

INDEX

Note: Page numbers followed by “*n*” with numbers indicate notes.

- Absolute IEC, 17
- Absolute inequality of opportunity, 165
- Absolute Polarization Curve (APC), 66
- Accumulation process, 39, 53
- Adult–child income, 222
- Age, 158, 253
 - age-related reference groups, 266–268
- Aggregate/macro-economic and institutional features, 204
- Alkire and Foster approach, 95–96, 99
 - with dichotomous variables, 92–93
- Alterable circumstance, 159
- Antiquity of state, 221
- Assessing changes over time, 177
 - confidence intervals for contribution of circumstances, 180
 - confidence intervals for IO and overall inequality, 178
 - contribution of circumstances to IO, 195–196
 - income inequality and IO estimates with interaction, 194
 - income inequality and IO measured by GE(0), 181
 - regression results for 2004 with interaction terms, 186–189
 - regression results for 2010 with interaction terms, 190–193
- Associated Kesten process, 61
- Asymptotic Kesten process, 43, 61
- Average income, 250
- Average marginal effects (AME), 203
- Average wealth of individual households, 249–250
- “Basic” dimensions of food insecurity, 97–101, 102
- Bequests, 4
 - behavior, 2
 - taxes, 1
- Bernoulli distribution, 203
- Bhattacharyya coefficient (BC), 251, 256–258
- Binary logit models, 205, 208–209, 216–217
- Binary score, 262
- Bipolarization, 64
 - contributions of explanatory variables and residual, 76–81
 - ratio, 67, 71
 - of wages, 73
- Bootstrap sampling method, 119
- Buchanan’s fiscal constitution and concentration of preferences, 284–285
- Buchanan’s model, 284, 285
- Budget constraint, 5, 7, 8, 39, 55, 57
- Candidate exploratory factors, 115
- Capital in the Twenty-First Century* (Piketty), 35
- Capital income, 44, 51
- Capital stock, 38, 39, 41, 42, 44, 45, 47, 49, 51, 52, 55
- Capital transfer taxes, 1
- “Censuses, surveys, and sophisticated statistical techniques”, 251
- Chi-square measure, 256
- Circumstances, 150
- Cobb–Douglas function, 36
- Code job mobility, 224
- Cohort-specific fixed effects, 207
- Comparative reference groups, 260, 265
 - age-related reference groups, 266–268

- education-related reference groups, 263–266
- gender-related reference groups, 268–269, 270
- Comparative statics, 45–48, 51–53
- Compensation principle, 150, 164
- Confidence intervals, 177
- Confounding factors, 231, 234–238
- Convergence to steady state, 42–45, 57–61
- Convex function, 111
- Counterfactual microsimulation technique, 111
- Counting approach to multidimensional food security measurement, 90, 92–97
 - Commitments on Rome Declaration to achieving sustainable food security, 104
 - counting approach to food insecurity in Israel, 97
 - empirical results, 98–102
 - food insecurity estimation in Israel, 90–91
 - methodology, 97–98
 - questions on food security in Israeli surveys, 105–108
 - World Food Conference, 89–90
- Country-level regression analysis, 113
- Cross-country analysis, 112–114
- Cross-country differences, 206
- Database and data description, 151
 - population share by circumstances, 153–156
 - population share corresponding to high category, 158
 - population share corresponding to low category, 157
 - share of individuals with equivalent disposable income, 160–163
- Decomposition
 - absolute measuring of bipolarization, 66–67
 - analysis of education, 129–130
 - bipolarization, 64
 - methods, 70, 113, 114–116
 - of wages bipolarization, 67–69
- Demand and supply of labor skills, 113, 115
- Democracy and equality preferences
 - Buchanan’s fiscal constitution and concentration of preferences, 284–285
 - data, 285–288, 289
 - empirical analysis, 288–295
- Democratic voice, 284
- Demogrant, 4, 5
- Density, 157–158
- Detrended variables, 55–57
- Dichotomous variables, Alkire and Foster approach with, 92–93
- “Dimension adjusted headcount ratio”, 93
- Distributional methods, 116
- Distributional progression, 21
- Downward job mobility, 233
 - status mobility, 229
- Downward mobility, 221, 229
- Earnings, 4
 - applying Foster And Wolfson bipolarization index decomposition to, 86–88
 - function, 67–69
- Econometric
 - exercise, 36
 - strategy, 228–230
- Economic Freedom Index, 292
- Economic/economy, 5–8
 - contributions, 220
 - crisis, 151
 - growth, 220
 - indicators, 297
 - inequality, 198
 - theory, 284
- Economist Democracy Index, 291
- Education, 248, 253
 - education-related reference groups, 263–266
 - variable, 119

