

Poverty Dynamics: an Evaluation of Synthetic Panel Estimates

Stephen P. Jenkins

LSE

[Email:s.jenkins@lse.ac.uk](mailto:s.jenkins@lse.ac.uk)

Nicolas Herault

University of Melbourne

There is a growing literature employing repeated cross-section surveys to derive synthetic panel data estimates of movements into and out of poverty. Most applications to date have concerned developing countries. See e.g. Dang, Lanjouw, Luoto, and McKenzie (2014), and Bourguignon and Moreno (2015). An on-going issue is the quality of the estimates derived using these methods: how do they compare with estimates derived from genuine household panel data? See the recent discussions by e.g. Fields and Viollaz (2013) and Garcés Urzainqui (ECINEQ Conference, 2017). Our paper provides new evidence about the quality of synthetic panel estimates, employing high quality household panel data from the British Household Panel Survey and Australian HILDA survey to provide the benchmarks.