

The Dynamics of Inequalities and their Perceptions

Dynlper

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(Thomas Seegmuller as a co-coordinator)

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Appel à projets "Emergence et Innovation"

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Project acronym	DynIPer		
Project title in French	La dynamique des inégalités et leurs perceptions		
Project title in English	The dynamics of inequalities and their perceptions		
Thematic lines	Societies, cultures and exchanges		
Type of research	Basic research		
International cooperation	Catholic University of Louvain		
Total funding requested	368 316 €	Project duration	36 months

Introduction and summary

The project is based on the analysis of the dynamics of inequalities and their representations. Already several members of GREQAM were concerned by the general theme of economic inequalities. This previous research activity resulted for instance in the organization of the reception of the Doctorat Honoris Causa granted to Professor Anthony Atkinson by the Université de la Méditerranée. The aim of the project was to give more structure to this field inside GREQAM and to renew the international links that GREQAM had with the University of Louvain.

A web site was opened in order to report on the research activity of the group.

<http://www.vcharite.univ-mrs.fr/PP/lubrano/Amidex/DynIPer.html>

Introduction and summary

The project was structured around the three following themes:

1. *The existence of inequalities* is justified by the need to reward differences in talents. However, inequalities can be generated by many other factors than the genetic lottery. Ethical principles or just deprivation of capacities (Rawls versus Sen)? What are the shape and properties of social networks which are an important factor to determine life success of an individual. Starting point for renewing the debate about a theory of justice, with opening on the theory of environmental justice.
2. *The dynamics and persistence of inequality*: overlapping generations models with heterogeneous agents and altruism. Endogenous fertility and its consequences on education. Capital transmission when there is taxation and redistribution. Dynamic evolution of social networks and its impact on individual success.
3. *The individual perception of social mobility*: Socio-economic surveys. The income bias. Trade-off between effort and redistribution. Access to education. In the context of a proper experiment, motivations can reveal to be quite different and the setting of the experiment itself might have an influence.

The team involved in the project

A team of 21 local members, 3 external members (2 from Louvain, 1 from LSE), 2 post docs, 2 research assistants

1. **Macroeconomics:** Raouf Boucekkine (Greqam and Louvain), Alain Venditti, Thomas Seegmuller, Carine Nourry. External members: David de la Croix (Louvain university), Tom Dedeurwaerdere (Biogov Louvain). Paolo Melindi Ghidi (post doc from Louvain)
2. **Microeconomics:** Thibault Gadjos, Sebastian Bervoets, Frédéric Deroïan, Nicolas Gravel, Alain Trannoy, Yann Bramoullé.
3. **Economic philosophy:** Claude Gamel, Fériel Kandil, Miriam Teschl. Jean-Sébastien Gharbi, Malgorzata Denierowska (Post Doc, Poland).
4. **Econometrics:** Stephen Bazen, Russell Davidson, Emmanuel Flachaire, Michel Lubrano, Olivier Chanel, Stéphane Luchini, Christophe Muller, Frank Cowell (LSE, UK), Khaled ben Jemaa (research assistant), Zhou Xun (research assistant).

What was possible to do with this funding

- ▶ Recruiting post docs on a given theme who had a strong impact on the program
 - ▶ Malgorzata Dereniowska, from the University of Gdansk developed the theme of Environmental justice. She got involved in the international initiative Philosophy-Economics Network (two of the co-founders, Professor Claude Gamel and Jean-Sébastien Gharbi)
 - ▶ Paolo Melindi Ghidi, from the University of Louvain got inserted in the macro group and helped to develop the relations with Louvain, and in particular Pr David de la Croix (macroeconomist) and Pr Tom Dederwardere (philosopher).
- ▶ Recruiting Research assistants
 - ▶ Khaled Ben Jemaa for four months: Made possible collecting and organizing data bases for present and future work
 - ▶ Zhou Xun for one year: scientific collaborator. Helped starting new projects for PhD Students financed outside the project

What was possible to do with this funding

- ▶ Organizing workshops on a given theme: involved both members of the team and external and foreign researchers, PhD student.
Localisation at the Vieille Charité
 1. January 2014: opening workshop, 24 participants, one day
 2. March-April 2014: specialized workshop, statistical inference for income mobility, four sessions of 2 hours each, eight participants
 3. July 2014: continuing workshop, 23 participants, one day
 4. November 2014: Environmental Risks, Health Inequalities and Well-Being, 25 participants, one day
 5. February 2015: Accessing the GSOEP, one morning workshop, 10 participants
 6. Mai 2015: The multiple dimensions of inequality, two day workshop, joint with another ANR research program