- Education impact on income inequality
 - in Latin America, 110
 - data, 119–120
 - decline in income inequality in Latin America, 112–116
 - decomposition analysis of education, 129–130
 - decomposition results, 136–141
 - education effects on inequality, 111–112
 - empirical findings on aggregate decomposition, 122–124
 - empirical findings on education effects, 124–129
 - expansion of education, 131–134
 - literature review, 111
 - methodology, 116–119
 - paradox of progress, 130–131
 - RIF regressions, 122
 - SEDLAC homogenized household income surveys, 121
 - unconditional quantile regression coefficients, 142–146
- Empirical analysis, 164, 179, 288
 - change in equality preference dispersion, 294
 - changes in income inequality measurement, 175
 - changes in inequality of opportunity in absolute value, 175
 - contribution of circumstances to inequality of opportunity, 174
 - using fractionalization variables to instrument inequality, 294
- Gini index, 165
- income inequality and inequality of opportunity estimates, 172–173
- ordinal measure of equality preference dispersion, 295
- preference dispersion regression results, 291, 292, 293, 294
- regression results, 167–170
- statistics for various freedom indices, 291
 - statistics for WVS question responses, 290
- Empirical evidence, 150
- Empirical strategy, 199–202
- Equal-tailed confidence interval, 177
- Equality (*see also* Inequality), 289
 - of opportunity, 150, 164–165, 198, 212, 265
 - question, 287
- Equality preference dispersion
 - change in, 294
 - ordinal measure, 295
- Equilibrium, 5–8
- Equilibrium distribution, 10
- Equity, 3
- Equivalentized disposable income, 151
- Estate taxes, 1
- Ethno-linguistic division, 239
- Ethno-linguistic fractionalization, 221, 227–228, 234
- Euclidean distance, 256–257
- European Union Statistics on Income and Living Conditions (EU-SILC), 69, 151, 199
 - 2011 ad hoc module on intergenerational transmission of disadvantages, 199–202
- Ex ante* perspective, 164–165
- Exogenous factors, 113
- Explanatory variables in binary logit models, 216–217
- Firpo, Fortin, and Lemieux method (FFL method), 110, 115, 116
 - decomposition method, 114–115
 - inference, 119
 - RIF estimation, 117–118
 - weights estimation to separating structure and composition effect, 116–117
- Fiscal constitution, 285
- Flexible Inequality Equivalence (FIE), 19, 23
- Fluctuating factors, 111
- Food insecurity

