

**PRIVATE TRANSFERS IN A CROSS SECTION
OF DEVELOPING COUNTRIES**

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Abstract

Despite being well recognized by economists as an important social and economic force, private transfers are still little understood, and considerable debate surrounds basic questions, such as whether or how private and public transfers might interact. Nearly all empirical work to date has proceeded in piecemeal fashion, with evidence accruing from isolated, individual country case studies, from which generalizations are often dicey at best. We depart from this approach by focusing on a set of 11 diverse developing countries, from which private transfer information was elicited using comparable survey instruments (the World Bank's Living Standards Measurement Surveys). We find many commonalities in private transfer patterns across countries, suggesting that part of private-behavior might emanate from basic behavioral forces shared by these diverse countries. Nowhere, for example, do private transfers seem to flow from the very poor to the very rich. We uncover intercountry differences as well. For example, in some countries, such as Kyrgyzstan, private transfers from older to younger households predominate, but in others, such as Vietnam, they mostly flow from young to old. Further, we find evidence that public and private transfers interact; private old age support tends to be smaller for countries with relatively generous public pension systems. This result has important policy implications, for it implies that the benefits of pension systems could spill over to persons whose burden of care is eased by social insurance.

I. Introduction

How do patterns of private, inter-household income transfers compare across countries? Are they more prevalent in poorer countries than in richer ones? Which patterns are the same across countries and which are different? Do transfers flow from the more to the less fortunate everywhere around the world? And how about age and demographic patterns? Are private transfers systematically targeted to elderly households, or to those headed by women? Finally, what is the relationship between public and private transfers? For example, do countries with more generous public pensions have less privately provided old-age support?

It is important to know about private transfer patterns for several reasons. First, such transfers are large and widespread in many developing countries. In some countries, for example, such as the Philippines and Vietnam, aggregate private transfers exceed public transfers. And in some instances even countries with extensive public safety nets, such as Bulgaria, also have large informal networks of private transfers.

Second, private transfer patterns often appear similar to those of means tested public transfers. Many case studies indicate that private transfers tend to flow to households at the lower end of the income distribution, to the elderly, to the very young, and to households headed by women. Third, public and private transfers can interact. An extensive literature, beginning with the work of Gary Becker (1974), has explored the possibility that expansions in public transfers might act to supplant existing private transfers, thereby weakening the distributional impact of public transfers.

Despite these and other important issues related to private transfers, the empirical literature has not produced much of a consensus regarding established patterns in private transfers. For instance, the extent to which public transfers might “crowd out” private transfers remains a controversial issue. In our view, part of the problem is that much of the evidence tends to accumulate in piecemeal fashion, most often from case studies of single countries. Such studies provide little clue as to patterns that generalize to other countries versus ones that are context-specific. Further, single cross sections are frequently of limited use for investigating the

relationship between private and public transfers, since they usually include little or no exogenous variation in the latter.

There are far fewer studies comparing private transfers across countries, partly because data sets containing private transfer information are often not comparable from one country to the next. A survey respondent's report of private transfers is likely to be quite sensitive to the wording, and the number, of questions asking about such transfers.

While we do not have a definitive solution to this problem, we do focus on a set of countries for which approximately comparable survey instruments have been used to elicit information about private transfers. We use the World Bank's Living Standards Measurement Surveys (LSMS) for 11 countries between 1994 and 1998 for which nationally representative surveys with detailed information on private transfers and income was available. The following countries had surveys that contained such information and were therefore included in our sample: Albania, Bulgaria, Jamaica, Kazakhstan, the Kyrgyz Republic, Nepal, Nicaragua, Panama, Peru, Russia and Vietnam. We purposely chose a diverse set of countries, with large differences in incomes per capita, demographic characteristics and living arrangements, as well as different cultural and institutional settings. For instances, five are former Socialist countries and three are from Central or Latin America. The former still have relatively large systems of public transfers compared to the latter. This diversity is valuable for investigating the relationship between public and private transfers. Though we cannot make any causal inferences about the possibility of the "crowding out" of private transfers by public ones, we can provide descriptive evidence on the relationship between the two forms of transfer. For example, we find an inverse relationship between the percentage of elderly households receiving pensions and the percentage receiving private transfers.

The diversity of our sample of countries is advantageous in another respect. We are interested in possible similarities in private transfer patterns that appear to transcend country context. We find at least two that appear to hold for all or nearly all countries. The first is that private transfers appear to flow from better off to worse off households. (Only in Kyrgyzstan does this not appear to be the case.) Second, in each country private transfers appear to be targeted to

households headed by women. Much of the targeting to female-headed households is related to the temporary migration of husbands, who remit money to their wives and children while they work at temporary jobs away from home. But the pattern is not strictly migration related. For example, private transfers tend to be disproportionately allocated to elderly widows. In addition, even after controlling for migration status, the pattern of targeting to female-headed households still holds up.

While income and gender patterns are roughly consistent across countries, our analysis reveals some pronounced inter-country differences as well. One such difference concerns age patterns in private transfers. In some countries, such as Vietnam, private transfers flow mostly from the young to the old. In contrast, for most of the former socialist countries private transfers flow from old to young. In still others, such as Nepal, there is a bimodal age pattern, with higher transfer receipts among the young and old relative to the middle-aged.

What do we conclude? Local cultural context is undoubtedly important in determining transfer behavior. For example, part of the reason why private transfers in Vietnam are targeted to older households may well have to do with its Confucian heritage with its emphasis on filial piety. But we also find that, despite the differences in geography, religion and culture, countries from Nicaragua to Nepal share common patterns, such as the fact that transfers tend to flow from rich to poor. These findings suggest that different cultures may share common behavioral patterns regarding private transfers that overcome local context.

We also find evidence that public and private transfers tend to interact. For example, we find that countries with more extensive and generous public pensions tend to have less old-age support by means of private transfers. This finding has potentially significant policy implications, for it suggests that benefits from public transfers to the elderly could conceivably spill over to non-elderly persons whose burden of elder support is eased by such programs.

II. Data and Basic Descriptive Evidence

Which country has the most private transfers? The least? And what exactly do we mean by “private transfers”? How do the countries themselves differ? How do the survey instruments

differ, and how might this likely be reflected in the information for private transfers? This section addresses these questions, starting with our definition of private transfers.

II-A. What do we mean by “private transfers”?

Our main definition of private transfers is this: *money and the value of in-kind help transferred between two households*. We hasten to point out that this is not the only way to define private transfers, nor is it necessarily the best definition. Our measures are determined mostly by practical considerations: inter-household financial transfers are easier to measure than some other transfers. So it is important to begin with a discussion of what our private transfer variables do *not* measure.

An ideal measure of private transfers would likely include at least two more things that our measure mostly misses: it would capture transfers that occur between *all* persons, not just those living in separate households, and it would include the value of in-kind help that flows between persons. Such help might include hours of assistance that someone provides to a sick person, for example, or a grandparent’s time spent caring for grandchildren while their mother works. Our measure of private transfers clearly misses these activities.

There is a further aspect of private transfers that our narrow definition above neglects, though it is something we do address empirically later on, which is transfers that occur because of shared housing, or co-residence. An adult child who takes her elderly mother into her household, for example, obviously provides a substantial in-kind housing transfer. We will address the co-residence decision in a later section. But for now, we concentrate on money transfers (or the money value of in-kind transfers) between households. (We provide a detailed description of our measures of private transfers in Appendix I.)

II-B. Which are the countries in our sample?

Our sample of 11 countries, in addition to spanning three continents, encompasses a wide range of incomes, development indicators, and social safety nets (Table 1). Estimates of per-capita GDP, adjusted for purchasing power parity, range from a low of 1,230 US\$ for Nepal to \$5,730 for

Panama. Infant mortality ranges from 95 (per 1,000 live births) for Nepal to 13 for Jamaica. Income inequality, measured by the Gini coefficient for per-capita income, ranges from a high of 0.57 for Panama to lows of 0.30 for Nepal and 0.31 for Bulgaria. Social security and welfare spending range from 10.9 percent of GDP for Bulgaria to 0.3 percent for Nepal.¹

The Sample of Countries by Region and Income Class

<u>Region</u>	<u>Country</u>	<u>Income Class</u>
<i>Eastern Europe and Central Asia</i>		
	Albania	Low
	Bulgaria	Lower-middle
	Kazakhstan	Lower-middle
	Kyrgyzstan	Low
	Russia	Lower-middle
<i>Americas</i>		
	Jamaica	Lower-middle
	Nicaragua	Low
	Panama	Lower-middle
	Peru	Lower-middle
<i>Asia</i>		
	Nepal	Low
	Vietnam	Low

II-C. Private inter-household transfers—How widespread? How large?

Private transfers are quite common in most of the countries in our sample, and they usually account for a large fraction of household resources. The most common figure for the fraction of households involved in private transfers (either as givers, recipients, or both) is 40 percent, which we obtain for 4 out of the 11 countries (Kazakhstan, Kyrgyz Republic, Russia and Vietnam). Eight of the 11 countries have between 30 and 50 percent of households involved with private transfers (Table 2).

A substantial amount of money is being transferred in most of the countries in our sample (Table 3). To illustrate, consider the 4 countries with modal involvement in private transfers referenced above. For them, the percentage of total income comprised of private transfers received ranges from 6 percent (Vietnam) to 8 percent (Kazakhstan and Kyrgyz Republic). Those figures

¹ Source: World Development Indicators and Government Financial Statistics.

are calculated for all households, including those that did not receive transfers. In samples with just recipients, the percentages of private transfer receipts in total income are about one-quarter (Vietnam) to one-third (Russia).

There is a wide range in the prevalence and size of private transfers in our sample of countries. At the lower end is Albania, with just 11 percent of involved with private transfers (Table 2) and with private transfers accounting for less than 3 percent of total income for all households (Table 3). Albanian households that do receive, however, get a lot; among recipients, gross private transfer receipts account for 37 percent of total income—the largest percentage of any of the 11 countries (Table 3). Private transfers are most widespread in Jamaica, with 55 percent of households involved (Table 2) and with gross transfer receipts accounting for 12 percent of total income among all households in the Jamaican sample (Table 3). Among recipients, though, the Jamaican percentage of private transfer receipts in total income, 26 percent, is lower than the Albanian figure cited above (Table 3). The lowest figure for the percentage of private transfers in total income among recipients is 15 percent (Peru, Table 3).

II-D. What is driving these differences? A cautionary note about the structure of the surveys.

Before reading too much into the results, consider that at least part of the difference between countries could stem from something as obvious as the structure and coverage of the surveys. The Albanian survey, for example, has a single section that records private transfers, and it does not ask explicitly about loans. The Jamaican survey, on the other hand, has two sections: one for gifts and one for loans. The figures cited above were adjusted to make the measures comparable, so that gifts and not loans were counted as transfers for each country above. (Adding loans to the existing Jamaican measure would indicate that 65 percent rather than 55 percent of households were involved in private transfers.)

But even using such standardization leads inevitably to gray areas. For example, I might have given my brother a \$20 gift in addition to a \$200 loan. If asked about “gifts” and nothing else, I might be apt to include the \$200 loan along with the \$20 gift. And perhaps the Albanian survey respondent might be apt to do the same thing, in which case standardizing the survey

responses to include only gifts does not make them comparable. In general, whenever loans and transfers are included in separate sections (e.g. Vietnam and Nepal), and the purpose of the loans/transfers is explicitly asked to the respondent, it appears that the loans are taken relatively more from neighbors and friends rather than from relatives.²

We will turn to the issue of survey module design and reported transfers in more detail in a later section, but for now we note one regularity that seems to prevail, which is that the more respondents are asked, the more transfers they report.³

Some of the cross-country variability in the incidence and size of private transfers might be driven by differences in the survey instruments. In fact, the coverage and detail of the inter-household transfers and income components differ quite substantially across countries.

