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Poverty in Lao PDR

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Abstract

This study has two objectives. First, it develops a new poverty line for Lao PDR, one that is more accurate and uses additional information on monthly food and nonfood consumer price indices from the Laos National Statistical Center. The new poverty thresholds also take into account the different needs of household members by utilizing energy requirements that vary by age and sex. Second, it presents an analysis of inequality and poverty in Lao PDR using the Lao Expenditure and Consumption Survey conducted in 1992-1993 and 1997-1998. The poverty analysis is presented in terms of the incidence, depth, and severity of poverty. The observed changes in poverty are explained by growth and inequality components. An attempt has also been made to identify districts that can be categorized as poor so that policies can be formulated to target the poor at the local level.

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