

Inequality of Opportunity in Asia and the Pacific

MONGOLIA



"Economic growth should enable everyone, in particular the poor, to participate and benefit from economic opportunities and should lead to job creation, and be complemented by effective social policy. Mongolia, for one, is endeavoring to implement such a policy. [...] In February 2016, the Parliament of Mongolia approved the Sustainable Development Agenda of Mongolia – 2030. The Agenda envisages eradication of poverty in all its forms through reducing income inequality and ensuring citizens' participation".

H.E.Mr. Tumurkhuleg Tugsbilguun,
Ambassador and Permanent Representative
74th Annual Session of UNESCAP

Country Background

3.1	million, total population	0.32	GINI coefficient (income inequality)
11,841	GDP per capita, 2011 PPP \$	0.17	D-index (inequality of opportunity)
21.6 %	people in poverty (below the national poverty line)	70	years of life expectancy at birth
0.2 %	people in extreme poverty (below \$1.90 a day)	14.1	expected years of schooling at birth

Source: ESCAP, World Bank Open Data, UNDP

Leaving no one behind by ensuring a level playing field

Inequality of opportunity refers to the unequal access to fundamental rights and services, required for individuals to sustain and improve their livelihoods.¹

In Mongolia, large gaps exist between the *best-off* and the *furthest behind* groups in access to different opportunities. Access to clean fuels and secondary education are the most unequally distributed opportunities with access gaps of at least 70 percentage points between the *best-off* and the *furthest behind* groups. Less than 8 per cent of people in the *furthest behind* group have access to clean fuels, basic sanitation, full-time employment or have completed higher education.

Identifying the characteristics of the *best-off* and the *furthest behind* group in access to clean fuels reveals how 8 out of 10 urban households with a higher educated member belonging to the top 60 of the wealth distribution have access to clean fuels. This blue box represents the *best-off* group. The green box shows the *furthest behind* group with the lowest access to clean fuels: households in the bottom 40, where only 10 per cent have access.

Figure 1. How wide are the gaps in access to opportunities?

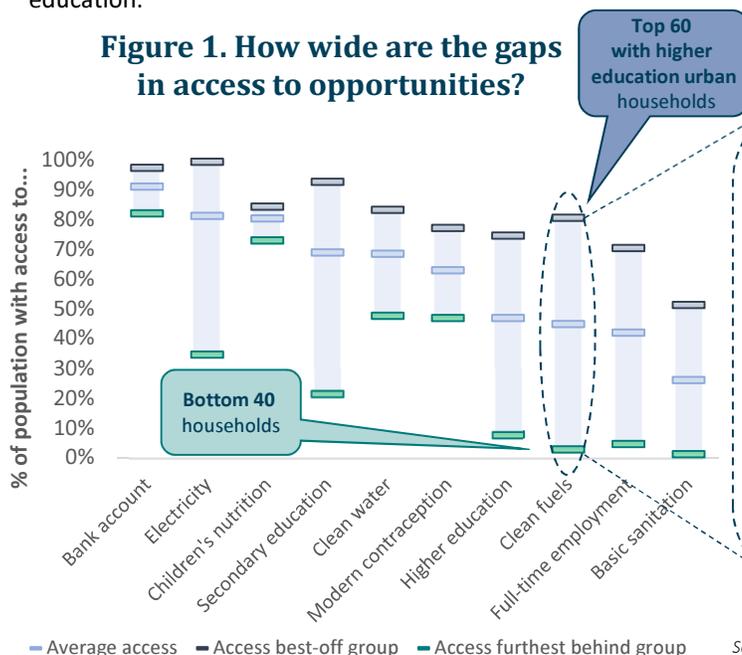
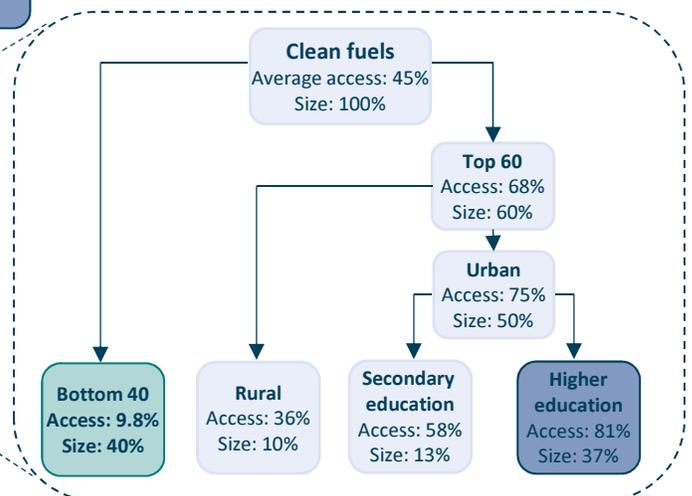
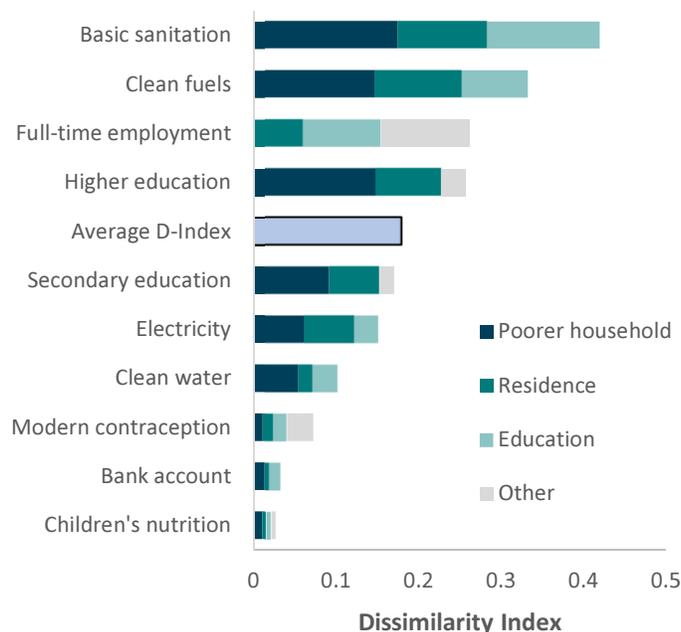