There is a core set of questions in all surveys on whether the household received or gave transfers of money or goods in the reference period. However, the surveys differ in the recall period (last 30 days vs. last 12 months). Moreover, the location of the questions in the survey instrument changes across surveys. The simplest instrument records transfers sent in the section of 'other income' received, while transfers sent are recorded in a different part of the questionnaire in the 'non-food expenditures' section. Most recent surveys go further in detail, and query the private transfers behavior in a separate section, some in addition separately from loans received and given by the household, with specific questions on the identity and basic characteristics (age, location, education) of the sender and the receiver within the household.

² The evidence is in line with a special survey in rural Philippines [Lund, Fafchamps 2002]: gifts are more frequent among close relatives and are used to finance consumption, while informal loans are more common with distant relatives and non-relatives and are more used to finance investment, working capital.

³ A United States survey on private transfer behavior contains telling evidence about the relationship between the number of survey questions and private transfers reported. The 1988 wave of the Panel Study of Income Dynamics included a special module that queried respondents about private transfer behavior. It contained a detailed battery of questions dealing with details such as the purpose of the transfer, the form it took, identities of the givers and recipients, etc. But a single, summary question on private transfers has always been asked in the PSID, within the income module. And, in fact, the same summary question was asked in 1988 too. In principal, the aggregate financial transfers obtained from the detailed module should equal the summary measure, but the two measures are in fact widely different. The frequency of reported private transfer receipts implied by the detailed module was four times higher than the one implied by the summary measure. The discrepancy is evidence that private transfers reported depends upon the number of questions in the survey module.

While there is not yet a methodological systematic analysis on how these differences might affect the size of transfer receipts within the LSMS framework, we will try to check the robustness of our findings by separating the analysis among those countries with a separate section on transfers. A more systematic investigation on how these survey differences affect measurement of private transfers is left for future research.

III. More Detail: Patterns of Private Transfers by Household Characteristics

There is more to private transfers than their prevalence or size; in particular we want to know how they are related to household characteristics such as income before private transfers, or demographic characteristics such as age or whether the household is headed by a female. We divide our discussion into two parts: patterns that appear similar and those that appear different across countries.

III-A. What private transfer patterns appear similar across countries?

In all of the countries in our sample, there is one overriding similarity in private transfer patterns, which is that they appear to be income equalizing. We discuss four distinct patterns consistent with this idea below.

Particular care was given in constructing the income aggregate in a systematic way for all countries.⁴ Wage and self-employment earnings, net income from agriculture (including the imputed value of income from own-production activities), net income from household businesses, imputed values of housing for owner occupiers, public assistance and pension transfers and other income. Population weights are used to obtain an unbiased estimate of the individual distribution of household income per person.

III-A-1. Private transfers and inequality.

⁴ See Appendix I for the methodology used in the definition of the income aggregate.

One way to look at the how private transfers affect the income distribution is to examine Lorenz curves before and after private transfers are taken into account.⁵ Note that this is assuming away any behavioral responses by the households (such as labor supply or migration). In all the countries we study, we find that the Lorenz curve after private transfers is everywhere above the Lorenz curve before transfers, which suggests that private transfers have an equalizing effect on the income distribution. (The Lorenz curves are depicted in Appendix II.)

In most of the countries, the poorest quintile's income share increases markedly (in percentage terms, at least) once private transfers are accounted for (Table 4). In five countries (Jamaica, Kazakhstan, Kyrgyzstan, Nepal and Nicaragua) for example, the low-quintile share increases more than 30 percent after private transfers are figured in. The two countries with negligible changes in low-quintile income shares after private transfers are Albania and Bulgaria; these are also the two countries in which low-quintile households were relatively best off to begin with, having pre-private-transfer income shares of 0.102 and 0.056 respectively.

III-A-2. Private transfers appear responsive to health problems.

For each country, we separated households into two groups: "healthy" and "ill." The latter is defined as one or more household members having a chronic illness severe enough for him or her to miss work or limit the daily activities (ADLs).⁶ In each country, when we stratify households in this way, we find that the fraction receiving transfers is higher for the ill group than for the healthy group, though the size of the differential varies across countries (Chart 1).

III-A-3. Private transfers tend to be targeted to female-headed households.

For each country, we divided the sample into households headed by a male versus those headed by a female. We found that, for all countries, private transfers are disproportionately targeted toward female-headed households (Chart 2).

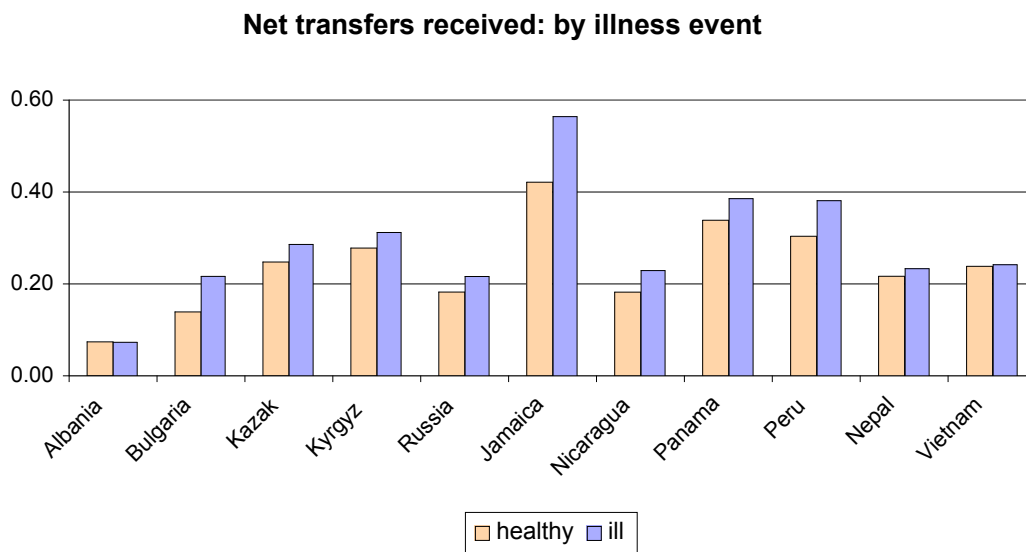
⁵ Of course, simple calculations such as these cannot come to grips with the thorny and complex problems of behavioral responses to such transfers, e.g., labor supply or migration responses.

⁶ See Appendix 1 for details on how health status was defined in each of the data sets.

The most obvious explanation for this pattern is temporary migration of husbands, yet we find that it does not explain the entire transfer differential between male- and female-headed households. For example, for most countries, transfers tend to be disproportionately targeted to households headed by widows.

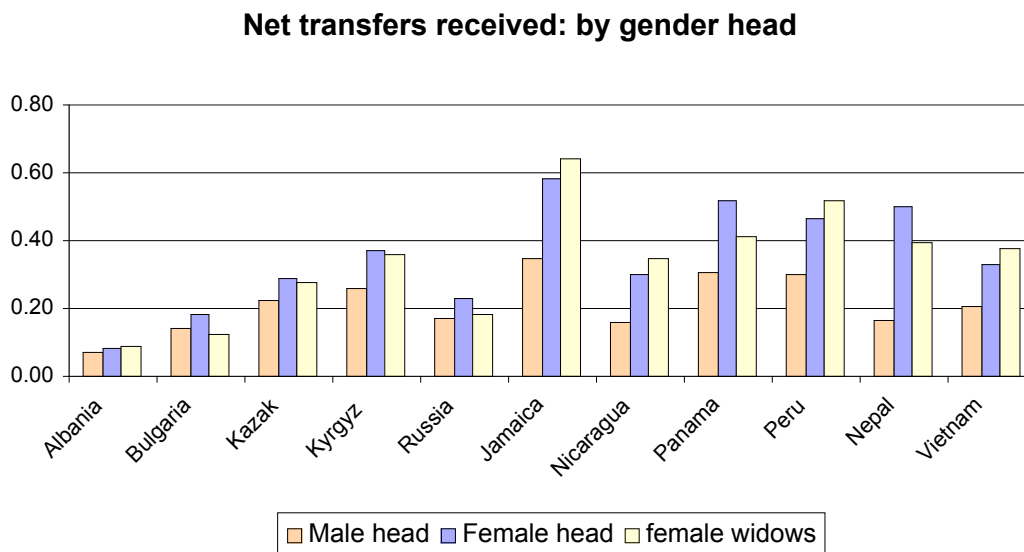
Further, for each country we replicated Chart 2 for samples of households with no temporary migrants (Chart 3) and found the same pattern; recipients are over-represented among female-headed households.⁷

Chart 1.



⁷ Nearly all single-country studies of private transfers find similar evidence on private transfers and female-headship (e.g., Lucas and Stark [1985, Boswana]; Kaufmann and Lindauer [1986, El Salvador]; Cox, Hansen and Jimenez [2002, Philippines]; Guiso and Jappelli [1991, Italy]; Cox [1987, United States]).

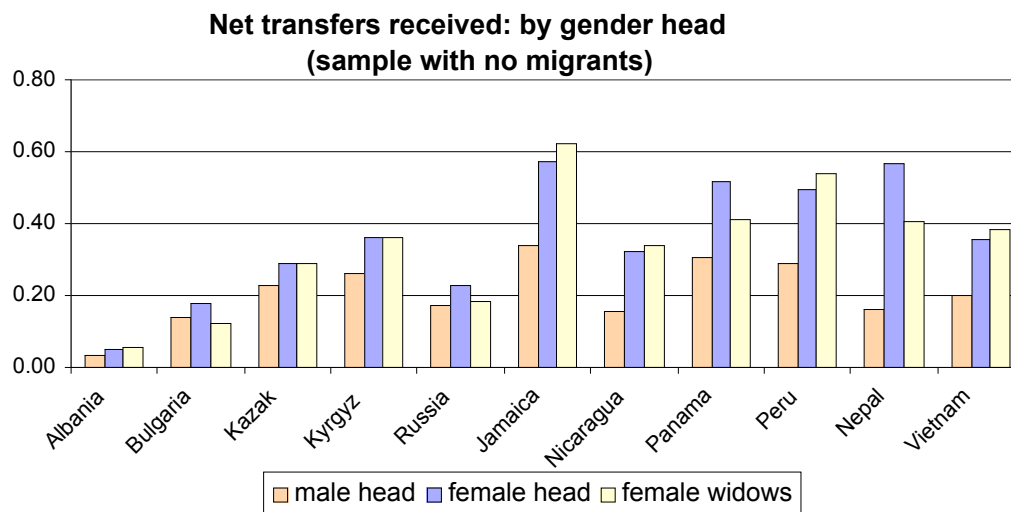
Chart 2



III-A-4. Private transfers appear to flow from high-income to low-income households.

Generally, the lower a household's pre-private-transfer income, the more likely that it will receive a private transfer, and the less likely it will give one. For example, for each country in our sample, we calculated average, pre-private-transfer incomes among three sub-samples:

Chart 3.



net transfer recipients, net transfer givers, and those doing neither ("others"). For each country in the sample except Albania, average pre-transfer incomes of givers exceed—usually by a wide margin—average pre-transfer incomes of recipients (Table 5). And for all but two countries, the

average income of “others” is in-between the pre-transfer incomes of givers and recipients (Table 5).

Perhaps this finding is not so surprising; after all, it is consistent with the two theories most often advanced to explain private transfers, the altruism model (Becker [1974], Barro [1974]) and the exchange model (Bernheim, Shleifer and Summers [1985], Cox [1987]). It also, we think, would accord with intuition and common sense. But one should not be so quick to dismiss the pattern as a forgone conclusion. For one thing, the fact that the pattern is widespread despite their marked country differences in other respects suggests the possibility of an underlying impetus for private transfers that transcends even marked differences in culture, social norms, and governments.

