

**DISCUSSION: INEQUALITY INCREASING EVERYWHERE?  
CONFLICTING EVIDENCE FROM AN UPDATED GLOBAL DATABASE  
OF HOUSEHOLD SURVEYS**  
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## SUMMARY OF THE PAPER

Goal: is to compile together data on inequality for the greatest number of countries: developing and high income

The data go up to 2013 (6-7 years old/ LIS data 2015/2016/2018)

Income Gini has increased by about 2 points from 1988 to 2013 (peak around 2000)

Latin America and Caribbean most unequal and biggest contribution to the decline in inequality

Recently inequality has declined. The Great Recession is helpful in this respect.

Overall: Clear contribution the global approach

## DIFFICULTIES AND AN ON-GOING DILEMMA (I HAVE)

On the one hand, a clear contribution to the global approach

On the other hand, a typical case of trade-offs between including more countries and having a less comparable (or not as profound) analysis.

Leads me to the question: How should we look at these results?  
(40 footnotes/ data assumptions)

Fear that a non-specialist will misuse the results to advance their agenda  
(misuse the data – no-one reads the small print except us)

Q. Is it better to publish results complicated with data issues or not to publish them at all?

Advantage of this study: We have robustness test and methodological issues given up front, but what about all those that are not discussed?

## COMMENTS

### Examples

LIS/EU-SILC Key Figures are used –are these comparable?  
How have they been created?

Results find a convergence in inequality over time, but there is a problem because the data does not capture the rich (top of the distribution) and we know that inequality has increased based on the extremes and the flattening out of the middle class

## Innovation: robustness test

Authors acknowledge up front (but do not discuss to a great extent):

1. Issues with comparability (e.g. income and expenditures surveys are combined and not distinguished)-> (Why not?)
2. Issues with capturing the top of the distribution thus inequality is under reported as well as its changes over time
3. Most recent period covers the Great Recession – results to be interpreted with care
4. Use per capita thus ignoring economies of scale for larger households (consequences for larger households in developing countries particularly at the top)

## COMMENTS, QUESTIONS AND SUGGESTIONS

1. Nice coverage in terms of population and even better in terms of GDP, but varied across regions.
2. What are the consequences for your results of ignoring inequality within the household? This affects countries differentially.
3. How about weighting the results by population
4. Why don't you include the same countries in your long-run and short-run trends (improve comparability)(each year the sample of countries is different)
5. Why is Eastern Europe linked with Eastern Asia? (provide the list of countries in the paper)
6. Conclusions regarding increasing and decreasing Gini's: changes are too small to make them without standard errors.
7. Refer to statistically or non-statistically significant results.
8. Could you bootstrap the standard errors for the Gini's?

## QUESTIONS AND SUGGESTIONS

Q. How is the adjustment for expenditure surveys a robustness check (why isn't this made from the beginning?) – it could improve comparability

The average difference in the Gini index more or less covers the difference found (within the margin of error) so what can be said with certainty?

How about focusing on a smaller number of studies / use household surveys / bootstrap the s.e.

## OVERALL

Fascinating data collection

Makes us think we can look at global inequality. A clear contribution to the global approach

Fear: lots of footnotes and data assumptions

Policy-makers/politicians do not read the fine print

Misuse of results

The best of luck in pursuing this endeavor!