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Fighting Inequality for Better Growth
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Multidimensional Inequality: Evidence and Proposal

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SurveyMeter
ALMI
Like poverty, inequality is multi-dimensional

- Income
- Wealth
- Health
- Education
- ....and other measures of well-being

(single index of multi-dimensional poverty may not be the answer)
Subjective well-being measures to complement existing poverty measures

Think about an income ladder from 1 to 6, 1 being the poorest, 6 the richest

"My household is in the top 2 rung of income ladder"

Consumption adequacy

Education for children less than adequate

"Health for our children less than adequate"
Like poverty, inequality may be transmitted across generations

Household economic condition 1993 and child’s schooling in 2014

- 23% completed SMA
- More than 60% only completed SMP
- ~50% completed tertiary school

Per capita Expenditures in 1993

- Poorest 20%
- Q2
- Q3
- Q4
- Richest 20%

- No School
- SD
- SMP
- SMA
- Tertiary

Per cent
Like poverty, inequality may be transmitted across generations

- health of older adults (50+ years old) correlated with health of their parents
- older adults with poor health status are less likely to have parents still alive
- ... more likely to have parents who have difficulties in ADL

(Kim, Sikoki, Strauss, Witoelar, 2015)
Like poverty, inequality is multi-dimensional

Inequality may be inter-generational

Focusing only cross-sectional inequality, miss a more important picture

Need to focus on intergenerational (im)mobility
Exposure of early childhood adversities leads to long term consequences

- lower cognitive function
- lower stature
- lower adult earnings

(Giles, Satriawan, Witoelar, 2017)
A proposal

• To take not only multi-dimensional but also inter-generational view of poverty and inequality

• Long-term, longer than election cycle

• The use of longitudinal data (such as IFLS) need not be limited to academics

• Other/new longitudinal survey? e.g, SLAK

• More attention to marginalized groups still unlikely to be covered by statistics
Thank you