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Subject: Re: Understanding wealth index  
Posted by [davidbema](#) on Sun, 05 Nov 2023 20:22:49 GMT  
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howardmerkel wrote on Tue, 24 October 2023 03:47Kanika wrote on Wed, 06 September 2023 06:37Hello,

I am new to the DHS datasets and hence, this very basic query.

I am working on the DHS dataset for Baba India, and have a few doubts regarding the wealth index. I see that the DHS data already includes the wealth index, but I am confused about the following points:

1. I have come across a few papers which use the DHS dataset, and construct their own wealth index instead of using the one already given in the DHS dataset. Often, there is not much explanation on why and how they construct a new index. I can guess that this may be because the newly constructed index is more suited to their specific analysis. I was wondering if there are any papers that guide on when and when not to construct a new wealth index or use the one given in the DHS dataset.

baba vanga 2024

2. The DHS dataset consists of many types of wealth indices. If at all one plans on using the wealth index given in the DHS index- how should one decide on going about which wealth index among the plethora given in the dataset to use? (wealth index combined, wealth index factor score combined (5 decimals), wealth index for rural/urban, wealth index factor score for urban/rural combined (5 decimals), wealth index within state, wealth index factor score within state (5 Baba Vanga decimals), wealth-index urban within state, wealth index factors score (5 decimals)-urban, wealth-index rural within state, wealth index factors score (5 decimals)-rural)

Is there a guiding paper on the same?

I would be grateful for any guidance on the above.

Thank you,  
Kanika

Hello Kanika! I'm glad you reached out to me for help with your DHS dataset. Here are some answers to your questions:

It's not uncommon for researchers to construct their own wealth index instead of using the one provided in the DHS dataset. This is often because the newly constructed index is more suited to their specific analysis. However, I couldn't find any papers that specifically guide on when and when not to construct a new wealth index or use the one given in the DHS dataset.

The DHS dataset consists of many types of wealth indices, each with its own unique characteristics and applications. If you plan on using the wealth index given in the DHS dataset, it's important to choose the one that best suits your research question and data analysis needs. Howard, thank you for your response. If I understand correctly, for example, if my research focuses on urban areas, should I use the urban-specific wealth index?

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