# Economics of Inequalities

## Prof. Luca Stella

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The aim of the course is to introduce students to the economic analysis of inequality, its causes and consequences, in a multidimensional perspective. The course will cover the occurrence of poverty in modern economic systems, and the methods for measuring inequality in the distribution of resources between families, paying particular attention to the ethical implications of the evaluation and to the redistribution effects of public sector interventions. Subsequently, there will be a special focus on the role of the State and potential policy interventions at European and International level in order to fight against inequality and poverty in societies.

INTENDED LEARNING OUTCOMES

Knowledge and understanding:

* being aware of the dimensions of inequality (of income, of opportunity and of wealth)
* understanding the effects of the main global economic phenomena on inequality and poverty
* knowledge of the main theories of distributive justice;
* knowledge of the historical evolution of inequality in the distribution of income in different countries
* understanding the main methods for measuring and evaluating economic inequality
* understanding the problems and rationale for measuring the distribution of economic resources between individuals and families
* understanding how the State and other public or private entities may intervene in order to redistribute income and wealth.

Ability to apply knowledge and understanding:

* identifying the degree of inequality and poverty in modern economies
* using social choice models to measure the equality effects of public interventions and to interpret its rationale
* assessing the impact of social choices on the redistribution of resources
* reflecting on the main effects of global trends on poverty and inequality.

***COURSE CONTENT***

• Conceptualisations of the idea of the standard of living

• Introduction to individual and family welfare economics

• Distributional issues in economics

• The distribution of resources: definitions and cases

• Economic inequality: conceptual and methodological aspects

• Links between growth, inequality and poverty

• Measures of economic wellbeing

• The measurement of inequality

• Poverty: definition and approaches

• The measurement of poverty

• Equal opportunities: principles and instruments

• Public budgeting and income redistribution

***READING LIST***

Piketty T., *Il Capitale nel XXI secolo*, Bompiani, 2014, Chap. 8, pp. 413-464.

Piketty T*., Capitale e Ideologia*, La Nave di Teseo, 2020 (selected Chapters)

Franzini M., e Pianta M*., Disuguaglianze. Quante sono, come combatterle*, Laterza, 2016, Chap. 4.

***TEACHING METHOD***

Frontal lectures in the classroom, with the projection of slides which will be made available to students. The Blackboard platform will be used, with the weekly uploading of slides required for lectures. Please note that students who only study the slides will not pass the exam.

***ASSESSMENT METHOD AND CRITERIA***

Students will have to take a written exam with closed-ended and open-ended questions designed to test their theoretical knowledge of course topics. Detailed information on the exam will be provided at the beginning of the course.

***NOTES AND PREREQUISITES***

It is essential for students to actively attend the course.

Further information can be found on the lecturer’s webpage at http://docenti.unicatt.it/web/searchByName.do?language=ENGor on the Faculty notice board.