Last updated: 19 July 2016  
  
  
  
Goal 10: Reduce inequality within and among countries  
  
Target 10.6: Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions in order to deliver more effective, credible, accountable and legitimate institutions  
  
Indicator 10.6.1: Proportion of members and voting rights of developing countries in international organizations  
  
  
  
Institutional information  
  
  
  
Organization(s):  
  
  
  
Financing for Development Office, DESA (FFDO)  
  
  
  
Concepts and definitions  
  
  
  
Definition:  
  
  
  
The proportion of members and voting rights of developing countries in international organizations has two components, the developing country proportion of voting rights and the developing country proportion of membership in international organisations. In some institutions these two components are identical.  
  
  
  
Rationale:  
  
  
  
The United Nations is based on a principle of sovereign equality of all its Member States (Article 2, UN Charter). This indicator aims to measure the degree to which States enjoy equal representation in different international organizations.  
  
  
  
Concepts:  
  
The indicator is calculated independently for eleven different international institutions: The United Nations General Assembly, the United Nations Security Council, the United Nations Economic and Social Council, the International Monetary Fund, the International Bank for Reconstruction and Development, the International Finance Corporation, the African Development Bank, the Asian Development Bank, the Inter-American Development Bank, the World Trade Organisation, and the Financial Stability Board.  
  
  
  
There is no established convention for the designation of "developed" and "developing" countries or areas in the United Nations system. In common practice, Japan in Asia, Canada and the United States in northern America, Australia and New Zealand in Oceania, and Europe are considered "developed" regions or areas. The aggregation across all institutions is currently done according to the United Nations M.49 statistical standard which includes designation of “developed regions” and “developing regions”, while an ongoing review seeks to reach agreement on how to define these terms for the purposes of SDG monitoring. The designations "developed" and developing" are intended for statistical convenience and do not necessarily express a judgement about the stage reached by a particular country or area in the development process.  
  
  
  
Comments and limitations:  
  
  
  
Cross institutional comparisons needs to pay attention to the different membership of the institutions. Voting rights and membership in their institutions are agreed by the Member States themselves. As a structural indicator, there will be only small changes over time to reflect agreement on new States joining as Members, suspension of voting rights, membership withdrawal and negotiated voting rights changes.  
  
  
  
Methodology  
  
  
  
Computation Method:  
  
  
  
The computation uses each institutions’ own published membership and voting rights data from their respective annual reports. The proportion of voting rights is computed as the number of voting rights allocated to developing countries, divided by the total number of voting rights. The proportion of membership is calculated by taking the number of developing country members, divided by the total number of members.  
  
  
  
Disaggregation:  
  
  
  
Data is calculated and presented separately for each international organization.  
  
  
  
Data Sources  
  
  
  
Description:  
  
  
  
Annual reports, as presented on the website of the institution in question, are used as sources of data. Sources of information by institution:  
  
  
  
United Nations General Assembly:   
  
website of the General Assembly  
  
  
  
United Nations Security Council:   
  
Report of the Security Council for the respective year  
  
  
  
United Nations Economic and Social Council:   
  
Report of the Economic and Social Council for the respective year  
  
  
  
International Monetary Fund:   
  
Annual Report for the respective year  
  
  
  
International Bank for Reconstruction and Development:   
  
Management’s Discussion & Analysis and Financial Statements for the respective year  
  
  
  
International Finance Corporation:   
  
Annual Report (volume 2) for the respective year  
  
  
  
African Development Bank:   
  
Annual Report for the respective year   
  
  
  
Asian Development Bank:   
  
Annual Report for the respective year  
  
  
  
Inter-American Development Bank:   
  
Annual Report for the respective year  
  
  
  
World Trade Organisation:   
  
WTO Annual Report 2015  
  
  
  
Financial Stability Board:   
  
Charters of the Financial Stability Board  
  
  
  
List:  
  
  
  
General Assembly website;   
  
Report of the Security Council;   
  
Report of the Economic and Social Council,   
  
Report of the International Monetary Fund;   
  
IBRD's Management’s Discussion & Analysis and Financial Statements;   
  
IFC Annual Report (volume 2);   
  
AfDB Annual Report;   
  
ADB Annual Report;   
  
IADB Annual Report;   
  
WTO Annual Report;   
  
Charters of the Financial Stability Board  
  
  
  
Data Availability  
  
  
  
Available for all countries.  
  
  
  
Calendar  
  
  
  
Data release:  
  
  
  
United Nations General Assembly:  
  
continuous  
  
  
  
United Nations Security Council:  
  
annually in September   
  
  
  
United Nations Economic and Social Council:   
  
annually in October  
  
  
  
International Monetary Fund:   
  
annually in October   
  
  
  
International Bank for Reconstruction and Development:   
  
annually in September   
  
  
  
International Finance Corporation:   
  
annually in September  
  
  
  
African Development Bank:   
  
annually in May   
  
  
  
Asian Development Bank:   
  
annually in April   
  
  
  
Inter-American Development Bank:   
  
annually in April   
  
  
  
World Trade Organisation:   
  
annually in May   
  
  
  
Financial Stability Board:   
  
annually in January   
  
  
  
(UNGA: continuous UNSC: September 2016 ECOSOC: October 2016 IMF: October 2016 IBRD: September 2016 IFC: September 2016 AfDB: May 2017 ADB: April 2017 IADB: April 2017 WTO: May 2017 FSB: January 2017)  
  
  
  
Data providers  
  
  
  
Name:  
  
  
  
UNGA, UNSC, ECOSOC, IMF, IBRD, IFC, AfDB, ADB, IADB, WTO, FSB  
  
  
  
Description:  
  
  
  
The United Nations General Assembly, the United Nations Security Council, the United Nations Economic and Social Council, the International Monetary Fund, the International Bank for Reconstruction and Development, the International Finance Corporation, the African Development Bank, the Asian Development Bank, the Inter-American Development Bank, the World Trade Organisation, and the Financial Stability Board.  
  
  
  
Data compilers  
  
  
  
Name:  
  
  
  
FFD/UN-DESA  
  
  
  
Description:  
  
  
  
The data is compiled and the proportions calculated by the Financing for Development Office, United Nations Department of Economic and Social Affairs.  
  
  
  
References  
  
  
  
URL:  
  
  
  
https://www.un.org/development/desa/en/

Last updated: 03 December 2018  
  
Goal 10: Reduce inequality within and among countries  
  
Target 10.5: Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations  
  
Indicator 10.5.1: Financial Soundness Indicators (FSIs)  
  
  
  
Institutional information  
  
  
  
Organization(s):  
  
International Monetary Fund  
  
  
  
Concepts and definitions  
  
  
  
Definition:  
  
  
  
Seven FSIs are included as SDG indicators for 10.5.1 and expressed as percent.  
  
  
  
1 - Regulatory Tier 1 capital to assets   
  
2 - Regulatory Tier 1 capital to risk- weighted assets   
  
3 - Nonperforming loans net of provisions to capital   
  
4 - Nonperforming loans to total gross loans   
  
5 - Return on assets   
  
6 - Liquid assets to short-term liabilities   
  
7 - Net open position in foreign exchange to capital   
  
  
  
Regulatory Tier 1 capital to assets: This is the ratio of the core capital (Tier 1) to total (balance sheet) assets.   
  
   
  
Regulatory Tier 1 capital to risk- weighted assets: It is calculated using total regulatory Tier 1 capital as the numerator and risk-weighted assets as the denominator. The data for this FSI are compiled in accordance with the guidelines of either Basel I, Basel II, or Basel III.   
  
   
  
Nonperforming loans net of provisions to capital: This FSI is calculated by taking the value of nonperforming loans (NPLs) less the value of specific loan loss provisions as the numerator and capital as the denominator. Capital is measured as total regulatory capital.   
  
   
  
Nonperforming loans to total gross loans: This FSI is calculated by using the value of NPLs as the numerator and the total value of the loan portfolio (including NPLs, and before the deduction of specific loan- loss provisions) as the denominator.   
  
   
  
Return on assets: This FSI is calculated by dividing annualized net income before extraordinary items and taxes (as recommended in the FSI Guide) by the average value of total assets (financial and nonfinancial) over the same period.   
  
   
  
Liquid assets to short-term liabilities: This FSI is calculated by using the core measure of liquid assets as the numerator and short-term liabilities as the denominator. The ratio can also be calculated by taking the broad measure of liquid assets as the numerator. For jurisdictions that have implemented Basel III, this indicator could be supplemented with the liquidity coverage ratio.  
  
   
  
Net open position in foreign exchange to capital: The net open position in foreign exchange should be calculated based on the recommendation of the Basel Committee for Banking Supervision (BCBS). Capital should be total regulatory capital as net open position in foreign exchange is a supervisory concept.   
  
  
  
Rationale:  
  
  
  
Regulatory Tier 1 capital to assets: It is a more stringent version of the leverage ratio and indicates the extent to which assets are funded by other than own funds and is a measure of capital adequacy of the deposit-taking sector.   
  
   
  
Regulatory Tier 1 capital to risk- weighted assets: It measures the capital adequacy of deposit takers based on the core capital concept of the Basel Committee on Banking Supervision (BCBS). Capital adequacy and availability ultimately determine the degree of robustness of financial institutions to withstand shocks to their balance sheets.   
  
   
  
Nonperforming loans net of provisions to capital: This FSI is a capital adequacy ratio and is an important indicator of the capacity of bank capital to withstand losses from NPLs that are not covered by specific loan loss provisions.   
  
   
  
Nonperforming loans to total gross loans: This FSI is often used as a proxy for asset quality and is intended to identify problems with asset quality in the loan portfolio.   
  
   
  
Return on assets: It is an indicator of bank profitability and is intended to measure deposit takers’ efficiency in using their assets.   
  
   
  
Liquid assets to short-term liabilities: It is a liquid asset ratio and is intended to capture the liquidity mismatch of assets and liabilities and provides an indication of the extent to which deposit takers can meet the short-term withdrawal of funds without facing liquidity problems.   
  
   
  
Net open position in foreign exchange to capital: This FSI is an indicator of sensitivity to market risk, which is intended to gauge deposit takers’ exposure to exchange rate risk compared with capital. It measures the mismatch of foreign currency asset and liability positions to assess the vulnerability to exchange rate movements.  
  
  
  
Concepts:  
  
  
  
Regulatory Tier 1 capital to assets: Regulatory Tier 1 capital is calculated based on Basel I, II, or III depending on countries’ supervisory practices. Denominator is total balance sheet (non-risk weighted) assets.   
  
   
  
Regulatory Tier 1 capital to risk- weighted assets: Regulatory Tier 1 capital is calculated based on Basel I, II, or III depending on countries’ supervisory practices. Denominator is risk-weighted assets also calculated based on Basel standards.   
  
   
  
Nonperforming loans (NPLs) net of provisions to capital: A loan is classified as NPL when payment of principal or interest is past due by 90 days or more, or evidence exists that a full or partial amount of a loan is not going to be recovered. Only specific loan loss provisions are used in this calculation and they refer charges against the value of specific loans. Data exclude accrued interest in NPLs. Capital is measured as total regulatory capital calculated based on Basel I, II, or III depending on countries’ supervisory practices.  
  
   
  
Nonperforming loans to total gross loans: A loan is classified as NPL when payment of principal or interest is past due by 90 days or more, or evidence exists that a full or partial amount of a loan is not going to be recovered. The denominator is the total value of the loan portfolio (including NPLs, and before the deduction of specific loan- loss provisions).   
  
   
  
Return on assets: The numerator is annualized net income before extraordinary items and taxes. The denominator is the average value of total assets (financial and nonfinancial) over the same period.   
  
   
  
Liquid assets to short-term liabilities: Core measure of liquid assets includes currency and deposits and other financial assets available on demand or within three months. Broad measures equal core measure plus securities traded in liquid markets that can be converted into cash with minimal change in value. The denominator is short-term elements of debt liabilities plus net (short-term) market value of financial derivatives position. The latter is calculated as financial derivatives liability position minus financial derivative asset position. Short-term refers to three months and should be defined on a remaining maturity basis. If remaining maturity is not available, original maturity can be used as an alternative.  
  
   
  
Net open position in foreign exchange to capital: The net open position in foreign exchange equals the foreign-currency and foreign-currency linked element of balance sheet assets and off-balance sheet exposures minus the foreign-currency and foreign-currency linked element of balance sheet liabilities and off-balance sheet exposures. Foreign-currency-linked instruments refer to accounts denominated in national currency, but their payments are linked to exchange rates, thus subject to foreign exchange risk. The denominator is total regulatory capital as defined above.   
  
   
  
Comments and limitations:  
  
  
  
Data for most countries are reported on a monthly or quarterly basis; a few countries report data on a semi-annual basis and with a lag of more than a quarter. As of end-December 2018, there were 138 FSI reporters. Some countries’ compilation practices deviate from the FSI Guide methodology in certain areas and are documented in the FSI metadata also posted on the IMF’s FSI website. Reporting countries provide all or most core FSIs and some encouraged FSIs that can be used to support the interpretation of these seven SDG indicators. FSI data and metadata reported by countries are available at http://data.imf.org/FSI.  
  
  
  
  
  
  
  
Methodology  
  
  
  
Computation Method:  
  
  
  
The calculation of the seven FSIs is detailed in section on “Definition” above. The common source data are data reported by banks to supervisory authorities, which are usually the FSI compilers.   
  
  
  
Disaggregation:  
  
The FSIs disseminated by the IMF are weighted averages for the sector as a whole (e.g., deposit takers, other financial corporations, nonfinancial corporations). Data for parent banks, their branches, and relevant subsidiaries are consolidated; if this consolidation is not possible or not applicable, an explanation is provided in the metadata. There are no disaggregated breakdowns of the FSIs reported to the IMF.  
  
  
  
Treatment of missing values:  
  
  
  
At country level  
  
It is not relevant to the seven FSIs. Source data are collected by banks’ supervisory authorities and complete reporting is usually mandated by law.  
  
  
  
At regional and global levels  
  
 The FSIs are not compiled at regional or global levels.  
  
  
  
Regional aggregates:  
  
The FSIs are not aggregated at regional levels.  
  
  
  
Sources of discrepancies:  
  
  
  
Data calculated by other sources could be different from the FSIs disseminated by the IMF due to the use of different compilation methodology and/or institutional coverage. The FSIs disseminated by the IMF are compiled based on the FSI Compilation Guide, which provides the guidance on the concepts and definitions, and sources and techniques for the compilation of cross-country comparable data to support national and international surveillance of financial systems. To facilitate identification of possible discrepancies across countries, reporters provide metadata to the IMF that detail departures from recommendations in the FSI Guide.  
  
  
  
Methods and guidance available to countries for the compilation of the data at the national level:  
  
The FSI Compilation Guide (206) available at http://data.imf.org/FSI.  
  
Quality assurance  
  
The common source data are data reported by banks for supervisory purposes. National supervisors check and validate the data that are used by national FSI compilers. IMF staff check the FSIs reported by countries before posting on the FSI website and address data issues in collaboration with the national compilers whenever such issues are flagged by the validation and consistency checks implemented in the IMF data processing system..   
  
  
  
Data Sources  
  
  
  
Description:  
  
The common source data are data reported by banks for supervisory purposes. They include balance sheet, income statement, and supervisory series (such as Tier 1 capital, Tier 2 capital, risk-weighted assets).  
  
Collection process:  
  
The national central banks or supervisory agencies collect these data for supervisory purposes, and these data are used for FSI compilation.  
  
Data Availability  
  
  
  
Description:  
  
As of end-December 2018, there were 138 FSI reporters. All countries report all or most core FSIs and some encouraged FSIs that can be used to support the interpretation of these seven SDG indicators.   
  
  
  
Time series:  
  
Data for most countries are reported on a monthly or quarterly basis; a few countries report data on a semi-annual basis and with a lag of more than a quarter. Data are available as far back as 2005 for some countries.  
  
  
  
Calendar  
  
  
  
Data collection:  
  
 There are no predetermined deadlines. Countries report new FSIs as soon as they are ready  
  
   
  
Data release:  
  
Data are disseminated on the IMF website as soon as they are ready.  
  
Data providers  
  
The national central banks or bank supervisory agencies.  
  
  
  
Data compilers  
  
The FSIs are compiled at national level, but not at region or global level.   
  
References  
  
URL: http://data.imf.org/FSI  
  
  
  
References:   
  
  
  
Related indicators as of February 2020  
  
Linkages with any other Goals and Targets: Recommendation II.2 of G-20 Data Gap Initiative – 2 concerns FSIs. Its target is by 2021, G-20 economies to report the seven FSIs expected from the Special Data Dissemination Standards Plus (SDDS Plus) adherent economies on a quarterly frequency, with a timeliness of one quarter. The seven SDG FSIs are the same as the FSIs under SDDS, but with one exception under SDDS Plus, where resident real estate price index is used instead of net open position in foreign exchange to capital.

Last updated: 02 February 2018  
  
Goal 10: Reduce inequality within and among countries  
  
Target: 10.c: By 2030, reduce to less than 3 per cent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5 per cent  
  
Indicator 10.c.1: Remittance costs as a proportion of the amount remitted  
  
  
  
Institutional information  
  
  
  
Organization(s):   
  
World Bank  
  
  
  
Concepts and definitions  
  
  
  
Definition:  
  
The target includes two components. The first component is that transaction costs for migrant remittances should be 3% or less by 2030. This transaction cost should be intended as “Global average total cost of sending $200 (or equivalent in local sending currency) and expressed as % of amount sent”. This indicator is readily available and published on a quarterly basis by the World Bank in the Remittance Prices Worldwide database, which covers 365 country corridors, from 48 sending to 105 receiving countries. The second component is to eliminate corridor where cost is 5% or higher. This should be intended in the sense that it should be possible for remittance senders to send money to the beneficiary for an average cost of 5% or less of the amount sent. For this purpose, it should suffice that in each corridor there are at least 3 services, meeting a defined set of service requirements (including service quality, reach etc.), for which the average is 5% or less.  
  
  
  
Rationale:  
  
Data for these indicators have been collected by the World Bank through the Remittance Prices Worldwide (RPW) database since 2008 for the purpose of monitoring the G8 / G20 target on reducing remittance prices. Also known as the “5x5 objective”, this goal was adopted by the G8 in 2009, and it refers to reduction of the global average total cost of migrant remittances by 5 percentage points in 5 years. To achieve this objective, the governments in both sending and receiving countries should consider implementing reforms based upon the General Principles for International Remittances Services by the World Bank/Committee on Payment and Settlement Systems (January 2007). This internationally agreed framework has proven effective in helping reduce the cost of remittances and guiding actions to enhance the efficiency of international remittances. The World Bank’s RPW database is the only global database that monitors remittance prices across all regions of the world. RPW was launched by the World Bank in September 2008, and is a key tool in monitoring the evolution of costs to the remitters and the beneficiaries from sending and receiving money in major country corridors.  
  
  
  
Concepts:  
  
International remittance transfer. A cross-border person-to-person payment of relatively low value. The transfers are typically recurrent payments by migrant workers (who send money to their families in their home country every month). In the report, the term “remittance transfer” is used for simplicity (ie it is assumed the transfer is international).  
  
  
  
Remittance service. A service that enables end users to send and/or receive remittance transfers.  
  
  
  
Remittance service provider (RSP). An entity, operating as a business, that provides a remittance service for a price to end users, either directly or through agents. These include both banks and money transfer operators, as defined below.  
  
  
  
Money transfer operator (MTO). A non-deposit taking payment service provider where the service involves payment per transfer (or possibly payment for a set or series of transfers) by the sender to the payment service provider (for example, by cash or bank transfer) – i.e. as opposed to a situation where the payment service provider debits an account held by the sender at the payment service provider. MTOs may include both traditional players focusing on delivering funds in cash and innovative players which may adopt a variety of different business models for the delivery of the transactions.  
  
Price. The total cost to the end users of sending a remittance transfer (including the fees charged to the sender and the margin by which the exchange rate charged to the end users is above the current interbank exchange rate).  
  
  
  
Comments and limitations:  
  
NA  
  
  
  
Methodology  
  
  
  
Computation Method:  
  
Data is collected through a mystery shopping exercise of remittance service providers (RSPs). A sample of RSPs including at least 80% of the market share in each corridor are included in the mystery shopping exercise. The average cost is calculated as the simple average of total costs (including both fee and exchange rate margin) quoted by each RSP operating in a corridor.  
  
  
  
In 2016, introduced the Smart Remitter Target (SmarRT) to monitor remittance transactions at a more granular level. It aims to reflect the cost that a savvy consumer with access to sufficiently complete information would pay to transfer remittances in each corridor. SmaRT is calculated as the simple average as the three cheapest services for sending the equivalent of $200 in each corridor and is expressed in terms of the percentage of the total amount sent. In addition to transparency, services must meet additional criteria to be included in SmaRT, including transaction speed (5 days or less) and accessibility (determined by geographic proximity of branches for services that require physical presence, or access to any technology or device necessary to use the service, such as a bank account, mobile phone or the internet.   
  
  
  
For additional information on the methodology of SmaRT, please see: https://remittanceprices.worldbank.org/sites/default/files/smart\_methodology.pdf   
  
  
  
Target 10.c.1 includes two components, which require two separate calculations:  
  
Global average of remittance costs to be reduced to less than 3 percent: this is calculated as the simple average of the total cost for all services included in the RPW database  
  
Enabling remittance senders in all corridors to send money to their receivers at a cost of 5 percent or less: this is calculated as the average cost of the three cheapest available services in each corridor which meet a defined set of minimum requirements, as described in the World Bank SmaRT methodology. The target is that the SmaRT average for all corridors should be 5 percent or lower.  
  
  
  
Disaggregation:  
  
RPW tracks the cost of remittances by the type of remittance service providers: commercial banks, money transfer operators, post offices, mobile money providers (more provider types may be added as market evolves). In addition, disaggregation is also possible by the instrument used to fund the transaction: including but not limited to cash, bank account, debit/credit card, mobile money etc.; and by the instrument used to disburse the funds: including but not limited to cash, bank account, mobile wallet etc.   
  
  
  
Treatment of missing values:  
  
  
  
At country level  
  
A sample of corridors is collected for each sending and receiving country. It is assumed that the cost of other corridors from/to each country fall in similar cost range.  
  
  
  
At regional and global levels  
  
Regional aggregates are computed by calculating simple averages of individual services remitting to the recipient countries in the region for which there is data. Countries with no data are not included, however, as a representative sample is built, it is assumed that missing data fall in the same cost range as collected data.   
  
  
  
Regional aggregates:  
  
Regional aggregates are computed by calculating simple averages of individual services remitting to the recipient countries in the region for which there is data.  
  
  
  
Sources of discrepancies:  
  
There are no country-produced alternatives for this data, except for countries that have established a remittance price database in line with World Bank minimum requirements. It has been observed that data are broadly in line and no significant discrepancies exist.  
  
