What is economic inequality?

Economic inequality is the unequal distribution of income and opportunity between different groups in society. It is a concern in almost all countries around the world and often people are trapped in poverty with little chance to climb up the social ladder. But, being born into poverty does not automatically mean you stay poor. Education, at all levels, enhancing skills, and training policies can be used alongside social assistance programs to help people out of poverty and to reduce inequality. Several countries are also now exploring whether a universal basic income could be the answer.

**ARTICLES**

- **Labor Markets and Institutions**
  - **Tax evasion, market adjustments, and income distribution**
    - Market adjustments to tax evasion alter factor and product prices, which determine the true impacts and beneficiaries of tax evasion
    - *James AhnMatthias Kasper*, February 2020
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  - **Intergenerational return to human capital**
    - Better educated parents invest more time and money in their children, who are more successful in the labor market
    - *Paul J. Devereux*, November 2019
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- **Labor Markets and Institutions**
  - **Measuring income inequality**
    - Summary measures of inequality differ from one another and give different pictures of the evolution of economic inequality over time
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