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Title of contribution	<i>Building a Comparable Measure of Consumption: Concepts and Measurement Challenges Faced by Emerging and Advanced Economies</i>
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Topic	<i>Inequality in Consumption</i>

Summary:

This paper aims to take stock of the different conceptual elements of consumption as defined and applied in emerging and advanced countries using data collected from household surveys. This work diverges from the Eurostat-OECD EG and other country-specific analyses that focus on consumption from a national accounts' perspective. In doing so, we contribute to the discussion of how to guide statistical authorities in building a consumption-based economic -being measure at the household level.

The purpose of this paper is twofold: (1) to further clarify the conceptual framework for defining a comparable consumption-based well-being concept; and (2) to provide an empirical, descriptive, distributional analysis by consumption components and demographic groups across low, middle and high-income countries. This comparative work is based on nine country case studies: Mali, Laos, Palestine, Peru, Georgia, Italy, France, the United Kingdom, and the United States (USA).

We provide an aggregation plan and provide variable details for a potential Luxembourg Consumption Study database. An empirical section presents the core differences in the analyzed surveys and provides a distributional analysis. To the best of our knowledge, this is the first study of consumption patterns across low, middle and high-income countries. We conclude that there are challenges concerning what to include or exclude in consumption, e.g., semi-durables and major durables. In addition, we discuss whether health and education expenditures should be part of an economic well-being measure focused on consumption. We also find that data for own-produced goods for consumption are often collected for emerging economies, but they are systematically missing in expenditure surveys conducted by high-income countries. Our decomposition of the Gini coefficient highlights how the structure of consumption and its impact on inequality shifts with economic development, with basic needs driving inequality in poorer countries and more diverse consumption patterns driving it in wealthier nations.

Please select your preferred contribution (you may select both options):

Presentation

Paper (to be submitted by 18 October)