  
  
Methods and guidance available to countries for the compilation of the data at the national level:  
  
Minimum requirements for national and regional databases are provided on the Remittance Prices Worldwide website at: https://remittanceprices.worldbank.org/en/national-and-regional-databases-certified-by-the-world-bank. For consistent methodology, the following minimum requirements were established:   
  
Double price points data gathering   
  
Collection of fees for the sender   
  
Collection of the exchange rate applied   
  
Provision of total amount of the identified costs   
  
Speed of the transaction   
  
Type of service provided   
  
Minimum of 60% of market coverage per corridor   
  
Independence of the researchers   
  
Validation through mystery shopping exercises   
  
No advertisement policy   
  
No subscription policy and clear funding process   
  
Linkage with other WB-approved databases  
  
More information is available in the policy paper on Remittance Price Comparison Databases: Minimum Requirements and Overall Policy Strategy – Guide and Special-Purpose Note, available at: https://remittanceprices.worldbank.org/sites/default/files/StandardsNationalDatabases.pdf   
  
Web site for Remittance Prices Worldwide database and related resources: http://remittanceprices.worldbank.org   
  
  
  
Quality assurance  
  
Data are collected by researchers through mystery shopping, and subsequently compiled, cleaned, and reviewed. The World Bank uses vendor services for data collection and compilation. The data is then reviewed in detail by the World Bank RPW team, who also undertakes the analysis.  
  
  
  
Data Sources  
  
Data sources are the remittance service providers (RSPs) themselves. Data are collected quarterly through a mystery shopping exercise, which takes one week. Every year, in each corridor, a market analysis is conducted to compile a sample of RSPs covering at least 80% of the market.   
  
  
  
Collection process:  
  
Mystery shopping conducted quarterly.   
  
  
  
Data Availability  
  
The data are available for 365 corridors, which include 48 sending countries and 105 receiving countries. The data are collected quarterly.   
  
  
  
Time series:  
  
Data availability: since 2008 (all data available online; data available online in Excel format starting from Q1 2011).   
  
  
  
Calendar  
  
Data collection:  
  
 Quarterly  
  
   
  
Data release:  
  
March, June, September, December  
  
  
  
Data providers  
  
Data are collected by mystery shopping from remittance service providers.   
  
  
  
Data compilers  
  
  
  
World Bank  
  
  
  
References  
  
  
  
URL: http://remittances.worldbank.org  
  
  
  
References: Please see various resources on http://remittanceprices.worldbank.org/en/resources   
  
  
  
Related indicators as of February 2020  
  
G20 5x5 target – Remittance cost reduction for development. In 2009, the G8 set a target, later adopted by the G20, to reduce the cost of international remittances from 10 percent to 5 percent within five years. The target was dubbed the “5x5 Objective.”

Last updated: November 2018  
  
Goal 10: Reduce inequality within and among countries  
  
Target 10.7: Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies  
  
Indicator 10.7.1: Recruitment cost borne by employee as a proportion of yearly income earned in country of destination  
  
  
  
Institutional information  
  
  
  
Organization(s):  
  
International Labour Organization (ILO) and World Bank (WB)  
  
  
  
Concepts and definitions  
  
  
  
Definitions:  
  
SDG indicator 10.7.1 is defined as: “Recruitment cost borne by employee as a proportion of monthly income earned in country of destination”, i.e. a ratio between a cost measure and an income measure. The statistics used for the numerators and denominators for indicator 10.7.1 should be based on costs and earnings observed for the same individual international migrant worker.  
  
  
  
Rationale:  
  
The high economic and social costs incurred by migrants are increasingly recognized as serious impediments to realizing sustainable development outcomes from international migration. A critical role of migration policies is reducing the financial costs of recruitment incurred by migrant workers seeking jobs abroad. Recruitment costs paid by migrant workers to recruitment agents, on top of the fees paid by the employers, are a major drain on poor migrants’ incomes and remittances. They divert the money sent by migrants from the family to illicit recruitment agents and money lenders. Almost 10 million people use regular channels to migrate in search of employment every year. A large number of them pay illegal recruitment fees to the recruitment agents.   
  
  
  
High costs that migrants pay for their jobs, including recruitment fees, significantly increase risk of forced labour, debt bondage, and human trafficking, especially for low-skilled workers. Too often, migrant workers are subject to abusive practices in the workplace and pay high fees that can deplete their savings and make them more vulnerable during the recruitment and placement processes. The international community, such as through the Addis Ababa Action Agenda (4A) of the Third UN International Conference on Financing for Development affirmed the imperative to lower the cost of recruitment for migrant workers.  
  
  
  
Policymakers should endeavour to eliminate illegal recruitment fees, and this would require effective regulation and monitoring of recruitment agencies and combating unscrupulous recruiters implemented in constructive collaboration between the sending and the receiving countries. Improving migrants’ access to information can help improve the effectiveness of migration–related policies and regulations. The recent ILO General principles and operational guidelines for fair recruitment emphasizes as one of key principles that “No recruitment fees or related costs should be charged to, or otherwise borne by, workers or jobseekers” (http://www.ilo.org/global/topics/fair-recruitment/WCMS\_536755/lang--en/index.htm ).The indicator is meant to show the levels of costs that are still incurred by migrant workers in order to secure a job abroad, relative to the income they earn from working abroad. The recruitment costs indicator can be expressed as a multiple of the number of monthly earnings for the reporting of the indicator in order to illustrate the financial burden on the worker.  
  
  
  
Concepts:  
  
Target population (international migrant, international migrant workers): the term ‘international migrant worker’ is to be understood to mean someone who leaves his/her country of usual residence with the documented intention to work in another country, as a wage/salary earner. Thus, the term’s concept does not include those who leave their area of usual residence to work in another area in the same country, nor those who can commute for work across an international border, on a daily or weekly basis without changing the country of usual residence. These draft Guidelines exclude consideration of other migrant workers whose usual residence may be hard to confirm, such as seafarers who work on a vessel registered to a country different from their country of origin. The concept should cover all international migrant workers who have changed their country of usual residence with the documented intention to work in another country, whether they are engaged through formal or through ‘informal’ recruitment processes.  
  
  
  
Reference period: the statistics/estimates on costs and earnings used to calculate 10.7.1 should refer to the first job obtained in the country of destination and the first year of employment abroad of the international migrant worker.  
  
  
  
Costs: Recruitment costs refer to any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection. These are equal to the total amount that migrant workers and/or their families paid to find, qualify for, and secure a concrete job offer from a foreign employer and to reach the place of employment for the first job abroad. Recommended costs items are indicated in Paragraphs 22 to 24 of the draft Guidelines on statistics for SDG indicator 10.7.1.  
  
  
  
Earnings: statistics on earnings of migrant workers abroad should cover the actual income received for the last month in the first job in the destination country, including bonuses and other earnings (e.g. for over-time work). Adjustments should be made for any deductions for destination country taxes and social security contributions, as well as for any deductions in wages made to recover any recruitment costs initially paid by the employer.  
  
  
  
Comments and limitations:  
  
The proposed Guidelines have recommended using one month of earnings as the denominator, and to express the indicator as the proportion of monthly earnings paid by the migrant worker to obtain the job abroad. The Guidelines recommend using earnings of the last month of the first job abroad. However monthly earnings of migrant workers may vary considerably for each month worked, particularly if migrant workers often change their job during their first 12 months abroad. Accordingly, the Guidelines recommend using the first job abroad.   
  
  
  
Recall may be an issue if the first job abroad was undertaken many years ago. The Guidelines suggests that when developing the data collection system, the focus should be on migrant workers whose first job abroad happened less than a given period, such as 3 years prior or less.  
  
  
  
Methodology  
  
  
  
Computation Method:  
  
RCI = Proportion of recruitment costs in the monthly employment earnings, is a ratio   
  
Calculation:   
  
   
  
Where  
  
 f may take on various functions’ forms, such as: mean, median and 4th quintile  
  
 Ck = is the recruitment costs paid by individual migrant worker k;  
  
 Ek = is the monthly earnings of the same migrant worker k.  
  
  
  
Disaggregation:  
  
Desired disaggregation includes: sex, age group, education groups, and major destination countries (as recruitment costs have been documented to vary considerably by migration corridors).  
  
  
  
Additional statistics may be presented by:  
  
type of migration process (documented, undocumented migrant workers)  
  
occupation (ISCO-08): to assess skills levels such as high-skill and low-skill groups  
  
major occupational groups: to assess which skills groups have the highest recruitment costs  
  
major industry (ISIC Rev.4): to assess main sectors where migrant workers are engaged and to assess recruitment costs in industries of key policy concern (e.g. agriculture, construction, retail, and domestic work)  
  
  
  
Treatment of missing values:  
  
  
  
At country level  
  
The indicator is expected to be produced on an annual basis subject to a country’s administration of household-based surveys. In years when a household survey is not conducted, the indicator will not be reported. Imputation of missing values at this level is not feasible given the complex interplay of various agents and factors that directly and indirectly influence the indicator.  
  
  
  
At regional and global levels  
  
As recruitments costs are country-specific, there is no aggregation at the regional or global  
  
level.  
  
  
  
Regional aggregates:  
  
No regional aggregates will be produced for this indicator.   
  
  
  
Sources of discrepancies:  
  
Not applicable for this indicator.   
  
  
  
Methods and guidance available to countries for the compilation of the data at the national level:  
  
Draft guidelines for countries has been prepared by the World Bank and ILO. Please refer to attachment “Statistics for SDG indicator 10.7.1 Draft Guidelines for their Collection.  
  
  
  
Quality assurance  
  
Consultations on the methodology and draft guidelines took place earlier in April and June 2018 with NSOs experts from Bangladesh, India, Korea (Republic of), Sri Lanka, Germany Israel, Mexico, Tunisia, Turkey and Unites States of America. The latest of such consultation took place in September 2018 with representatives of NSOs from Indonesia, Jamaica, Laos PDR, Malaysia, Mexico, Nigeria, Philippines, Senegal, Sri Lanka, Thailand and Uganda in Washington D.C , who provided additional revisions and endorsed the draft Guidelines, as ready to be implemented at national level.  
  
  
  
Data Sources  
  
  
  
Description:  
  
Statistics on SDG indicator 10.7.1 should be collected primarily by using existing data collection systems such as household-based surveys. This will ensure coherence with existing national sources, methodologies and sampling frames, including types of interviews, field organization, etc.  
  
  
  
A general household survey strategy has two advantages: a) a survey of this type may already have been well established in the country of origin as well as in host countries; and b) this type of survey may already collect some of the relevant information from the members of the household (even from absent members in the country of origin).  
  
  
  
In order to reduce the operational challenges/costs as much as possible, the primary instruments for data collection should be household-based surveys (such as a labour force survey, household income and expenditure survey, or multi-purpose surveys that include questions on employment and migration) in order to rely on existing programmes carried out on regular basis by countries; these could be complemented with establishment surveys for destination countries, and administrative records. In cases where such data are not available, as a last recourse, shorter traveller surveys of migrant workers at ports of departure/entry. Migrants could be surveyed during visits to their home countries or when they return back home.   
  
  
  
The sampling strategy and the data collection instrument (questionnaire) should be aimed at gathering representative statistics for the concerned country and/or corridors, if major bilateral migration corridors are targeted. However, in a country of origin the sampling strategy may have to be modified to over- sample in regions/villages from which migrant workers are most frequently recruited, to obtain a large enough number of target group respondents for sufficiently precise estimates. Different strategies could be used to design an adequate sampling frame including use of area sampling, use of electricity/mobile bills, combine the information from household surveys with establishment surveys and other administrative registries, where available. If the data is collected through a general household survey in a destination country, the sampling frame may need to be supplemented by collective households (workers’ residence, dormitories) likely to serve as dwellings for (foreign) migrant workers. The sampling strategy and the data collection instrument (questionnaire) should all be aimed at gathering representative statistics for the country or for the concerned “corridors”, if major bilateral migration corridors are targeted.  
  
  
  
  
  
Collection process:  
  
The statistics collected for this indicator should be recognized at the national level as official statistics by the proper authorities in the country producing them, e.g. the National Statistical Office (NSO), the Ministry of Labour (MoL), or other official agency within the system for national official statistics. The NSO, MoL or other official agency should be the counterpart for the collection of statistics on SDG 10.7.1.  
  
  
  
The survey data will be collected by NSO using already existing survey instruments.   
  
  
  
Survey data: A standalone and succinct module and a set of questions is being developed by the custodians to ensure a harmonized approach in the countries.  
  
   
  
The module will be made available to NSO for integration in household survey instruments already in place and will be used by other international household survey programs working with NSO, (such as LSMS and UIS), and can be used by any other complementary survey instrument that meet the SDG quality requirements, while producing data approved and reported by NSO.   
  
  
  
Capacity building material will be developed. A tailor-made approach will be applied, where each country will be assisted, upon request, with integration of the essential questions in existing survey instruments and customization.   
  
  
  
Data Availability  
  
  
  
Description:  
  
During various development stages of the methodologies from 2014 to 2016, the following 10 countries were involved in initial small-scale pilot tests of the methodology: Ethiopia in Africa; Mexico in Latin America; India, Malaysia, Nepal, Pakistan, Russia, and the Philippines in Asia and the Pacific; and Italy in Europe. The datasets and documentation for these surveys are be found at https://www.knomad.org/data/recruitment-costs.   
  
  
  
These survey have produced data for the following countries/corridors: Indonesia – Korea; Thailand – Korea; Vietnam – Korea; Vietnam – Malaysia;The Philippines – Qatar;Nepal – Qatar; India – Qatar;India – Kuwait; Bangladesh – Kuwait;Sri Lanka – Kuwait;Egypt – Kuwait;Ethiopia – Saudi Arabia; Pakistan – Saudi Arabia;Pakistan – UAE;Ecuador – Spain;Morocco – Spain;Bulgaria – Spain;Poland – Spain;Guatemala – Mexico;Honduras – Mexico ;El Salvador – Mexico; Russia – Kyrgyzstan; Russia -Tajikistan; Russia – Uzbekistan; India-Saudi Arabia; Philippines-Saudi Arabia; Nepal – Sauidi Arabia; Nepal – Malaysia; Nepal – Qatar.  
  
  
  
Much recently at national level, the Lao PDR Statistics Bureau was involved in conducting a pilot of the draft methodology using its LFS 2017 with an additional module on migration costs.  
  
  
  
Time series:  
  
In principle, the countries are expected to collect data one every two years, depending on the data production capacity of the country.   
  
  
  
Calendar  
  
  
  
Data collection:  
  
As of 1st quarter of 2019  
  
   
  
Data release:  
  
As of the third quarter of 2019.  
  
  
  
Data providers  
  
National Statistical Offices (NSOs).  
  
  
  
Data compilers  
  
ILO and the World Bank.  
  
  
  
References  
  
  
  
  
  
References:   
  
KNOMAD and ILO (2018), “Statistics for SDG indicator 10.7.1 Draft Guidelines for their Collection.”  
  
KNOMAD. 2016. “KNOMAD-ILO Migration Costs Surveys 2015 Dataset: User’s Guide”  
  
KNOMAD. 2016. “KNOMAD-ILO Migration Costs Surveys 2016 Dataset: User’s Guide”  
  
URL: https://www.knomad.org/data/recruitment-costs.  
  
  
  
Related indicators as of February 2020

Last updated: 19 July 2016  
  
  
  
Goal 10: Reduce inequality within and among countries  
  
Target 10.1: By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average  
  
Indicator 10.1.1: Growth rates of household expenditure or income per capita among the bottom 40 per cent of the population and the total population  
  
  
  
Institutional information  
  
  
  
Organization(s):  
  
  
  
World Bank (WB)  
  
  
  
Concepts and definitions  
  
  
  
Definition:  
  
  
  
The growth rate in the welfare aggregate of bottom 40% is computed as the annualized average growth rate in per capita real consumption or income of the bottom 40% of the income distribution in a country from household surveys over a roughly 5-year period. The national average growth rate in the welfare aggregate is computed as the annualized average growth rate in per capita real consumption or income of the total population in a country from household surveys over a roughly 5-year period.  
  
  
  
Rationale:  
  
  
  
Improvements in shared prosperity require both a growing economy and a consideration of equity. Shared prosperity explicitly recognizes that while growth is necessary for improving economic welfare in a society, progress is measured by how those gains are shared with its poorest members. Moreover, in an inclusive society it is not sufficient to raise everyone above an absolute minimum standard of living; it must ensure that economic growth increases prosperity among the poor over time.  
  
  
  
The decision to measure shared prosperity based on income or consumption was not taken to ignore the many other dimensions of welfare. It is motivated by the need for an indicator that is easy to understand, communicate, and measure—though measurement challenges exist. Indeed, shared prosperity comprises many dimensions of well-being of the less well-off, and when analyzing shared prosperity in the context of a country, it is important to consider a wide range of indicators of welfare.  
  
  
  
Concepts:  
  
  
  
Promoting shared prosperity is defined as fostering income growth of the bottom 40 percent of the welfare distribution in every country and is measured by calculating the annualized growth of mean per capita real income or consumption of the bottom 40 percent. The choice of the bottom 40 percent as the target population is one of practical compromise. The bottom 40 percent differs across countries depending on the welfare distribution, and it can change over time within a country. Because boosting shared prosperity is a country-specific goal, there is no numerical target defined globally.  
  
  
  
Comments and limitations:  
  
  
  
There are mainly two limitations of shared prosperity indicators: data availability and data quality.   
  
  
  
Data availability  
  
  
  
Lack of household survey data is even more problematic for monitoring shared prosperity than for monitoring poverty. To monitor shared prosperity, two surveys of a country have to be conducted within five years or so during a chosen period, namely circa 2007-12. They have to be reasonably comparable to each other in terms of both the survey design and the construction of the welfare aggregates. Thus, not every survey that can generate poverty estimates can generate shared prosperity estimates.   
  
  
  
The second consideration is the coverage of countries, with data that are as recent as possible. Since shared prosperity must be estimated and used at the country level, there are good reasons for obtaining a wide coverage of countries, regardless of the size of their population. Moreover, for policy purposes it is important to have indicators for the most recent period possible for each country. The selection of survey years and countries needs to be made consistently and transparently, achieving a balance between matching the time period as closely as possible across all countries, including the most recent data, and ensuring the widest possible coverage of countries, across regions and income levels. In practice, this means that time periods will not match perfectly across countries. This is a compromise: while it introduces a degree of incomparability, it also creates a database that includes a larger set of countries than would be otherwise possible   
  
  
  
Data quality  
  
  
  
Like for poverty rates, estimates of annualized growth of mean per capita real income or consumption are based on income or consumption data collected in household surveys. The same quality issues applying to poverty rates apply here. Specifically, measuring household living standards has its own complications. Surveys ask detailed questions on sources of income and how it was spent, which must be carefully recorded by trained personnel. Income is difficult to measure accurately, and consumption comes closer to the notion of living standards. Moreover, income can vary over time even if living standards do not. But consumption data are not always available: the latest estimates reported here use consumption for about two-thirds of countries.  
  
  
  
Similar surveys may not be strictly comparable because of differences in timing, sampling frames, or the quality and training of enumerators. Comparisons of countries at different levels of development also pose problems because of differences in the relative importance of the consumption of nonmarket goods. The local market value of all consumption in kind (including own production, particularly important in underdeveloped rural economies) should be included in total consumption expenditure, but in practice are often not. Most survey data now include valuations for consumption or income from own production, but valuation methods vary.  
  
  
  
The statistics reported here are based on consumption data or, when unavailable, on income data. Analysis of some 20 countries for which both consumption and income data were available from the same surveys found income to yield a higher mean than consumption but also higher inequality. When poverty measures based on consumption and income were compared, the two effects roughly cancelled each other out: there was no significant statistical difference.   
  
  
  
Invariably some sampled households do not participate in surveys because they refuse to do so or because nobody is at home during the interview visit. This is referred to as “unit nonresponse” and is distinct from “item nonresponse,” which occurs when some of the sampled respondents participate but refuse to answer certain questions, such as those pertaining to income or consumption. To the extent that survey nonresponse is random, there is no concern regarding biases in survey-based inferences; the sample will still be representative of the population. However, households with different incomes may not be equally likely to respond. Richer households may be less likely to participate because of the high opportunity cost of their time or because of privacy concerns. It is conceivable that the poorest can likewise be underrepresented; some are homeless or nomadic and hard to reach in standard household survey designs, and some may be physically or socially isolated and thus less likely to be interviewed. This can bias both poverty and inequality measurement if not corrected for.  
  
  
  
Methodology  
  
  
  
Computation Method:  
  
  
  
Growth rates are calculated as annualized average growth rates over a roughly five-year period. Since many countries do not conduct surveys on a precise five-year schedule, the following rules guide selection of the survey years used to calculate the growth rates in the 2015 update: the final year of the growth period (T1) is the most recent year of a survey but no earlier than 2010, and the initial year (T0) is as close to T1 – 5 as possible, within a two-year band. Thus the gap between initial and final survey years ranges from three to seven years. If two surveys are equidistant from T1 – 5, other things being equal, the more recent survey year is selected as T0. The comparability of welfare aggregates (income or consumption) for the years chosen for T0 and T1 is assessed for every country. If comparability across the two surveys is a major concern, the selection criteria are re-applied to select the next best survey year.  
  
  
  
Once two surveys are selected for a country, the annualized growth of mean per capita real income or consumption is computed by first estimating the mean per capita real income or consumption of the bottom 40 percent of the welfare distribution in years T0 and T1 and then computing the annual average growth rate between those years using a compound growth formula, (Mean in T\_1)/(Mean in T\_0 )?^(1/( T\_1- T\_0 ))-1. Growth of mean per capita real income or consumption of the total population is computed in the same way using data for the total population.  
  
  
  
Disaggregation:  
  
  
  
No disaggregation  
  
  
  
Treatment of missing values:  
  
  
  
At country level  
  
  
  
No imputation  
  
  
  
At regional and global levels  
  
  
  
No aggregation  
  
  
  
Regional aggregates:  
  
  
  
Shared prosperity indicators are country-specific because the welfare distribution is country-specific. There’s no aggregation.  
  
  
  
Sources of discrepancies:  
  
  
  
If there are country produced shared prosperity indicators like these, the main sources of differences could be different welfare aggregates and years of surveys used in the calculation.  
  
  
  
Data Sources  
  
  
  
Description:  
  
  
  
The Global Database of Shared Prosperity was prepared by the Global Poverty Working Group, which comprises poverty measurement specialists of different departments of the World Bank Group. The database’s primary source of data is the World Bank Group’s PovcalNet database, an interactive computational tool that allows users to replicate the World Bank Group’s official poverty estimates measured at international poverty lines ($1.90 or $3.10 per day per capita). The datasets included in PovcalNet are provided and reviewed by the members of the Global Poverty Working Group. The choice of consumption or income to measure shared prosperity for a country is consistent with the welfare aggregate used to estimate extreme poverty rates in PovcalNet, unless there are strong arguments for using a different welfare aggregate. The practice adopted by the World Bank Group for estimating global and regional poverty rates is, in principle, to use per capita consumption expenditure as the welfare measure wherever available and to use income as the welfare measure for countries for which consumption data are unavailable. However, in some cases data on consumption may be available but are outdated or not shared with the World Bank Group for recent survey years. In these cases, if data on income are available, income is used for estimating shared prosperity.  
  