Figure 2. Who are the furthest behind?



Source: ESCAP calculations, using data from MICS 2013 and the Gallup World Poll

Figure 3: Drivers of inequality in access to different opportunities



Household wealth, the place of residence and educational level are behind most of the inequality in access to opportunities.

Other circumstances, however, also appear relevant in explaining unequal access to opportunities.

For example, women, youth and single people have limited access to full-time employment in Mongolia. Also, a woman's age and the number of children under the age of five in the household explains unequal access to modern contraception. The number of children in the household explains, together with mother's education, inequality in children's nutritional outcomes.

Source: ESCAP calculations, using data from MICS 2013 and the Gallup World Poll
Note: A Dissimilarity index (D- Index) is used to examine which circumstance contributes most to overall inequality among different population groups.

Key Takeaways

In Mongolia, the largest opportunity gap between the *best-off* and the *furthest behind* group is in access to clean fuels. While 81 per cent of urban households with a higher educated member in the top 60 of the wealth distribution have access to clean fuels, less than 10 per cent of households among the bottom 40 do. **Understanding households' circumstances in shaping energy consumption patterns is paramount in addressing clean fuels inequalities.**

Less than 10 per cent of Mongolians in the *furthest behind* group have access to clean fuels, higher education or are in full-time employment. Moreover, less than 2 per cent of people in the *furthest behind* group have access to basic sanitation. **Initiatives aimed at changing the sanitation and hygiene culture across different societal agents is paramount in addressing basic sanitation inequalities.**

Among all groups, inequality of opportunity is explained by distinct circumstances. Household wealth appears as the most important circumstance shaping inequality in 8 out of 10 opportunities. **Since wealth is strongly linked to unequal outcomes in many development objectives and opportunities, leveling the playing field, including through the provision of social protection, is a must.**

¹ The opportunities considered in this country brief are education, women's health, children's nutrition, decent employment, basic water and sanitation, access to clean energy, and financial inclusion. In Mongolia, access to professional help during childbirth is universal. Therefore, this opportunity is not reported in the graphs.

Cover photo by Jade Tong Cuong

For more information and thematic reports on these data and analysis, please visit: <https://www.unescap.org/our-work/social-development/poverty-and-inequality/resources>

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