

Income Mobility in Indonesia in Pre and Post Monetary Crisis 1998 and the Determinants

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Paper Abstract:

Indonesia experienced monetary crisis in 1998 which triggered political reform and affected economic structure aftermath. This paper aims to estimate income mobility in Indonesia before and after monetary crisis in 1998 and analyse the factors which determine income mobility in that both periods. Methodology for income mobility measures used in this paper are Gini mobility index of Yitzhaki and Wodon(2002) and decomposition of change in inequality of Jenkins and Van Kerms(2006). To analyse the determinants of income mobility, this paper applies a model of income change and positional change on education level, work experience, job sector, job status and individual characteristics. Data source for this paper is Indonesian Family Life Survey from 1993 to 2007 with individual panel data .