Online Appendix: "Why Is Food Consumption Inequality Underestimated? A Story of Vices and Children"

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A Using Household Size as Weights

Here we replace the consumption of each household member by its household's adult-equivalent consumption and compute the cross-sectional statistics from this sample, which essentially uses the household size as the weight when computing the adult-equivalent inequalities. The results in terms of the measure of missing inequality are summarized in the following table analogous to Table 2 in the paper.

Table A-1 Missing Cross-Sectional Consumption Inequality, Averages over Waves

	Rural	Urban
(a) Food Consumption:		
Individual Inequality	0.781	0.598
Adult-Equivalent Inequality	0.416	0.331
Missing Inequality (%)	46.74	44.47
(b) Core Food Consumption (Excl. "Vices"):		
Individual Inequality	0.314	0.276
Adult-Equivalent Inequality	0.248	0.225
Missing Inequality (%)	20.93	18.36

Notes: Missing consumption inequality is defined as the share of actual individual consumption inequality not captured by adult-equivalent consumption inequality, that is, $100 \times \left(1 - \frac{var_t(\ln c^h)}{var_t(\ln c^i)}\right)$, where $var_t(\ln c^h)$ is the cross-sectional variance of logged adult-equivalent consumption and $var_t(\ln c^i)$ is the cross-setctional variance of actual individual consumption in year t. We report the averages across waves.

B Inequality over the Life Cycle: Controlling for Time

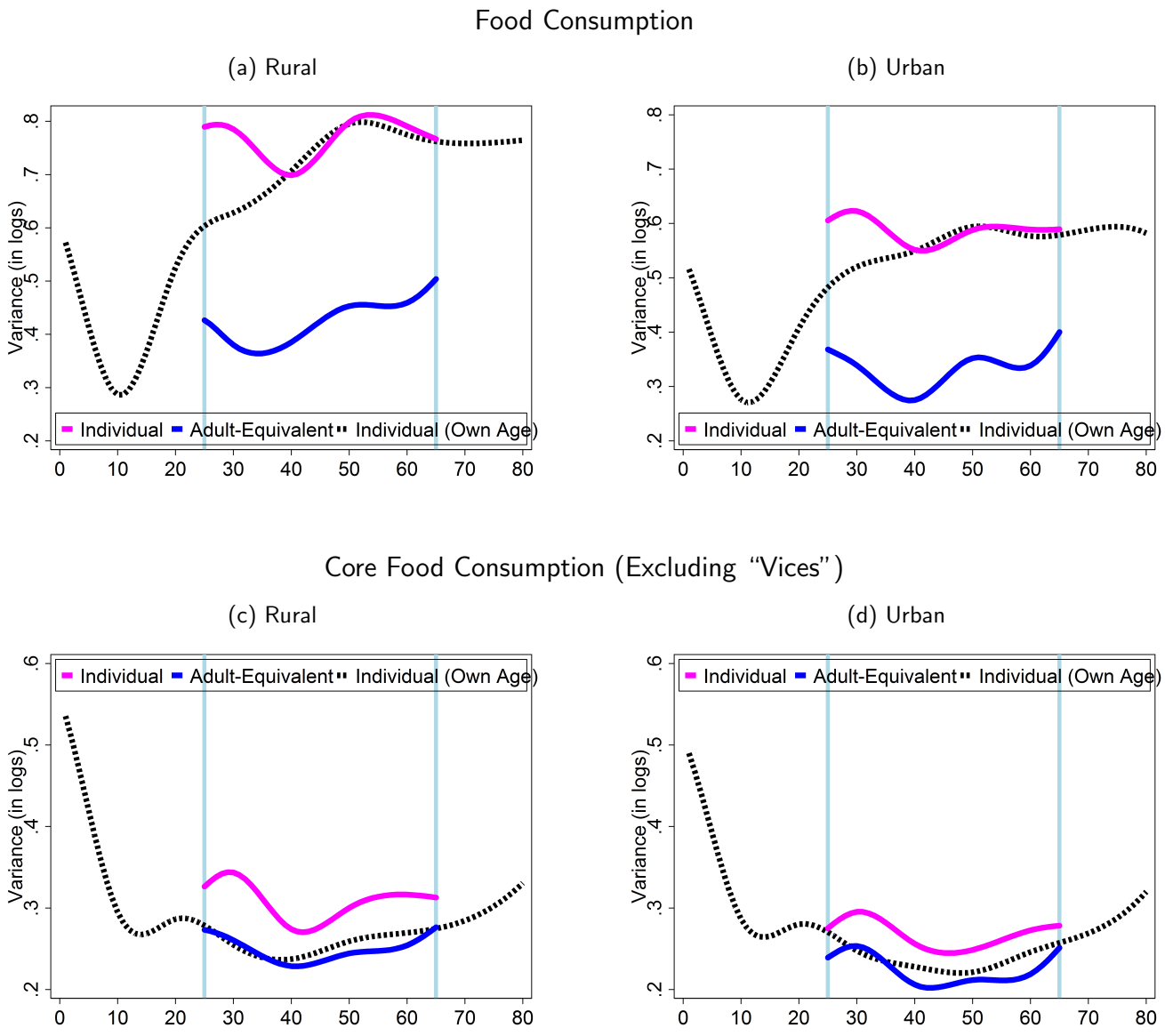
In this section, we produce the analogy of Figure 3 in the paper, with time controls. We do this exercise for total food consumption and core food consumption and for the rural and urban sample separately.