Further, other institutions, even those that are putatively “pro-poor,” are sometimes found out to be “Reverse Robin Hoods,” transferring incomes from poor to rich rather than the other way around. Consider William Easterly’s assessment: “The poor do not have much political voice, they are not well organized, not well educated, not very articulate, so they are not able to get much out of the struggles over redistribution. The poor do not usually win when there is a struggle over redistribution of the existing pie.” (Easterly [2002] p. &&).

Edward Glaeser, Jose Scheinkman and Andrei Shleifer (2002) have recently studied the “Reverse Robin Hood” problem and its connection with inequality and development. They argue that when inequality is severe enough, the rich are able to subvert courts, regulators and politicians in order to line their pockets at the expense of the non-rich. They also use Russian economic transition during the 1990’s as a case in point, citing the emergence of crony capitalism that marred the creation of markets there.

Jared Diamond (1997) argues that redistribution from poor to rich is the hallmark of civilization: “tribute,” i.e., payments accruing to an elite, emerged in the transition from relatively small bands and tribes to larger chiefdoms and, finally, states. “At best,” Diamond argues, “[chiefdoms] do good by providing expensive services [e.g., protection from violence] impossible

to contract for an individual basis. At worst, they function unabashedly as kleptocracies, transferring net wealth from commoners to upper classes.” (p. 276).

Some have argued that the specter of Robin Hood in reverse extends to the family. Marxist feminist and radical feminist analyses of family behavior (notably, Nancy Folbre [1994], Heidi Hartmann [1981]) argue that the family is not necessarily the cozy, altruistic place envisioned by the Chicago School; and instead it is a microcosm of struggle between the interests of women and patriarchal traditions.

In light of these considerations, perhaps we should not be so quick to take for granted the idea that income redistribution necessarily flows from rich to poor. Yet despite whatever countervailing forces might be pushing redistribution in the opposite and perverse direction, our evidence indeed points to an inverse relationship between pre-transfer incomes and private transfers that is widespread across a diverse set of countries.

Figure 1 plots non parametrically the indicator of being a net private transfer recipient as a function of the per capita distribution of income before transfers. Population weights are used to obtain an unbiased estimate of the individual distribution of household income per person. The horizontal axis is normalized across countries and is given by the percentiles of the log per capita income before transfers for each country. All countries except Kyrgyzstan show that the probability of being a net recipient of private transfers declines with per capita income. And while the overall shape of the responsiveness differs across countries, most of them exhibit a steeper decline for households among the poorest 25%. Private transfers flow from the relatively wealthy to the relatively poorer segments of the population.

III-A-5. Private transfers tend to follow a U-shaped pattern with age.

Figure 2 plots non-parametrically the indicator of being a net private transfer recipient as a function of the age of the head of the household. Since different countries are at different stages of the demographic transition, we add to each graph a vertical line representing the median age by country. Every country (with the exception of Albania) exhibits a U-shaped pattern.

Despite the fact that most of the graphs in Figure 2 trace out some form of a “U,” it is obvious that they differ markedly with respect to whether private transfers are concentrated in the leftward or rightward portion of the U—that is, whether they are targeted mostly to the young or the old. This finding brings us to the next stage of our analysis: How do countries differ in their private transfer patterns?

III-B. What private transfer patterns differ across countries?

There are two salient differences among our sample of countries with respect to private transfers: how they vary by age and how they vary by education. We consider each of these in turn.

III-B-1. Private transfers are more apt to be targeted to the elderly in some countries than in others.

In Chart 4 we contrast the incidence of net transfers received by age of household head by splitting the sample into those households headed by someone aged 60 or over versus those households headed by someone younger than 60. For our sample of Latin and Central American countries, there is a clear targeting of private transfers to the elderly. The same goes for Vietnam, and, to a lesser extent, Nepal. But the targeting of private transfers to households headed by the elderly is not a uniform pattern in our sample, and in two countries, Bulgaria and Russia, households headed by the elderly receive relatively fewer private transfers compared to the non-elderly. This pattern suggests a potential interplay between private transfers and public pensions, since these countries exhibit wide variability in the extent and size of public pensions. We pick up this idea in section IV; for now, however, we turn to the second salient source of inter-country differences in private transfer behavior.

III-B-2. Countries differ with respect to how private transfers are correlated with education.

The relationship between private transfers and education is conceivably a complex one, because education is potentially picking up several different and often cross-cutting forces:

- Education is correlated with lifetime resources
- Education might be correlated with the strength of parental altruism, and hence private transfers

- Education is likely correlated with the ability to reciprocate private transfers.

Doubtless there exist further interpretations to add to this list, and, on *a priori* grounds at least, we have little indication about whether we might expect private transfers to be positively or negatively related to the education level of potential recipients. In fact, we see mixed results (Chart 5). For instance, in Jamaica, private transfers are disproportionately targeted to households whose heads are less educated. In Bulgaria, the opposite is true.

Chart 4.

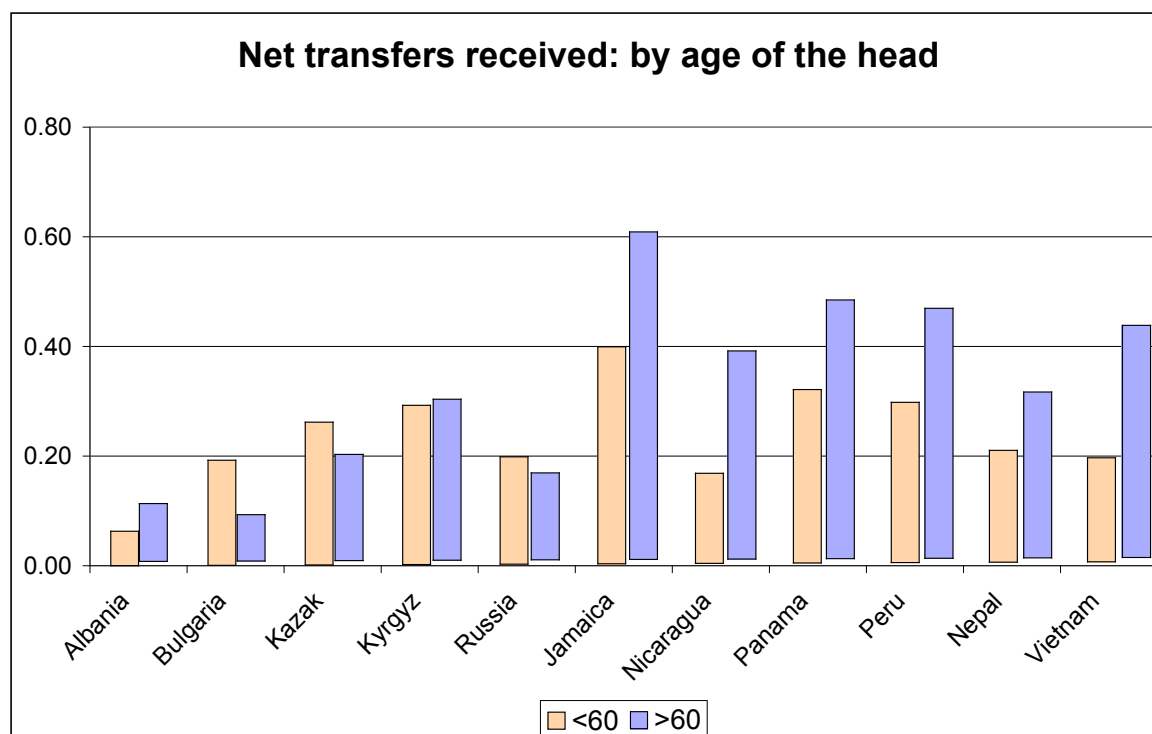
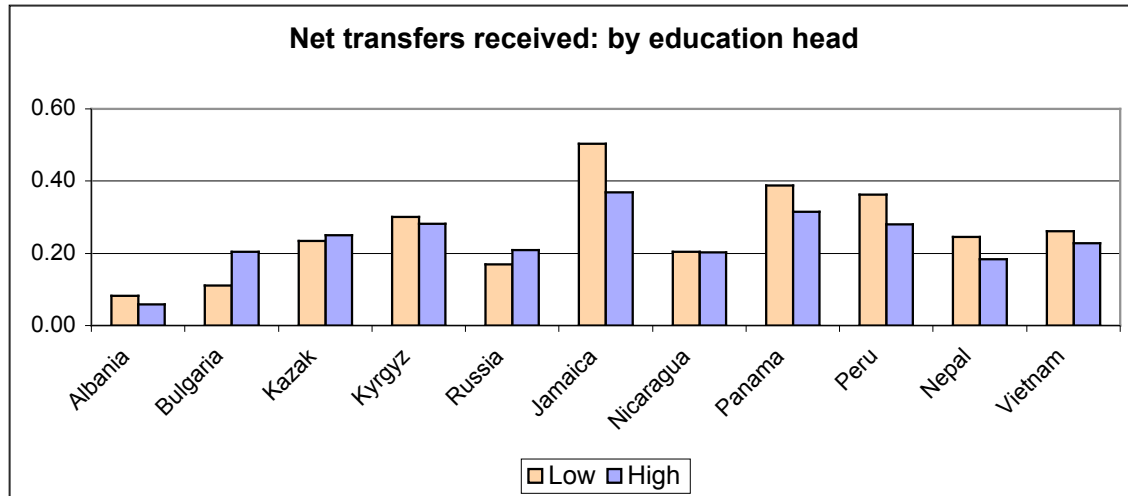


Chart 5



IV. *The Relationship between Private and Public Transfers.*

The extent of public transfers, both in the form of social assistance and public pensions, varies greatly among the countries in our sample. For example, both forms of public assistance are widespread in Albania and Bulgaria but practically non-existent in Nicaragua or Nepal (Chart 6). Such extreme variability leads naturally to the question of the relationship between public and private transfers. In particular, is there evidence across the countries in our sample that public transfers tend to “crowd out” private transfers?

Our tentative conclusion, based upon inter-country comparisons of public and private transfers for the 11 countries in our sample is “yes.” We find an inverse relationship between public assistance and private transfers. Further, we find that public pensions and private transfers targeted toward the elderly are inversely related.

The fractions of households in each country who receive some form of public assistance are given in Table 6. (The definition of public assistance for each country is given in Appendix 1.) The fraction of households receiving public assistance ranges from a low of 5 percent for Nicaragua and Nepal to a high of nearly 80 percent for Bulgaria.

The inter-country range in the fraction of households receiving public pensions is narrower, but still quite wide. Among households containing at least one person aged 60 or older,

the percentage of households receiving public pensions ranged from a low of 22 percent for Nicaragua to a high of 47 percent for Bulgaria (Table 6, last column).

The relationship between public assistance and private transfers is depicted in Figure 3. The correlation, across countries, between the percentage of households receiving public assistance and the percentage receiving (gross) private transfers is negative and large (-0.39) but is not statistically significant (p -value = 0.23).

The relationship between public pensions and private transfers, for samples of households with at least one person aged 60 or older, is depicted in Figure 4. The cross-country correlation in the incidence of public transfers and the incidence of gross private transfers received is large (-0.59) and on the cusp of statistical significance (p -value = 0.057). Thus we find evidence that public transfers conceivably affect not only the households to which they are targeted but other households who might be providing less private old-age support.

Conclusion

This study moves beyond simple single-country case studies of private transfer behavior to consider how private transfers vary in a small but diverse cross section of developing countries. One advantage of our approach is that we can examine the relationship between private transfers and public transfers in a setting in which variations in the latter can more credibly be viewed as exogenous. For instance, the former Socialist countries have a long history of providing public pensions for workers, whereas the Latin American countries do not.