  
  
Collection process:  
  
  
  
To generate measures of shared prosperity that are reasonably comparable across countries, the World Bank Group has a standardized approach for choosing time periods, data sources, and other relevant parameters. The Global Database of Shared Prosperity is the result of these efforts. Its purpose is to allow for cross-country comparison and benchmarking, but users should consider alternative choices for surveys and time periods when cross-country comparison is not the primary consideration.  
  
  
  
Data Availability  
  
  
  
Data Availability – number of countries that have at least 1 data point by region  
  
  
  
2010 to present:   
  
Asia and Pacific 21  
  
Africa 16  
  
Latin America and Caribbean 16  
  
Europe, North America, Australia, New Zealand and Japan 41  
  
  
  
2000-2009:  
  
Asia and Pacific 24  
  
Africa 27  
  
Latin America and Caribbean 19  
  
Europe, North America, Australia, New Zealand and Japan 21  
  
  
  
Calendar  
  
  
  
Data collection:  
  
  
  
Source collection is ongoing by the Global Poverty Working Group of the World Bank; same data used for estimating poverty (indicator 1.1.1).  
  
  
  
Data release:  
  
  
  
The World Bank Group is committed to updating the shared prosperity indicators every year. Given that new household surveys are not available for every year for most countries, updated estimates will be reported for only a subset of countries each year. Updated estimates are released at the World Bank’s Annual Meetings in October every year.  
  
  
  
Data providers  
  
  
  
The World Bank typically receives data from National Statistical Offices (NSOs) directly. In other cases it uses NSO data received indirectly. Please see the section on data sources for further details.  
  
  
  
Data compilers  
  
  
  
World Bank  
  
  
  
References  
  
  
  
URL:  
  
  
  
www.worldbank.org  
  
  
  
References:  
  
  
  
The Global Database of Shared Prosperity, World Bank, http://www.worldbank.org/en/topic/poverty/brief/global-database-of-shared-prosperity. World Development Indicators, World Bank.

Last updated: 19 July 2016  
  
  
  
Goal 10: Reduce inequality within and among countries  
  
Target 10.b: Encourage official development assistance and financial flows, including foreign direct investment, to States where the need is greatest, in particular least developed countries, African countries, small island developing States and landlocked developing countries, in accordance with their national plans and programmes  
  
Indicator 10.b.1: Total resource flows for development, by recipient and donor countries and type of flow (e.g., official development assistance, foreign direct investment and other flows)  
  
  
  
Institutional information  
  
  
  
Organization(s):  
  
  
  
Organisation for Economic Co-operation and Development (OECD)  
  
  
  
Concepts and definitions  
  
  
  
Definition:  
  
  
  
Total resource flows for development, by recipient and donor countries and type of flow comprises of Official Development Assistance (ODA), other official flows (OOF) and private flows.  
  
  
  
Rationale:  
  
  
  
Total resource flows to developing countries quantify the overall expenditures that donors provide to developing countries.  
  
  
  
Concepts:  
  
  
  
Official and private flows, both concessional and non-concessional to developing countries. For official flows the major distinction is between official development assistance (ODA) and other official flows  
  
  
  
OOF, while private flows are broken down into flows at market terms and charitable grants. Flows include contributions to multilateral development agencies, which are themselves official bodies.  
  
See http://www.oecd.org/dac/stats/officialdevelopmentassistancedefinitionandcoverage.htm)  
  
  
  
Methodology  
  
  
  
Computation Method:  
  
  
  
The sum of official and private flows from all donors to developing countries.  
  
  
  
Disaggregation:  
  
  
  
This indicator can be disaggregated by type of flow (ODA, OOF, private), by donor, recipient country, type of finance, type of aid etc.  
  
  
  
Treatment of missing values:  
  
  
  
At country level  
  
  
  
None - no estimates are made for missing values  
  
  
  
At regional and global levels  
  
  
  
Not applicable  
  
  
  
Regional aggregates:  
  
  
  
Global and regional figures are based on the sum of total resource flows to developing countries.  
  
  
  
Sources of discrepancies:  
  
  
  
Development Assistance Committee (/DAC) statistics are standardized on a calendar year basis for all donors and may differ from fiscal year data available in budget documents for some countries.  
  
  
  
Data Sources  
  
  
  
Description:  
  
  
  
The OECD Development Assistance Committee (DAC) has been collecting data on official and private resource flows from 1960 at an aggregate level.  
  
  
  
The data are reported by donors according to the same standards and methodologies (see here: http://www.oecd.org/dac/stats/methodology.htm).  
  
  
  
Data are reported on an annual calendar year basis by statistical reporters in national administrations (aid agencies, Ministries of Foreign Affairs or Finance, etc.  
  
  
  
Collection process:  
  
  
  
A statistical reporter is responsible for the collection of DAC statistics in each providing country/agency. This reporter is usually located in the national aid agency, Ministry of Foreign Affairs or Finance etc.  
  
  
  
Data Availability  
  
  
  
On a donor basis for all DAC countries and many non-DAC providers (bilateral and multilateral) that report to the DAC.  
  
  
  
On a recipient basis for all developing countries eligible for ODA.  
  
  
  
Calendar  
  
  
  
Data collection:  
  
  
  
Data are published on an annual basis in December for flows in the previous year. Detailed 2015 flows will be published in December 2016.  
  
  
  
Data release:  
  
  
  
December 2016  
  
  
  
Data providers  
  
  
  
Description:  
  
  
  
Data are reported on an annual calendar year basis by statistical reporters in national administrations (aid agencies, Ministries of Foreign Affairs or Finance, etc.  
  
  
  
Data compilers  
  
  
  
Name:  
  
  
  
OECD  
  
  
  
References  
  
  
  
URL:  
  
  
  
www.oecd.org/dac/stats  
  
  
  
References:  
  
  
  
See all links here: http://www.oecd.org/dac/stats/methodology.htm

Last updated: March 2020  
  
  
  
Goal 10: Reduce inequality within and among countries  
  
Target 10.4: Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality  
  
Indicator 10.4.1: Labour share of GDP  
  
  
  
Institutional information  
  
  
  
Organization(s):  
  
  
  
ILO  
  
Concepts and definitions  
  
  
  
Definition:  
  
  
  
Labour share of Gross Domestic Product (GDP) is the total compensation of employees and the labour income of the self-employed given as a percent of GDP, which is a measure of total output. It provides information about the relative share of output which accrues to workers as compared with the share that accrues to capital in the production process for a given reference period.  
  
  
  
Rationale:  
  
  
  
Labour share of GDP seeks to inform about the relative share of GDP which accrues to workers as compared to the share which accrues to capital in a given reference period.   
  
  
  
In order to interpret this indicator effectively, it is important to consider it together with economic growth trends. The share of labour compensation in national output can highlight the extent to which economic growth translates into higher incomes for employees over time (and/or higher earnings for the self-employed). In periods of economic recession, the labour income share provides an indication of the extent to which falling output reduces labour income relative to profits. If labour income falls at a greater rate than profits, the labour income share will be expected to fall. By contrast, if there is a sharper decline in profits than in labour income, the share will rise. For any given level of GDP and profits, the labour income share can fall as a result of falling wages, falling earnings of the self-employed, changes in the composition of employment by income or a combination these.  
  
  
  
Increased production and GDP often lead to improved living standards of individuals in the economy, but this will depend on the distribution of real income and public policy among other factors.   
  
If there is a large number of non-resident border or seasonal workers or inflows and outflows of property income such that the value of production differs from the income of residents, there may be a situation of over or understating the living standards of residents.  
  
  
  
Concepts:  
  
  
  
Compensation of employees is the total in-cash or in-kind remuneration payable to the employee by the enterprise for the work performed by the employee during the accounting period. Compensation of employees includes: (i) wages and salaries (in cash or in kind) and (ii) social insurance contributions payable by employers. This concept views compensation of employees as a cost to employer, thus compensation equals zero for unpaid work undertaken voluntarily. Moreover, it does not include taxes payable by employers on the wage and salary bill, such as payroll tax.  
  
  
  
The indicator should be produced using data that cover all economic activities, all employees, and all self-employed. Thus, in addition to the compensation of employees, the indicator should also include the labour income of the self-employed.  
  
  
  
Gross domestic product (GDP) represents the market value of all final goods and services produced during a specific time period (for the purposes of this indicator, one year) in a country's territory.  
  
  
  
Persons in employment are defined as all those persons of working age who, during a short reference period (one week), were engaged in any activity to produce goods or provide services for pay or profit..   
  
  
  
Persons in employment include employees and self-employed.  
  
  
  
Employees are all those workers who hold the type of job defined as paid employment jobs, that is, jobs where the incumbents hold explicit or implicit employment contracts giving them a basic remuneration not directly dependent on the revenue of the unit for which they work.   
  
  
  
Comments and limitations:  
  
  
  
  
  
GDP may exclude or underreport activities that are difficult to measure, such as transactions in the informal sector or in illegal markets, etc. thus understating the GDP. Moreover, GDP does not account for the social and environmental costs of production, and is therefore is not a good measure of the level of over-all wellbeing.  
  
  
  
Methodology  
  
  
  
Computation Method:  
  
  
  
Labour share of Gross Domestic Product = (Total compensation of employees + Labour income of the self-employed) / Gross Domestic Product \* 100  
  
  
  
  
  
Disaggregation:  
  
  
  
No disaggregations are required for this indicator.  
  
  
  
Data Sources  
  
  
  
The recommended primary data sources for this indicator are the national accounts estimates of GDP and compensation of employees. The periodicity of this indicator will hence depend on the national accounts data produced in the given country. For self-employed workers an imputation model needs to be developed to account for their labour income, in combination with national accounts data.   
  
  
  
The source of the data should be presented when providing estimates of the indicator, as well as the System of National Accounts revision (preferably the SNA 2008).   
  
  
  
Data Availability  
  
  
  
NA  
  
  
  
Calendar  
  
  
  
NA  
  
  
  
Data providers  
  
  
  
National statistical offices  
  
  
  
Data compilers  
  
  
  
ILO  
  
  
  
References  
  
  
  
URL:  
  
  
  
https://ilostat.ilo.org/  
  
  
  
References:  
  
  
  
ILO Guidebook - Decent Work and the Sustainable Development Goals: A Guidebook on SDG Labour Market Indicators (https://www.ilo.org/stat/Publications/WCMS\_647109/lang--en/index.htm )  
  
ILOSTAT: https://ilostat.ilo.org/  
  
ILO Social Protection Data and Indicators: http://www.social-protection.org/gimi/gess/ShowTheme.action?th.themeId=10&lang=EN   
  
System of National Accounts: http://unstats.un.org/unsd/nationalaccount/sna.asp   
  
Decent Work Indicators Manual: http://www.ilo.org/stat/Publications/WCMS\_223121/lang--en/index.htm   
  
The Global Labour Income Share and Distribution (https://www.ilo.org/ilostat-files/Documents/Labour%20income%20share%20and%20distribution.pdf)

Last updated: 19 July 2016  
  
  
  
Goal 10: Reduce inequality within and among countries  
  
Target 10.a: Implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with World Trade Organization agreements  
  
Indicator 10.a.1: Proportion of tariff lines applied to imports from least developed countries and developing countries with zero-tariff  
  
  
  
Institutional information  
  
  
  
Organization(s):  
  
  
  
International Trade Centre (ITC)  
  
  
  
United Nations Conference on Trade and Development (UNCTAD)  
  
  
  
The World Trade Organization (WTO)  
  
  
  
Concepts and definitions  
  
Definition:  
  
  
  
Proportion of total number of tariff lines (in per cent) applied to products imported from least developed countries and developing countries corresponding to a 0% tariff rate in HS chapter 01-97.  
  
  
  
Rationale:  
  
  
  
The calculation of this indicator will allow observing on how many products Developing countries and LDCs will have free access to Developed countries markets. When compared to the tariff rates applied to other countries, this indicator will allow assessing to which extent special and differential treatment has been accorded in terms of import tariffs. The evolution of this indicator will indicate progress on the phasing out of tariff rates on goods coming from Developing and LDCs.  
  
  
  
Concepts:  
  
  
  
Tariff line or National Tariff lines (NTL): National Tariff Line codes refer to the classification codes, applied to merchandise goods by individual countries, that are longer than the HS six digit level. Countries are free to introduce national distinctions for tariffs and many other purposes. The national tariff line codes are based on the HS system but are longer than six digits. For example, the six digit HS code 010120 refers to Asses, mules and hinnies, live, whereas the US National Tariff line code 010120.10 refers to live purebred breeding asses, 010120.20 refers to live asses other than purebred breeding asses and 010120.30 refers to mules and hinnies imported for immediate slaughter.  
  
  
  
Tariffs: Tariffs are customs duties on merchandise imports, levied either on an ad valorem basis (percentage of value) or on a specific basis (e.g. $7 per 100 kg). Tariffs can be used to create a price advantage for similar locally-produced goods and for raising government revenues. Trade remedy measures and taxes are not considered to be tariffs.  
  
  
  
Comments and limitations:  
  
  
  
"The following caveats should be taken in consideration while reviewing this indicator:  
  
Accurate estimates on special and differential treatment for developing countries do not exist, thus the calculations are limited to tariffs only. These are only part of the trade limitation factors, especially when looking at exports of developing or least developed countries under non-reciprocal preferential treatment that set criteria for eligibility.  
  
  
  
A full coverage of preferential schemes of developed countries are used for the computation, but preferential treatment may not be fully used by developing countries' exporters for different reasons such as the inability of certain exporters to meet eligibility criteria (i.e., complying with rules of origin). As there is no accurate statistical information on the extent of the actual utilisation of each of these preferences, it is assumed that they are fully utilised.  
  
  
  
Duty free treatment is an indicator of market access, but is not always synonymous with preferential treatment for beneficiary countries, because a number of MFN tariffs are already at, or close to, zero, especially for fuels and minerals. International agreements on IT products also offer duty-free treatment for components and equipment used for production purpose"  
  
  
  
Methodology  
  
  
  
Computation Method:  
  
  
  
The indicator is calculated as the average share of national tariff lines that are free of duty  
  
  
  
Disaggregation:  
  
  
  
Disaggregation is available by product sector (e.g. Agriculture, Textile, Environmental goods), geographical regions and country income level (e.g. Developed, Developing, LDCs)  
  
  
  
Treatment of missing values:  
  
  
  
At country level  
  
  
  
Missing values are calculated using the most recent year available.  
  
  
  
At regional and global levels  
  
  
  
Missing values are calculated using the most recent year available.  
  
  
  
Regional aggregates:  
  
  
  
Share of duty-free tariff lines in the total number of tariff lines by country or country groups. At the tariff line level, the minimum rate between the MFN and others imports regime is always take into account in our calculation  
  
  
  
Sources of discrepancies:  
  
  
  
Not applicable. The same national data are used at the global level.  
  
  
  
Data Sources  
  
  
  
Description:  
  
  
  
The main information used to calculate indicators 10.a.1 is import tariff data. Information on import tariffs might be retrieved by contacting directly National statistical offices, permanent country missions to the UN, regional organizations or focal points within the customs, ministries in charge of customs revenues (Ministry of economy/finance and related revenue authorities) or, alternatively, the Ministry of trade. Tariff data for the calculation of this indicator are retrieved from ITC (MAcMap) - http://www.macmap.org/ - WTO (IDB) - http://tao.wto.org - and UNCTAD (TRAINS) databases. Import tariff data included in the ITC (MAcMap) database are collected by contacting directly focal points in line national agencies or regional organizations (in the case of custom unions or regional economic communities). When available, data are downloaded from national or regional official websites. In some cases, data are purchased from private companies. Import tariff data included in the WTO (IDB) database are sourced from official notifications of WTO members. Import tariff included in the UNCTAD (TRAINS) database are collected from official sources, including official country or regional organizations websites.  
  
  
  
Data Availability  
  
  
  
Description:  
  
  
  
Asia and Pacific: 42  
  
Africa: 49  
  
Latin America and the Caribbean: 34  
  
Europe, North America, Australia, New Zealand and Japan: 48  
  
  
  
Time series:  
  
  
  
Yearly data from 2005 to latest year   
  
  
  
Calendar  
  
  
  
Data collection:  
  
  
  
Continuously updated all year round  
  
  
  
Data release:  
  
  
  
Indicatively the indicators calculations can be ready by March every year. However, the date of release will depend on the period envisaged for the launching of the SDG monitoring report.   
  
  
  
Data providers  
  
  
  
NA  
  
  
  
Data compilers  
  
Name:  
  
  
  
ITC, WTO and UNCTAD  
  
  
  
Description:  
  
  
  
ITC, WTO and UNCTAD will jointly report on this indicator  
  
  
  
References  
  
  
  
URL:  
  
  
  
http://www.intracen.org / www.wto.org / http://unctad.org/en/Pages/Home.aspx  
  
  
  
References:  
  
  
  
No available references.  
  
  
  
Related indicators as of February 2020  
  
  
  
Linkages with indicator 17.12 on the implementation of duty-free and quota-free market access

Last updated: 03 December 2018  
  
Goal 10: Reduce inequality within and among countries  
  
Target 10.3: Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard  
  
Indicator 10.3.1: Proportion of population reporting having personally felt discriminated against or harassed in the previous 12 months on the basis of a ground of discrimination prohibited under international human rights law  
  
  
  
Institutional information  
  
  
  
Organization(s):  
  
Office of the United Nations High Commissioner for Human Rights (OHCHR)  
  
  
  
Concepts and definitions  
  
  
  
Definition:  
  
This indicator is defined as the proportion of the population (adults) who self-report that they personally experienced discrimination or harassment during the last 12 months based on ground(s) prohibited by international human rights law. International human rights law refers to the body of international legal instruments aiming to promote and protect human rights, including the Universal Declaration of Human Rights and subsequent international human rights treaties adopted by the United Nations.  
  
  
  
Rationale:  
  
The pledge to leave no-one behind and eliminate discrimination is at the centre of the 2030 Agenda for Sustainable Development. The elimination of discrimination is also enshrined in the Universal Declaration of Human Rights and the core international human rights treaties. The purpose of this indicator is to measure a prevalence of discrimination based on the personal experience reported by individuals. It is considered an outcome indicator (see HR/PUB/12/5) helping to measure the effectiveness of non-discriminatory laws, policy and practices for the concerned population groups.  
  
  
  
Concepts:  
  
Discrimination is any distinction, exclusion, restriction or preference or other differential treatment that is directly or indirectly based on prohibited grounds of discrimination, and which has the intention or effect of nullifying or impairing the recognition, enjoyment or exercise, on an equal footing, of human rights and fundamental freedoms in the political, economic, social, cultural or any other field of public life. Harassment is a form of discrimination when it is also based on prohibited grounds of discrimination. Harassment may take the form of words, gestures or actions, which tend to annoy, alarm, abuse, demean, intimidate, belittle, humiliate or embarrass another or which create an intimidating, hostile or offensive environment. While generally involving a pattern of behaviours, harassment can take the form of a single incident.  
  
  
  
International human rights law provides lists of the prohibited grounds of discrimination. The inclusion of “other status” in these lists indicate that they are not exhaustive and that other grounds may be recognized by international human rights mechanisms. A review of the international human rights normative framework helps identify a list of grounds that includes race, colour, sex, language, religion, political or other opinion, national origin, social origin, property, birth status, disability, age, nationality, marital and family status, sexual orientation, gender identity, health status, place of residence, economic and social situation, pregnancy, indigenous status, afro-descent and other status. In practice, it will be difficult to include all potentially relevant grounds of discrimination in household survey questions. For this reason, it is recommended that data collectors identify contextually relevant and feasible lists of grounds, drawing on the illustrative list and formulation of prohibited grounds of discrimination outlined in the methodology section below, and add an “other” category to reflect other grounds that may not have been listed explicitly.  
  
  
  
Comments and limitations:  
  
The indicator measures an overall population prevalence of discrimination and harassment in the total population at the national level. The indicator will not necessarily inform on the prevalence of discrimination within specific population groups. This will depend on sample frames. For example, if disability is included within the selected grounds, the resulting data for discrimination on the ground of disability will represent only the proportion of the total population who feel that they had personally experienced discrimination against on the ground of disability. Unless the sample design provides adequate coverage of people with disability to allow disaggregation on this characteristic, the data cannot be understood as an indication of the prevalence of discrimination (on the ground of disability) within the population of people with a disability.  
  
  
  
The indicator is not measuring a general perception of respondents on the overall prevalence of discrimination in a country. It is based on personal experience self-reported by individual respondents. The indicator does not provide a legal determination of any alleged or proven cases of discrimination. The indicator will also not capture the cases of discrimination or harassment the respondents are not personally aware off or willing to disclose to data collectors. The indicator should be a starting point for further efforts to understand patterns of discrimination and harassment (e.g. location/context of incidents, relationship of the respondent to the person or entity responsible for discrimination or harassment, and frequency and severity of incidents). More survey questions will be needed for examining policy and legislative impact and responses.  
  
  
  
OHCHR advises that data collectors engage in participatory processes to identify contextually relevant grounds and formulations. The process should be guided by the principles outlined in OHCHR’s Human Rights-Based Approaches to Data (HRBAD), which stems from internationally agreed human rights and statistics standards. National Institutions with mandates related to human rights or non-discrimination and equality are ideal partners for these activities. Data collectors are also strongly encouraged to work with civil society organisations that are the representatives of or have better access to groups more are risk of being discriminated or left behind.   
  
  
  
Methodology  
  
  
  
Computation Method:  
  
Number of survey respondents who felt that they personally experienced discrimination or harassment on one or more prohibited grounds of discrimination during the last 12 months, divided by the total number of survey respondents, multiplied by 100.  
  
  
  
To minimize the effect of forward telescoping, the module asks two questions: a first question about the respondent’s experience over the last 5 years, and a second question about the last 12 months:  
  
Question 1: In [COUNTRY], do you feel that you personally experienced any form of discrimination or harassment during the last 5 years, namely since [YEAR OF INTERVIEW MINUS 5] (or since you have been in the country), on the following grounds?  
  
Question 2: In [COUNTRY], do you feel that you personally experienced any form of discrimination or harassment during the past 12 months, namely since [MONTH OF INTERVIEW] [YEAR OF INTERVIEW MINUS 1], on any of these grounds?  
  
  
  
The proposed survey module recommends that interviewer reads or the data collection mechanism provides a short definition of discrimination/harassment to the respondent before asking the questions. Providing respondents with a basic introduction to these notions helps improve their comprehension and recall of incidents. Following consultations with experts and complementary cognitive testing, the following introductory text is recommended:   
  
Discrimination happens when you are treated less favourably compared to others or harassed because of the way you look, where you come from, what you believe or for other reasons. You may be refused equal access to work, housing, healthcare, education, marriage or family life, the police or justice system, shops, restaurants, or any other services or opportunities. You may also encounter comments, gestures or other behaviours that make you feel offended, threatened or insulted, or have to stay away from places or activities to avoid such behaviours.  
  
