the observation whose IncDefn was "Monetary Income, Gross" and discarded the observation whose IncDefn was "Income, Gross." 34 observations left.
7. For 1981 to 1990, when more than one observation existed for the same year, retained the one derived from Ferreira and Litchfield 1996 and discarded the other, in order to maximize intertemporal consistency for this period. 29 observations left.
8. For 1979, the Deininger and Squire, World Bank 2004 estimate was preferred to the Psacharopoulos et al. 1997 estimate (which differed by only 0.1) because it was more recent. 28 observations left.
9. The observation for 1982 was deleted to maintain the consistency of the 1981 to 1990 series from Ferreira and Litchfield 1996, and because the Gini was not adjusted (in the Equivsc field) for the number of persons per household. 27 observations left, each corresponding to a unique year, 1960 to 2004.

Chile

WIDER Database contained 92 observations.

1. Retained only observations for which both "AreaCovr" and "PopCovr" were both "All." 52 observations left.
2. Retained only observations for which "Quality" was 3 or higher (the only observations thus discarded were 4 separate ones for 1969). 48 observations left.
3. Of the two remaining observations for 1968, retained the one with quality 2 and discarded the one with quality 3. 47 observations left.
4. From 1987 to 2003 retained only observations with quality 2; discarded the eight with quality 3, including observations in two years (1988 and 1991) for which the WIDER database included no other observation for Chile. 39 observations left.
5. The series whose Source1 was "Socio-economic Database for Latin America" was chosen because it had had the time series covering the longest period (1989-2003) and because it had been most recently revised by the WIDER staff. The income measure was not clearly defined, but the alternative series whose income measures were better defined (disposable income, disposable monetary income, gross earnings, net earnings) each seemed suboptimal in some way as well. An argument could also be made for the "disposable income" series from Deininger and Squire, but this series stopped in 2000 and had not been as recently revised. 17 observations left, each corresponding to a unique year 1968 to 2003.

Costa Rica

WIDER Database contained 69 observations.

1. Retained only observations for which both "AreaCovr" and "PopCovr" were both "All." 47 observations left.
2. Retained only observations for which "quality" was 3, 2, or 1, discarding six observations with quality "4" (from 1961, 1969, and 1971). 41 observations left.
3. For 1971, the estimate from Fields 1989 was preferred to that of Cespedes (1973) because it was made more recently and because its IncSharU (Household), UofAnala (Household), and Equivsc (no adjustment) were more like the characteristics of the previous and subsequent observations than were those of the alternative estimate (which were family, person, and family per capita respectively). 40 observations left.
4. Discarded the 1977 estimate whose Source1 was Costa Rica, OPNPE 1982, because the Alternative Fields 1989 estimate was more recent and had a longer time series. 39 observations left.
5. For 1989 to 1998, the Deininger & Squire, World Bank 2004 estimates were preferred to the alternatives because they had a figure for each of the 10 years, were estimated quite recently, and had a consistent IncDefn of "Monetary Income, Gross." Discarded alternative estimates for those years. 25 observations left.
6. For 2000, the Socio-Economic Database for Latin America and the Caribbean, 2006 estimate was preferred to the Deininger & Squire, World Bank 2004 estimate because it was more recent and because it was consistent with the subsequent time series (the Deininger & Squire, World Bank 2004 estimate was consistent with the previous time series). 24 observations left, each corresponding to a unique year 1961 to 2004.

Korea, Republic

WIDER Database contained 71 observations.

1. Retained only observations for which both "AreaCovr" and "PopCovr" were both "All." 34 observations left.
2. Retained only observations for which "Quality" was 3 or higher. 24 observations left.
3. For 1965, retained the observation where the "Gini" differed from the "Reported Gini"; discarded the observation where the "Gini" was the same as the "Reported Gini" because the WIDER staff recalculated it using a newer estimation method. 23 observations left.
4. For 1992 to 1998, retained observations whose IncDefn was "Monetary Income, Gross"; discarded all other observations. 16 observations left, each corresponding to a unique year from 1953 to 1998.

Indonesia

WIDER Database contained 53 observations.

