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Equity and Well-Being: Measurement and Policy Practice

Hyun Hwa Son

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Equity and Well-Being

Measurement and policy practice

Hyun Hwa Son



First published 2011

by Routledge

2 Park Square, Milton Park, Abingdon, Oxon OX14 4RN

Simultaneously published in the USA and Canada by Routledge

711 Third Avenue, New York, NY 10017

Routledge is an imprint of the Taylor & Francis Group, an informa business

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British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

Library of Congress Cataloging in Publication Data

A catalog record for this book has been requested

ISBN 978-0-415-69269-4 (hbk)

ISBN 978-0-203-15504-2 (ebk)

Typeset in Times New Roman

by Cenveo Publisher Services



Printed and bound in Great Britain by
CPI Antony Rowe, Chippenham, Wiltshire

Equity and Well-Being

Equity is an abstract concept covering philosophical issues such as fairness and social justice, making its definition and measurement complex. This volume tackles these complexities head-on. The book is enriched with many empirical analyses and provides a comprehensive analysis of equity ranging from concepts and measurements to empirical illustrations and policy implications.

After an extensive discussion on equity in the introduction, this volume begins with a chapter on well-being, where the concepts of functioning and capability are discussed. This is followed by a few chapters on what an equitable distribution is and how equity can be measured. The volume then provides a definition and a methodology to measure equitable growth, examining the relationship between growth, inequality, and poverty. It also presents various empirical illustrations and country-specific experiences with three country case studies, which assess whether health and education services are equitable in developing Asia, examining the extent to which these social services favor the poor as well as the policy challenges to a more equitable delivery of these services. Finally, these country studies provide evidence-based policy recommendations to improve equity in social service delivery in developing countries.

Achieving social equity has long been an important policy goal. There are relatively few studies on equity. This book aims to help fill this gap with an in-depth analysis of the issues associated with equity, covering its concept, measurement, and policy practices and implications.

Dr Hyun Hwa Son is currently a senior economist in the Economics and Research Department of the Asian Development Bank (ADB). Before joining ADB in March 2007, she was a poverty specialist/economist at the United Nations Development Programme. She also worked for the World Bank in Washington D.C., and held an academic position at Macquarie University in Sydney, Australia. She has worked and published extensively on poverty, inequality, pro-poor growth, inclusive growth, health and education, and public policies.

Preface

Even though equity has long been an important policy goal, inequity persists globally. In the 1980s, governments were typically more interested in addressing cost constraints and improving efficiency than in promoting equity. The situation had improved by the end of the 1990s, when many governments and international organizations prioritized equity in their development agenda. And this emphasis has continued into the new millennium, as governments increasingly focus on policies and programs to reduce inequity.

But despite the renewed attention, there are still few studies on the subject. This book aims to help fill this gap with an in-depth analysis of the issues associated with equity, including its concept and measurement, policy practices, and implications. As is widely acknowledged, equity is an abstract concept covering philosophical issues such as fairness and social justice, making its definition and measurement complex. This book tackles the complexity. Aside from discussing the conceptual issues surrounding equity, the text is enriched with many empirical analyses that reveal clear policy implications. As such, its comprehensive analysis ranges from concepts and measurements to empirical illustrations and policy implications.

This book was born out of work done for the Asian Development Bank's regional technical assistance (RETA) project on Equity in the Delivery of Public Services in Selected Developing Member Countries, its chapters presenting several of the background papers produced under the RETA project. It is hoped the book can benefit those working in the development field, including academics, practitioners, and policymakers.

There are a number of people I would like to acknowledge. I owe Dr Ifzal Ali, former Chief Economist of the Asian Development Bank, considerable thanks for encouraging me to become the leader of the RETA project and thus steering me onto the path to writing this book. I am grateful for his insights and inspirations on development issues, and I benefitted enormously from numerous discussions with him during his tenure as the Chief Economist in the Economics and Research Department. To the same extent, I am grateful to Dr Juzhong Zhuang, Deputy Chief Economist of the Asian Development Bank, for encouraging me to write the book, and I am thankful for his overall guidance.

I have also benefitted greatly from the many discussions I had about the issues surrounding equity and public service delivery with many government

officials in Nepal, the Philippines, Sri Lanka, Lao People's Democratic Republic, and Indonesia before the launch of the project. These discussions deepened my understanding of economic development in Asia. I would like to express my particular gratitude to Dr Lava Deo Awasthi of Nepal, who was Joint Secretary at the Ministry of Education, for his support. My passion for this project was ignited by his enthusiasm about development issues in Nepal.

Many scholars in this field have helped me in various stages of manuscript preparation: some read a few chapters and provided me with insightful comments and suggestions, while others helped me clarify the many conceptual and practical issues related to equity. Among those, I would like to acknowledge Professors Nanak Kakwani, Jacques Silber, and Ernesto Pernia for sharing their in-depth knowledge on the subject and also for their tolerance of my ignorance.

In addition, I am grateful to the authors who prepared the country chapters—Chapters 9, 10, and 11—for their patience and hard work in going through many rounds of revisions. Finally, I would like to thank Emmanuel San Andres and Eric Van Zant for providing excellent research assistance and editing of the manuscripts.

Abbreviations

APIS	annual poverty indicators survey
BESRA	Basic Education Sector Reform Agenda
BHS	<i>Barangay</i> health station
CBMS	community-based monitoring system
CBS	Central Bureau of Statistics
CCT	conditional cash transfer
CFS	Consumer Finance and Socioeconomic Survey
DCS	Department of Census and Statistics
DHS	Demographic and Health Survey
DOE	Department of Education
DOH	Department of Health
EIO	equity index of opportunity
FGT	Foster–Greer–Thorbecke
GDP	gross domestic product
GNP	gross national product
HDI	human development index
HIES	Household Income and Expenditure Survey
HPI	human poverty indicator
MDG	Millenium Development Goal
MOE	Ministry of Education
MOHP	Ministry of Health and Population
NCR	National Capital Region
NDHS	National Demographic and Health Survey
OI	opportunity index
PEGR	poverty equivalent growth rate
PME	Provincial Ministry of Education
PMOH	Provincial Ministry of Health
<i>PPP</i>	<i>Pantawid Pamilyang Pilipino</i>
PPP	purchasing power parity/pro-poor policy
RHU	rural health unit
SBA	skilled birth attendant

SEF	School Education Fund
SES	socioeconomic survey
UNDP	United Nations Development Programme
VAT	value added tax
WDR	World Development Report

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