Another, perhaps equally important, advantage of the diverse sample is that it is informative about private transfer patterns that appear impervious to cultural or political forces. Nearly everywhere, it seems, private transfers tend to flow from rich to poor. This trend suggests that something basic—such as, perhaps, familial altruism that is biologically hardwired—is at least partly at work in determining private transfer behavior. At the same time, however, biological basics cannot account for the whole story, since there exists considerable heterogeneity in the generational directions of private transfers. Sorting out the various biological, cultural and policy-related determinants of private transfers is an important priority for future research.

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Table 1: Selected Economic Indicators

	<i>Panama</i>	<i>Peru</i>	<i>Russian Fed.</i>	<i>Jamaica</i>	<i>Kazakhstan</i>	<i>Bulgaria</i>	<i>Albania</i>	<i>Kyrgyz Rep.</i>	<i>Nicaragua</i>	<i>Vietnam</i>	<i>Nepal</i>
<i>Income level</i>	U-M	L-M	L-M	L-M	L-M	L-M	L-M	L	L	L	L
GNP per capita (US\$)	2,990	2,440	2,260	1,740	1,340	1,220	810	380	370	350	210
Gini index	48.5	46.2	48.7	36.4	35.4	28.3	..	40.5	50.3	36.1	36.7
Infant mortality rate ⁺	21	40	17	21	22	14	25	26	36	34	77
Urban population (%)	55.8	72.0	77.0	55.1	56.4	69.0	40	33.9	55.5	19.6	11.3
Dependency ratio ⁺	0.62	0.67	0.48	0.63	0.57	0.48	0.60	0.73	0.89	0.70	0.85
Public expenditures:											
- Health (% GDP)	6.0	2.2	4.5	2.3	2.1	3.2	2.7	2.7	4.4	0.4	1.3
- Education (% GNP)	5.1	2.9	3.5	7.4	4.4	3.2	3.1	5.3	3.9	3.0	3.2
- Social security and welfare (% GDP)	5.6	..	7.0	10.9	6.0	..	4.8	..	0.3

Note Income level: Economies are ranked according to 1999 GNP per capita, calculated using the World Bank Atlas method.

The groups are: L <\$775, L-M (756-2,995), U-M (2,996-9,265), H >9,266 Source: World Development Indicators, 2000.

⁺ the infant mortality rate is calculated per 1000 live births. The dependency ratio is defined as the number of dependents/working age population.

Table 2: Involvement in Private Transfers

Country	Receiving gross transfers		Giving gross transfers		Involved in private transfers	
	Mean	<i>Std dev</i>	Mean	<i>Std dev</i>	Mean	<i>Std dev</i>
Albania	0.088	<i>0.284</i>	0.025	<i>0.155</i>	0.109	<i>0.312</i>
Bulgaria	0.163	<i>0.369</i>	0.144	<i>0.351</i>	0.286	<i>0.452</i>
Kazak	0.272	<i>0.445</i>	0.203	<i>0.402</i>	0.413	<i>0.493</i>
Kyrgyz	0.332	<i>0.471</i>	0.156	<i>0.363</i>	0.413	<i>0.492</i>
Russia	0.244	<i>0.430</i>	0.234	<i>0.424</i>	0.410	<i>0.492</i>
Jamaica	0.529	<i>0.499</i>	0.175	<i>0.380</i>	0.547	<i>0.498</i>
Nicaragua	0.203	<i>0.402</i>	0.011	<i>0.106</i>	0.211	<i>0.408</i>
Panama	0.382	<i>0.486</i>	0.171	<i>0.377</i>	0.493	<i>0.500</i>
Peru	0.354	<i>0.478</i>	0.135	<i>0.342</i>	0.431	<i>0.495</i>
Nepal	0.234	<i>0.423</i>	0.101	<i>0.301</i>	0.295	<i>0.456</i>
Vietnam	0.259	<i>0.438</i>	0.189	<i>0.391</i>	0.395	<i>0.489</i>

Table 3: Size of private transfers
Gross transfers received as a fraction of total income

Country	All households	Receiving households
Albania	0.027	0.372
Bulgaria	0.039	0.250
Kazak	0.081	0.313
Kyrgyz	0.080	0.261
Russia	0.069	0.334
Jamaica	0.123	0.259
Nicaragua	0.065	0.321
Panama	0.055	0.152
Peru	0.062	0.186
Nepal	0.067	0.303
Vietnam	0.060	0.242

Table 4: The effect of private transfers on the share of aggregate income of the bottom 25%

Country	Pre-transfers	Post-transfers	% increase
Albania	0.130	0.131	0.77
Bulgaria	0.087	0.092	6.91
Jamaica	0.047	0.058	31.06
Kazak	0.045	0.061	53.24
Kyrgyz	0.045	0.056	34.00
Nepal	0.035	0.048	43.48
Nicaragua	0.043	0.065	50.63
Panama	0.033	0.036	13.02
Peru	0.051	0.057	14.79
Russia	0.041	0.051	24.21
Vietnam	0.053	0.056	11.29

Simple Lorenz curve before and after the transfers (see Lorenz graphs.xls)

Table 5: Average per capita income by transfer status:

Country	Net recipient	Net givers	Not Involved in transfers
Albania	3752.2	3029.9	3757.2
Bulgaria	4647.3	7870.9	4808.8
Kazak	3415.8	6140.8	3898.1
Kyrgyz	397.1	485.7	346.2
Russia	358168.1	676096.5	387629.9
Jamaica	6026.9	12759.9	8756.0
Nicaragua	503.7	2013.1	628.8
Panama	111.3	193.3	121.8
Peru	158.3	312.0	192.2
Russia	829.0	1504.3	882.4
Vietnam	288.6	415.4	252.5

Table 6. **Average incidence of private/public transfers, by country:**
(% of households involved)

Country	Received gross transfers	Received positive net transfers	Received social assistance	Received public pensions	With at least one person aged +60
Albania	0.09	0.07	0.59	0.35	0.30
Bulgaria	0.17	0.15	0.79	0.54	0.47
Kazakhstan	0.27	0.25	0.37	0.30	0.25
Kyrgyz Rep.	0.33	0.29	0.48	0.44	0.30
Russian Fed.	0.24	0.19	0.51	0.37	0.39
Jamaica	0.53	0.45	0.23	0.06	0.29
Nicaragua	0.20	0.20	0.05	0.02	0.22
Panama	0.38	0.36	0.25	0.21	0.28
Peru	0.35	0.32	0.18	0.14	0.30
Nepal	0.23	0.22	0.05	0.04	0.26
Vietnam	0.27	0.25	0.21	0.12	0.33

Table 7: Private transfers and coresidence

Country	Elderly: relationship to the head			elderly living:			Extended help
	hh head	parent/grandparent of the head	others	(1) alone	(2) without adults	(3) <i>Coresidence</i>	
Albania	0.791	0.204	0.005	0.153	0.161	0.839	0.888
Bulgaria	0.856	0.135	0.009	0.580	0.586	0.414	0.482
Kazak	0.634	0.299	0.066	0.359	0.380	0.620	0.711
Kyrgyz	0.676	0.170	0.155	0.262	0.319	0.681	0.823
Russia	0.618	0.003	0.379	0.559	0.568	0.432	0.564
Jamaica	0.895	0.073	0.032	0.347	0.426	0.574	0.867
Nicaragua	0.784	0.162	0.055	0.104	0.165	0.835	0.914
Panama	0.824	0.141	0.035	0.234	0.270	0.730	0.875
Peru	0.807	0.165	0.028	0.123	0.163	0.837	0.946
Nepal	0.594	0.370	0.036	0.074	0.152	0.906	0.945
Vietnam	0.692	0.292	0.017	0.166	0.185	0.815	0.935

Note: Elderly are defined as those aged 60 or older.

- (1) elderly living alone are those who live without adults or children
- (2) elderly living without adults (15-59), either alone or with children
- (3) elderly co-residing with adults and/or children
- (4) extended help is a dummy of whether elderly living with adults OR receiving private transfers.

TABLE 8 Household Economic Situation by Transfer Status

ALL HOUSEHOLDS								
	income before transfers	income after transfers	net transfers	head self- employed	head work for wage	number of earners	unemploym event	head educated
Albania	14639.37	15384	732.8926	0.3977753	0.1992479	0.416022	0.314349	0.355333
Bulgaria	13432	13508.89	76.89645	0.0353802	0.4030094	0.97766	0.14866	0.497433
Kazak	12907.75	13477.2	569.444	0.0438508	0.5539315	1.103327	0.086539	0.82527
Kyrgyz	1122.857	1202.511	79.6539	0.0991693	0.320745	0.754513	0.244972	0.481117
Russia	1039858	1072961	31566.92	0.0478845	0.5507717	1.049354	0.131783	0.464159
Jamaica	19840.22	21290.93	1450.703	0.0186774	0.3866734	0.824836	0.065119	0.425598
Nicaragua	2716.193	2888.438	172.2455	0.400192	0.394337	5.186525	0.108614	0.378435
Panama	364.7867	376.0991	11.31244	0.285541	0.4424672	4.335086	0.113448	0.356907
Peru	818.0842	850.3104	32.22622	0.5076435	0.2387407	0.773266	0.078582	0.359775
Nepal	3151.593	3394.463	242.7322	0.6746459	0.2696512	3.932188	0.099135	0.386873
Vietnam	1022.618	1081.354	58.73595	0.6791744	0.3208256	2.013124	0.028169	0.498869
OTHER HOUSEHOLDS								
Albania	14569.45	14582.49		0.4048025	0.1965767	0.412649	0.326039	0.358554
Bulgaria	12514.17	12514.17		0.03011	0.3821656	0.973973	0.160208	0.461763
Kazak	12576.23	12576.24		0.0395189	0.5300688	1.098797	0.1019	0.791381
Kyrgyz	1070.386	1068.137		0.0971731	0.3142606	0.793679	0.27568	0.483729
Russia	955312.6	955312.6		0.0429016	0.5426385	1.066063	0.129098	0.428163
Jamaica	22941	22941		0.0234114	0.419175	0.880714	0.072464	0.457045
Nicaragua	2818.274	2818.274		0.428414	0.4184433	5.278181	0.108534	0.376036
Panama	337.8361	337.8361		0.3045331	0.4719101	4.423867	0.108098	0.338572
Peru	866.9242	866.9242		0.5244535	0.2581279	0.823982	0.071564	0.374713
Nepal	3052.268	3052.268		0.6520274	0.2984038	4.01668	0.109445	0.388557
Vietnam	977.9723	977.9723		0.7232311	0.2767689	2.015576	0.025879	0.467624
NET RECIPIENTS								
Albania	13782.92	24769.98	10842.47	0.2837032	0.2097117	0.406793	0.239576	0.281323
Bulgaria	12614.53	15432.1	2817.578	0.0344828	0.5278515	1.047745	0.159151	0.64127
Kazak	10813.95	14839.16	4025.207	0.0587045	0.5323887	0.991903	0.06288	0.834101
Kyrgyz	1058.034	1445.678	387.6439	0.0782918	0.2867257	0.567901	0.206349	0.464539
Russia	837202.1	1309808	469054	0.0527227	0.5336534	0.957902	0.185067	0.513746
Jamaica	16194.01	19954.25	3760.243	0.0168919	0.3130631	0.752252	0.061937	0.352392
Nicaragua	2148.409	3006.177	857.7688	0.2855891	0.296009	4.835024	0.106072	0.375282
Panama	332.5132	369.329	36.81584	0.2687927	0.3536446	4.410023	0.13041	0.319444
Peru	631.9262	751.8549	119.9287	0.4570691	0.213186	0.691474	0.10017	0.305352
Nepal	2740.536	4040.607	1295.193	0.7404613	0.1814239	3.550583	0.074929	0.320263
Vietnam	895.6931	1237.761	342.0683	0.5513297	0.4486704	2.073678	0.041111	0.465797
NET GIVERS								
Albania	15209	12847.42	-2361.58	0.5859344	0.1830304	0.305215	0.222738	0.378704
Bulgaria	19202.38	16636.75	-2565.629	0.0647059	0.3647059	0.912024	0.076246	0.516129
Kazak	17538.68	14821.36	-2717.326	0.0348101	0.6740506	1.306962	0.069841	0.924915
Kyrgyz	1534.97	1254.519	-280.4514	0.1681034	0.4267241	1.004292	0.180258	0.487069
Russia	1573952	1245199	-324608.2	0.0601841	0.6022197	1.119861	0.085761	0.517637
Jamaica	22169.04	19795.29	-2373.744	0.005102	0.5714286	0.897959	0.045918	0.609375
Nicaragua	7061.034	6836.408	-224.6257	0.5232736	0.5106153	5.059802	0.181225	0.708872
Panama	500.9238	483.981	-16.9428	0.2509728	0.5856031	3.830739	0.081712	0.527059
Peru	1164.309	1091.731	-72.57815	0.5767018	0.2129758	0.756086	0.048619	0.457202
Nepal	5355.955	4757.825	-598.1304	0.7007471	0.251388	4.253649	0.073942	0.572772
Vietnam	1407.122	1248.328	-158.7949	0.706757	0.293243	1.913741	0.016955	0.68369