The proposed survey module also recommends that a list of grounds is provided to respondents to facilitate comprehension and recall of incidents. As a starting point, OHCHR recommends the use of the following list of grounds prohibited by international human rights law and adding an “any other ground” category to capture grounds that are not explicitly listed. The module recommends that the following illustrative list is reviewed and contextualised at national level through a participatory process (see HRBAD and accompanying guidance) to reflect specific population groups and data collection/disaggregation needs:  
  
  
  
1. SEX: such as being a woman or a man  
  
2. AGE: such as being perceived to be too young or too old  
  
3. DISABILITY OR HEALTH STATUS: such as having difficulty in seeing, hearing, walking or moving, concentrating or communicating, having a disease or other health conditions and no reasonable accommodation provided for it  
  
4. ETHNICITY, COLOUR OR LANGUAGE: such as skin colour or physical appearance, ethnic origin or way of dressing, culture, traditions, native language, indigenous status, or being of African descent   
  
5. MIGRATION STATUS: such as nationality or national origin, country of birth, refugees, asylum seekers, migrant status, undocumented migrants or stateless persons  
  
6. SOCIO-ECONOMIC STATUS: such as wealth or education level, being perceived to be from a lower or different social or economic group or class, land or home ownership or not   
  
7. GEOGRAPHIC LOCATION OR PLACE OF RESIDENCE: such as living in urban or rural areas, formal or informal settlements  
  
8. RELIGION: such as having or not a religion or religious beliefs  
  
9. MARITAL AND FAMILY STATUS: such as being single, married, divorced, widowed, pregnant, with or without children, orphan or born from unmarried parents  
  
10. SEXUAL ORIENTATION OR GENDER IDENTITY: such as being attracted to person of the same sex, self-identifying differently from sex assigned at birth or as being either sexually, bodily and/or gender diverse   
  
11. POLITICAL OPINION: such as expressing political views, defending the rights of others, being a member or not of a political party or trade union  
  
12. OTHER GROUNDS  
  
  
  
Disaggregation:  
  
Disaggregation will be developed for this indicator in keeping with SDG target 17.18 (income, gender/sex, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts).  
  
  
  
Treatment of missing values:  
  
  
  
At country level  
  
Estimates will not be produced for missing values.  
  
  
  
At regional and global levels  
  
Estimates will not be produced for missing values.  
  
  
  
Regional aggregates:  
  
N/A  
  
  
  
Sources of discrepancies:  
  
OHCHR will compile data only from national sources, possibly regional sources, if available/appropriate. Therefore, there should not be discrepancies.  
  
  
  
Methods and guidance available to countries for the compilation of the data at the national level:  
  
[Link to technical guidance]  
  
Quality assurance  
  
[Link to technical guidance]  
  
OHCHR will consult NSOs focal points for the SDG indicator framework (list maintained by the UNSD) on the availability of national data for the SDGs Indicators Database [Link to related guidance]  
  
  
  
Data Sources  
  
  
  
Description:  
  
Household surveys, such as MICS, victimisation surveys and other social surveys, are the main data source for this indicator.  
  
  
  
Collection process:  
  
NA  
  
Data Availability  
  
  
  
Description:  
  
NA   
  
  
  
Time series:  
  
2017-2018-2019  
  
Calendar  
  
  
  
Data collection:  
  
NA  
  
   
  
Data release:  
  
2020 (quarter I)  
  
  
  
Data providers  
  
National Statistical Offices. If the data are not collected by the NSO but another source, they will be sent to the NSO for consultation prior to their publication in global SDG databases.  
  
  
  
Data compilers  
  
OHCHR  
  
References  
  
  
  
URL: www.ohchr.org   
  
  
  
References: www.ohchr.org/EN/Issues/Indicators/Pages/HRIndicatorsIndex   
  
  
  
Related indicators as of February 2020  
  
• 5.1.1 Whether or not legal frameworks are in place to promote, enforce and monitor equality and non-discrimination on the basis of sex  
  
• 16.1.3 Proportion of population subjected to physical, psychological or sexual violence in the previous 12 months  
  
• 16.a.1 Existence of independent national human rights institutions in compliance with the Paris Principles  
  
• 16.6.2 Proportion of population satisfied with their last experience of public services

Last updated: 05 July 2020  
  
Goal : 10 Reduce inequality within and among countries  
  
Target: 10.7 Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies  
  
  
Indicator: 10.7.3 Number of people who died or disappeared in the process of migration towards an international destination  
  
  
  
Institutional information  
  
  
  
Organization(s):  
  
International Organization for Migration   
  
  
  
Concepts and definitions  
  
  
  
Definition:  
  
The MMP data include migrants (regardless of legal status) who have died at the external borders of States or in the process of migration towards an international destination. This selection of data is based on the currently available sources and can provide some insight into the safety or otherwise of routes. Not included in the data collection is information about migrants who die, or go missing, in countries of destination or residence. Deaths in refugee housing, immigration detention centres or camps are excluded. The MMP data also exclude deaths that occur during deportation or after forced return to a migrant’s homeland or third country, as well as deaths more loosely connected with migrants’ precarious or irregular status, such as those resulting from labour exploitation or resulting from lack of access to health care.   
  
Rationale:  
  
The research behind the MMP began with the October 2013 tragedies, when at least 368 individuals died in two shipwrecks near the Italian island of Lampedusa. The MMP data aims to bear witness to the global phenomenon of migrant deaths, and is the only global database on this topic. It is hoped that by counting and accounting for these deaths, almost all of which are linked to irregular migration, policymakers, academics, and the general public will be better informed about the risks linked to unsafe migration.   
  
Given that there are few official sources of data on deaths during migration, these data are best understood as a minimum estimate of the true number of migrant deaths worldwide. The MMP collects data from a variety of sources, which change over time given the large geography covered and the politicization of irregular migration – notably the criminalization of search and rescue actors in the Mediterranean and US-Mexico border – which affect access to relevant information. With this in mind, these data are best understood as indicative of the global nature of migrant fatalities, and should not be used to identify trends over time outside of the US-Mexico border, where official data is more frequently available compared to other areas of the world.   
  
Concepts:  
  
Migrant - An umbrella term, not defined under international law, reflecting the common lay understanding of a person who moves away from his or her place of usual residence, whether within a country or across an international border, temporarily or permanently, and for a variety of reasons. The term includes a number of well-defined legal categories of people, such as migrant workers; persons whose particular types of movements are legally-defined, such as smuggled migrants; as well as those whose status or means of movement are not specifically defined under international law, such as international students.  
  
Irregular migration - Movement of persons that takes place outside the laws, regulations, or international agreements governing the entry into or exit from the State of origin, transit or destination.  
  
  
  
Comments and limitations:  
  
The MMP database provides a global overview of data on migrant fatalities, but it is primarily dependent on secondary sources of information. Information is gathered from diverse sources such as official records – including from coast guards and medical examiners – and other sources such as media reports, non-governmental organizations (NGOs), and surveys and interviews of migrants. The reliability and completeness of data vary greatly from region to region, from country to country and over time. Table 1, in the methodology section below, illustrates the wide variety of sources used in the MMP database, and gives some insight into the various advantages and disadvantages of each. For example, some of the data are collected directly from migrants, either from survivors or through an increasing number of surveys of migrants. However, data from surveys and/or eyewitness testimonies may not be representative, and there may be a risk of double-counting if migrants report the same incident when asked whether they are aware of a migrant death or disappearance.  
  
  
  
Methodology  
  
  
  
Computation Method:  
  
MMP is an incident-based database, meaning that each entry in the database represents a single occurrence in which an individual or group of individuals die during migration or at international borders in one particular place and time. This approach is used instead of a body-based database due to the fact that many migrant bodies are never recovered, particularly in overseas routes such as the Mediterranean Sea, or remote terrains such as the Sahara Desert.  
  
The MMP database provides a global overview of data on migrant fatalities, but it is primarily dependent on secondary sources of information. Information is gathered from diverse sources such as official records – including from coast guards and medical examiners – and other sources such as media reports, non-governmental organizations (NGOs), and surveys and interviews of migrants. The reliability and completeness of data vary greatly from region to region, from country to country and over time. Table 1, below, gives an overview of the data sources used and their various pros and cons. The MMP dataset cites the data source for each entry in its downloadable database, available from mmp.iom.int/downloads,   
  
  
  
  
  
  
  
  
  
Table 1: Missing Migrants Project data sources and their strengths and weaknesses  
  
Data source  
  
Data format  
  
Where is this information available?  
  
Strengths   
  
Weaknesses  
  
Government: Data on repatriations  
  
Database (bodies)  
  
Mexico, Honduras, Bangladesh, Guatemala, El Salvador  
  
Credible information, covers many cases (not just individual incidents)  
  
Available for very few countries  
  
Can be outdated  
  
Includes only information on the recovered bodies and not on missing persons  
  
Government: Press releases, official statements   
  
  
  
  
  
Incident reports  
  
Some countries in Europe, South America  
  
Credible information about individual events  
  
Available for few, isolated events  
  
Often need to request more detailed information  
  
Usually includes only information on bodies recovered and not missing persons  
  
Media may only report most sensational cases  
  
Different media may report same incident with risk of double counting  
  
Government: Record of border deaths  
  
  
  
  
  
Database (bodies)  
  
US counties bordering Mexico  
  
(Can) provide credible information  
  
Coverage is unknown, as many deaths are unidentified as migrants or not reported to consulates  
  
Forensic data (i.e. from medical examiners/ coroners)  
  
  
  
  
  
Database (bodies) or summary figures  
  
US counties on United States‒Mexico border, European countries (see e.g. Vrije Universiteit’s Deaths at the Borders Database)  
  
Credible and detailed information about individual incidents  
  
Data disaggregated by migrant deaths are rarely available (only one example: Pima Country, Arizona)  
  
Includes only information on bodies recovered and not missing persons  
  
Extremely labour-intensive to request information and parse records; consequently often outdated  
  
Coast guards/ police/ border patrol/  
  
non-governmental organizations (NGOs)  
  
  
  
Incident reports  
  
Greece, Italy, Spain, Turkey, Libya, United States–Mexico border  
  
  
  
  
  
Credible information for individual cases   
  
Completeness of coverage is unknown   
  
Often includes only information on bodies recovered and not missing persons (e.g. Spanish coast guard reports)  
  
Testimonies of shipwreck survivors  
  
Incident reports  
  
Mediterranean (IOM, United Nations High Commissioner for Refugees (UNHCR)),  
  
Bay of Bengal/Andaman Sea (UNHCR)  
  
Indicative data where little other information exists  
  
Useful to estimate number of missing persons at sea  
  
Impossible to verify reports, survivors may provide range of estimates of missing persons (MMP always uses lowest estimate)  
  
Testimonies of migrants: Survey programmes  
  
Summary figures. Incident-based database often available on request  
  
Mediterranean (IOM),  
  
North Africa (MHub and Mixed Migration Centre),  
  
sub-Saharan Africa (Mixed Migration Centre),  
  
Asia (Mixed Migration Centre)  
  
Indicative data where no other data sources exist, interviewees may speak more honestly with interviewers who speak their native language and/or are also migrants  
  
Impossible to verify reports for veracity or double-counting, sample size is generally small and unrepresentative   
  
Breaks between funding can inhibit comparison   
  
Dates of deaths are often imprecise  
  
NGO reports  
  
Summary figures, incident-based database often available upon request  
  
South-East Asia (Office of the United Nations High Commissioner for Human Rights),  
  
Middle East (several NGOs),  
  
Western Mediterranean (Asociación Pro Derechos Humanos de Andalucía )  
  
(Can) provide credible information from local contexts, sometimes with specialized knowledge from NGO staff. Though usually these are summary figures released annually, NGOs are generally willing to provide underlying data if asked  
  
Cover only regional or localized areas  
  
Often release data annually as summary figure, which are impossible to check for veracity and double counting  
  
Definition of “migrant death” may vary  
  
Media: Traditional media reporting  
  
  
  
  
  
Incident reports  
  
Coverage in Central America, United States –Mexico border, Europe; to a lesser degree in Asia and Africa  
  
Provides current information on events that may not be reported otherwise   
  
Contextual information may be included that doesn’t come across in data sets  
  
Quality varies significantly, and information can be incomplete or inaccurate  
  
Generally no follow-up reporting (e.g. the aftermath of a car crash)  
  
“Big” news is more likely to receive pickup – i.e. smaller incidents not part of a “crisis” may not be reported  
  
Requires frequent data mining/searching of sources  
  
Media: Social media  
  
Incident reports  
  
Middle East, Central America, Mediterranean  
  
(Can) provide the most current information about incidents, can foster connections between data sources (e.g. IOM with local NGOs), information about cases not reported in news (e.g. European Asylum Support Office weekly social media monitoring reports)  
  
Little information is provided that can be incomplete or inaccurate   
  
It can be difficult/unfeasible to follow-up to get more information and/or verify  
  
False information can travel quickly   
  
Requires frequent data mining/searching of sources  
  
  
  
Disaggregation:  
  
Table 2, below, presents the list of variables that constitute the Missing Migrants Project database. While ideally all incidents recorded would include entries for each of these variables, the challenges described above mean that this is not always possible. The minimum information necessary to register an incident is the date of the incident, the number of dead and/or the number of missing, and the location of death. If the information is unavailable, the cell is left blank or “unknown” is recorded, as indicated in the table below.   
  
Table 2: Variables contained in the Missing Migrants Project database  
  
Variable Name  
  
Description  
  
Web ID  
  
An automatically generated number used to identify each unique entry in the dataset.  
  
Region of incident  
  
The region in which an incident took place. For more about regional classifications used in the dataset, click here.  
  
Reported date  
  
Estimated date of death. In cases where the exact date of death is not known, this variable indicates the date in which the body or bodies were found. In cases where data are drawn from surviving migrants, witnesses or other interviews, this variable is entered as the date of the death as reported by the interviewee.  At a minimum, the month and the year of death is recorded. In some cases, official statistics are not disaggregated by the incident, meaning that data is reported as a total number of deaths occurring during a certain time period. In such cases the entry is marked as a “cumulative total,” and the latest date of the range is recorded, with the full dates recorded in the comments.  
  
Reported year  
  
The year in which the incident occurred.  
  
Reported month  
  
The month in which the incident occurred.  
  
Number dead  
  
The total number of people confirmed dead in one incident, i.e. the number of bodies recovered.  If migrants are missing and presumed dead, such as in cases of shipwrecks, leave blank.  
  
Number missing  
  
The total number of those who are missing and are thus assumed to be dead.  This variable is generally recorded in incidents involving shipwrecks.  The number of missing is calculated by subtracting the number of bodies recovered from a shipwreck and the number of survivors from the total number of migrants reported to have been on the boat.  This number may be reported by surviving migrants or witnesses.  If no missing persons are reported, it is left blank.  
  
Total dead and missing  
  
The sum of the ‘number dead’ and ‘number missing’ variables.  
  
Number of survivors  
  
The number of migrants that survived the incident, if known. The age, gender, and country of origin of survivors are recorded in the ‘Comments’ variable if known. If unknown, it is left blank  
  
Number of females  
  
Indicates the number of females found dead or missing. If unknown, it is left blank.  
  
Number of males  
  
Indicates the number of males found dead or missing. If unknown, it is left blank.  
  
Number of children  
  
Indicates the number of individuals under the age of 18 found dead or missing. If unknown, it is left blank.  
  
Age  
  
The age of the decedent(s). Occasionally, an estimated age range is recorded. If unknown, it is left blank.  
  
Country of origin  
  
Country of birth of the decedent. If unknown, the entry will be marked “unknown”.  
  
This variable is not included in the public dataset due to data protection concerns but summary figures can be provided upon request.  
  
Region of origin  
  
Region of origin of the decedent(s). In some incidents, region of origin may be marked as “Presumed” or “(P)” if migrants travelling through that location are known to hail from a certain region. If unknown, the entry will be marked “unknown”.  
  
This variable is not included in the public dataset due to data protection concerns but summary figures can be provided upon request.  
  
Cause of death  
  
The determination of conditions resulting in the migrant's death i.e. the circumstances of the event that produced the fatal injury. If unknown, the reason why is included where possible.  For example, “Unknown – skeletal remains only”, is used in cases in which only the skeleton of the decedent was found.  
  
Location description  
  
Place where the death(s) occurred or where the body or bodies were found. Nearby towns or cities or borders are included where possible. When incidents are reported in an unspecified location, this will be noted.  
  
Location coordinates  
  
Place where the death(s) occurred or where the body or bodies were found. In many regions, most notably the Mediterranean, geographic coordinates are estimated as precise locations are not often known. The location description should always be checked against the location coordinates.  
  
Migration route  
  
Name of the migrant route on which incident occurred, if known. If unknown, it is left blank.  
  
UNSD geographical grouping  
  
Geographical region in which the incident took place, as designated by the United Nations Statistics Division (UNSD) geoscheme. For more about regional classifications used in the dataset, click here.  
  
Geolocation  
  
The estimation of the real-world location of the incident, represented as coordinates. While the geolocation is available for all incidents, in many cases (particularly at sea or in remote areas) the coordinates are approximate.  
  
Information source  
  
The source(s) of information for the incident report. For online articles, a link and title of the page will be included in a separate   
  
Source quality  
  
Incidents are ranked on a scale from 1-5 based on the source(s) of information available. Incidents ranked as level 1 are based on information from only one media source. Incidents ranked as level 2 are based on information from uncorroborated eyewitness accounts or data from survey respondents. Incidents ranked as level 3 are based on information from multiple media reports, while level 4 incidents are based on information from at least one NGO, IGO, or another humanitarian actor with direct knowledge of the incident. Incidents ranked at level 5 are based on information from official sources such as coroners, medical examiners, or government officials OR from multiple humanitarian actors.  
  
Comments  
  
Brief description narrating additional facts about the death.  If no extra information is available, this is left blank.  
  
  
  
  
  
Treatment of missing values:  
  
  
  
At country level  
  
MMP data codifies the location of a death in several ways, including the country in which the incident occurs if relevant. In many cases, deaths recorded in the MMP database occur at international borders or at sea outside of national territories, so there is no ‘country’ variable included in the dataset. Geolocation data is available for all incidents, though it is only an approximation for cases at sea or in remote terrains such as deserts.  
  
  
  
At regional and global levels  
  
The location of MMP incidents are categorized in two ways, based on the physical location in which they reportedly occurred. Both of these variables can be viewed by downloading the Missing Migrants Project database from this page. First, they are categorized by the geographical sub-regions of the United Nations Statistics Division’s geoscheme. The composition of these regions is available on the United Nations website here. These regions are included for academic and statistical purposes. Generally, when migrant deaths and disappearances occur at sea, they are included in the region nearest to the body of water in which they occurred. For example, deaths in the Bay of Bengal are categorized under South-Eastern Asia. Some bodies of water, such as the Mediterranean Sea, border several UN sub-regions, and deaths in these areas are consequently left uncategorized.  
  
  
  
Regional aggregates:  
  
Regional aggregates represent the sum of the number of migrant deaths recorded in that region, per the categorizations discussed in the section above.  
  
  
  
Sources of discrepancies:  
  
As the MMP dataset does not disaggregate data at a country level, there should be no discrepancies in the data.  
  
  
  
Methods and guidance available to countries for the compilation of the data at the national level:  
  
As the MMP dataset does not disaggregate data at a country level, no data is compiled by countries at a national level.  
  
There are no known international recommendations and/or guidelines specifically on the topic of data on migrant deaths. IOM is working to develop these in conjunction with ICRC  
  
  
  
Quality assurance  
  
As the data contained in the MMP dataset comes from a wide variety of sources, all data are verified by a team at IOM’s Global Migration Data Analysis Centre to ensure that:  
  
The incident reported meets MMP’s definition of a death during migration  
  
The information contained in the report is accurate  
  
The latter process usually consists of searching for separate reports on the same incident which contain similar information, including contacting the relevant authorities for confirmation where possible. The ‘Source quality’ variable indicates the reliability of the information reported (see Table 2 for details).  
  
As the MMP dataset does not disaggregate data at a country level, and as no country currently collects and reports data on deaths during migration on its territories, no consultations with countries have been held.  
  
  
  
  
  
Data Sources  
  
  
  
Description:  
  
See Table 1, above, for details on data sources used in the MMP database. For each incident recorded, the specific source of information is listed in the ‘Information Source’ variable, along with a link to the report if relevant, in the downloadable dataset available from mmp.iom.int/downloads.  
  
  
  
Collection process:  
  
Data is collected by IOM staff based at IOM’s Global Migration Data Analysis Centre and in its regional and country offices on an ongoing basis. This consists of (1) receiving information from the data sources listed in Table 1, above, when relevant; (2) monitoring online news and social media for relevant reports; and (3) verifying all incidents as discussed in the ‘quality assurance’ section above.  
  
  
  
Data Availability  
  
  
  
Description:  
  
The MMP is a global project, and as such collects data in all regions of the world. However, as mentioned throughout, the MMP data is only as strong as the data sources available, meaning that for remote geographies and developing countries less data tends to be available. Generally, MMP’s coverage is strongest in the Mediterranean and the US-Mexico border, whereas for the rest of the world data coverage is believed to be poor. However, coverage should not be equated with data quality, as for example in the case of the Mediterranean Sea many bodies are lost and consequently the data on gender and age of the decedents is highly incomplete.  
  
  
  
Time series:  
  
2014-present (ongoing data collection)  
  
  
  
Calendar  
  
  
  
Data collection:  
  
Ongoing (updated twice weekly)  
  
   
  
Data release:  
  
Data is updated on an ongoing basis and uploaded to missingmigrants.iom.int weekly, typically on Mondays and Thursdays.  
  
  
  
Data providers  
  
The MMP dataset does not disaggregate data at a country level, and no country currently collects and reports data on deaths during migration on its territories. Other data providers – including local authorities, NGOs, surveys with survivors and other sources – are outlined in Table 1 above.  
  
  
  
Data compilers  
  
International Organization for Migration  
  
  
  
References  
  
URL: missingmigrants.iom.int  
  
  
  
References:   
  
Singleton, A., F. Laczko and J. Black (2017) Measuring unsafe migration: the challenge of collecting accurate data on migrant fatalities. In Migration Policy Practice VII:4-9.  
  
See full list of publications on migrant deaths and disappearances at mmp.iom.int/publications.  
  
  
  
Related indicators  
  
Indicator 8.8.1 “Frequency rates of fatal and non-fatal occupational injuries, by sex and migrant status”;   
  
Indicator 8.8.2. “Level of national compliance of labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status”;   
  
Indicator 10.7.1. “Recruitment cost borne by employee as a proportion of yearly income earned in country of destination”;  
  
  
  
Indicator 10.c.1 “Remittance costs as a proportion of the amount remitted”  
  
Indicator 10.7.3 is also complementary to other national migration monitoring frameworks, including IOM’s Migration Governance Indicators (MGI). The MGI operates as a policy benchmarking framework and offers insights into policy levers that countries could use to further develop their migration governance. It contains nearly 90 questions with regards to countries’ national migration policies, which fall under the same six domains as indicator 10.7.2.

Last updated: 21 May 2020  
  
Goal 10: Reduce Inequality within and among countries  
  
Target 10.4: Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality   
  
Indicator 10.4.2: Redistributive impact of fiscal policy  
  
  
  
Institutional information  
  
  
  
Organization(s):  
  
The World Bank Group, Washington DC, USA  
  
  
  
  
  
CONCEPTS AND DEFINITIONS  
  
  
  
Definition:  
  
  
  
The Redistributive Impact of Fiscal Policy indicator is defined as the Gini coefficient of prefiscal per capita (or equivalized) income less the Gini coefficient of postfiscal per capita (or equivalized) income.  
  