Achievements

- ▶ Publications: a total of 27 publications was made in relation with the project.
 - ▶ More than 60% were co-signed with foreign coauthors.
 - ▶ Shared among the four themes (9 econometrics, 4 in microeconomics, 5 in economic philosophy, 9 in macroeconomics)
- ▶ Complementary financing obtained by members of the team
 - ▶ ANR for Sebastian Bervouts
 - ▶ ANR for Alain Venditti and Thomas Seegmuller
 - ▶ ERC for Yann Bramoulé
- ▶ Positions obtained by young (and not so young) members of the project
 - ▶ Post doc in Tel Aviv (Edmond J. Safra Center for Ethics) before a final position in Poland for Malgorzata Denierowska
 - ▶ MCF (Assistant Professor) in Reims for Jean-Sébastien Gharbi
 - ▶ Associate professor in Jiangxi University of Economics and Finance for Zhou XUN
 - ▶ Election of Raouf Boucekkine as senior IUF and then Director of the IMERA

Achievements to be done

- ▶ Equality of Opportunity: an economic experiment has still to be done by the end of 2015 in the experimental room of Montpellier, involving Olivier Chanel, Stéphane Luchini, Miriam Teschl and Alain Trannoy.
- ▶ Organization of a final conference in May 2016

Detailed achievements I

An example of one publication in every of the themes raised by the research project

1. *The existence of inequalities*

- ▶ Ethics: Claude Gamel (2015) Essai sur l'économie de "l'égalitarisme libéral". Une combinaison sélective des travaux de Rawls, Sen et Kolm ", Revue d'économie politique, 125 (3).
- ▶ Environmental justice: Malgorzata Dereniowska and Jason P. Matzke (2014) "Introduction: Interdisciplinary Foundations for Environmental and Sustainability Ethics," Ethics-in-Progress, 5(1).

2. *The dynamics and persistence of inequality:*

- ▶ Macro-models with heterogeneous agents, altruism and endogenous fertility: Boucekkine R., G. Fabbri and F. Gozzi (2014) Egalitarianism under population change: Age structure does matter. Journal of Mathematical Economics, forthcoming.
- ▶ Dynamic networks: Frédéric Deroian and Mohamed Belhaj (2014) Competing Activities in Social Networks, forthcoming in the Berkeley Electronic Journal of Economic Analysis and Policy.

Detailed achievements II

An example of one publication in every of the themes raised by the research project

1. *The individual perception of social mobility:*

- ▶ Econometric methods: Cowell F.A. and E. Flachaire (2015) Statistical methods for distributional analysis, Handbook of Income Distribution, A.B. Atkinson and F. Bourguignon (eds), 2015, vol 2A, ch.6, 359-465.
- ▶ Trade-off between effort and redistribution: Zhou Xun and Michel Lubrano (2014) Income Mobility and the Preference for Redistribution in a Context of Globalization, Working paper presented at IPE Napoli 2014, in revision.
- ▶ Dynamics of poverty: Tareq Sadeq and Michel Lubrano (2015) The wall, paper presented at DynIPE workshop, May 2015, Marseille. And a PhD dissertation in preparation by Edwin Fourier.
- ▶ Experimental economics: Roemer John E. And Alain Trannoy (2014) Equality of opportunity. In Handbook of Income Distribution, Chap. 4, Vol 2A. Preparing for a lab experiment.

Questions that had to be solved

- ▶ Governance: a tandem was necessary, the help of Thomas Seegmuller as a co-manager of the project
- ▶ Policy orientation: favouring young researchers
- ▶ Accepting and favouring new scientific orientations within the general framework of inequality
- ▶ Because complementary funds have been found by some members, reallocation of funds toward extension of post docs contracts

Which future with A*MIDEX

- ▶ The theme of research is going to continue, just because of PhD students, lectures at the Master level
- ▶ Extension obtained till June 2016
- ▶ What we can expect from A*MIDEX
 - ▶ Recognition of the role and importance of PhD students
 - ▶ Possibility of reconduction of important projects in order to fully take into account of the potential outcomes, especially in the social sciences where publication delays are longer.

What we can give to A*MIDEX

- ▶ International visibility (for instance the Doctorat Honoris Causa of Sir Tony Atkinson)
- ▶ International recognition from young researcher that benefited from the AMIDEX programs (postdoc, research assistants)

THANK YOU FOR YOUR ATTENTION