TABLE 9 . Household Demographics by Transfer Status

	head age<30	head age>60	female head	fraction abser members	hh size
ALL HOUSEHOLDS					
Albania	0.0758004	0.2359647	0.1135846	0.11423	4.6
Bulgaria	0.0438668	0.394801	0.2152721	0.1092608	2.82
Kazak	0.09375	0.1804436	0.374496	0.0826613	3.53
Kyrgyz	0.1015988	0.2521918	0.2836514	0.0526044	4.52
Russia	0.1208678	0.24533	0.2732875	0.0735069	2.74
Jamaica	0.1590106	0.2473498	0.4356386	0.1095406	3.5
Nicaragua	0.1655257	0.1731464	0.3040091	0.1708474	5.19
Panama	0.1073812	0.2327604	0.2232558		4.34
Peru	0.1024492	0.223057	0.1944775	0.1432085	4.99
Nepal	0.1486357	0.1540614	0.1649441	0.1064047	5.56
Vietnam	0.0656979	0.2133739	0.2864488	0.1169556	4.57
OTHER HOUSEHOLDS					
Albania	0.0799584	0.2263699	0.1127211	0.0593499	4.64
Bulgaria	0.0254482	0.4193175	0.2174667	0.0769231	2.9
Kazak	0.0635739	0.2113402	0.3487973	0.0816151	3.69
Kyrgyz	0.0772608	0.2633889	0.2546093	0.0421422	4.83
Russia	0.110369	0.2495732	0.2643413	0.072674	2.82
Jamaica	0.1661092	0.2051282	0.3522854	0.0891862	3.43
Nicaragua	0.1743347	0.1351341	0.2663455	0.1695424	5.28
Panama	0.1115847	0.1944983	0.16389		4.42
Peru	0.1046592	0.1813025	0.1569275	0.1265868	5.26
Nepal	0.1451143	0.138424	0.109007	0.0994931	5.68
Vietnam	0.0790512	0.1682873	0.2491708	0.1144137	4.83
NET RECIPIENTS					
Albania	0.0460753	0.3428594	0.1261918	0.5518734	3.92
Bulgaria	0.1671088	0.2281167	0.265252	0.1220159	2.79
Kazak	0.194332	0.1417004	0.4311741	0.0748988	3.37
Kyrgyz	0.1569665	0.2557319	0.361552	0.0617284	3.89
Russia	0.211605	0.2078995	0.3206431	0.0628248	2.68
Jamaica	0.1497748	0.3333333	0.5641892	0.1283784	3.71
Nicaragua	0.1319966	0.3277949	0.4539133	0.1722418	4.84
Panama	0.1030752	0.3194761	0.3246014		4.41
Peru	0.0997078	0.3073823	0.2755429	0.1584761	4.6
Nepal	0.1625423	0.2140135	0.3741902	0.1183171	5.14
Vietnam	0.0475478	0.3790311	0.3931106	0.1129716	3.97
NET GIVERS					
Albania	0.0266693	0.1847096	0.0398064	0.5648953	5.31
Bulgaria	0.0029326	0.457478	0.1495601	0.2580645	2.45
Kazak	0.0411392	0.1297468	0.3765823	0.1012658	3.23
Kyrgyz	0.0815451	0.1974249	0.2274678	0.0815451	4.48
Russia	0.0615265	0.2566319	0.2322044	0.0810946	2.6
Jamaica	0.1683673	0.0510204	0.2346939	0.1173469	2.87
Nicaragua	0.1468847	0	0.2170743	0.2645185	5.06
Panama	0.114786	0.1284047	0.1789883		3.83
Peru	0.1004155	0.177535	0.1416674	0.1807528	4.69
Nepal	0.1425465	0.1256571	0.0714776	0.138208	5.69
Vietnam	0.0420652	0.127165	0.265255	0.1316646	4.5

Figures

Figure 1. Private Transfers and Pre-transfer Income

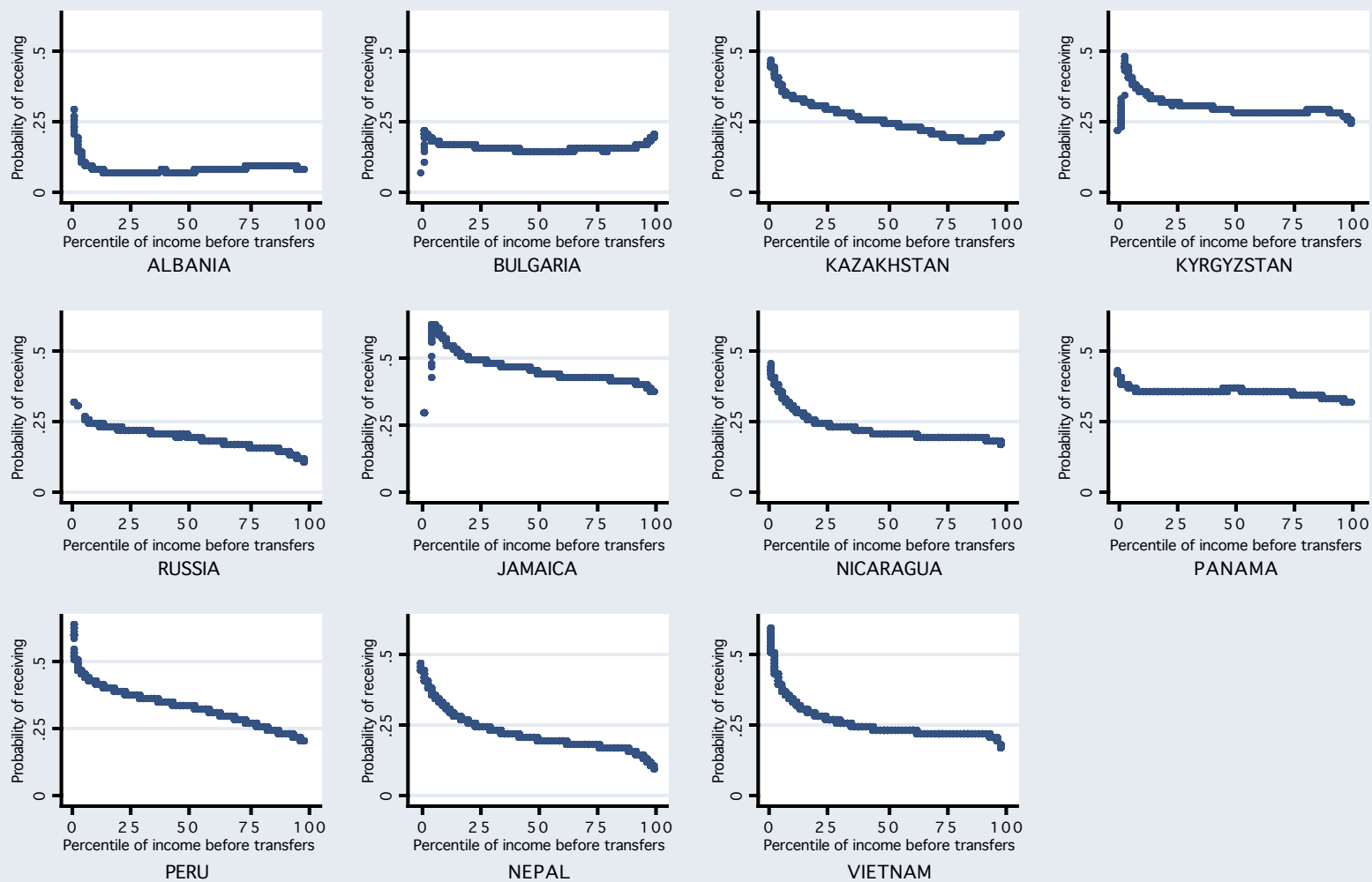


Figure 2. Private Transfers and Age

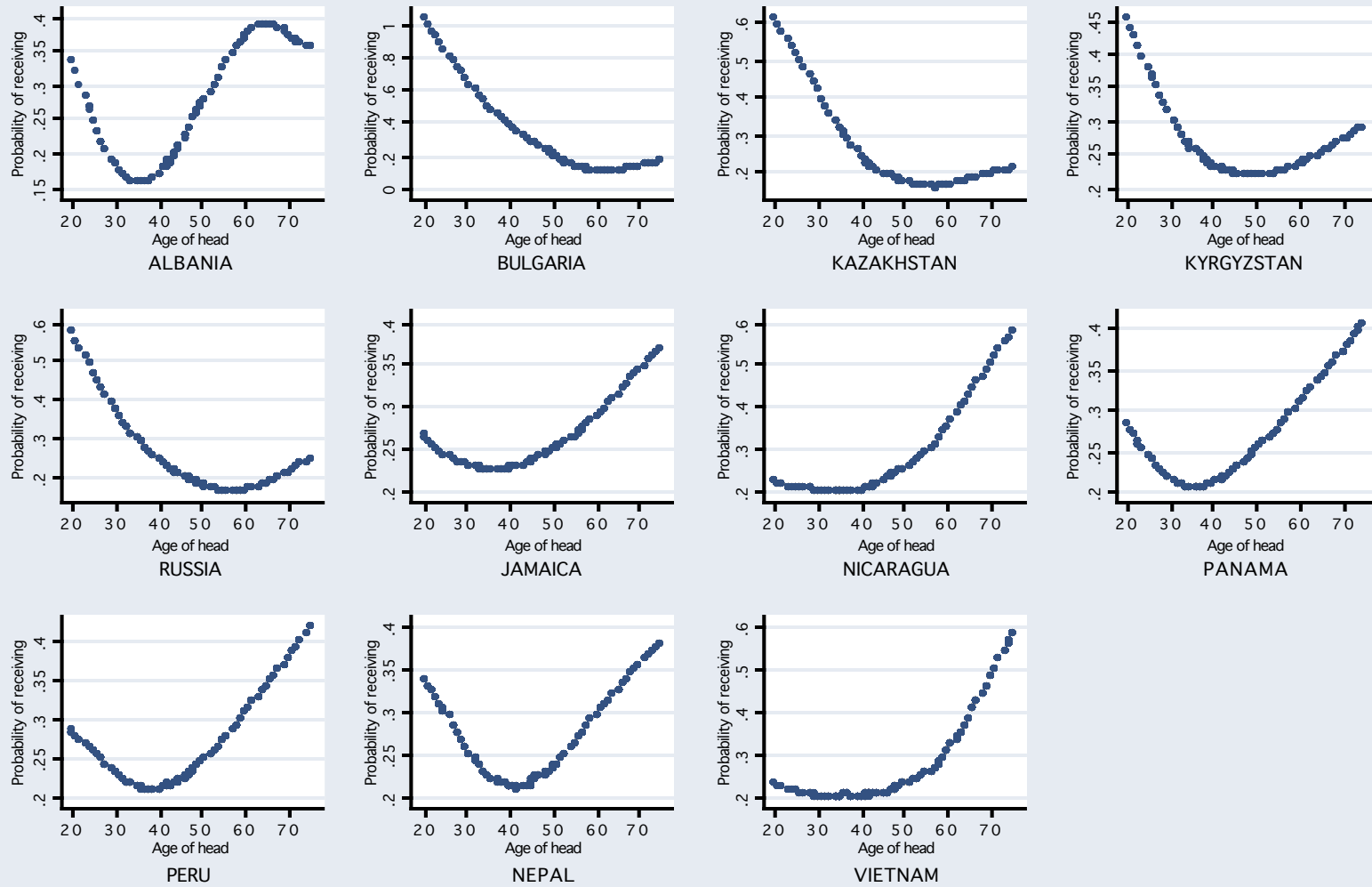


FIGURE 3. The % of (gross) private transfers received against incidence of public assistance:

