

WIID 3.0b revision note

The data points in a secondary database will originate from different sources and refer to a variety of income and population concepts, sample sizes, and statistical methods. To deal with this reality the only thing one can do is to specify as precisely as possible the conceptual base for each observation and to also otherwise document the data well. Atkinson & Brandolini (2001), Pyatt (2003), and Székeley & Hilgert (1999), who are critical of the use of secondary databases, point in particular to the problem of insufficient documentation. This criticism was taken into account in the construction of WIID2 (See the User Guide of WIID2, available at the UNU-WIDER web page).

In WIID3, we retain the basic strategy and structure of the earlier database, and try to report as thoroughly as possible the underlying data. The main changes with respect to WIID2 are the following:

New observations

Altogether 1,939 new observations have been added. There are a number of new countries (Afghanistan, Angola, Belize, Bhutan, Maldives, Micronesia, Qatar, and Syria). The following summarizes the number of observations for different time periods:

Years:

Before 1970: 974

1970-89: 1,928

1990-99: 2,074

2000-12: 2,038

The new observations have been added from National Survey statistics obtained from the respective country official websites; the Socio-Economic Database for Latin America and the Caribbean (2012), Transmonee (2011), Luxembourg Income Study database, OECD, and Eustat. Specific references are provided in the country documentation.

Corrected observations

The equivalence scale has been rationalized. Japan's national data gives only the Elasticity Equivalent value and not the equivalence scale. However, Equiv elasticity=0.5 is the square root scale and Equiv elasticity=1 is the per capita scale. Hence to be consistent with the WIID methodology, the scale has been renamed for Japan.

In the case of SEDLAC data, the Equivalence scale used is not comparable to OECD modified scale or the square root method. Children under the age of 14 and between 14-18 are treated differently; hence it is called the SEDLAC scale.

Wherever Equivalence scale was missing, but the Unit of Analysis and Income Share unit was given, Equivalence scale has been derived and filled.

The variable IncDefn has been renamed as WelfareDefn. Welfare definition categories have been consolidated by correcting spellings etc.

The variables on Unit of analysis, Income share unit, and Equivalence scale have been reconciled. Family (Census or Economic or just Family) has been renamed as Household, and Income recipient has been renamed as Person for both Income Share unit and Unit of Analysis.

Most cases where mean and median incomes were given, but currency references were missing, have been corrected by referring to the source.

Some cases where the Gini values were unrealistically low/high have been corrected after checking from the source. Mean/Median value inconsistencies have been resolved to a large extent after cross-checking from the source.

Gini variable from wiid2c version has been dropped since the values obtained by using Shorrocks-Wan algorithm can now be computed using Stata command *ineqdeco*, after disaggregation using DASP utility.

A new variable called Revision has been added. This variable documents the changes made vis-à-vis the earlier databases.

Changes to WIID3a

The latest revision removes some duplicates and completes the Quality variable. New background variables have also been added: a 2-digit country code, categorical variables of EU and OECD membership, a regional grouping and a time period dummy.