1. Retained observations for which "PopCovr" was "All," and for which "AreaCovr" was either "All," "All, excl. East Timor," "All, excl. West Irian and East Timor," or "All, excl. West Irian, East Timor and Maluku." The latter three categories comprised 8 estimates from 1964 to 1981. 29 observations left.
2. Discarded the two estimates from Mizoguchi 1985 (for 1964 and 1970) because they lacked observations on "IncSharU" and "Equivsc." 27 observations left.
3. Five observations whose IncDefn was "Income, Gross" rather than "Expenditure" or "Consumption" were separated from the other series but retained in the database. 22 observations left in the expenditure/consumption series, 5 in the income series.
4. For 1976, 1978, 1980, and 1981, the Statistical Yearbook estimates were preferred to the Fields 1989 estimates because they had been revised more recently and because they covered the entire country rather than excluding East Timor or West Irian and East Timor. 17 observations left in the expenditure/consumption series, 5 in the income series.
5. For 1984, the Deininger and Squire, World Bank 2004 estimate was preferred to the alternative Fields 1989 estimate because it was more recent and because its quality was 2 instead of 3. The Deininger and Squire, World Bank 2004 estimate was preferred to the Statistical Yearbook estimate because the latter had no publication date and is not known to have vetted its estimates as closely as did Deininger and Squire. 16 observations left in the expenditure/consumption series, 5 in the income series.
6. For 1990, 1993, and 1996, the Deininger and Squire, World Bank 2004 estimate was preferred to the alternative Statistical Yearbook estimates because the Statistical Yearbook had no publication date and because its compilers are not known to have vetted its estimates as closely as did Deininger and Squire (the two sets of estimates were extremely close in any case). 13 observations left in the expenditure/consumption series, each corresponding to a unique year 1964 to 2002; 5 in the income series, each corresponding to a unique year 1976 to 1996.

Taiwan

WIDER Database contained 62 observations.

1. For 1953, retained the Fields 1989 estimate (much lower than the two alternatives) because it was the most recent and because it was the only estimate to cite a primary source. 60 observations left.
2. For 1959, retained the Fei, Ranis, and Kuo 1979 estimate because it was more recent than the alternative Jain 1975 estimate. 59 observations left.
3. For 1964 to 2003, retained only estimates of quality 1. 46 observations left.
4. For 1981 to 2003, retained only estimates whose Source1 was Taiwan CSO 2003 because they had the longest time series. 32 observations left, each for a unique year 1953-2003.

Thailand

WIDER Database contained 67 observations.

1. Retained only observations for which both "AreaCovr" and "PopCovr" were both "All." 49 observations left.
2. For 1962, retained the estimate with quality 2; discarded one estimate of quality 3 and two estimates of quality 4. 46 observations left.
3. From 1969 to 2001, retained only estimates with quality 1. 32 observations left.
4. From 1981 to 2000, 13 observations whose IncDefn was "Consumption" or "Expenditure" were separated out but retained in the database. For 1988, 1992, and 1998, retained the estimates from "Deininger & Squire, World Bank 2004" because they belonged to a longer time series and because they were made more recently than those from World Bank Poverty Monitoring Database 2002 (which were discarded). 10 expenditure-based observations left, each for a unique year 1981-2000.
5. For 1981 to 2001, 18 observations whose IncDefn was "Income, Gross" were left in the database. 16 of these estimates pertained to the years 1981-1999. From 1981 to 1999, retained 7 observations whose UofAnala was "Household" and whose Equivsc was "no adjustment" (all had a Source1 of Thailand CSO, website 2005). Discarded 9 observations whose UofAnala was "Person" and whose Equivsc was "Household per capita." The latter set of observations included two from years (1986 and 1988) for which no other observations were available. The former set of observations had UofAnala and Equivsc that were consistent with the preceding observations for 1962, 1969, and 1975 and with the succeeding observations for 2000 and 2001, both of which were also from Thailand CSO, website 2005.
6. 13 income-based observations were left in the database, each for a unique year 1962-2001; along with 10 expenditure-based observations, each for a unique year 1981-2000.