Tea with the Chancellor
Challenges for Changing Times

Sir John Daniel, O.C.
Chancellor
Four Challenges

- Work
- Inequality
- Truth
- Trust
Four Challenges

- Work
- Inequality
- Truth
- Trust
Challenges for Changing Times: INEQUALITY

Sir John Daniel, O.C.
Chancellor
5 March 2019
INEQUALITY

- Measuring it – the GINI coefficient
- Relevant books
- Political fall-out
INEQUALITY

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The GINI coefficient

The **Gini index** or **Gini coefficient** is a statistical measure of distribution developed by the Italian statistician Corrado Gini in 1912. It is often used as a gauge of economic inequality, measuring income distribution or, less commonly, wealth distribution among a population.
The GINI coefficient

Gini coefficient of 0 (zero):  
Means complete equality – everyone has the same income.

Gini coefficient of 1 (one) (100%):  
Means that one person has all the income and the rest have none.
The GINI coefficient

Examples by country:

South Africa 0.63
United States 0.47
China 0.42
India 0.35
Australia 0.35
Canada 0.34
Korea 0.32
Norway 0.27
Countries by their most recent Gini coefficient score, according to the World Bank.

- \(\leq 30\)
- 30-34.9
- 35-39.9
- 40-44.9
- 45-49.9
- 50-54.9
- 55-59.9
- 60-64.9
- Data unavailable
INEQUALITY

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-Relevant books

-Political fall-out
Increasing inequality in the USA

- Pretax income top 10%: 
  doubled since 1980
- Pretax income top 1%: 
  tripled since 1980
- Pretax income of top 0.001%: 
  risen by 7 times

- As the average pretax income of the bottom half of Americans has stayed almost precisely the same.
Leftwing Populism

ELITE

THE REST

It is NOT:

- Socialist
- Social democratic
- Liberal, or
- Progressive

Politics
Rightwing Populism

ELITE

MAJORITY

MINORITY

It is NOT:

Conservative (either authoritarian or in defence of the business classes)

Politics
Reducing inequality
(The Four Horsemen)

- Mass mobilisation warfare
- Transformative revolutions
- State failure / system collapse
- Severe epidemics
What can reduce inequality?

- Mass mobilisation warfare

- Transformative revolutions

- State failure / system collapse

- Severe epidemics
What can reduce inequality?

- Mass mobilisation warfare (1914-18 War) *the most effective: but* ....
What can reduce inequality?

- Mass mobilisation warfare\textit{ the most effective: but}…

- Transformative revolutions\textit{ out of fashion and ineffective}…
What can reduce inequality?

- Mass mobilisation warfare *the most effective: but* ....

- Transformative revolutions *out of fashion and ineffective* ...

- State failure / system collapse *unusual today – leads to civil war*
What can reduce inequality?

- Mass mobilisation warfare
  *the most effective: but…*

- Transformative revolutions
  *out of fashion and ineffective…*

- State failure / system collapse
  *unusual today – leads to civil war*

- Severe epidemics
  *impact like Black Death (1300s) unlikely*
A ‘Somewhere’: rooted in a community or country; no higher education.

An ‘Anywhere’: Globally mobile; has a university degree.
Acsenda students: ‘Somewheres’ on the way to becoming ‘Anywheres’?
My advice

Keep in touch with the somewheres!
Thank you

For slides see:

www.sirjohn.ca