  
  
Rationale:  
  
  
  
The Redistributive Impact of Fiscal Policy indicator demonstrates in an accounting framework the total amount by which current inequality is reduced or increased by the current execution of fiscal policy (including direct and indirect taxes; social insurance and old-age pension contributions; direct cash or near-cash transfers; and subsidies). For example, if the Redistributive Impact of Fiscal Policy is positive, that indicates that the net effect of Fiscal Policy is to reduce the Gini Coefficient from what it otherwise would be without Fiscal Policy (in an accounting sense, not as an economic counterfactual).   
  
  
  
Concepts:  
  
  
  
-Redistributive Impact of Fiscal Policy: defined as the Gini coefficient of prefiscal per capita (or equivalized) income less the Gini coefficient of postfiscal per capita (or equivalized) income. The recommendation is to calculate the Redistributive Impact of Fiscal Policy indicator as the Gini coefficient of prefiscal per capita (or equivalized) income less the Gini coefficient of Consumable per capita (or equivalized) income.  
  
  
  
There are two definitions of prefiscal income depending on assumptions regarding the nature of the public, contributory old-age pension system: 1) pensions as deferred income or 2) pensions as government transfers. Details are given below.  
  
  
  
-Gini coefficient: a commonly used measure of inequality capturing the statistical dispersion in the distribution of income or wealth over a population. A Gini coefficient of zero expresses perfect equality: that is, every individual in the population has the same income. A Gini coefficient of 1 expresses maximum inequality: that is, all income accrues to a single individual, and all other individuals have zero income.   
  
  
  
References: Gini, Corrado. (1936). "On the Measure of Concentration with Special Reference to Income and Statistics", Colorado College Publication, General Series No. 208, 73–79. Duclos, Jean-Yves and Abdelkrim Araar. (2006). Poverty and Equity. New York: Springer. Part II.  
  
  
  
-Per capita income: household income divided by the number of household members.  
  
  
  
-Equivalized income: household income divided by the square root of the number of household members. If a different definition is used, it should be noted in the reporting document.  
  
  
  
-Prefiscal income: the cumulative income accruing to an individual (or a household) from market and private sources only. The Redistributive Impact of Fiscal Policy indicator can be estimated with reference to two different prefiscal income concepts depending on assumptions regarding the nature of the public, contributory old-age pension system:   
  
  
  
Prefiscal income under the “pensions as deferred income” scenario: When incomes from public contributory old-age pension-system are counted as deferred market income and old-age pension-system contributions are counted as savings from current income (that is, the old-age pension system is treated as the equivalent of a mandatory savings program), prefiscal income is defined as an individual’s earned and unearned incomes from market and other private sources: wages, interest and dividend income; imputed income from owner-occupied housing and from consumption of own production; remittances; private transfers; old-age pension income from the public contributory pension system; and, less any contributions to the public old-age contributory pension system. In this case, the prefiscal income concept is called Market income plus pensions.  
  
  
  
Prefiscal income under the “pensions as government transfer” scenario: When incomes from current pension-system are counted as a government transfer and old age pension-system contributions are counted as a tax on current income, prefiscal income is defined as: wages, interest and dividend income; imputed income from owner-occupied housing and from consumption of own production; remittances; and private transfers only. In this case, the prefiscal income concept is called Market income.  
  
  
  
Reference: Lustig, Nora (ed). 2018. CEQ Handbook: Estimating the Impact of Fiscal Policy on Inequality and Poverty, CEQ Institute at Tulane University and Brookings Institution Press, Chapters 1 and 6. (This publication is open source and can be downloaded free of charge).  
  
  
  
-Postfiscal income: prefiscal income minus direct and indirect taxes plus transfers and indirect subsidies. The Redistributive Impact of Fiscal Policy indicator can be estimated with reference to two different postfiscal income concepts, Disposable Income and Consumable Income:   
  
  
  
Postfiscal incomes under the “pensions as deferred income” scenario:   
  
Disposable Income: prefiscal income less direct taxes paid and less social insurance contributions made to the public fiscal authority plus the monetary value of benefits received from public expenditures on direct cash or near-cash transfers.   
  
Consumable Income: prefiscal income less direct and indirect taxes paid and less social insurance contributions other than for old-age pensions made to the public fiscal authority plus the monetary value of benefits received from public expenditures on direct cash or near-cash transfers and subsidies.   
  
  
  
Postfiscal incomes under the “pensions as government transfer” scenario:   
  
Disposable Income: prefiscal income less direct taxes paid and less social insurance contributions and less contributory old-age pension contributions made to the public fiscal authority plus the monetary value of benefits received from public expenditures on direct cash or near-cash transfers including contributory pension system transfers.  
  
Consumable Income: prefiscal income less direct and indirect taxes paid and less social insurance contributions and less contributory old-age pension contributions made to the public fiscal authority plus the monetary value of benefits received from public expenditures on direct cash or near-cash transfers including contributory old-age pension system transfers and subsidies.   
  
  
  
Reference: Lustig, Nora (ed). 2018. CEQ Handbook: Estimating the Impact of Fiscal Policy on Inequality and Poverty, CEQ Institute at Tulane University and Brookings Institution Press, Chapters 1 and 6. (This publication is open source and can be downloaded free of charge).  
  
  
  
Comments and limitations:  
  
  
  
Reporting on assumptions: The choice of whether to report the Redistributive Impact of Fiscal Policy indicator under the pensions as deferred income or pensions as transfers scenario must be clearly indicated in the reporting document. For countries for which the data exist, prefiscal and postfiscal inequality should be calculated for both pension scenarios. Some may choose to use equivalized income instead of per capita income as the welfare indicator. This too should be clearly indicated in the reporting document. Once this decision is taken it should be maintained in subsequent years in order to assure comparability.  
  
  
  
Feasibility: The Redistributive Impact of Fiscal Policy indicator can be estimated for any country with a micro-data set detailing incomes or expenditures (or both) at the household or individual level and with a set of fiscal, administrative, or budgetary records detailing public expenditures at the program level and revenue collections at the revenue-collection instrument level.  
  
  
  
Suitability/Relevance: The Redistributive Impact of Fiscal Policy indicator provides a direct estimate of the current impact of fiscal policy on redistribution (of incomes). It therefore provides a direct estimate of progress on SDG Target 10.4: “Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.”   
  
  
  
Limitations: The Redistributive Impact of Fiscal Policy indicator does not address wage policy. It does not include the benefits of public provision of in-kind benefits, such as health, education, sanitation and housing services, which may have both present-day and longer-term impacts on present-day and future inequality.   
  
  
  
METHODOLOGY  
  
  
  
Computation Method:  
  
  
  
Prefiscal income can be derived from a nationally-representative micro-data set (an Income and Expenditure Survey, for example). Postfiscal income is estimated via the allocation of the tax burdens and the expenditure-based benefits that stem from fiscal policy (direct and indirect taxes, social contributions, direct cash and near-cash transfers, subsidies, et cetera). Procedures for constructing prefiscal and postfiscal income concepts and estimating their distribution from an underlying microdata set are detailed comprehensively in the CEQ Handbook, Lustig, op. cit.   
  
  
  
The Gini coefficient is calculated according to standard formulas for a (generalized) Gini coefficient (see, for example, Donaldson and Weymark (1980, 1983) or Yitzhaki (1983)):  
  
  
  
  
  
where X is a random variable of interest with mean μ(X), F(X) is its cumulative distribution function, υ is a parameter tuning the degree of ‘aversion to inequality’. The standard Gini corresponds to υ = 2. Cov is a Covariance estimate.  
  
  
  
Disaggregation:  
  
  
  
The Redistributive Impact of Fiscal Policy indicator can be shown separately for as many different subgroups as are represented in the survey or micro-data from which it is drawn: income subgroups; by gender, age group, ethnic grouping; geographic location; disability status, household size; household dependency ratios, and so on.   
  
  
  
Treatment of missing values:  
  
  
  
At country level: When a nationally representative micro-data set and/or country-level fiscal, budgetary, and administrative data are not available, the indicator cannot be generated. Budget and administrative data exists for every fiscal system but is not always public.   
  
At regional and global levels: Currently no regional or global aggregates exist for this indicator.   
  
  
  
Regional aggregates:  
  
  
  
Currently no regional or global aggregates exist for this indicator.   
  
  
  
Sources of discrepancies:  
  
  
  
Not applicable.   
  
  
  
Methods and guidance available to countries for the compilation of the data at the national level:  
  
  
  
A complete description of the methodology, recommendations, and guidelines behind the generation of the Redistributive Impact of Fiscal Policy indicator can be found in Lustig, Nora (ed). 2018. CEQ Handbook: Estimating the Impact of Fiscal Policy on Inequality and Poverty, CEQ Institute at Tulane University and Brookings Institution Press, Chapters 1 and 6. (This publication is open source and can be downloaded free of charge).  
  
  
  
This indicator can be calculated based on the current state of household surveys micro-data and budget administrative data.  
  
  
  
IMPLEMENTATION ARRANGEMENTS  
  
  
  
Data providers:  
  
  
  
 Ultimately the data providers are national-level statistical agencies for the micro-data sets and national-level fiscal agencies and bodies for budgetary and administrative data.   
  
   
  
 For high-income countries in the OECD, national estimates and indicators provided to the OECD will take precedence over Commitment to Equity indicators produced by either the WBG or the Commitment to Equity Institute.  
  
   
  
 For all other countries, estimates and indicators produced by the World Bank Group and/or the Commitment to Equity Institute will be considered.  
  
  
  
Quality assurance:  
  
  
  
In its role as custodian agency of the proposed indicator for SDG10.4, the World Bank Group is responsible for quality control of and quality assurance over all data submitted to the SDG Indicators Database, as well as the underlying analysis and documentation.  
  
  
  
In practice and taking advantage of the proposed partnership between the WBG, the Commitment to Equity Institute at Tulane University regarding the monitoring of the proposed indicator, the Institute will be responsible for quality control of and quality assurance over any Commitment to Equity Assessments generated according to the methodology described in Lustig, Nora (ed). 2018. CEQ Handbook: Estimating the Impact of Fiscal Policy on Inequality and Poverty, CEQ Institute at Tulane University and Brookings Institution Press) prepared by the Institute.   
  
  
  
Reporting requirements:  
  
  
  
The WBG will only submit information to the SDG Indicator Database on those Commitment to Equity Assessments meeting the following requirements:  
  
Information on both pre-fiscal and post-fiscal Gini is available  
  
Complete metadata is available  
  
WBG is able to replicate CEQ calculations and results  
  
  
  
While initially, reporting requierements contemplate that the post-fiscal Gini is reported for either consumable or disposable income, countries are encouraged to report both whenever possible and when this is not feasible in the short term to work towards reporting both indicators over time.   
  
  
  
WBG submissions to the SDG Indicator Database will indicate whether information has been prepared by the WBG, the Commitment to Equity Institute, or another agency (e.g. OECD for high-income countries).  
  
  
  
 Role of and coordination among data compilers  
  
   
  
 There will be three potential data compilers: the WBG, the Commitment to Equity Institutte and the OECD. Data compilers will be responsible for compiling the necessary information and documentation in ways that are compliant with the posting requirements described aboved as follows:  
  
 The WBG will compile information all Commitment to Equity Assessments conducted by WBG teams and by (non-OECD) national participants working independently. The focus of this exercise will be on assessments conducted in or after 2015.  
  
 The Commitment to Equity Institute will compile information on all Commitment to Equity Assessments conducted by the Institute. The Institute’s submissions to the WBG will include information on pre-fiscal and post-fiscal Gini, information needed to complete the necessary metadata, and do-files needed for replication.  
  
 The OECD will compile information on all fiscal assessments conducted by OECD high-income national participants.  
  
   
  
The WBG and the Commitment to Equity Institute will meet twice a year to review the reporting and submission process, exchange information on (new) methodological changes, and coordinate on further methodological innovation regarding the Commitment to Equity Assessment as needed. Similarly, the WBG and the Commitment to Equity Institute will meet twice a year with the OECD to review the reporting and submission process and exchange information methods and technical approaches for distraibutional analysis of fiscal policy.   
  
   
  
DATA SOURCES  
  
  
  
Description:  
  
  
  
The Redistributive Impact indicator requires a nationally representative micro-data set (a Household Budget Survey, for example, or and Income and Expenditure Survey) and fiscal or budgetary or administrative data on revenue collections, social expenditures, and subsidy expenditure.   
  
  
  
Collection process:  
  
  
  
Nationally representative micro-data sets are often collected and hosted by the national statistics agency. However, access to such data sets is frequently given by a different part of the administration (the Ministry of Finance, for example, or the Ministry of Development and Planning). Fiscal or budgetary or administrative data is occasionally available in unabridged summaries with enough detail at the program or policy level for the estimation of the indicator. More often, however, budgetary and administrative data is kept by the agency executing the program (so, for example, the Ministry of Education will keep data on its own fiscal-year expenditures).  
  
  
  
The validation process requires consultation with each of the ministries and agencies responsible for executing programmatic expenditures or revenue collections.  
  
  
  
DATA AVAILABILITY  
  
  
  
Description:  
  
  
  
Currently the Redistributive Impact indicator is available for at least one year in 82 countries across the following regions:   
  
East Asia and the Pacific: 9  
  
Europe and Central Asia: 17  
  
Latin America and the Caribbean: 18  
  
Middle East and North Africa: 6  
  
North America: 1  
  
South Asia: 5  
  
Sub-Saharan Africa: 26  
  
  
  
  
  
Time series:  
  
  
  
The Redistributive Impact indicator is currently for the most part available for single country/year pairs only. The earliest estimations of the Redistributive Impact indicator are for 2008-era data. The most recent estimations of the Redistributive Impact indicator are for 2015-era data. The only limitation to producing more frequent time series is the availability of more frequent household surveys. However, that is also a limitation faced by other SDG indicators.   
  
  
  
CALENDAR  
  
  
  
Data collection:  
  
  
  
 Source data collection follows the update cycle for country-specific micro-data sets as well as the audit cycle for fiscal year revenues and expenditures.   
  
   
  
Data release:  
  
   
  
 There is not yet a regularized new data release or update schedule for this indicator. The WBG would be the custodian of any international agreement committing individual countries to an update schedule.   
  
  
  
REFERENCES  
  
Lustig, Nora (ed). 2018. CEQ Handbook: Estimating the Impact of Fiscal Policy on Inequality and Poverty, CEQ Institute at Tulane University and Brookings Institution Press. commitmentoequity.org/publications-ceq-handbook (open source; available online free of charge).  
  
  
  
All existing country-specific CEQ Assessments listed here:  
  
commitmentoequity.org/publications-ceqworkingpapers/   
  
  
  
RELATED INDICATORS  
  
Not applicable  
  
  
  
  
  
  
  
  
1

Last updated: November 2018  
  
  
  
Goal 10: Reduce inequality within and among countries  
  
Target 10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status  
  
Indicator: 10.2.1 Proportion of people living below 50 per cent of median income, by sex, age and persons with disabilities  
  
  
  
Institutional information  
  
  
  
Organization(s):  
  
World Bank (WB)  
  
  
  
Concepts and definitions  
  
  
  
Definition:  
  
The proportion of people living below 50 percent of median income (or consumption) is the share (%) of a country’s population living on less than half of the consumption/income level of the median of the national income/consumption distribution.   
  
  
  
Rationale:  
  
Addressing social inclusion and inequality is important on the global development agenda as well as on the national development agenda of many countries. The share of the population living below 50% of median national income is a measure that is useful for monitoring the level and trends in social inclusion, relative poverty and inequality within a country.   
  
  
  
The share of people living below 50% of the median is an indicator of relative poverty and inequality of the income distribution within a country. This indicator and similar relative measures are commonly used for poverty measurement in rich countries (including Organization for Economic Cooperation and Development’s (OECD) poverty indicators and Eurostat’s indicators of risk of poverty or social exclusion) and are increasingly also used as a complementary measure of inequality and poverty in low- and middle- income countries.   
  
  
  
Concepts:  
  
The indicator is measured using per capita welfare measure of consumption or income. The indicator is calculated by estimating the share of the population in a country living on less than 50% of median of the national distribution of income or consumption, as estimated from survey data.   
  
  
  
Per capita income or consumption is estimated using total household income or consumption divided by the total household size. Total disposable income or total consumption from both market and non-market sources is the desired welfare vector used.   
  
  
  
The estimation relies on on the same harmonized welfare vectors (distributions) that are used for 10.1.1 and 1.1.1. Using the same data and closely related methodologies ensures internal consistency across these closely related indicators. The data is available through PovcalNet, the World Bank’s online tool for reporting global poverty and inequality numbers. For details on concepts and standards, refer to documentation available on the PovcalNet website.   
  
  
  
The methodology entails measuring the share of people living below 50% of national median. A threshold set at 50% of the median of the income or consumption is used to derive a headcount rate, similar to how monetary poverty is typically measured. The national median is readily available from the distributional data in PovcalNet. The measurement follows a two-step process of first estimating half of the national median income (or consumption) and then the share of people living below this relative threshold.  
  
  
  
The indicator uses the same data on household income and consumption that is used for monitoring SDG indicators 1.1.1 and 10.1.1, which have been classified as Tier 1 indicators. The methodology and data are similar to that used in measuring international poverty, which has been tested and vetted over many years, including for the purpose of monitoring MDG 1. It is also closely related to a large literature of relative poverty measurement.   
  
  
  
Comments and limitations:  
  
Like for poverty rates (SDG 1.1.1) and growth in household incomes across the distribution (SDG 10.1.1), estimates are based on income or consumption data collected in household surveys, led by NSOs. Many of the same data quality issues applying to those indicators apply here, some of which are summarized below:  
  
  
  
Data is collected with great heterogeneity and ex-post harmonization will always face limitations. Similar surveys may not be strictly comparable because of differences in timing, sampling frames, or the quality and training of enumerators. Comparisons of countries at different levels of development also pose problems because of differences in the relative importance of the consumption of nonmarket goods. The local market value of all consumption in kind (including own production, particularly important in underdeveloped rural economies) should be included in total consumption expenditure, but in practice are often not. Most survey data now include valuations for consumption or income from own production, but valuation methods vary.   
  
  
  
Estimating the share of people living below 50% of the national median is less sensitive to comparability limitations than estimates of international poverty. The relative nature of the threshold (a function of the distribution median) means that it is not sensitive price differences across time and countries. Appropriately adjusting for price differences is a major challenger in absolute poverty measurement.   
  
  
  
Methodology  
  
  
  
Computation Method:  
  
The indicator is measured using the national distribution per capita measure of consumption or income, as derived from surveys. The indicator is calculated by estimating the share (in percent) of the population living on less than 50% of median of the national distribution of income or consumption. The median is estimate from the same distribution as the indicator is estimated from, thus the 50% of median threshold will vary over time.   
  
  
  
Per capita income or consumption is estimated using total household income or consumption divided by the total household size.   
  
  
  
  
  
Disaggregation:  
  
The World Bank is working to improve the methodology and disaggregation of poverty and inequality measures by subgroups. Until methodological issues are resolved, disaggregation below the country level will not be addressed.   
  
  
  
Treatment of missing values:  
  
At country level  
  
No gap filling is done to report national numbers.   
  
  
  
At regional and global levels  
  
This is a country specific indicator and no aggregation is currently planned. Aggregation could be carried out in the same as for SDG 1.1.1, with alignment of estimates to reference years. This requires assumption of distribution neutral growth between survey estimates and reference years.   
  
  
  
Regional aggregates:  
  
This is a country specific indicator and no aggregation is currently planned. Aggregation could be carried out in the same as for SDG 1.1.1, with alignment of estimates to reference years.  
  
  
  
Sources of discrepancies:  
  
The harmonization of welfare vectors to per capita standards can lead to differences with nationally estimated welfare vectors which may use other adjustments of the welfare vector.   
  
  
  
Methods and guidance available to countries for the compilation of the data at the national level:  
  
Guidance is the same as for collection of income and consumption of poverty data, for which the World Bank has published several hand books and manuals. A useful reference is also the “Report of the World Bank on poverty statistics” submitted to the Forty-ninth session of the UN Statistical Commission.   
  
  
  
Quality assurance  
  
Within the World Bank, the Global Poverty Working Group (GPWG) is in charge of the collection, validation of income and consumption survey data used in estimation. GPWG archives the datasets obtained from NSOs and then harmonizes them, applying common methodologies. The objective of the GPWG is to ensure that poverty and inequality data generated, curated, and disseminated by the World Bank are up to date, meet high-quality standards, and are well documented and consistent across dissemination channels. Members of GPWG generate and update the estimates for the proportion of population below the international poverty line using raw data typically provided by country governments. World Bank country staff works in close collaboration with national statistical authorities on the data collection and dissemination process.   
  
  
  
Data Sources  
  
  
  
Description:  
  
Data of income or consumption comes from nationally representative household surveys or assessments of income or consumption distributions, typically carried out and overseen by National Statistical Offices (NSOs). After some quality control and harmonization the data is available through PovcalNet, the World Bank online tool for global poverty and inequality measurement.   
  
  
  
  
  
Collection process:  
  
NSOs typically lead survey efforts for data collection at the country level. Within the World Bank, the Global Poverty Working Group (GPWG) oversees the collection, validation of income and consumption survey data used in estimation. GPWG archives the datasets obtained from NSOs and harmonizes them, applying common methodologies to ensure comparability, before estimation.   
  
  
  
Data Availability  
  
  
  
Description:  
  
As of 2018, data is readily available on 163 countries, and the methodology is building on well-established practice used in international poverty measurement tested over many years. Estimates for the particular indicator have now been tested and validated and data are ready to be reported for all countries for which we report data for 1.1.1.  
  
  
  
Time series:  
  
The database ranges from 1978 to 2017 and is updated up to twice a year.   
  
  
  
Calendar  
  
  
  
Data collection:  
  
Source collection is ongoing by the Global Poverty Working Group of the World Bank. The calculation of new poverty numbers using updated source data normally takes place from May to September every year.   
  
   
  
Data release:  
  
The World Bank Group is committed to updating the poverty data every year.   
  
  
  
  
Data providers  
  
The World Bank typically receives data from National Statistical Offices (NSOs) directly. In other cases it uses NSO data received indirectly. For example, it receives data from Eurostat and from LIS (Luxemburg Income Study), who provide the World Bank NSO data they have received / harmonized. The Universidad Nacional de La Plata, Argentina and the World Bank jointly maintain the SEDLAC (Socio-Economic Database for Latin American and Caribbean) database that includes harmonized statistics on poverty and other distributional and social variables from 24 Latin American and Caribbean countries, based on microdata from household surveys conducted by NSOs.  
  
  
  
Data is obtained through country specific programs, including technical assistance programs and joint analytical and capacity building activities. The World Bank has relationships with NSOs on work programs involving statistical systems and data analysis. Poverty economists from the World Bank typically engage with NSOs broadly on poverty measurement and analysis as part of technical assistance activities.   
  
