Subject: Comparative Wealth Index Methodology Question
Posted by akmiller on Mon, 06 Jun 2016 16:31:16 GMT
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Hello,

My colleagues and I are trying to replicate the CWI methodology described in this publication: http://www.dhsprogram.com/pubs/pdf/MR9/MR9.pdf and we were wondering if someone could explain rational behind using a logistical regression to determine asset cut-points as described on page 9. This method works great when asset ownership is relatively low, but seems to produces unrealistic cut-points in surveys where the vast majority of the population owns the asset (e.g., if 98% of the sample owns a TV, the wealth associated with a theoretical sample where only 50% own a TV results in a cut-point below the mean wealth for the whole sample). Could one determine asset cut-points by taking the mean wealth of respondents that own the asset, similar to the methodology used to calculate the cut-points at different levels of unmet basic needs?

Thank you for your time,
-Alex Miller