Adult-Equivalent Inequality. We regress the logged adult-equivalent consumption on dummies of wave and compute the variance of the resulting residuals by the age of the household head. We smooth the age-profile of the variances using a cubic spline.

Individual Inequality. We regress the logged individual consumption on dummies of wave and compute the variance of the resulting residuals by the age of the household head. We smooth the age-profile of the variances using a cubic spline.

Individual (Own Age) Inequality. We regress the logged individual consumption on dummies of wave and compute the variance of the resulting residuals by the individual's own age. We smooth the age-profile of the variances using a cubic spline.

Figure B-1 Adult-Equivalent vs. Actual Individual Consumption Inequality: The Life-Cycle (Controlling for Time)



Notes: The measure of inequality is the variance of logged variables. The top panels focus on life cycle inequality of food consumption, and the bottom panels focus on life cycle inequality of core food consumption (excluding alcohol, tobacco, coffee and tea). The left panels focus on rural areas, and the right panels on urban areas. We use time controls.

C The Role of Children: Removing Children

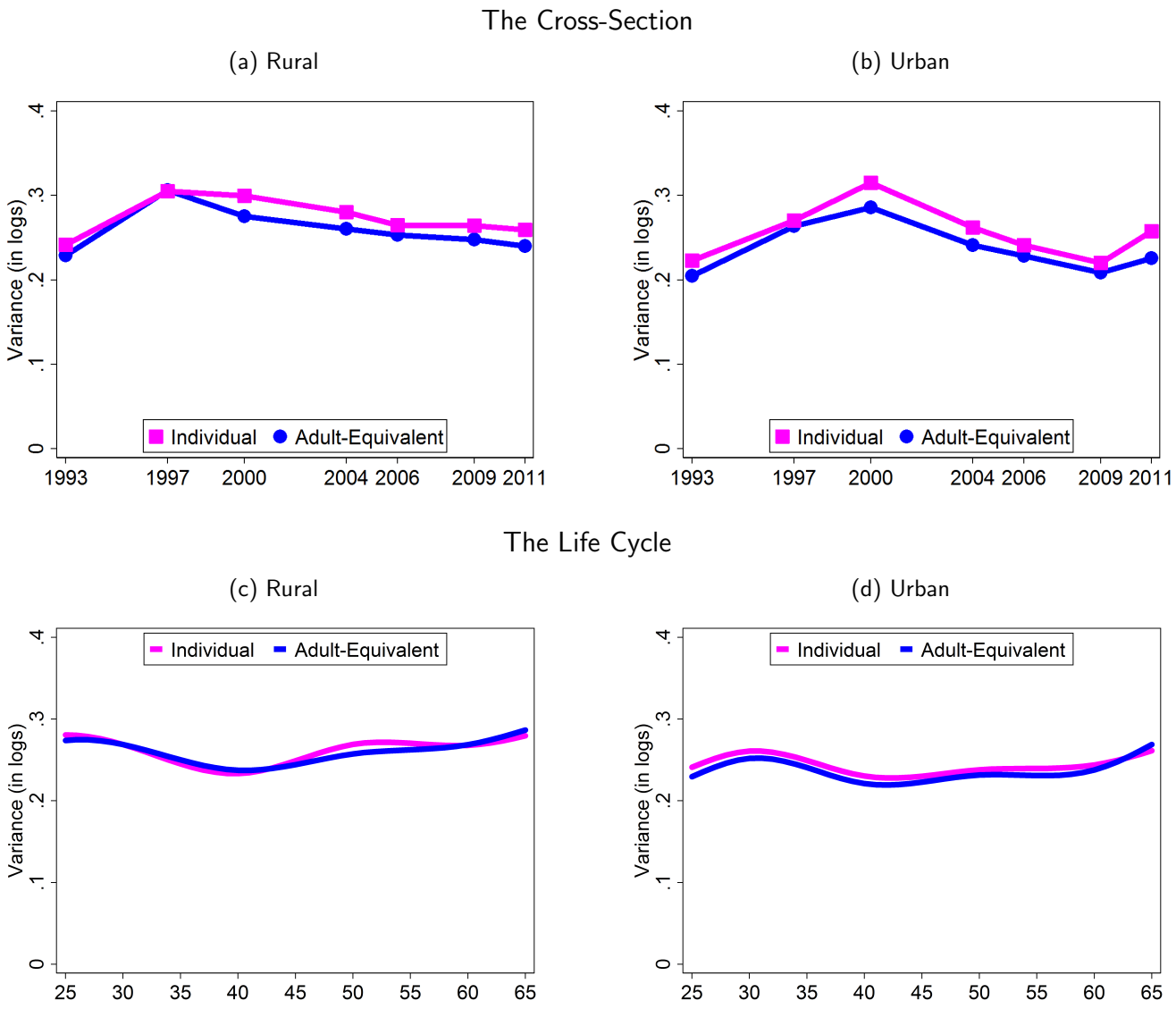
In this section, we produce the analogy of Table 4 and Figure 4, removing children (i.e. individuals under 18) altogether from the sample.

