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Subject: Re: Land as negative loading in 1st principal component/wealth index?  
Posted by [Liz-DHS](#) on Wed, 01 Jul 2015 18:28:49 GMT

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Dear User,

A response from Dr. Shea Rutstein:

Quote:

A small amount of land owned and a few animals occurs in rural/peri-urban areas, where most households are poor if they don't have much else. Richer urban residents may not have agricultural land or farm animals. For that reason, we first calculate separate urban and rural indexes and then combine them, and we have broken the number of animals into size groupings. Having many animals would have a positive sign. We have not yet determined what land sizes to group yet, and making country-specific transformations is too complicated.