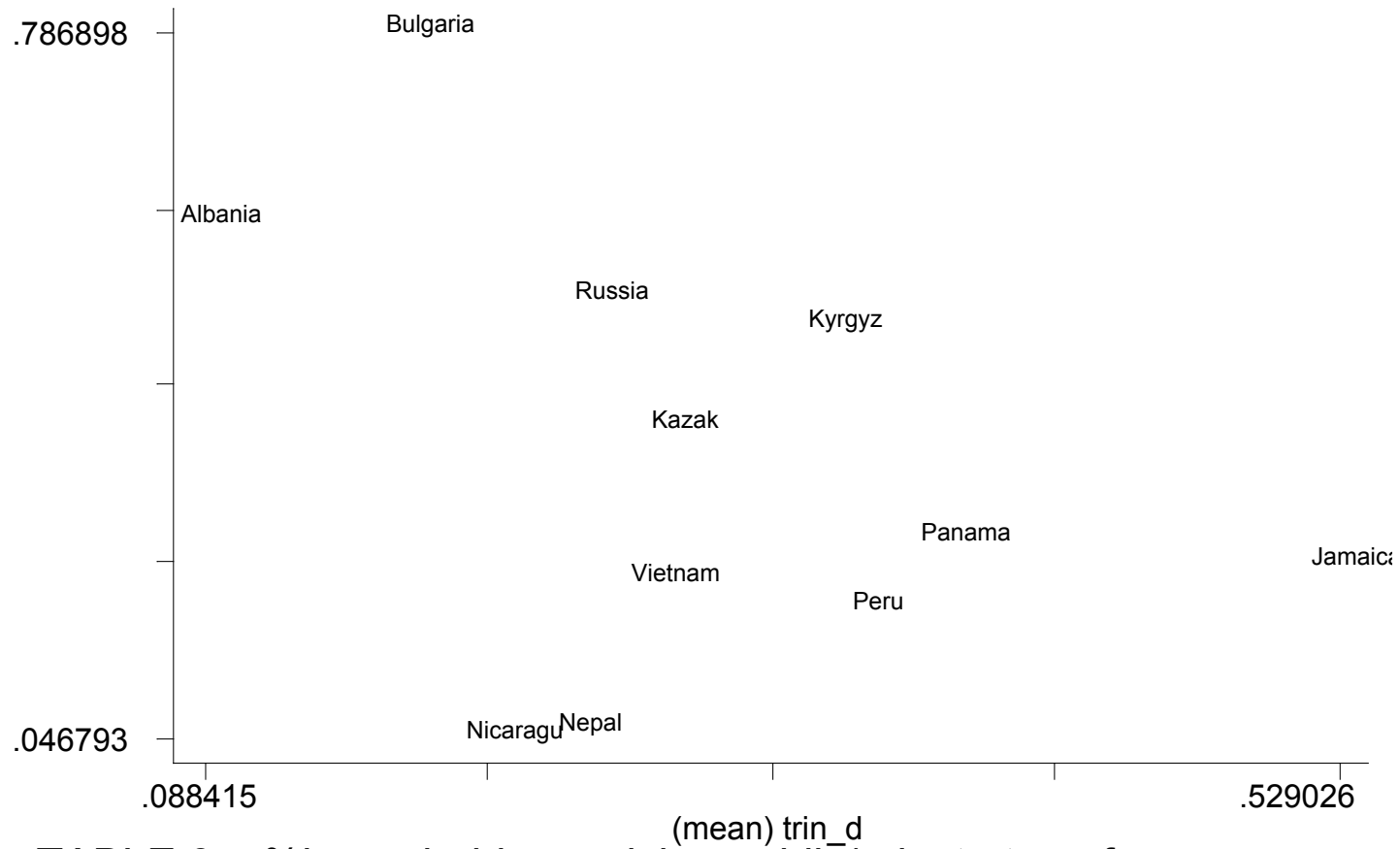


TABLE 3a: %households receiving public/private transfers

The correlation coefficient is -0.3912 (p-value 0.23)

FIGURE 4. The % of (gross) private transfers received against incidence of public pensions, for samples of households with at least one member aged 60 or over:

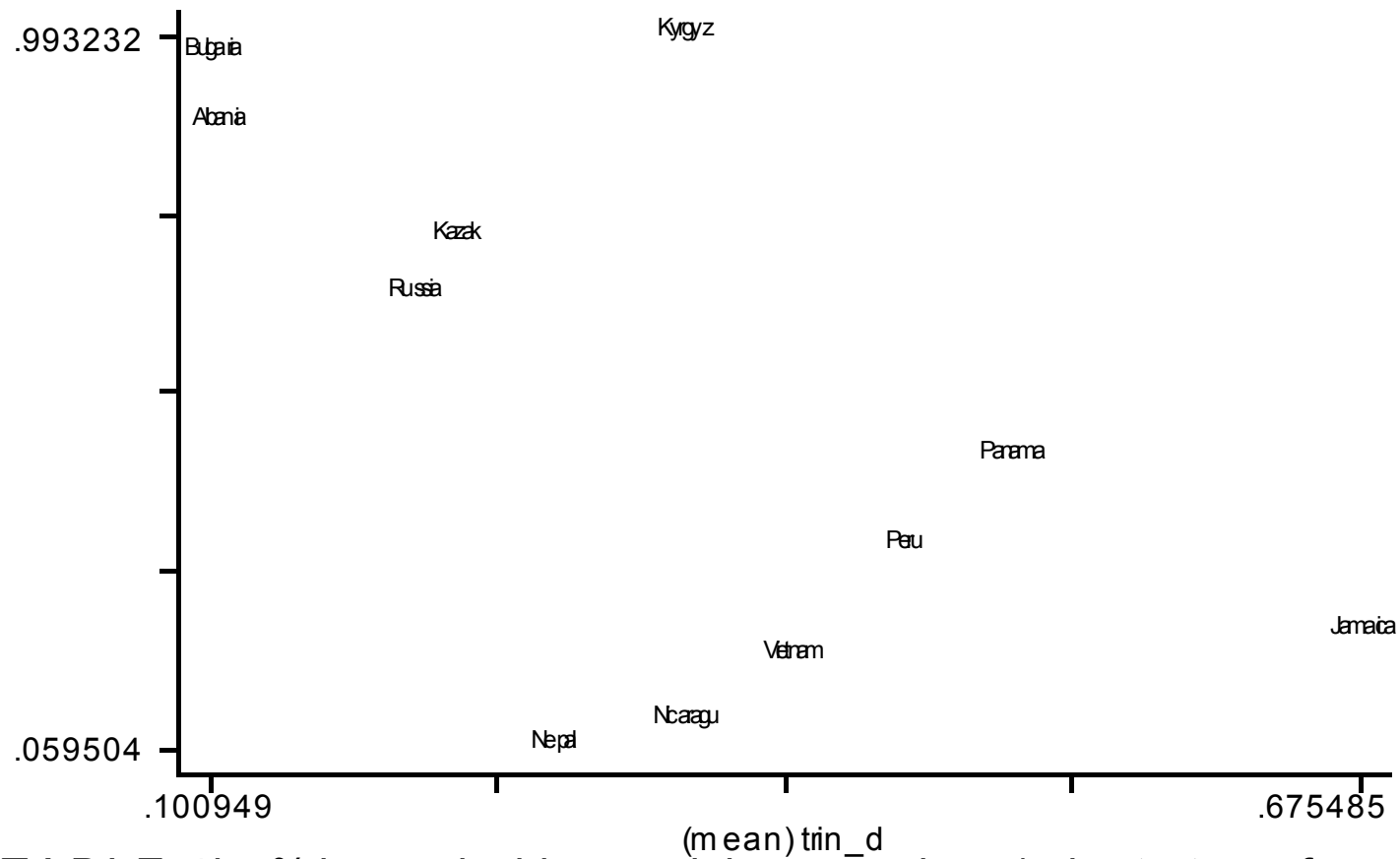


TABLE 4b: % households receiving pensions/private transfers

The correlation coefficient is -0.5881 (p-value: 0.057).

Appendix I—Variable Definitions

Table A.1. Definition of inter-household private transfers

Definition, length questions, recall period, position in the questionnaire

Transfers only		Separate section	Individual Vs household
ALBANIA 1996		Yes	Ind
Received:	Are there any people who received money, or food, or got any other kind of contribution from this household during the last 3 years? (Include child support payment) Amount donated (cash or value of goods) in past 6 months (and during 95, 94, 93). Relationship to head, when began receiving contributions		
Given:	Are there any people who send money, or food, or make any other kind of contribution to this household during the last 3 years? (Include child support payment) Amount received in past 6 months (and during 95, 94, 93). Relationship to head, when started making contributions		
BULGARIA 1995		Yes	Ind
Received:	Are there any people who are not member of this household as reported on the flap who have been away for more than three months, or any other person who have received money, food, or any other assistance from this household in the past 12 months? relationship to member h'hold, amount donated in cash (last 12m)/ food (last 30d)/cloths (last 12m) /other in-kind (last 12m)		
Given:	Are there any people who send money, food, or make any other kind of contribution to this household? relationship to member h'hold, amount received in cash (last 12m)/ food (last 30d)/cloths (last 12m) /other in-kind (last 12m)		
KAZAKHSTAN 1996		No	H'hold
Received:	Was your h'hold granted a subsidy, or food or clothes or anything else free of charge during last 30 days? estimated cost in tenge (from parents, children, grandparents, grandchildren, relatives, friends, former job place, other)		
Given:	During the past 30 days did you or anyone in your h'hold provide support or assistance (money, food, clothes or other things) to parents/children/grandparents/grandchildren/other relatives/other people-non relatives? Value of assistance provided during last 30d/past 12m		
PANAMA 1997		No	H'hold
Received:	Did you receive transfers of money from relatives or friends? how much did you receive from them during the past 12 months? In addition to purchases, did you get [food item] for consumption of the h'hold as donations or gifts in the last 15 days? how much would you pay for [food item] if you had to buy it? In the last 12 months, did you or any member of you h'hold receive any money or goods (clothes, shoes, medications) from relatives, friends and neighbors? how much did you receive in the past 12m?		
Given:	Did you send money and/or goods (food, clothes, shoes) to absent members of you h'hold, students, relatives, friends or acquaintances? how much did you spend in total in the last 12 months?		
PERU 1994		No	H'hold
Received:	In the last 12 months, did any member of your h'hold receive transfers of money or goods from any of the following sources: remittances, in cash or in-kind, from relatives (friends, etc) who are not members or your h'hold; remittances from abroad? how much did you receive last time, and in which month did it happen? how many times and how often did you receive them during the past 12 months?		
Given:	: in the last 12 months, did you spend on the following: remittances in cash or in-kind to any relative/friends etc. who are not members of your h'hold? how much did you pay last time, and in which month did you make this expenditure? how many times and how often did you spend during the last 12 months?		

