



# inequality

## THE DYNAMICS OF INEQUALITY

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After the Second World War, especially in the Western world, there has been an increase in economic inequalities. Such inequalities, however, should not be measured exclusively in terms of the dispersion of income perceived by citizens, but include a broader set of indicators, such as the Human Development Index proposed by Amartya Sen. This index measures also the life expectancy and the concrete access that citizens have to a range of services and rights (health, education, political and civil liberties) that allow them to acquire what Martha Nussbaum calls the "real capabilities" that make it possible to shape the life they want to live. We will see that the dynamics of income and capability inequalities do not always follow the same trend. In particular, Thomas Piketty highlighted the dramatic increase in economic inequalities, which would be the result of poor GDP growth

compared to the rate of return on assets holdings, a phenomenon that would accelerate the gap between earners of labor income and holders of wealth. Another issue we will address will revolve around the most effective measures that can be implemented to reduce inequalities without compromising growth or other indicators such as the environment quality, individual freedoms and the provision of public goods. In this regard, the fiscal policies in terms of taxation (of income or assets) and other redistribution measures, the incentive system, and the mechanism of provision of public goods will be compared. We will also try to evaluate the rationale underlying the Basic Income proposal. Our analysis will be interdisciplinary, as it will draw on economic theory, empirical evidence and sociological, political and ethical considerations.