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Dynamics of Income Inequality in Poland from 2000 to 2015

This article analyses the dynamics of income inequalities in Poland from 2000 to 2015 both at the national and regional levels. It describes income inequalities at the national and regional level as well as at the level of the main socioeconomic groups. Few inequality measurements and decomposition methods are explored. Income inequality at the national level is decomposed into inequality between and within regions and into inequality between and within socioeconomic groups. Finally, regional inequality is decomposed into inequality between and within socioeconomic groups. The dynamics of the components obtained is described using mainly graphical visualization. The calculation and decompositions methods are applied to household data from the Polish social Diagnosis series of surveys. We observe a steady increase in household income accompanied by some mitigated dynamics of inequality. Although income inequalities have decreased in Poland recently, the long-term dynamics has been very different from one region to the other. The contribution of inequality between regions and between socioeconomic groups is increasing with the greatest level of disparities attributed over time to socioeconomic factors. The historical east-west divide has decreased considerably to give room to other forms of dynamics mainly explainable by socioeconomic groups disparities. The decomposition method through linear regression is quite interesting here and can be useful for socio-economic policies as it can help determine the contributions of some regions or socioeconomic groups in the overall inequality. It would be interesting to explore the application of the presented decomposition methods to other well-being measurements.