		No	H'hold
RUSSIAN Federation 1996			
Received:	Have members of your family received in the last 30 days any gratuitous money or goods - food, clothes, other items - from people who are not members of your household - from children, parents, other relatives, friends, strangers, or organizations? If so, how would you estimate this in rubles: (parents, children, grandparents, grandchildren, relatives, friends, former place of employment, church, foreign organization, other organizations)		
Given:	Has it been necessary for your family or one of its members to give or send, without compensation, money or goods - food, clothes, other items - to people who are not members of your household - children, parents, other relatives, friends, or simply strangers - in the last 30 days? Tell me, please, has your family been helping with money or goods in the last 30 days and, if so, then estimate, please, this help in rubles? (parents, children, grandparents, grandchildren)		
Transfers recorded separately from loans			
KYRGYZ Republic 1996		Yes	H'hold
Received:	During the past 12 months has any member of your household received money or goods to persons who are not members of your household? do not include alimony or child support payments. During the past 30 days/12 months, what is the value in soms of the assistance you or members of your household received from - ? (parents, children, grandparents, grandchildren, other relatives, other people/non relatives) Is any of this assistance expected to be repaid? How much?		
Given:	During the past 12 months has any member of your household provided money or goods to persons who are not members of your household? do not include alimony or child support payments. During the past 30 days/12 months, what is the value in soms of the assistance you or members of your household given to - ? (parents, children, grandparents, grandchildren, other relatives, other people/non relatives)		
JAMAICA 1997			
Received:	During the past 12 months, has any member of your h'hold received income in cash or in kind from the following sources? support for children from parents who live elsewhere, other relatives who live in Jamaica, other relative or friends who live abroad - amount	No	Ind
Given:	During the past 12 months, has any member of your h'hold spent on any of the following items? non-consumption expenditure: donations and gifts, support for children who live elsewhere, other maintenance of relatives outside the home		
NEPAL 1996		Yes	Ind
Received:	During the past 12 months, have you received any money or payment in kind, or gifts from any person who is not a member of your h'hold? Relationship to the person, gender, location, How much in total (cash and in-kind) did you receive from the donor over the past 12 months?		
Given:	During the past 12 months, did you, or any member of your household send money or other payments (for ex. food or clothing) to anyone who is not a member of the h'hold? For example children or relatives living elsewhere, or to other people? Relationship to the person, gender, location, How much money (cash and in-kind) did you send to the recipient over the past 12 months?		
NICARAGUA 1998		No	H'hold
Received:	During the last month, did any member of your h'hold receive money for: assistance of relatives and friends? How much did you receive during the last 30 days?		
Given:	During the last 6 months, did any member of your h'hold spend on: transfers of cash and/or goods to students outside the h'hold, to other relatives, friends or acquaintances? how much did you spend during the last 6 months?		

VIETNAM 1997-98		Yes	Ind
	During the last 12 months has any member of your h'hold received money or goods from persons who are not member of your h'hold? id recipient in h'hold, relationship to member, sex, location donor, amount transfer, purpose, is part of this assistance to be repaid ?		
	during the last 12 months has any member of your h'hold provided money or goods to persons who are not member of your h'hold? id sender in h'hold, relationship to member, sex, location recipient, amount transfer, purpose, is part of this assistance to be repaid ?		

Table A.2 – Other definitions

HOUSEHOLD MEMBER
<p><i>Standard definition of a household in LSMS “A household consists of one person who lives alone or a group of persons, who, as a unit, jointly occupies the whole or a part of a dwelling unit, who have common arrangements for housekeeping, and who generally share at least one meal.”</i></p> <p>We <u>exclude</u>:</p> <ul style="list-style-type: none"> • All individuals who are absent for longer than 3 months during the past year • Boarders/lodgers and household employees who are not considered household members
HOUSEHOLD HEAD
<p>Head is self-reported. If missing (either not reported or absent), assign to head the eldest person; if multiple heads are generated, impute as head the eldest male member.</p>
HOUSEHOLD INCOME BEFORE TRANSFERS
<p><i>Wage income</i>: monthly wages (cash and in-kind) from main and secondary occupations. Aggregated from individual data</p> <p><i>Agricultural income</i>: total value of production minus total value of expenditures of crops, If quantity is harvested but not sold, evaluated at the average producer price per crop and per unit of output and geographical area). Total harvest includes imputed values of home consumption⁸.</p> <p><i>Self-employment income (non-agriculture)</i>: when available aggregate income (cash and in-kind) from self-employment activities, main and secondary occupations (from individual data). Net revenue for household businesses is added when it is clear from the interviewers' manual that there is not an overlap.</p> <p><i>Public transfers</i>: all pension payments and public assistance transfers to the household (see Table II-A3)</p> <p><i>Imputed rent for owner occupiers</i> when available. Impute predicted value from hedonic regression on rent paid and house characteristics when missing (and a sufficient number of observations with paid rent observed)</p> <p><i>Other income</i>: monthly income from renting out residential property, land and other assets, dividends, insurance, etc.</p> <p>We <u>exclude</u> income from inheritances or sales of asset)</p>

⁸ More specifically, quantity harvested includes: q sold, q home consumed, , q stored (kept as seeds), q bartered/exchanged. From this subtract: q. used as seeds, q lost/wasted, q used to pay labor, q used to feed animals, q used for sub-products. When available, add q received from sharecropping and subtract q given as part of sharecrop.

Table A3. Definition of public transfers

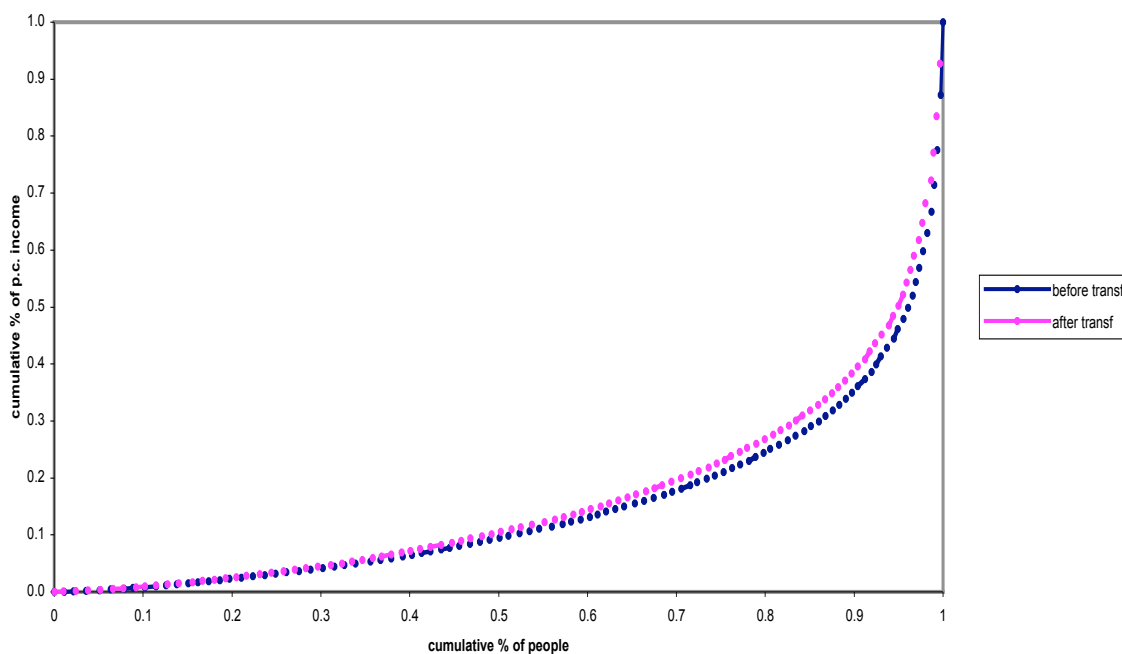
Albania:	[separate section] old age pension, survivor pension, disability pension, other insurance benefits, unemployment benefits, monthly social assistance payment (NE), disability allowance, caretaker grant, other payments from social welfare
Bulgaria:	[separate section] private old age pension, state old age pension, survivor pension, disability pension, social pension, unemployment benefits, job search related programs, guaranteed monthly social assistance payment, periodic monthly social assistance payment, targeted social assistance payment
Jamaica:	social security (NIS), private/government and other pension funds, public assistance, poor relief and food stamps
Kazakhstan :	Maternity grant, sick benefits, unemployment benefit, pensions (superannuation, disability, survivor's, retirement)
Kyrgyz Rep:	old age pensions, disability, loss of provider pensions; disability allowance, unemployment allowance, maternity leave allowance, funeral allowance, compensation for Chernobyl, disabled children allowance, other allowances.
Nepal:	Employee Provident fund, pension
Nicaragua:	pensions, scholarships, food allowances
Panama:	child allowances, orphan/widow pension, pension/jubilacion
Peru:	pension, social security (IPSS), other social security (medical or life insurance)
Russian Fed.:	apartment benefits, pension income, unemployment benefits, child benefits, fuel benefits, and alimony
Vietnam:	social insurance fund (pensions, disability), social subsidies (to families with war martyrs, disabled vets..), funds or programs related to the government poverty alleviation policy

Table A4. Definition of health illness indicator.