Table C-1 Missing Cross-Sectional Consumption Inequality: Removing Children Aged under 18

	Rural	Urban
(a) Food Consumption:		
Individual Inequality	0.736	0.575
Adult-Equivalent Inequality	0.462	0.371
Missing Inequality (%)	37.19	35.43
(b) Core Food Consumption (Excl. "Vices"):		
Individual Inequality	0.274	0.257
Adult-Equivalent Inequality	0.259	0.238
Missing Inequality (%)	5.48	7.32

Notes: Missing consumption inequality is defined as the share of actual individual consumption inequality not captured by adult-equivalent consumption inequality, that is, $100 \times \left(1 - \frac{var_t(\ln c^h)}{var_t(\ln c^i)}\right)$, where $var_t(\ln c^h)$ is the cross-sectional variance of logged adult-equivalent consumption and $var_t(\ln c^i)$ is the cross-setctional variance of actual individual consumption in year t. We report the averages across waves.

Figure C-1 The Role of Children: Removing Children, Inequality of Core Food Consumption



Notes: The measure of inequality is the variance of logged variables. Here we report the results from our samples removing children (aged less than 18) altogether. The top panels focus on the cross-sectional inequality of core food consumption over time, and the bottom panels focus on the life cycle inequality of core food consumption over age. We use cohort controls to compute the life cycle inequality.