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Subject: Re: Constructing SLI variable in NFHS

Posted by [Bridgette-DHS](#) on Thu, 21 Feb 2013 17:33:08 GMT

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Here is a response from one of our DHS experts Fred Arnold, that should answer your question.

No summary measure of the standard of living was constructed for NFHS-1 and added to the data set. Some people have created their own measures for specific analysis, but you would probably be better off to create your own measure. Since the questions that are part of SLI were slightly different in NFHS-1 and NFHS-2, you would not be able to get an exact match unless you recalculated the NFHS-2 SLI with only the components that were available in NFHS-1. The exact definition of the NFHS-2 SLI is available in Section 2.5 of any of the NFHS-2 reports. I should point out that the SLI is a very simple measure that assigns points to different assets and amenities and sums them. You may want to create your own index using principal components analysis or a similar method.

With respect to the village identifier in NFHS-1, you're correct that there is no village identifier as such, but there are still some things you can do. First of all, there is a variable (SHTEHSIL), which is the sub-district level, which you could use for modeling below the district level. Secondly, for rural areas, you can use the PSU number as a unique identifier of enumeration areas. There are two problems with this, however. First, the PSU number is unique within each state, but the same PSU number may be used in more than one state, so you would have to take into account both the state number and the PSU number in rural areas to have a unique identifier at the national level. Second, PSUs sometimes (not often) contain more than one village. This happens because small villages (typically with fewer than 50 households) are linked with larger villages in the sample design. Therefore, a PSU will contain more than one village if the villages in the selected PSU are linked. However, I don't think this would be much of a problem for you because linked villages are always contiguous, so they are always in the same small area.

I hope this helps.

Bridgette-DHS

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