The question of how inequality is generated and how it reproduces over time has been a major concern for social scientists for more than a century. Yet the relationship between inequality and the process of economic development is far from being well understood.

These Raffaele Mattioli Lectures have brought together two of the world’s leading economists, Professors Philippe Aghion (a theorist) and Jeffrey Williamson (an economic historian), to question the conventional wisdom on inequality and growth, and address its inability to explain recent economic experience. Professor Aghion assesses the affects of inequality on growth, and asks whether inequality matters: if so why is excessive inequality bad for growth, and is it possible to reconcile aggregate findings with macroeconomic theories of incentives? In the second part Jeffrey Williamson discusses the Kuznets hypothesis, and focuses on the causes of the rise of wage and income inequality in developed economies.

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Growth, Inequality, and Globalization

Theory, History, and Policy

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and

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Preface

The Raffaele Mattioli Lectures, in which many prominent economists have taken part, were established in 1976 by Banca Commerciale Italiana in association with Università Commerciale Luigi Bocconi as a memorial to the cultural legacy left by Raffaele Mattioli, for many years chairman of the bank.

The aim of the new series of Lectures, which is not only promoted by Banca Commerciale Italiana and Università Commerciale Luigi Bocconi but also supported by Università Cattolica del “Sacro Cuore” (Milan), Università degli Studi di Milano and Politecnico di Milano, is to create an opportunity for reflection and debate on topics of particular current interest, thus providing stimuli and ideas for the increasing challenges of a continually changing worldwide economic scenario.

The present initiative is therefore dedicated to the analysis of the effects of important changes which are now taking place in the world economy: the globalisation of markets, the continuous evolution in the field of information, technology and communications and the convergence of economics and international relations.

It is evident that these changes, coupled with the forthcoming European Monetary Union, provide many complex subjects that will be best dealt with from an interdisciplinary perspective.

Distinguished academics and researchers of all nationalities
concerned with all kinds of economic problems will be invited to take part in this enterprise, with the intention of contributing to the debate interconnecting economic theory with practical policy.

These lectures were presented in abbreviated form on November 20, 1997 at the Banca Commerciale Italiana (Milan) and on November 21, 1997 at Bocconi University (Milan). We are grateful for the efficient and cheerful staff at BCI and Bocconi, and for the useful comments from the discussants during the second day: Franco Amatori, Carlo Dell’Aringa, Francesco Giavazzi, Gianni Toniolo and Ignazio Visco.

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