  
  
Data compilers  
  
Within the World Bank, the Global Poverty Working Group (GPWG) is in charge of the collection and validation of income and consumption survey data used in estimation. GPWG archives the datasets obtained from NSOs and then harmonizes them, applying common methodologies. The objective of the GPWG is to ensure that poverty and inequality data generated, curated, and disseminated by the World Bank are up to date, meet high-quality standards, and are well documented and consistent across dissemination channels. Members of GPWG generate and update the estimates for the proportion of population below 50 percent of national median, using raw data typically provided by country governments. The raw data are obtained by poverty economists through their contacts in the NSOs, and checked for quality before being submitted for further analysis. The raw data can be unit-record survey data, or grouped data, depending on the agreements with the country governments. In most cases, the welfare aggregate, the essential element for estimation, is generated by the country governments. Sometimes, the World Bank has to construct the welfare aggregate or adjust the aggregate provided by the country for the purpose of harmonization and comparability.   
  
  
  
References  
  
PovcalNet, World Bank - http://iresearch.worldbank.org/PovcalNet. The World Bank’s online tool for analysis of income and consumption data.   
  
  
  
UN. 2018. Report of the World Bank on poverty statistics. Statistical Commission Statistical Commission  
  
Forty-ninth session.   
  
https://unstats.un.org/unsd/statcom/49th-session/documents/2018-23-Poverty-E.pdf  
  
  
  
For a comprehensive link to related background papers, working papers and journal articles see: http://iresearch.worldbank.org/PovcalNet/index.htm?0,4   
  
  
  
The following two documents provide key information on  
  
  
  
A Measured Approach to Ending Poverty and Boosting Shared Prosperity: Concepts, Data, and the Twin Goals. (http://www.worldbank.org/en/research/publication/a-measured-approach-to-ending-povertyand-boosting-shared-prosperity)  
  
  
  
Ferreira, Francisco H. G.; Chen, Shaohua; Dabalen, Andrew L.; Dikhanov, Yuri M.; Hamadeh, Nada; Jolliffe, Dean Mitchell; Narayan, Ambar; Prydz, Espen Beer; Revenga, Ana L.; Sangraula, Prem; Serajuddin, Umar; Yoshida, Nobuo. 2015. A global count of the extreme poor in 2012 : data issues, methodology and initial results (English). Policy Research working paper; no. WPS 7432. Washington, D.C. : World Bank Group.   
  
  
  
Related indicators as of February 2020  
  
Indicator 1.1.1: Proportion of population below the international poverty line, by sex, age, employment status and geographical location (urban/rural)  
  
  
  
Indicator 10.1.1: Growth rates of household expenditure or income per capita among the bottom 40 per cent of the population and the total population

Last updated: September 2019  
  
Goal 10: Reduce inequality within and among countries  
  
Target 10.7: Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies  
  
Indicator 10.7.2: Number of countries with migration policies to facilitate orderly, safe, regular and responsible migration and mobility of people  
  
  
  
Institutional information  
  
  
  
Organization(s):  
  
International Organization for Migration (IOM) and United Nations Department of Economic and Social Affairs (DESA) as custodian agencies  
  
Organisation for Economic Co-operation and Development (OECD) as partner agency  
  
  
  
Concepts and definitions  
  
  
  
Definition:  
  
SDG Indicator 10.7.2 aims to describe the state of national migration policies and how such policies change over time. The information collected seeks to identify both progress made and gaps, thus contributing to the evidence base for actionable recommendations for the implementation of SDG target 10.7. The indicator also serves for the future thematic reviews at the High-level Political Forum on Sustainable Development (HLPF).   
  
  
  
The conceptual framework for indicator 10.7.2 is IOM´s Migration Governance Framework (MiGOF), which was welcomed by 157 countries (IOM Council Resolution C/106/RES/1310). The MiGOF has three principles and three objectives (figure 1).   
  
  
  
Figure 1. Principles and objectives of the Migration Governance Framework  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
The three principles propose the necessary conditions for migration to be well-managed by creating a more effective environment for maximized results for migration to be beneficial to all. These represent the means through which a State can ensure that the systemic requirements for good migration governance are in place.   
  
  
  
The three objectives are specific and do not require any further conventions, laws or practices than the ones that are already existing. Taken together, these objectives ensure that migration is governed in an integrated and holistic way, responding to the need to consider mobile categories of people and address their needs for assistance in the event of an emergency, building resilience of individuals and communities, as well as ensuring opportunities for the economic and social health of the State.  
  
  
  
In line with the MiGOF, the proposed methodology for SDG indicator 10.7.2 is comprised of six policy domains, with one proxy measure for each domain (table 1).   
  
Table 1. Domains and proxy measures for SDG indicator 10.7.2  
  
  
  
Domain  
  
Proxy measure  
  
1.  
  
Migrant rights  
  
Degree to which migrants have equity in access to services, including health care, education, decent work, social security and welfare benefits  
  
2.  
  
Whole-of-government/ Evidence-based policies  
  
Dedicated institutions, legal frameworks and policies or strategies to govern migration  
  
3.  
  
Cooperation and partnerships  
  
Government measures to foster cooperation and encourage stakeholder inclusion and participation in migration policy  
  
4.  
  
Socioeconomic well-being  
  
Government measures to maximize the positive development impact of migration and the socioeconomic well-being of migrants  
  
5.  
  
Mobility dimensions of crises  
  
Government measures to deliver comprehensive responses to refugees and other forcibly displaced persons  
  
6.  
  
Safe, orderly and regular migration   
  
Government measures to address regular or irregular immigration  
  
  
  
For each of the domains and corresponding proxy measures, one question was specified, each one of them informed by five sub-categories or responses (table 2), to capture key aspects of the range of migration policies at the national level, while allowing the indicator to detect relevant variations across countries and over time.  
  
Table 2. Questions and sub-categories for SDG indicator 10.7.2  
  
  
  
Question  
  
Sub-categories  
  
Domain 1:  
  
Does the Government provide non-nationals equal access to the following services, welfare benefits and rights?  
  
a. Essential and/or emergency health care  
  
b. Public education  
  
c. Equal pay for equal work   
  
d. Social security  
  
e. Access to justice  
  
Domain 2:  
  
Does the Government have any of the following institutions, policies or strategies to govern immigration or emigration?  
  
a. A dedicated Government agency to implement national migration policy  
  
b. A national policy or strategy for regular migration pathways, including labour migration  
  
c. A national policy or strategy to promote the inclusion or integration of immigrants  
  
d. Formal mechanisms to ensure that the migration policy is gender responsive  
  
e. A mechanism to ensure that migration policy is informed by data, appropriately disaggregated  
  
Domain 3:  
  
Does the Government take any of the following measures to foster cooperation among countries and encourage stakeholder inclusion and participation in migration policy?  
  
a. An inter-ministerial coordination mechanism on migration  
  
b. Bilateral agreements on migration, including labour migration   
  
c. Regional agreements promoting mobility  
  
d. Agreements for cooperation with other countries on return and readmission  
  
e. Formal mechanisms to engage civil society and the private sector in the formulation and implementation of migration policy  
  
Domain 4:  
  
Does the Government take any of the following measures to maximize the positive development impact of migration and the socioeconomic well-being of migrants?  
  
a. Align, through periodic assessments, labour migration policies with actual and projected labour market needs  
  
b. Facilitate the portability of social security benefits  
  
c. Facilitate the recognition of skills and qualifications acquired abroad  
  
d. Facilitate or promote the flow of remittances  
  
e. Promote fair and ethical recruitment of migrant workers  
  
Domain 5:  
  
Does the Government take any of the following measures to respond to refugees and other persons forcibly displaced across international borders?  
  
a. System for receiving, processing and identifying those forced to flee across international borders  
  
b. Contingency planning for displaced populations in terms of basic needs such as food, sanitation, education and medical care  
  
c. Specific measures to provide assistance to citizens residing abroad in countries in crisis or post-crisis situations   
  
d. A national disaster risk reduction strategy with specific provisions for addressing the displacement impacts of disasters  
  
e. Grant permission for temporary stay or temporary protection for those forcibly displaced across international borders and those unable to return  
  
Domain 6:  
  
Does the Government address regular or irregular immigration through any of the following measures?  
  
a. System to monitor visa overstays  
  
b. Pre-arrival authorization controls  
  
c. Provisions for unaccompanied minors or separated children  
  
d. Migration information and awareness-raising campaigns  
  
e. Formal strategies to address trafficking in persons and migrant smuggling  
  
  
  
Rationale:  
  
The main goal of the proposed methodology is to formulate a clear and simple indicator based on an existing data source which can produce meaningful, actionable and timely information on key trends and gaps in relation to migration policies to facilitate orderly, safe, regular and responsible migration and mobility of people (figure 2). The proposed indicator can be used as a synthetic measure for monitoring of SDG target 10.7 and is complementary to other national migration monitoring frameworks, including IOM’s Migration Governance Indicators (MGI).  
  
Figure 2. Scope and limitations of the proposed indicator  
  
  
  
SDG indicator 10.7.2  
  
SDG indicator 10.7.2  
  
  
  
Document the existence and range of migration policies at the country level  
  
Monitor progress across comparable policy domains  
  
Document policy gaps, allowing to identify countries in need of capacity building  
  
Reflect the different realities of countries of origin, transit and destination  
  
DOES:  
  
Serve as a national monitoring framework for migration policies  
  
Provide an exhaustive picture of migration policies  
  
Address the implementation of migration policies  
  
Assess the impact or effectiveness of migration policies  
  
DOES NOT:  
  
Document the existence and range of migration policies at the country level  
  
Monitor progress across comparable policy domains  
  
Document policy gaps, allowing to identify countries in need of capacity building  
  
Reflect the different realities of countries of origin, transit and destination  
  
DOES:  
  
Serve as a national monitoring framework for migration policies  
  
Provide an exhaustive picture of migration policies  
  
Address the implementation of migration policies  
  
Assess the impact or effectiveness of migration policies  
  
DOES NOT:  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
Concepts:  
  
SDG target 10.7 is broad in scope and many, but not all, of the terms are well defined. The IOM Glossary on Migration provides a definition of key concepts such as orderly and regular migration, but not others such as safe and responsible migration. According to the Glossary, orderly migration refers to “the movement of a person from his/her usual place of residence, in keeping with the laws and regulations governing exit of the country of origin and travel, transit and entry into the host country”. Regular is defined as “migration that occurs through recognized, legal channels”.   
  
  
  
While the concept of “well-managed migration policies” is not explicitly defined, according to the IOM Glossary, it is included in references to migration management, migration governance and facilitated migration. Migration management refers to the planned approach to the development of policy, and legislative and administrative responses to key migration issues. Migration governance is defined as a system of institutions, legal frameworks, mechanisms and practices aimed at regulating migration and protecting migrants. Facilitated migration refers to fostering or encouraging regular migration, for example through streamlined visa application process.  
  
  
  
Comments and limitations:  
  
Developing a synthetic, robust indicator with the breadth and scope of target 10.7 as formulated in the 2030 Agenda for Sustainable Development is challenging. As co-custodians of indicator 10.7.2, UN DESA and IOM recognize that the indicator is neither expected nor designed to be comprehensive (figure 2); hence the importance of other, complementary tools such as IOM’s Migration Governance Indicators (MGI) Project.1  
  
  
  
  
Methodology  
  
  
  
Computation Method:  
  
The indicator includes a total of 30 sub-categories, under 6 questions/domains. All sub-categories, except for those under domain 1, have dichotomous “Yes/No” answers, coded “1” for “Yes” and “0” for “No”. For the sub-categories under domain 1, there are three possible answers: “Yes, regardless of immigration status”, coded “1”; “Yes, only for those with legal immigration status”, coded “0.5”; and “No” coded “0”.  
  
  
  
For each domain, the computational methodology is the unweighted average of the values across sub-categories :  
  
 100  
  
  
  
Where refers to the value for domain i; refers to the sum of the values across sub-categories (indexed by j) under domain i; and n refers to the total number of sub-categories in a domain (n=5). Results are reported as percentages. For each domain, values of range from a minimum of 0 to a maximum of 100 per cent.  
  
  
  
The overall summary indicator 10.7.2 for a country is obtained by computing the unweighted average of the values of the 30 sub-categories under the six domains, with values ranging between 0 and 100 per cent.   
  
  
  
For ease of interpretation and to summarize results, the resulting country-level averages (for the overall indicator and by domain) are then categorized as follows: values of less than 40 are coded as “Requires further progress”; values of 40 to less than 80 are coded as “Partially meets”, values of 80 to less than 100 are coded as “Meets”; and values of 100 are coded as “Fully meets”.   
  
  
  
Disaggregation:  
  
Six policy domains: (i) migrant rights; (ii) whole-of-government/evidence-based policies; (iii) cooperation and partnerships; (iv) socioeconomic well-being; (v) mobility dimensions of crises; and (vi) safe, orderly and regular migration.  
  
  
  
Treatment of missing values:  
  
  
  
At country level  
  
To ensure comparability of the indicator across countries and over time, missing values are assigned a value of “0”.   
  
At regional and global levels  
  
Not imputed.  
  
  
  
Regional aggregates:  
  
The regional and global aggregates are calculated and reported as the proportion of countries in that region (or globally) that “Require further progress”, “Partially meet” and “Meet or fully meet” target 10.7 as conceptualized and measured by indicator 10.7.2, among those that responded to the Inquiry module on international migration. The regional and global aggregates can be presented for both the overall indicator and by domain.   
  
  
  
Sources of discrepancies:  
  
No discrepancies are envisaged, since data are collected through the UN Inquiry among Governments on Population and Development (the “Inquiry”), directly from Governments.   
  
  
  
Methods and guidance available to countries for the compilation of the data at the national level:  
  
The Inquiry questionnaire includes guidance, definitions and instructions. UN DESA, IOM and OECD are available to respond to country queries and provide further clarifications. In addition, IOM and OECD have identified focal points/country offices available to assist with the implementation of the Inquiry at the country level. To facilitate responses and to accommodate requests for material in different languages, the survey tool was translated into the six official languages of the UN (Arabic, Chinese, English, French, Russian and Spanish).  
  
No new international recommendations and guidelines are proposed. As noted in the previous paragraphs, the methodology is based on an IOM Council resolution regarding the Migration Governance Framework, and an existing data collection mechanism, the Inquiry, mandated by the UN General Assembly.   
  
  
  
Quality assurance  
  
Answers to the Inquiry are provided and validated directly by responding government entities. UN DESA, with support from IOM and OECD as needed, carried out basic consistency checking. Any inconsistencies are flagged to national counterparts for resolution.   
  
Since the indicator is informed directly by country responses to the Inquiry, no additional consultation process with countries on the national data submitted to the SDGs Indicators Database is envisaged.   
  
  
  
Data Sources  
  
  
  
Description:  
  
The source of data is the UN Inquiry among Governments on Population and Development, which has been used to survey global population policies since 1963, including policies on international migration. The Inquiry is mandated by the General Assembly in its resolution 1838 (XVII) of 18 December 1962. The Inquiry consists mostly of multiple-choice questions. The Twelfth Inquiry is divided into three thematic modules: Module I on population ageing and urbanization; Module II on fertility, family planning and reproductive health; and Module III on international migration. Module III of the Twelfth Inquiry has been updated to include core questions for all the six migration policy domains mentioned above.   
  
  
  
Collection process:  
  
The Inquiry is conducted on behalf of the Secretary-General and is sent to all Permanent Missions in New York: 193 Member States, 2 observer States, and 2 non-member States. As per past practice, the Permanent Missions redirect the three thematic modules of the Inquiry to the relevant line ministries or government departments who are tasked with answering the questions. The Inquiry modules can be completed either through an online questionnaire or a fillable questionnaire in PDF. Countries responses are transmitted back to UN DESA for basic consistency checking. The data are then compiled/integrated into the World Population Policies database. The results of the Inquiry are disseminated though the database, updated every two years.   
  
  
  
As part of the collaboration on SDG indicator 10.7.2, IOM assisted in garnering country responses to Module III by following up through its respective country or regional counterparts. OECD, as partner agency for this indicator, supported these efforts for its member countries. The collaboration increased response rates from countries and improved the quality of the data.   
  
  
  
The data are to be collected biennially, to ensure that there is sufficient information to monitor progress in the achievement of the target. This will also allow for gathering benchmark data twice within each HLPF 4-year cycle.  
  
  
  
No adjustments to standard classifications are envisioned.   
  
  
  
Data Availability  
  
  
  
Description:  
  
Thirty countries were invited to take part in a pilot of the proposed methodology for indicator 10.7.2; six from each of the UN regional commissions. Ten countries responded to the pilot: Cote d'Ivoire; Democratic Republic of the Congo; Finland; France; Lesotho; Lithuania; Mexico; Morocco; Sweden and Yemen. Results of the pilot are presented in the addendum “Methodology development narrative”.  
  
  
  
As of 1 September 2019, 111 Governments had provided data on SDG indicator 10.7.2 through Module III of the Twelfth Inquiry; equivalent to 56 per cent of all countries globally. Coverage of the indicator by SDG region is uneven. In terms of country coverage, four regions (Europe and Northern America, Northern Africa and Western Asia, Oceania and sub-Saharan Africa) had data available for 50 per cent or more of countries. In terms of the population coverage, five regions (Eastern and South-Eastern Asia, Europe and Northern America, Latin America and the Caribbean, Oceania and sub-Saharan Africa) meet the 50 per cent criterion. For Central and Southern Asia, both country coverage and population coverage are below 50 per cent.  
  
  
  
Table 3. Coverage of module III of the Inquiry  
  
  
  
  
  
SDG region  
  
Number of countries that provided data  
  
Country coverage  
  
Population coverage  
  
Total number of countries by region  
  
Sub-Saharan Africa  
  
33  
  
69%  
  
76%  
  
48  
  
Northern Africa and Western Asia  
  
12  
  
50%  
  
40%  
  
24  
  
Central and Southern Asia  
  
5  
  
36%  
  
12%  
  
14  
  
Eastern and South-Eastern Asia  
  
7  
  
44%  
  
81%  
  
16  
  
Latin America and the Caribbean  
  
14  
  
42%  
  
83%  
  
33  
  
Oceania  
  
9  
  
56%  
  
99%  
  
16  
  
Europe and Northern America  
  
31  
  
67%  
  
62%  
  
46  
  
World  
  
111  
  
56%  
  
57%  
  
197  
  
  
  
Time series:  
  
At present there is no historical time series for this indicator.  
  
  
  
Calendar  
  
  
  
Data collection:  
  
Data will be collected and compiled every two years starting in 2018.  
  
  
  
Data release:  
  
Fourth quarter of 2019.   
  
  
  
Data providers  
  
Governments of 193 Member States, 2 observer States, and 2 non-member States.  
  
  
  
Data compilers  
  
UN DESA, IOM and OECD.   
  
  
  
References  
  
  
  
URL:   
  
UN DESA : http://www.un.org/en/development/desa/population/index.shtml   
  
IOM : https://www.iom.int/   
  
OECD : http://www.oecd.org/migration/  
  
  
  
References:  
  
Migration Governance Framework (MiGOF): https://www.iom.int/sites/default/files/about-iom/migof\_brochure\_a4\_en.pdf  
  
UN Inquiry among Governments on Population and Development: https://esa.un.org/PopPolicy/Inquiry.aspx  
  
  
  
Related indicators as of February 2020  
  
  
  
Indicator 10.7.2 is complementary to several related SDGs indicators. These include, but are not limited to:   
  
Indicator 8.8.1 “Frequency rates of fatal and non-fatal occupational injuries, by sex and migrant status”;  
  
Indicator 8.8.2. “Level of national compliance of labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status”;  
  
Indicator 10.7.1. “Recruitment cost borne by employee as a proportion of yearly income earned in country of destination”;  
  
Indicator 10.c.1 “Remittance costs as a proportion of the amount remitted”.  
  
  
  
Indicator 10.7.2 is also complementary to other national migration monitoring frameworks, including IOM’s MGI, which entered its third phase in 2018. The MGI operates as a policy benchmarking framework and offers insights into policy levers that countries could use to further develop their migration governance. It contains nearly 90 questions with regards to countries’ national migration policies, which fall under the same six domains as indicator 10.7.2.

**Social inequality**



[World map showing the List of countries by](https://en.wikipedia.org/w/index.php?title=List_of_countries_by_in_Development_Index&action=edit&redlink=1) [in Development Index in 2014. This index](https://en.wikipedia.org/w/index.php?title=List_of_countries_by_in_Development_Index&action=edit&redlink=1) captures the Human Development of the average person in society, which is less than when there is inequality in the distribution of health, education and income.

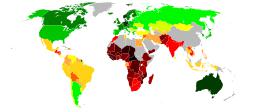
**Social inequality** occurs when resources in a given society are distributed unevenly,typically through [norms](https://en.wikipedia.org/wiki/Norm_(social)) of allocation, that engender specific patterns along lines of socially defined categories of persons. It is the differentiation preference of access of social goods in the society brought about by power, religion, kinship, prestige, race, ethnicity, gender, age, sexual orientation, and class. The social rights include labor market, the source of income, health care, and freedom of speech, education, [political representation, and participation.](https://en.wikipedia.org/wiki/Economic_inequality)[[1]](#page12) [Social inequality linked to economic](https://en.wikipedia.org/wiki/Economic_inequality) [inequality, usually described on the basis of the](https://en.wikipedia.org/wiki/Economic_inequality) [unequal distribution of income](https://en.wikipedia.org/wiki/Income_inequality) [or](https://en.wikipedia.org/wiki/Economic_inequality) [wealth,](https://en.wikipedia.org/wiki/Wealth) is a frequently studied type of social inequality. Although the disciplines of [economics](https://en.wikipedia.org/wiki/Economics) and [sociology](https://en.wikipedia.org/wiki/Sociology) generally use different theoretical approaches to examine and explain economic inequality, both fields are actively involved in [researching](https://en.wikipedia.org/wiki/Researching) this inequality. However, social and natural resources other than purely economic [resources are also unevenly distributed in most societies and may contribute to social](https://en.wikipedia.org/wiki/Social_status) [status. Norms of allocation can also affect the distribution of](https://en.wikipedia.org/wiki/Social_status) [rights](https://en.wikipedia.org/wiki/Rights) [and](https://en.wikipedia.org/wiki/Social_status) [privileges,](https://en.wikipedia.org/wiki/Privilege_(social_inequality)) [social power,](https://en.wikipedia.org/wiki/Power_(social_and_political)) access to [public goods](https://en.wikipedia.org/wiki/Public_goods) such as [education](https://en.wikipedia.org/wiki/Education) or the [judicial system,](https://en.wikipedia.org/wiki/Judiciary) adequate [housing,](https://en.wikipedia.org/wiki/Housing_inequality) [transportation,](https://en.wikipedia.org/wiki/Transportation) [credit](https://en.wikipedia.org/wiki/Credit_(finance)) and [financial services](https://en.wikipedia.org/wiki/Financial_services) such as [banking](https://en.wikipedia.org/wiki/Banking) and other social [goods](https://en.wikipedia.org/wiki/Good_(economics)) and [services.](https://en.wikipedia.org/wiki/Service_(economics))



A luxury building towers over a low-income neighbourhood in Vilnius, Lithuania (2017)



Many societies worldwide claim to be [meritocracies—that](https://en.wikipedia.org/wiki/Meritocracy) is, that their societies exclusively distribute resources on the basis of merit. The term "meritocracy" was coined by [Michael Young](https://en.wikipedia.org/wiki/Michael_Young,_Baron_Young_of_Dartington) in his 1958 dystopian essay ["The Rise of the Meritocracy"](https://en.wikipedia.org/wiki/The_Rise_of_the_Meritocracy) to demonstrate the social dysfunctions that he anticipated arising in societies where the elites believe that they are successful entirely on the basis of merit, so the adoption of this term into English without negative connotations is ironic;[[2]](#page12) Young was concerned [that the Tripartite System of education being practiced in the United](https://en.wikipedia.org/wiki/United_Kingdom) [Kingdom at the time he wrote the essay considered merit to be](https://en.wikipedia.org/wiki/United_Kingdom) "intelligence-plus-effort, its possessors ... identified at an early age and selected for appropriate intensive education" and that the "obsession with quantification, test-scoring, and qualifications" it supported would create an educated middle-class elite at the expense of the education of the working class, inevitably resulting in injustice and – eventually –



revolution.[[3]](#page12) A modern representation of the sort of "meritocracy" Young feared may be seen in the series [*3%*](https://en.wikipedia.org/wiki/3%25).