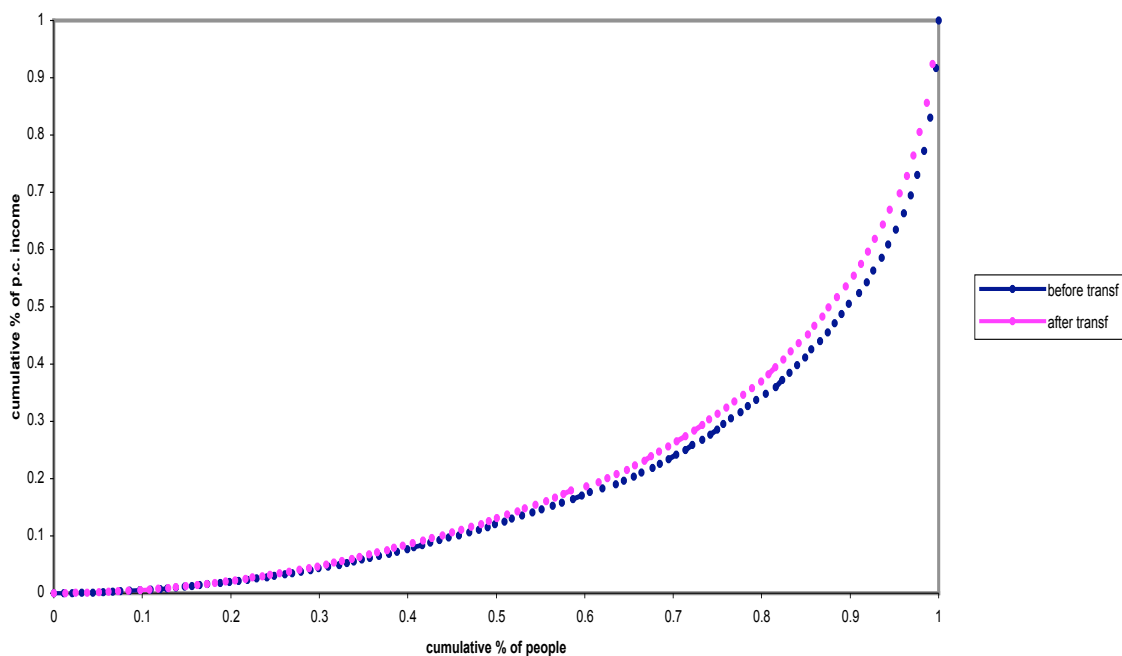
Albania:	=1 if an event of illness caused the person to miss work or school in the last year (chronic) or last month (acute)
Bulgaria:	=1 if anyone in the household suffered from disability, chronic illness or ailment and this caused to miss work or school during the <u>past year</u> &&WHICH (there is a separate section on injury, disease or ailment during the past 4 weeks and whether this caused to miss work or school)
Jamaica:	=1 if anyone in the household suffered from an injury or chronic illness and this caused missed days of work during the past month create an indicator of illness =1 if either of the two events prevented the person from carrying out her usual activities &&&WHICH
Kazakhstan:	=1 if anyone in the household had health problems during the past month that caused missing days of work
Kyrgyz Rep:	=1 if either a chronic illness (>6months) or a recent (SPECIFY) illness or injury prevented the individual from carrying out her usual activities
Nepal:	=1 if anyone in the household had to stop doing usual activities because of an illness or injury over the previous month
Nicaragua:	=1 if anyone in the household suffered from injury or any disease . (do not have any information on whether this caused missed days of work)
Panama:	create a hh indicator=1 if anyone in the household suffered from disability, illness (even if transitory) during the last month and this has prevented the person from carrying out her usual activities/caused to miss work or school
Peru:	Health dummy for whether anyone, was person sick, injured in an accident or exhibited symptoms of illness in past 4 weeks and this caused the person to be bedridden
Russian Fed.:	create a hh indicator=1 if anyone in the household suffered from any health problems and this caused missed days of work or study in the past 30 days
Vietnam:	create a hh indicator=1 if anyone in the household suffered from any illness/injury in the past 4 weeks and this has prevented the person from carrying out her usual activities

Appendix II. Lorenz Curves for Selected Countries

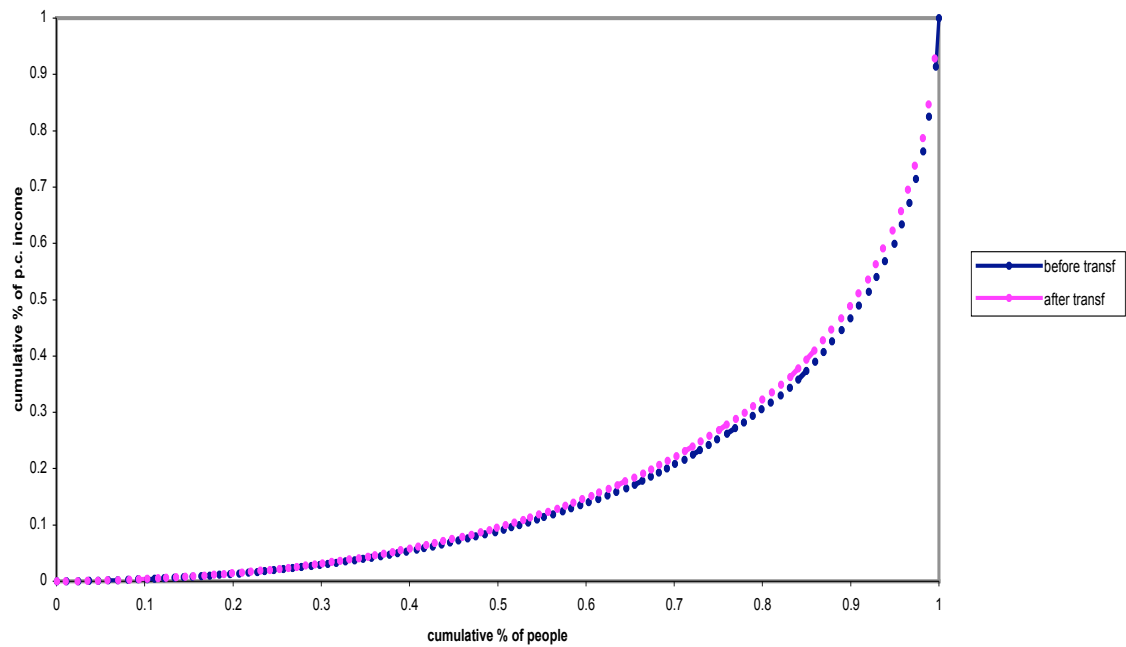
Lorenz curve for Nepal



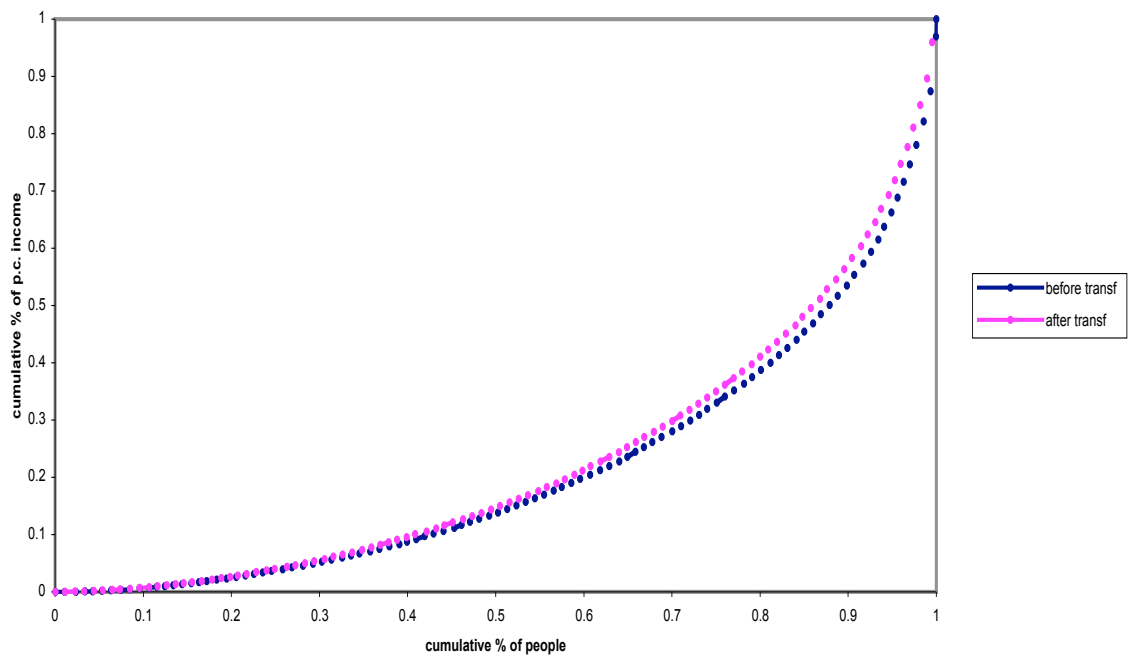
Lorenz curve for Nicaragua



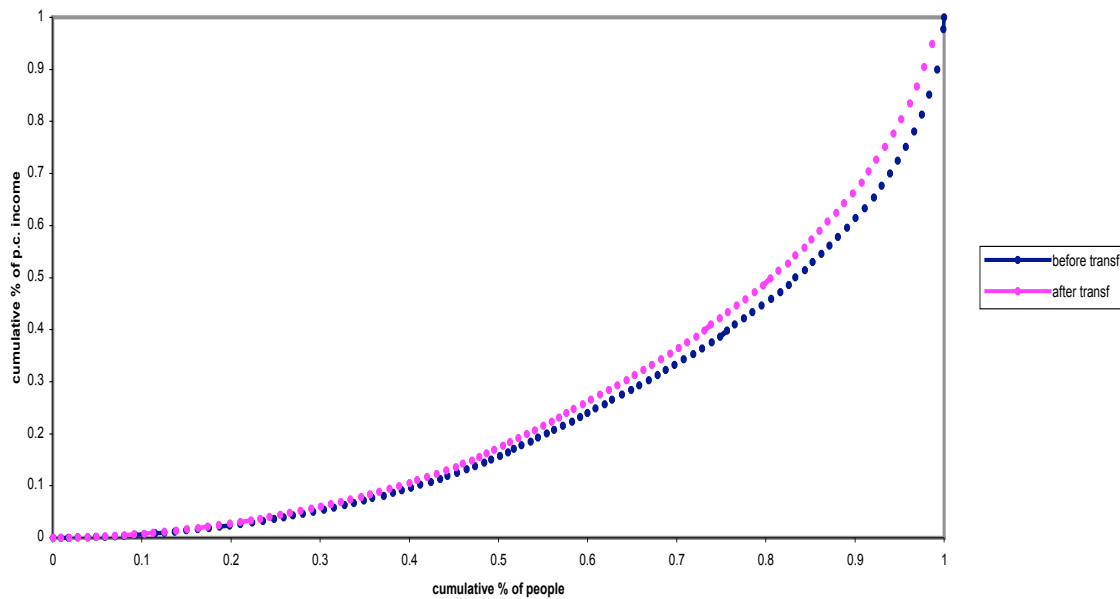
Lorenz curve for Panama



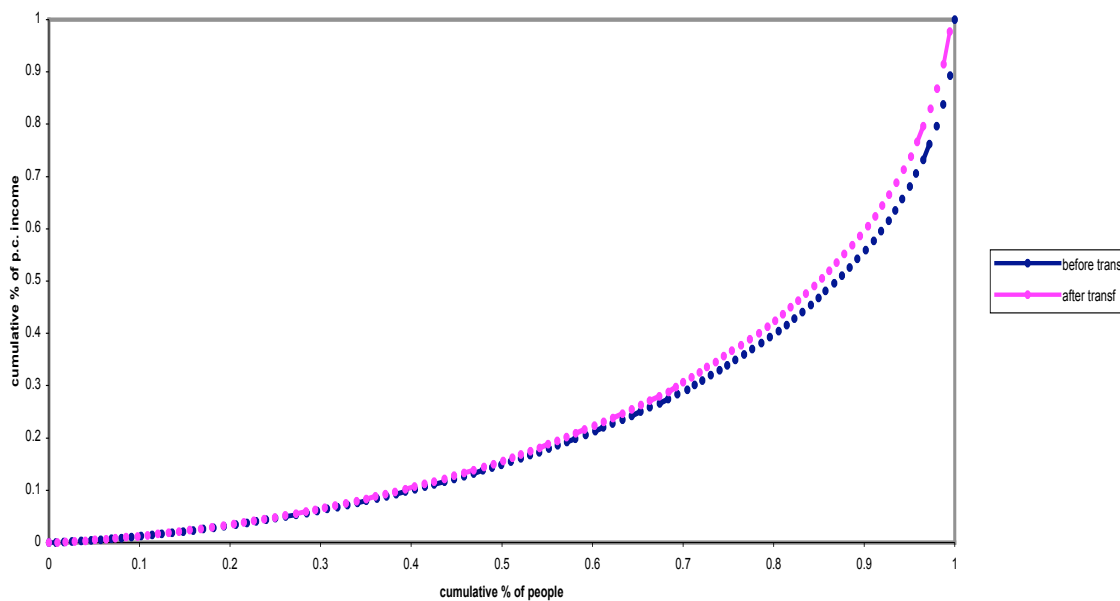
Lorenz curve for Peru



Lorenz curve for Russia



Lorenz curve of Vietnam



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