- Alkire and Foster approach with
 - dichotomous variables, 92–93
- applying different counting approaches to analysis, 94–97
- counting approach to food insecurity in Israel, 97–101
- counting approach to measuring, 92
- estimation in Israel, 90–91
- other counting approaches, 93–94
- Food security, 91, 92
 - questions on food security in Israeli surveys, 105–108
- Food-insecurity counting function of individual, 93
- Foster and Wolfson bipolarization index (FW), 64
 - applying to earnings functions, 86–88
 - between-and within-groups mean differences of logarithm of wages, 82
 - contributions of explanatory variables and of residual to bipolarization and inequality, 76–81
 - correlations between countries of contributions to bipolarization index, 83–85
 - decomposing absolute measuring of bipolarization, 66–67
 - decomposition, 64
 - earnings functions and decomposition of wages bipolarization, 67–69
 - inequality determinants and wages bipolarization in Portugal, 69–73
 - matricial representation, 64–65
 - middle class, 63–64
- Fractionalization variables to instrument inequality, 294
- Freedom House indices, 291
- Freedom House Political Rights Index, 289–290
- Fuzzy approach to poverty measurement, 102n2
- G*-matrix, 65
- Gender, 158, 248, 268–269
- Gender Inequality Index (GII), 269
- Gender-related reference groups, 268–269, 270
- General Government Final Consumption Expenditure, 228
- Generalized entropy measures, 183n13
- Generalized mean, 94
- German Socio-Economic Panel data, 248
- Gift taxes, 1
- Gini coefficient, 11, 251, 254, 267
- Gini correlation, 86, 87
- Gini index (I_G), 37, 64, 67–68, 114, 165
- Gini opportunity index, 165
- Government expenditure, 221
- Government intervention, 5
- Great Gatsby Curve (GGC), 205, 220
- Great Recession, 220
- Gross domestic product (GDP), 286–287
- Harmonized microdata, 112
- Herfindahl index, 227
- Heritage Economic Freedom Index, 291
- Heritage Foundation Index of Economic Freedom, 289–290
- High education, 263–264
- High-income group, 254
- Household Food Security Survey Modules, 90
- Household income, 119
- Human capital accumulation, 220
- Human capital approach, 198
- Immigrant, 157, 166, 175–176
- Immobility, 221
- Income, 51
 - disparities, 290
 - distribution, 198, 255, 262
 - generating function, 67
- Income and wealth distributions, 36
 - comparative statics, 45–48, 51–53
 - convergence to steady state, 42–45, 57–62

- detrended variables, 55–57
- dynamics description, 40–42
- income, capital, and wages
 - inequalities, 51
- Kesten process, 61–62
- model description, 37–39
- Nirei model, 53–55
- results for, 36–37
- Income inequality, 110, 149, 238
 - assessing changes over time, 177–181
 - conceptual framework, 149–151
 - cross-country analysis, 112–114
 - database and data description, 151–164
 - decline in income inequality in Latin America, 112
 - decomposition methods, 114–116
 - empirical analysis, 164–177
 - empirical findings on aggregate decomposition, 122–124
 - empirical findings on education effects, 124–129
 - on intergenerational mobility, 222–223
- Income taxation, 2
 - evaluating redistributive effect, 20–22
 - scheme, 15–16
- Individual
 - behavior, 4
 - perception of inequality, 260–261
 - wealth, 4
- Inequality (*see also* Equality)
 - aversion, 17
 - contributions of explanatory variables and of residual to, 76–81
 - determinants in Portugal, 69–73
 - education effects, 111–112
 - hourly labor income, 113
 - neutral tax schedule, 24
 - perceptions, 16
- Inequality equivalence, 16
 - evaluating redistributive effect of income taxation, 20–22
 - income taxation scheme, 15–16
 - inequality evaluations, 16–20
 - new results on, 23–26
 - proof of *P4* conditions, 29–32
 - proof of *P5* conditions, 32–35
- Inequality equivalence criterion (IEC), 17, 23
- Inequality evaluations, 16
 - income vectors, 16–17
 - linear inequality equivalence criteria, 18–20
 - perception of inequality, 17–18
- “Inequality neutral” tax schedule approaches, 29
- Inequality of effort (IE), 202–203
- Inequality of opportunity (IO) (*see also* Income inequality), 149–150, 199
- Inheritance, 4
 - process, 36, 39
 - taxes, 1
- Inheritance taxation, 2–3
 - bequest tax and demogrant, 12
 - economy and equilibrium, 5–8
 - government intervention, 5
 - illustration, 10–11
 - individual behavior, 4
 - long run, 8–9
 - model, 3
 - redistribution and predistribution, 9–10
 - tax on bequests, 3–4
 - taxes, 1–2
- Institutional economics literature, 221
- Institutional factors, 113
- Inter-cohort variability, 205
- Inter-country variability, 205
- Intergenerational earnings elasticity, 222
- Intergenerational elasticity, 222, 229
- Intergenerational job status mobility, 223–224
- Intergenerational mobility, 228–229
 - income inequality, 222–223
 - measures, 223
- Intergenerational perceived job status mobility, 220
- Intergenerational transmission, 198, 211
- Intergenerational transmission of economic disadvantage (ITED), 198, 199–202