Although merit matters to some degree in many societies, research shows that the distribution of resources in societies often follows hierarchical social categorizations of persons to a degree too significant to warrant calling these societies "meritocratic", since even exceptional intelligence, talent, or other forms of merit may not be compensatory for the social disadvantages people face. In many cases, social inequality is linked to racial inequality, ethnic inequality, and gender inequality, as well as other social statuses and these forms can be related to corruption.[[4]](#page12)

The most common metric for comparing social inequality in different nations is the Gini coefficient, which measures the concentration of wealth and income in a nation from 0 (evenly distributed wealth and income) to 1 (one person has all wealth and income). Two nations may have identical Gini coefficients but dramatically different economic (output) and/or quality of life, so

the Gini coefficient must be contextualized for meaningful comparisons to be made.[[5]](#page12)

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**Overview**



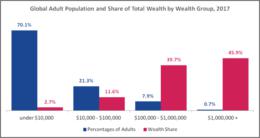
Social inequality is found in almost every society. Social inequality is shaped by a range of structural factors, such as geographical location or citizenship status, and are often underpinned by cultural discourses and identities defining, for example, whether the poor are 'deserving' or 'undeserving'.[[6]](#page12) In simple societies, those that have few social roles and statuses occupied by its members, social inequality may be very low. In [tribal](https://en.wikipedia.org/wiki/Tribal) societies, for example, a tribal head or chieftain may hold some privileges, use some tools, or wear marks of office to which others do not have access, but the daily life of the chieftain is very much like the daily life of any other tribal member. [Anthropologists](https://en.wikipedia.org/wiki/Anthropologist) identify such highly egalitarian cultures as ["kinship](https://en.wikipedia.org/wiki/Kinship)-oriented", which appear to value social harmony more than wealth or status. These cultures are contrasted with materially oriented cultures in which status and wealth are prized and competition and conflict are common. Kinship-oriented cultures may actively work to prevent [social hierarchies](https://en.wikipedia.org/wiki/Dominance_hierarchy) from developing because they believe that could lead to conflict and instability.[[7]](#page12) In today's world, most of our population lives in more complex than simple societies. As [social complexity](https://en.wikipedia.org/wiki/Social_complexity) increases, inequality



tends to increase along with a widening gap between the poorest and the most wealthy members of society.[[4]](#page12)

Social inequality can be classified into egalitarian societies, ranked society, and stratified society.[[8]](#page12) Egalitarian societies are those communities advocating for social equality through equal opportunities and rights, hence no discrimination. People with special skills were not viewed as superior compared to the rest. The leaders do not have the power they only have influence. The norms and the beliefs the egalitarian society holds are for sharing equally and equal participation. Simply there are no classes. Ranked society mostly is agricultural communities who hierarchically grouped from the chief who is viewed to have a status in the society. In this society, people are clustered regarding status and prestige and not by access to power and resources. The chief is the most influential person followed by his family and relative, and those further related to him are less ranked. Stratified society is societies which horizontally ranked into the upper class, middle class, and lower class. The classification is regarding wealth, power, and prestige. The upper class are mostly the leaders and are the most influential in the society. It's possible for a person in the society to move from one stratum to the other. The social status is also hereditable from one generation to the next.[[1]](#page12)

There are five systems or types of social inequality: wealth inequality, treatment and responsibility inequality, political inequality, life inequality, and membership inequality. Political inequality is the difference brought about by the ability to access governmental resources which therefore have no civic equality. In treatment and responsibility differences, some people benefit more and can quickly receive more privileges than others. In working stations, some are given more responsibilities and hence better compensation and more benefits than the rest even when equally qualified. Membership inequality is the number of members in a family, nation or faith. Life inequality is brought about by the disparity of opportunities which, if present, improve a



person’s life quality. Finally, income and wealth inequality is the disparity due to what an individual can earn on a daily basis contributing to their total revenue either monthly or yearly.[[8]](#page12)

Global share of [wealth](https://en.wikipedia.org/wiki/Wealth) by wealth group, Credit Suisse, 2017

The major examples of social inequality include income gap, gender inequality, health care, and social class. In health care, some individuals receive better and more professional care compared to others. They are also expected to pay more for these services. Social class differential comes evident during the public gathering where upper-class people given the best places to seat, the hospitality they receive and the first priorities they receive.[[8]](#page12)

Status in society is of two types which are [ascribed characteristics](https://en.wikipedia.org/wiki/Ascribed_status) and [achieved characteristics.](https://en.wikipedia.org/wiki/Achieved_status) Ascribed characteristics are those present at birth or assigned by others and over which an individual has little or no control. Examples include sex, skin colour, eye shape, place of birth, sexuality, gender identity, parentage and social status of parents. Achieved characteristics are those which we earn or choose; examples include level of education, marital status, leadership status and other measures of [merit.](https://en.wikipedia.org/wiki/Meritocracy) In most societies, an individual's social status is a combination of ascribed and achieved factors. In some societies, however, only ascribed statuses are considered in determining one's social status and there exists little to no [social mobility](https://en.wikipedia.org/wiki/Social_mobility) and, therefore, few paths to



more social equality.[[9]](#page12) This type of social inequality is generally referred to as [caste inequality.](https://en.wikipedia.org/wiki/Caste)



One's social location in a society's overall structure of [social stratification](https://en.wikipedia.org/wiki/Social_stratification) affects and is affected by almost every aspect of social



life and one's [life chances.](https://en.wikipedia.org/wiki/Life_chances)[[10]](#page12) The single best [predictor](https://en.wikipedia.org/wiki/Dependent_and_independent_variables) of an individual's future social status is the social status into which they were born. Theoretical approaches to explaining social inequality concentrate on questions about how such [social differentiations](https://en.wikipedia.org/wiki/Social_differentiation)



arise, what types of resources are being allocated (for example, reserves versus resources),[[11]](#page12) what are the roles of human [cooperation](https://en.wikipedia.org/wiki/Cooperation) and [conflict](https://en.wikipedia.org/wiki/Conflict_(process)) in allocating resources, and how do these differing types and forms of inequality affect the overall functioning of a society?



The variables considered most important in explaining inequality and the manner in which those variables combine to produce the inequities and their social consequences in a given society can change across time and place. In addition to interest in comparing and contrasting social inequality at local and national levels, in the wake of today's [globalizing](https://en.wikipedia.org/wiki/Globalization) processes, the most interesting question becomes: what does inequality look like on a worldwide scale and what does such global inequality bode for the future? In effect, globalization reduces the distances of time and space, producing a global interaction of cultures and societies and social roles that can increase global inequities.[[9]](#page12)



**Inequality and ideology**



Philosophical questions about social [ethics](https://en.wikipedia.org/wiki/Ethics) and the desirability or inevitability of inequality in human societies have given rise to



a spate of [ideologies](https://en.wikipedia.org/wiki/Ideologies) to address such questions.[[12]](#page13) We can broadly classify these ideologies on the basis of whether they justify or [legitimize](https://en.wikipedia.org/wiki/Legitimation) inequality, casting it as desirable or inevitable, or whether they cast equality as desirable and inequality as a feature of society to be reduced or eliminated. One end of this ideological [continuum](https://en.wikipedia.org/wiki/Continuum_(measurement)) can be called ["Individualist",](https://en.wikipedia.org/wiki/Individualist) the other



["Collectivist".](https://en.wikipedia.org/wiki/Collectivism)[[12]](#page13) In Western societies, there is a long history associated with the idea of individual ownership of [property](https://en.wikipedia.org/wiki/Private_property) and [economic liberalism,](https://en.wikipedia.org/wiki/Economic_liberalism) the ideological belief in organizing the economy on individualist lines such that the greatest possible

[number of economic decisions are made by individuals and not by collective institutions or organizations.](https://en.wikipedia.org/wiki/Free_market)[[13]](#page13) [Laissez-faire, free](https://en.wikipedia.org/wiki/Free_market) [market ideologies—including](https://en.wikipedia.org/wiki/Free_market) [classical liberalism,](https://en.wikipedia.org/wiki/Classical_liberalism) [neoliberalism,](https://en.wikipedia.org/wiki/Neoliberalism) [and](https://en.wikipedia.org/wiki/Free_market) [libertarianism—are](https://en.wikipedia.org/wiki/Libertarianism) [formed around the idea that social](https://en.wikipedia.org/wiki/Free_market) inequality is a "natural" feature of societies, is therefore inevitable and, in some philosophies, even desirable.



Inequality provides for differing goods and services to be offered on the open [market,](https://en.wikipedia.org/wiki/Market_(economics)) spurs ambition, and provides incentive for industriousness and [innovation.](https://en.wikipedia.org/wiki/Innovation) At the other end of the continuum, collectivists place little to no trust in "free market" economic systems, noting widespread lack of access among specific groups or classes of individuals to the costs of entry to the market. Widespread inequalities often lead to [conflict](https://en.wikipedia.org/wiki/Conflict_(process)) and dissatisfaction with the current social order. Such ideologies include [Fabianism](https://en.wikipedia.org/wiki/Fabian_society) and [socialism.](https://en.wikipedia.org/wiki/Socialism) Inequality, in these ideologies, must be reduced,



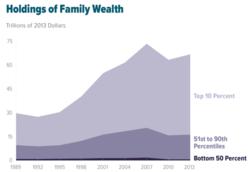
eliminated, or kept under tight control through collective regulation.[[12]](#page13) Furthermore, in some views inequality is natural but shouldn't affect certain [fundamental human needs,](https://en.wikipedia.org/wiki/Fundamental_human_needs) [human rights](https://en.wikipedia.org/wiki/Human_rights) and the initial chances



given to individuals (e.g. by [education)](https://en.wikipedia.org/wiki/Education)[[15]](#page13) and is out of proportions due to various problematic systemic structures.



[Wealth inequality](https://en.wikipedia.org/wiki/Wealth_inequality_in_the_United_States) in the United States increased from 1989 to 2013.[[14]](#page13)



Though the above discussion is limited to specific Western ideologies, similar thinking can be found, historically, in differing societies throughout the world. While, in general, eastern societies tend toward collectivism, elements of individualism and free market organization can be found in certain regions and historical eras. Classic Chinese society in the [Han](https://en.wikipedia.org/wiki/Han_dynasty) and [Tang dynasties,](https://en.wikipedia.org/wiki/Tang_dynasty) for example, while highly organized into tight hierarchies of [horizontal inequality](https://en.wikipedia.org/wiki/Horizontal_inequality) with a distinct power elite also had many elements



of free trade among its various regions and subcultures.[[16]](#page13)

[Social mobility](https://en.wikipedia.org/wiki/Social_mobility) is the movement along social strata or hierarchies by individuals, [ethnic group,](https://en.wikipedia.org/wiki/Ethnic_group) or nations. There is a change in literacy, [income distribution,](https://en.wikipedia.org/wiki/Income_distribution) education and health status. The movement can be vertical or horizontal. Vertical is the upward or downward movement along social strata which occurs due to change of jobs or marriage. Horizontal movement along levels that are equally ranked. Intra-generational mobility is a social status change in a generation (single lifetime). For example, a person moves from a junior staff in an organization to the [senior management.](https://en.wikipedia.org/wiki/Senior_management) The absolute management movement is where a person gains better social status than their parents, and this can be due to improved security, economic development, and better education system. Relative mobility is where some individual are expected to have higher social ranks than their parents.[[17]](#page13)



Today, there is belief held by some that social inequality often creates political conflict and growing consensus that political structures determine the solution for such conflicts. Under this line of thinking, adequately designed social and political institutions are seen as ensuring the smooth functioning of [economic markets](https://en.wikipedia.org/wiki/Market_(economics)) such that there is political stability, which improves the long-term outlook, enhances labour and capital productivity and so stimulates [economic growth.](https://en.wikipedia.org/wiki/Economic_growth) With higher economic growth, net gains are positive across all levels and political reforms are easier to sustain. This may explain why, over time, in more egalitarian societies fiscal performance is better, stimulating greater accumulation of capital and higher growth.[[18]](#page13)



**Inequality and social class**



[Socioeconomic status](https://en.wikipedia.org/wiki/Socioeconomic_status) (SES) is a combined total measure of a person's work experience and of an individual's or family's economic and social position in relation to others, based on income, education, and occupation. It is often used as synonymous with social class, a set of hierarchical social categories that indicate an individual's or household's relative position in a stratified matrix of social relationships. Social class is delineated by a number of variables, some of which change across time and place. For [Karl Marx,](https://en.wikipedia.org/wiki/Karl_Marx) there exist two major social classes with significant inequality between the two. The two are delineated by their relationship to the [means of production](https://en.wikipedia.org/wiki/Means_of_production) in a given society. Those two classes are defined as the owners of the means of production



and those who sell their labour to the owners of the means of production. In capitalistic societies, the two classifications represent the opposing social interests of its members, capital gain for the capitalists and good wages for the labourers, creating [social conflict.](https://en.wikipedia.org/wiki/Social_conflict)



[Max Weber](https://en.wikipedia.org/wiki/Max_Weber) uses social classes to examine wealth and status. For him, social class is strongly associated with prestige and privileges. It may explain social reproduction, the tendency of social classes to remain stable across generations maintaining most of their inequalities as well. Such inequalities include differences in income, wealth, access to education, pension levels, social status, socioeconomic safety-net.[[19]](#page13) In general, social class can be defined as a large category of similarly ranked people located in a hierarchy and distinguished from other large categories in the hierarchy by such traits as occupation, education, income, and wealth.[[20]](#page13)



An 1862 painting by [Vasily Perov](https://en.wikipedia.org/wiki/Vasily_Perov) depicts impoverished people meeting a wealthy man.



In modern [Western societies,](https://en.wikipedia.org/wiki/Western_culture) inequalities are often broadly classified into three



major divisions of social class: [upper class,](https://en.wikipedia.org/wiki/Upper_class) [middle class,](https://en.wikipedia.org/wiki/Middle_class) and [lower class.](https://en.wikipedia.org/wiki/Working_class) Each of these classes can be further subdivided into smaller classes (e.g. "upper middle").[[21]](#page13) Members of different classes have varied access to financial resources, which affects their placement in the [social stratification](https://en.wikipedia.org/wiki/Social_stratification) system.[[22]](#page13)



Class, race, and gender are forms of stratification that bring inequality and determines the difference in allocation of societal rewards. Occupation is the primary determinant of a person class since it affects their lifestyle, opportunities, culture, and kind of people one associates with. Class based families include the lower class who are the poor in the society. They have limited opportunities. Working class are those people in blue-collar jobs and usually, affects the economic level of a nation. The Middle classes are those who rely mostly on wives' employment and depends on credits from the bank and medical coverage. The upper middle class are professionals who are strong because of economic resources and supportive institutions.[[23]](#page13) Additionally, the upper class usually are the wealthy families who have economic power due to accumulative wealth from families but not and not hard earned income.

[Social stratification](https://en.wikipedia.org/wiki/Social_stratification) is the hierarchical arrangement of society about social class, wealth, political influence. A society can be politically stratified based on authority and power, economically stratified based on income level and wealth, occupational stratification about one's occupation. Some roles for examples doctors, engineers, lawyers are highly ranked, and thus they give orders while the rest receive the orders.[[24]](#page13) There are three systems of social stratification which are the caste system, estates system, and class system. Castes system usually ascribed to children during birth whereby one receives the same stratification as of that of their parents. The caste system has been linked to religion and thus permanent. The stratification may be superior or inferior and thus influences the occupation and the social roles assigned to a person. Estate system is a state or society where people in this state were required to work on their land to receive some services like military protection. Communities ranked according to the nobility of their lords. The class system is about income inequality and socio-political status. People can move the classes when they increase their level of income or if they have authority. People are expected to maximize their innate abilities and possessions. Social stratification characteristics include its universal, social, ancient, it’s in diverse forms and also consequential.[[25]](#page13)



The [quantitative](https://en.wikipedia.org/wiki/Quantitative_research) variables most often used as an indicator of social inequality are [income](https://en.wikipedia.org/wiki/Income) and [wealth.](https://en.wikipedia.org/wiki/Wealth) In a given society, the distribution of individual or household accumulation of wealth tells us more about variation in [well-being](https://en.wikipedia.org/wiki/Well-being) than does income,



alone.[[26]](#page13) [Gross Domestic Product](https://en.wikipedia.org/wiki/Gross_Domestic_Product) (GDP), especially *per capita* GDP, is sometimes used to describe economic inequality at the [international](https://en.wikipedia.org/wiki/International_inequality) or global level. A better measure at that level, however, is the [Gini coefficient,](https://en.wikipedia.org/wiki/Gini_coefficient) a [measure of statistical dispersion](https://en.wikipedia.org/wiki/Statistical_dispersion" \l "Measures_of_statistical_dispersion) used to represent the distribution of a specific quantity, such as income or wealth, at a global level, among a nation's residents, or even within a metropolitan area.[[27]](#page13) Other widely used measures of economic inequality are the percentage of people living with under US$1.25 or $2 a day and the share of national income held by the wealthiest 10% of the population, sometimes called "the Palma" measure.[[28]](#page13)



**Patterns of inequality**



There are a number of socially defined characteristics of individuals that contribute to social status and, therefore, equality or inequality within a society. When researchers use quantitative variables such as income or wealth to measure inequality, on an [examination of the data, patterns are found that indicate these other social variables contribute to income or wealth as intervening](https://en.wikipedia.org/wiki/Intervening_variable) [variables. Significant inequalities in income and wealth are found when specific socially defined categories of people are](https://en.wikipedia.org/wiki/Intervening_variable)



compared. Among the most pervasive of these variables are [sex/gender,](https://en.wikipedia.org/wiki/Gender) [race,](https://en.wikipedia.org/wiki/Race_(human_classification)) and ethnicity.[[29]](#page13) This is not to say, in societies wherein merit is considered to be the primary factor determining one's place or rank in the social order, that merit has no effect on variations in income or wealth. It is to say that these other socially defined characteristics can, and often do, intervene in the [valuation](https://en.wikipedia.org/wiki/Value_theory) of merit.



**Gender inequality**

Gender as a social inequality is whereby women and men are treated differently due to masculinity and femininity by dividing labor, assigning roles, and responsibilities and allocating social rewards. Sex- and gender-based [prejudice](https://en.wikipedia.org/wiki/Prejudice) and [discrimination,](https://en.wikipedia.org/wiki/Discrimination) [called sexism, are major contributing factors to social inequality. Most societies, even agricultural ones, have some sexual](https://en.wikipedia.org/wiki/Sexual_division_of_labour)



[division of labour and](https://en.wikipedia.org/wiki/Sexual_division_of_labour) [gender-based division of labour](https://en.wikipedia.org/wiki/Occupational_segregation" \l "Gendered_division_of_labour) [tends to increase during industrialization.](https://en.wikipedia.org/wiki/Sexual_division_of_labour)[[30]](#page13) [The emphasis on gender](https://en.wikipedia.org/wiki/Sexual_division_of_labour) inequality is born out of the deepening division in the [roles](https://en.wikipedia.org/wiki/Gender_role) assigned to men and women, particularly in the economic, political and educational spheres. Women are underrepresented in political activities and decision making processes in most states in both the [Global North](https://en.wikipedia.org/wiki/Global_North) and Global South.[[31]](#page13)



Gender discrimination, especially concerning the lower social status of women, has been a topic of serious discussion not only within academic and activist communities but also by governmental agencies and international bodies such as the [United Nations.](https://en.wikipedia.org/wiki/United_Nations) These discussions seek to identify and remedy widespread, institutionalized barriers to access for women in their societies. By making use of [gender analysis,](https://en.wikipedia.org/wiki/Gender_analysis) researchers try to understand the social expectations, responsibilities, resources and priorities of women and men within a specific context, examining the social, economic and environmental factors which influence their roles and decision-making capacity. By enforcing artificial separations between the social and economic roles of men and women, the lives of women and girls are negatively impacted and this can have the effect of limiting social and economic development.[[32]](#page13)



Cultural ideals about [women's work](https://en.wikipedia.org/wiki/Women's_work) can also affect men whose outward [gender expression](https://en.wikipedia.org/wiki/Gender_expression) is considered "feminine" within a given society. [Transgender](https://en.wikipedia.org/wiki/Transgender) and [gender-variant](https://en.wikipedia.org/wiki/Gender-variant) persons may express their gender through their appearance, the statements they make, or official documents they present. In this context, gender normativity, which is understood as the social expectations placed on us when we present particular bodies, produces widespread cultural/institutional devaluations of trans identities, homosexuality and femininity.[[33]](#page13) Trans persons, in particular, have been defined as socially unproductive and disruptive.[[34]](#page14)



A variety of [global issues](https://en.wikipedia.org/wiki/Global_issue) like [HIV/AIDS,](https://en.wikipedia.org/wiki/HIV/AIDS) illiteracy, and [poverty](https://en.wikipedia.org/wiki/Poverty) are often seen as "women's issues" since women are disproportionately affected.[[35]](#page14) In many countries, women and girls face problems such as lack of access to education, which limit their opportunities to succeed, and further limits their ability to contribute economically to their society.[[36]](#page14) Women are underrepresented in political activities and decision making processes throughout most of the world.[[37]](#page14) As of 2007, around 20 percent of women were below the $1.25/day international poverty line and 40 percent below the $2/day mark. More than one-quarter of females under the age of 25 were below the $1.25/day international poverty line and about half on less than $2/day.[[38]](#page14)



Women's participation in work has been increasing globally, but women are still faced with wage discrepancies and differences compared to what men earn.[[39]](#page14) This is true globally even in the agricultural and rural sector in developed as well as developing countries.[[40]](#page14) Structural impediments to women's ability to pursue and advance in their chosen professions often result in a phenomenon known as the [glass ceiling,](https://en.wikipedia.org/wiki/Glass_ceiling)[[41]](#page14) which refers to unseen – and often unacknowledged barriers that prevent minorities and women from rising to the upper rungs of the corporate ladder, regardless of their qualifications or achievements. This effect can be seen in the corporate and bureaucratic environments of many countries, lowering the chances of women to excel. It prevents women from succeeding and making the maximum use of their potential, which is at a cost for women as well as the

society's development.[[42]](#page14) Ensuring that [women's rights](https://en.wikipedia.org/wiki/Women's_rights) are protected and endorsed can promote a sense of belonging that motivates women to contribute to their society. Once able to work, women should be titled to the same job security and safe working environments as men.[[43]](#page14) Until such safeguards are in place, women and girls will continue to experience not only [barriers to work and opportunities to earn, but will continue to be the primary victims of discrimination, oppression, and gender-based violence.](https://en.wikipedia.org/wiki/Gender-based_violence)[[44]](#page14)



Women and persons whose gender identity does not conform to [patriarchal](https://en.wikipedia.org/wiki/Patriarchy) beliefs about sex (only male and female) continue to face violence on global domestic, interpersonal, institutional and administrative scales. While first-wave [Liberal Feminist](https://en.wikipedia.org/wiki/Liberal_feminism) initiatives raised awareness about the lack of fundamental rights and freedoms that women have access to, second-wave feminism (see also [Radical Feminism)](https://en.wikipedia.org/wiki/Radical_Feminism) highlighted the structural forces that underlie gender-based violence. [Masculinities](https://en.wikipedia.org/wiki/Masculinities) are generally constructed so as to subordinate femininities and other expressions of gender that are not heterosexual, assertive and dominant.[[45]](#page14) Gender sociologist and author, [Raewyn Connell,](https://en.wikipedia.org/wiki/Raewyn_Connell) discusses in her 2009 book, Gender, how masculinity is dangerous, heterosexual, violent and authoritative. These structures of masculinity ultimately contribute to the vast amounts of gendered violence, marginalization and suppression that women, queer, transgender, gender variant and gender non-conforming persons face. Some scholars suggest that women's underrepresentation in political systems speaks the idea that "formal citizenship does not always imply full social membership".[[46]](#page14) Men, male bodies and expressions of masculinity are linked to ideas about work and citizenship. Others point out that patriarchal states tend top scale and claw back their social policies relative to the disadvantage of women.[[47]](#page14) This process ensures that women encounter resistance into meaningful positions of power in institutions, administrations, and political systems and communities.