- empirical strategy, 199–202
- explanatory variables in binary
 - logit models, 216–217
- multivariate strategy, 202–211
- Intermediate Inequality Equivalence (IIE), 17–19, 23
- International Social Survey Program (ISSP), 221, 223, 250–251
 - survey, 252
- “Intersection” approach, 92
- Interviewees, 204
- Intra-generational equality, 198
- Jakobsson, Fellman and Kakwani
 - theorem (JFK theorem), 15, 20, 21–22, 24
 - proof of P_4 conditions, 29–32
- Job immobility, 233
- Job mobility, 238
- Job status immobility, 229
- Kesten process, 61–62
- Kesten theorem, 61
- Labor market, 119
 - policies, 113
- Labor productivity factor, 39
- Law of Large Numbers, 44
- Lifetime earnings, 4
- Logarithm of wages, 74*n*1
 - between-and within-groups mean differences of, 82
- Long-run determinants
 - of downward intergenerational immobility, 237
 - of intergenerational immobility, 236
 - of intergenerational mobility, 232
 - of upward intergenerational mobility, 235
- Long-run equilibrium, 8–9, 10
- Long-run factors influencing intergenerational perceived job status mobility
 - data, 223–228
 - estimation results, 230–238
- income inequality on intergenerational mobility, 222–223
- influence of confounding factors, 234–238
- lagged income inequality and downward mobility, 232
- lagged income inequality and immobility, 231
- lagged income inequality and upward mobility, 231
- long-run determinants of intergenerational mobility, 232
- model and econometric strategy, 228–230
- random effects SUR method, 233–234
- robustness analysis, 238–240, 241–243
- Lorenz curve, 16, 19, 20
- Lorenz dominance, 31
 - criterion, 20
- Lorenz dominance condition,
 - classical, 20
- Low and Medium education, 171
- Low and Medium skill, 171
- Low density, 166
- Low education, 263–264
- Low-income group, 254
- Luxembourg Income Study (LIS), 250–253
- Macro-economic aggregates, 198
- Marginal effects (ME), 207
- Matricial representation of Foster and Wolfson bipolarization index, 64–65
- Mean logarithmic deviation (MLD), 165
- Medium education, 263–264
- Mincer model, 115
- Mincerian earnings function, 67, 70
- Minimal progressivity, 24
- Minimally redistributive taxation schemes, 25
- Mismeasurement, 249, 251
- Misperceptions, 249
- “Moderately food insecure”, 91

- Multidimensional poverty, 90, 98
 counting approach to, 92–95
- Multivariate strategy, 200, 202–211
- National-specific features, 204
- Near unanimous agreement, 285
- Neoclassical growth model, 36
- Net elasticity of substitution, 51
- Nirei model, 53–55
- Nominal deprivation, 93
- “Non-basic” dimensions of food
 insecurity, 97–101, 102
- Non-representative sample, 262
- Normalized Bhattacharyya coefficient,
 259, 280–281
- Normalized inverse chi-square
 distance, 280–281
- Normalized inverse Kullback-Leibler
 divergence measure, 280–281
- Normative reference group, 265
- Normative reference group, 273n15
- Notions of inequality, 16
- Objective distribution, 263
- Objective distributional diagram, 269
- Occupation, 253
- OECD Income Distribution Database,
 226
- “One-shot” impact assessment of tax, 3
- Ordinary Least squares (OLS), 229, 293
- “Overall food insecure”, 92, 103n4
- P*-matrix, 65
- Paradox of progress, 110, 111, 112,
 130–131
- Parental Education, 152, 159, 175–176
- Parental Occupation, 152
- Pareto distribution, 9, 37, 42, 43–44
- Pareto exponent (*P*), 47
- Path-independent criteria, 23
- Perceived job status, 220
- Perceived mobility, 220
- Percentile intervals, 177
- Percentile method, 135n7
- Perceptions of inequality, 17–18, 248,
 249, 253, 260–269
- Bhattacharyya coefficient, 256–257
- income distribution in countries in
 sample, 255
- perceptions different, 257–260
- regression of BC and binary score,
 261
- Persistent factors, 111
- Political institutions, 221
- Political system, 289
- Population proportion, 66
- Post-tax income, 21
- Post-tax individual earnings, 152
- Post-tax-and-transfer incomes, 257
- Poverty, 198
- Predistribution, 2, 3, 9–10
- Principle of transfers (PT), 17
- Probability distributions, 249
- Production process, 36
- Productivity, 36
- Progressive tax(ation)
 new results on, 23–26
- schedule, 21
- system, 22
- Progressive transfers, 17
- Progressivity, 21
- Progressivity, classical, 24
- “Propensity score”, 117
- “Pseudo-mean difference”, 87
- Quality of institutions, 221
- Random effects SUR method,
 233–234
- Random effects technique, 230
- Re-weighting function, 117
- “Real food insecurity”, 94
- Recentered Influence Function
 (RIF), 117
- estimation, 117–118
- regressions, 122
- Redistribution, 2, 9–10
- Redistribution degree, 284
- Regression model, 262
- Relative inequality, 21
- equivalence, 17
- of opportunity, 165

- Religious fractionalization, 221,
227–228, 234, 238
- Retrospective Gini coefficients, 206
- Returns to education, 110, 111–114,
129, 131, 134
- Revenue raising, 2
- Reward principle, 150
- Rippin index, 99
- Robustness analysis, 238
long-run determinants of
intergenerational
mobility, 239, 240,
241–242, 243
- Rome Declaration, 90
Commitments on Rome
Declaration to achieving
sustainable food
security, 104
- Schedule progression, 21
- SEDLAC dataset, 112
- Seemingly Unrelated Regressions
(SUR), 230
- Severely food insecure, 91
- Short-run equilibrium, 6–8, 9, 10
- Skill premium, 113
- Social choice process, 284
- Social inequality, 252
modules, 223–224
- Social mobility, 222
- Socio-Economic Database for Latin
America and Caribbean
(SEDLAC), 119, 135n1
- Sociodemographic variables, 119
- Socioeconomic mobility, 198
- Standard Gini coefficient, 295n5
- State responsibility, 289
- Statistical inference, 177
- Subjective distribution
diagram, 269
of income, 248
- Subjective economic inequality
choice of distribution based on
education level, 279
choice of distribution based on
income level, 279
choice of distribution based on
politics, 279
comparative reference groups and
perceptions of inequality,
260–269, 270
data, 251–253
income distribution within age
groups, 277
income distribution within
educational
groups, 276
income distribution within gender
groups, 277
limitations of analysis, 269–271
normalized Bhattacharyya
coefficient, 280
perception of inequality across
countries, 253–260, 261
share of people in country, 278
size of bins in subjective income
distributions, 279
- Supply and demand framework, 114
- Sustainable food security, Commitments
on Rome Declaration to
achieving, 104
- Tax
bequest, 1
capital transfer, 1
estate, 1
function, 21
“one-shot” impact assessment of
tax, 3
payment, 21
system, 205
- Taxation (*see also* Income
taxation; Inheritance
taxation), 1, 5
- Theil index, 114, 267
- Theil’s L (*see* Mean logarithmic
deviation (MLD))
- “Ultra-Orthodox” Jews, 91
- Unalterable circumstance, 159
- Unambiguous inequality, 21
- Underestimate inequality, 249

- “Union approach”, 92
- Unit consistency, 19
- Unit-consistent criteria, 23
- Upward job mobility, 233
- Upward job status mobility, 229
- Upward mobility; 221

- Wage bipolarization, 64
 - decomposition, 67–69
 - in Portugal, 69–73
- Wage inequalities, 51

- Weights estimation to separating
 - structure and composition
 - effect, 116–117
- World Bank Poverty (WBP), 224, 226
- World Food Conference, 89–90
- World Food Summit, 90
- World Income Inequality Database (WIID), 226
- World Values Survey (WVS), 285
 - country–waves, 297
 - responses, 287–288, 289