**Racial and ethnic inequality**

Racial or ethnic inequality is the result of hierarchical social distinctions between racial and ethnic categories within a society and often established based on characteristics such as skin color and other physical characteristics or an individual's place of origin or culture. Racism is whereby some races are more privileged and are allowed to venture into the labor market and are better compensated than others. Ethnicity is the privilege one enjoys for belonging to a particular ethnic group. Even though race has no biological connection, it has become a socially constructed category capable of restricting or enabling social status.

[Racial inequality can also result in diminished opportunities for members of marginalized groups, which in turn can lead to cycles](https://en.wikipedia.org/wiki/Cycle_of_poverty) [of poverty and political marginalization. Racial and](https://en.wikipedia.org/wiki/Cycle_of_poverty) [ethnic categories](https://en.wikipedia.org/wiki/Ethnic_group) [become a](https://en.wikipedia.org/wiki/Cycle_of_poverty) [minority category](https://en.wikipedia.org/wiki/Minority_group) [in a society. Minority members](https://en.wikipedia.org/wiki/Cycle_of_poverty) in such a society are often subjected to discriminatory actions resulting from majority policies, including [assimilation,](https://en.wikipedia.org/wiki/Cultural_assimilation) exclusion,



[oppression,](https://en.wikipedia.org/wiki/Oppression) [expulsion,](https://en.wikipedia.org/wiki/Exile) and [extermination.](https://en.wikipedia.org/wiki/Genocide)[[48]](#page14) For example, during the run-up to the 2012 federal elections in the United States, legislation in certain ["battleground states"](https://en.wikipedia.org/wiki/Battleground_states) that claimed to target voter fraud had the effect of disenfranchising tens of thousands of



primarily African American voters.[[49]](#page14) These types of institutional barriers to full and equal social participation have far-reaching effects within marginalized communities, including reduced economic opportunity and output, reduced educational outcomes and opportunities and reduced levels of overall health.[[50]](#page14)

[In the United States, Angela Davis argues that mass incarceration has been a modern tool of the state to impose inequality,](https://en.wikipedia.org/wiki/Race_in_the_United_States_criminal_justice_system)



[repression, and discrimination upon African American and Hispanics.](https://en.wikipedia.org/wiki/Race_in_the_United_States_criminal_justice_system)[[51]](#page14) [The](https://en.wikipedia.org/wiki/Race_in_the_United_States_criminal_justice_system) [War on Drugs](https://en.wikipedia.org/wiki/War_on_Drugs) [has been a campaign with disparate](https://en.wikipedia.org/wiki/Race_in_the_United_States_criminal_justice_system) effects, ensuring the constant incarceration of poor, vulnerable, and marginalized populations in North America. Over a million African Americans are incarcerated in the US, many of whom have been convicted of a non-violent drug possession charge. With the States of Colorado and Washington having legalized the possession of marijuana, drug reformists and anti-war on drugs lobbyists are hopeful that drug issues will be interpreted and dealt with from a healthcare perspective instead of a matter of criminal law. In Canada, Aboriginal, First Nations, and Indigenous persons represent over a quarter of the federal prison population, even though they only represent 3% of the country's population.



**Age inequality**

[Age discrimination](https://en.wikipedia.org/wiki/Age_discrimination) is defined as the unfair treatment of people with regard to promotions, recruitment, resources, or privileges because of their age. It is also known as [ageism:](https://en.wikipedia.org/wiki/Ageism) the stereotyping of and discrimination against individuals or groups based upon their age. It is a set of beliefs, attitudes, norms, and values used to justify age-based prejudice, discrimination, and subordination.[[52]](#page14) One form of ageism is [adultism,](https://en.wikipedia.org/wiki/Adultism) which is the discrimination against children and people under the legal adult



age.[[53]](#page14) An example of an act of adultism might be the policy of a certain establishment, restaurant, or place of business to not allow those under the legal adult age to enter their premises after a certain time or at all. While some people may benefit or enjoy these practices, some find them offensive and discriminatory. Discrimination against those under the age of 40 however is not illegal under the current U.S. Age Discrimination in Employment Act (ADEA).[[54]](#page14)

As implied in the definitions above, treating people differently based upon their age is not necessarily discrimination. Virtually every society has [age-stratification,](https://en.wikipedia.org/wiki/Age_stratification) meaning that the age structure in a society changes as people begin to live longer and the [population becomes older.](https://en.wikipedia.org/wiki/Population_ageing) In most cultures, there are different social role expectations for people of different ages to perform. Every society manages people's ageing by allocating certain roles for different age groups. Age discrimination primarily occurs when age is used as an unfair criterion for allocating more or less resources. Scholars of age inequality have suggested that certain social organizations favor particular age inequalities. For instance, because of their emphasis on training and maintaining productive citizens, modern capitalist societies may dedicate disproportionate resources to training the young and maintaining the middle-aged worker to the detriment of the elderly and the retired (especially those already disadvantaged by income/wealth inequality).[[55]](#page14)



In modern, technologically advanced societies, there is a tendency for both the young and the old to be relatively disadvantaged. [However, more recently, in the United States the tendency is for the young to be most disadvantaged. For example, poverty levels](https://en.wikipedia.org/wiki/Poverty_in_the_United_States) [in the U.S. have been decreasing among people aged 65 and older since the early 1970s whereas the number of children under 18](https://en.wikipedia.org/wiki/Poverty_in_the_United_States)



in poverty has steadily risen.[[55]](#page14) Sometimes, the elderly have had the opportunity to build their wealth throughout their lives, while younger people have the disadvantage of recently entering into or having not yet entered into the economic sphere. The larger contributor to this, however, is the increase in the number of people over 65 receiving [Social Security](https://en.wikipedia.org/wiki/Social_Security_(United_States)) and [Medicare](https://en.wikipedia.org/wiki/Medicare_(United_States)) benefits in the U.S.



When we compare income distribution among youth across the globe, we find that about half (48.5 percent) of the world's young people are confined to the bottom two income brackets as of 2007. This means that, out of the three billion persons under the age of 24 in the world as of 2007, approximately 1.5 billion were living in situations in which they and their families had access to just nine percent of global income. Moving up the income distribution ladder, children and youth do not fare much better: more than two-thirds of the world's youth have access to less than 20 percent of global wealth, with 86 percent of all young people living on about one-third of world income. For the just over 400 million youth who are fortunate enough to rank among families or situations at the top of the income distribution, however, opportunities improve greatly with more than 60 percent of global income within their reach.[[56]](#page14)

Although this does not exhaust the scope of age discrimination, in modern societies it is often discussed primarily with regards to the work environment. Indeed, non-participation in the labour force and the unequal access to rewarding jobs means that the elderly and the young are often subject to unfair disadvantages because of their age. On the one hand, the elderly are less likely to be involved in the workforce: At the same time, old age may or may not put one at a disadvantage in accessing positions of prestige. Old age may benefit one in such positions, but it may also disadvantage one because of negative ageist stereotyping of old people. On the other hand, young people are often disadvantaged from accessing prestigious or relatively rewarding jobs, because of their recent entry to the work force or because they are still completing their education. Typically, once they enter the labour force or take a part-time job while in school, they start at entry level positions with low level wages. Furthermore, because of their lack of prior work experience, they can also often be forced to take marginal jobs, where they can be taken advantage of by their employers. As a result, many older people have to face obstacles in their lives.

**Inequalities in health**

Health inequalities can be defined as differences in health status or in the distribution of health determinants between different population groups.[[57]](#page14)

**Health care**

Health inequalities are in many cases related to access to health care. In [industrialized nations,](https://en.wikipedia.org/wiki/Industrialized_nations) health inequalities are most prevalent in countries that have not implemented a [universal health care](https://en.wikipedia.org/wiki/Universal_health_care) system, such as the United States. Because the US health care system is heavily privatized, access to health care is dependent upon one's [economic capital;](https://en.wikipedia.org/wiki/Economic_capital) Health care is not a right, it is a commodity that can be purchased through private insurance companies (or that is sometimes provided through an employer). The way health care is organized in the U.S. contributes to [health inequalities based on gender,](https://en.wikipedia.org/wiki/Gender_disparities_in_health) [socioeconomic status](https://en.wikipedia.org/wiki/Socioeconomic_status) and race/ethnicity.[[58]](#page14) As Wright and Perry assert, "social status differences in health care are a primary mechanism of health inequalities". In the United States, over 48 million people are without medical care coverage.[[59]](#page14) This means that almost one sixth of the population is without health insurance, mostly people belonging to the lower classes of society.



While universal access to health care may not completely eliminate health inequalities,[[60][61]](#page15) it has been shown that it greatly reduces them.[[62]](#page15) In this context, privatization gives individuals the 'power' to purchase their own health care (through private health insurance companies), but this leads to social inequality by only allowing people who have economic resources to access health care. Citizens are seen as consumers who have a 'choice' to buy the best health care they can afford; in alignment with neoliberal ideology, this puts the burden on the individual rather than the government or the community.[[63]](#page15)

In countries that have a universal health care system, health inequalities have been reduced. In Canada, for example, equity in the availability of health services has been improved dramatically through [Medicare.](https://en.wikipedia.org/wiki/Medicare_(Canada)) People don't have to worry about how they will pay health care, or rely on emergency rooms for care, since health care is provided for the entire population. However, inequality issues still remain. For example, not everyone has the same level of access to services.[[64][60][61]](#page15) Inequalities in health are not, however, only related to access to health care. Even if everyone had the same level of access, inequalities may still remain. This is because health status is a product of more than just how much medical care people have available to them. While Medicare has equalized access to health care by removing the need for direct payments at the time of services, which improved the health of low status people, inequities in health are still prevalent in Canada.[[65]](#page15) This may be due to the state of the current social system, which bear other types of inequalities such as economic, racial and gender inequality.



A lack of health equity is also evident in the developing world, where the importance of equitable access to healthcare has been cited as crucial to achieving many of the [Millennium Development Goals.](https://en.wikipedia.org/wiki/Millennium_Development_Goals) Health inequalities can vary greatly depending on the country one is looking at. Health equity is needed in order to live a healthier and more sufficient life within society. Inequalities in health lead to substantial effects, that is burdensome or the entire society. Inequalities in health are often associated with socioeconomic status and access to health care. Health inequities can occur when the distribution of public health services is unequal. For example, in Indonesia in 1990, only 12% of government spending for health was for services consumed by the poorest 20% of households, while the wealthiest 20% consumed 29% of the government subsidy in the health sector.[[66]](#page15) Access to health care is heavily influenced by socioeconomic status as well, as wealthier population groups have a higher probability of obtaining care when they need it. A study by Makinen et al. (2000) found that in the majority of developing countries they looked at, there was an upward trend by [quintile](https://en.wikipedia.org/wiki/Quantile) in health care use for those reporting illness. Wealthier groups are also more likely to be



seen by doctors and to receive medicine.[[67]](#page15)

**Food**

There has been considerable research in recent years regarding a phenomenon known as [food deserts,](https://en.wikipedia.org/wiki/Food_desert) in which low access to fresh, healthy food in a neighborhood leads to poor consumer choices and options regarding diet.[[68]](#page15) It is widely thought that food deserts are significant contributors to the childhood obesity epidemic in the United States and many other countries. [[69]](#page15)

This may have significant impacts on the local level as well as in broader contexts, such as in Greece, where the childhood obesity rate has skyrocketed in recent years heavily as a result of the rampant poverty and the resultant lack of access to fresh

foods.[[70]](#page15)

Worlds regions by total wealth (in trillions USD), 2018

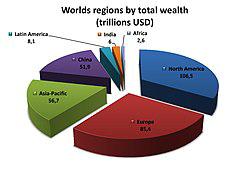
**Global inequality**



The economies of the world have [developed](https://en.wikipedia.org/wiki/Development_theory) unevenly, historically, such that entire geographical regions were left mired in poverty and disease while others began to reduce poverty and disease on a wholesale basis. This was represented by a type of [North–South divide](https://en.wikipedia.org/wiki/North–South_divide) that existed after [World War II](https://en.wikipedia.org/wiki/World_War_II) between [First world,](https://en.wikipedia.org/wiki/First_world) more [developed,](https://en.wikipedia.org/wiki/Developed_country) [industrialized,](https://en.wikipedia.org/wiki/Industrialized) wealthy countries and [Third world](https://en.wikipedia.org/wiki/Third_world) countries, primarily a measured by GDP. From around 1980, however, through at least 2011, the GDP gap, while still [wide, appeared to be closing and, in some more rapidly developing](https://en.wikipedia.org/wiki/Developing_countries)



[countries,](https://en.wikipedia.org/wiki/Developing_countries) [life expectancies](https://en.wikipedia.org/wiki/Life_expectancies) [began to rise.](https://en.wikipedia.org/wiki/Developing_countries)[[71]](#page15) [However, there are numerous](https://en.wikipedia.org/wiki/Developing_countries) limitations of GDP as an economic indicator of social "well-being."[[72]](#page15)



[If we look at the Gini coefficient for world income, over time, after World](https://en.wikipedia.org/wiki/World_War_II) [War II the global Gini coefficient sat at just under .45. From around 1959](https://en.wikipedia.org/wiki/World_War_II) to 1966, the global Gini increased sharply, to a peak of around .48 in 1966. After falling and leveling off a couple of times during a period from around 1967 to 1984, the Gini began to climb again in the mid-eighties until reaching a high or around .54 in 2000 then jumped again to around



.70 in 2002.[[73]](#page15) Since the late 1980s, the gap between some regions has markedly narrowed— between Asia and the advanced economies of the West, for example—but huge gaps remain globally. Overall equality across humanity, considered as individuals, has improved very little. Within the decade between 2003 and 2013, income inequality grew even in

traditionally egalitarian countries like Germany, Sweden and Denmark. With a few exceptions—France, Japan, Spain—the top 10 percent of earners in most advanced economies raced ahead, while the bottom 10 percent fell further behind.[[74]](#page15) By 2013, a tiny elite of multibillionaires, 85 to be exact, had amassed wealth equivalent to all the wealth owned by the poorest half (3.5 billion) of the world's total population of 7 billion.[[75]](#page15) Country of citizenship (an [ascribed status](https://en.wikipedia.org/wiki/Ascribed_status) characteristic) explains 60% of variability in global income; citizenship and parental income class (both ascribed status characteristics) combined explain more than 80% of income variability.[[76]](#page16)



**Inequality and economic growth**

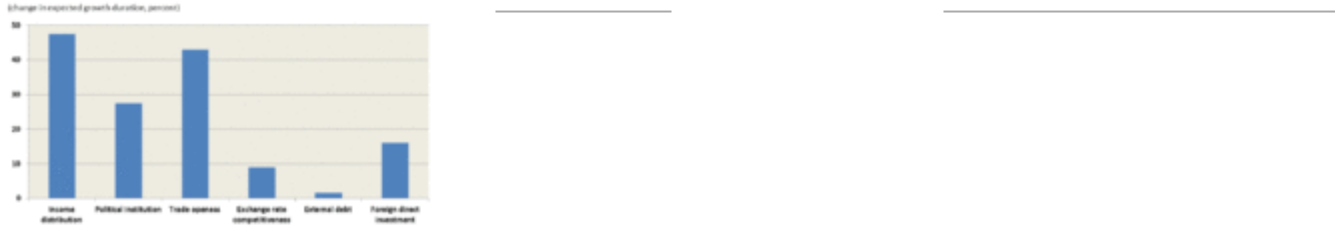


The concept of [economic growth](https://en.wikipedia.org/wiki/Economic_growth) is fundamental in [capitalist](https://en.wikipedia.org/wiki/Capitalist) economies. [Productivity](https://en.wikipedia.org/wiki/Productivity) must grow as population grows and capital [must grow to feed into increased productivity. Investment of capital leads to returns on investment (ROI) and increased capital](https://en.wikipedia.org/wiki/Capital_accumulation) [accumulation. The hypothesis that economic inequality is a necessary precondition for economic growth has been a mainstay of](https://en.wikipedia.org/wiki/Capital_accumulation) liberal economic theory. Recent research, particularly over the first two decades of the 21st century, has called this basic assumption into question.[[38]](#page14) While growing inequality does have a positive correlation with economic growth under specific sets of conditions, inequality in general is not positively correlated with economic growth and, under some conditions, shows a negative correlation with economic growth.[[18][38][76][78]](#page16)



Milanovic (2011) points out that overall, global inequality between countries is more important to growth of the world economy than inequality within countries.[[76]](#page16) While global economic growth may be a policy priority, recent evidence about regional and national inequalities cannot be dismissed when more local economic growth is a policy objective. The recent [financial crisis](https://en.wikipedia.org/wiki/Financial_crisis) and

[global recession](https://en.wikipedia.org/wiki/Global_recession) hit countries and shook [financial systems all over the world.](https://en.wikipedia.org/wiki/Global_financial_system) This led to the implementation of large-scale fiscal expansionary interventions and, as a result, to massive public debt issuance in some countries. Governmental bailouts of the banking system further burdened fiscal balances and raises considerable concern about the fiscal solvency of some countries. Most governments want to keep deficits under control but rolling back the expansionary measures or cutting spending and raising taxes implies an enormous wealth transfer from tax payers to the private financial sector. Expansionary fiscal policies shift resources and causes worries about growing inequality within countries. Moreover, recent data confirm an ongoing trend of increasing income inequality since the early nineties. Increasing inequality within countries has been accompanied by a redistribution of economic resources between developed economies and emerging markets.[[18]](#page13) Davtyn, et al. (2014) studied the interaction of these fiscal conditions and changes in fiscal



Of the factors influencing the duration of [economic growth](https://en.wikipedia.org/wiki/Economic_growth) in both developed and developing countries, [income equality](https://en.wikipedia.org/wiki/Economic_inequality) has a more beneficial impact than trade openness, sound political institutions, and foreign investment.[[77]](#page16)

and economic policies with income inequality in the UK, Canada, and the US. They find income inequality has negative effect on economic growth in the case of the UK but a positive effect in the cases of the US and Canada. Income inequality generally reduces government net lending/borrowing for all the countries. Economic growth, they find, leads to an increase of income inequality in the case of the UK and to the decline of inequality in the cases of the US and Canada. At the same time, economic growth improves government net lending/borrowing in all the countries. Government spending leads to the decline in inequality in the UK but to its increase in the US and Canada.[[18]](#page13)

Following the results of Alesina and Rodrick (1994), Bourguignon (2004), and Birdsall (2005) show that developing countries with high inequality tend to grow more slowly,[[79][80][81]](#page16) Ortiz and Cummings (2011) show that developing countries with high inequality tend to grow more slowly. For 131 countries for which they could estimate the change in Gini index values between 1990 and 2008, they find that those countries that increased levels of inequality experienced slower annual per capita GDP growth over the same time period. Noting a lack of data for national wealth, they build an index using [*Forbes*](https://en.wikipedia.org/wiki/Forbes) list of billionaires by country normalized by GDP and validated through correlation with a Gini coefficient for wealth and the share of wealth going to the top decile. They find that many countries generating low rates of economic growth are also characterized by a high level of wealth inequality with wealth concentration among a class of entrenched elites. They conclude that extreme inequality in the distribution of wealth globally, regionally and nationally, coupled with the negative effects of higher levels of income disparities, should make us question current economic development approaches and examine the need to place equity at the center of the development agenda.[[38]](#page14)



[Ostry, et al. (2014) reject the hypothesis that there is a major trade-off between a reduction of income inequality (through income](https://en.wikipedia.org/wiki/Redistribution_(economics)) [redistribution) and economic growth. If that were the case, they hold, then redistribution that reduces income inequality would on](https://en.wikipedia.org/wiki/Redistribution_(economics)) average be bad for growth, taking into account both the direct effect of higher redistribution and the effect of the resulting lower inequality. Their research shows rather the opposite: increasing income inequality always has a significant and, in most cases, negative effect on economic growth while redistribution has an overall pro-growth effect (in one sample) or no growth effect. Their conclusion is that increasing inequality, particularly when inequality is already high, results in low growth, if any, and such growth may be unsustainable over long periods.



Piketty and Saez (2014) note that there are important differences between income and wealth inequality dynamics. First, wealth concentration is always much higher than income concentration. The top 10 percent of wealth share typically falls in the 60 to 90 percent range of all wealth, whereas the top 10 percent income share is in the 30 to 50 percent range. The bottom 50 percent wealth share is always less than 5 percent, whereas the bottom 50 percent income share generally falls in the 20 to 30 percent range. The bottom half of the population hardly owns any wealth, but it does earn appreciable income:The inequality of labor income can be high, but it is usually much less extreme. On average, members of the bottom half of the population, in terms of wealth, own less than one-tenth of the average wealth. The inequality of labor income can be high, but it is usually much less

extreme. Members of the bottom half of the population in income earn about half the average income. In sum, the concentration of capital ownership is always extreme, so that the very notion of capital is fairly abstract for large segments—if not the majority —of the population.[[82]](#page16) Piketty (2014) finds that wealth-income ratios, today, seem to be returning to very high levels in low economic growth countries, similar to what he calls the "classic patrimonial" wealth-based societies of the 19th century wherein a minority lives off its wealth while the rest of the population works for subsistence living. He surmises that wealth accumulation is high because growth is low.[[83]](#page16)