

Inequality and segregation

Inequality, segregation, diversity

- *Inequality, segregation, diversity* are tightly coupled concepts
 - diversity indicates mostly variety or quantity of groups in population
 - inequality and segregation indicate precise differences among groups
- *Inequality* refers to the *uneven distribution of resources, opportunities, outcomes* across groups
 - distribution of a variables in population
 - differences in one population from one criterion
 - vertical differences
- *Segregation* refers to the *uneven distribution of groups* across separate places, occupations or institutions
 - differences between two and more groups
 - differences between populations in specific areas (educational system, labor market)
 - horizontal differences
- Inequality and segregation implies the idea of equality or evenness

Segregation

- Segregation as a result - amount of segregation
- Segregation as a result of measurement

- Segregation as a process – making segregation
 - White flight
- Segregation as purpose
 - Individual action as well as institutional provisions

Measures of segregation

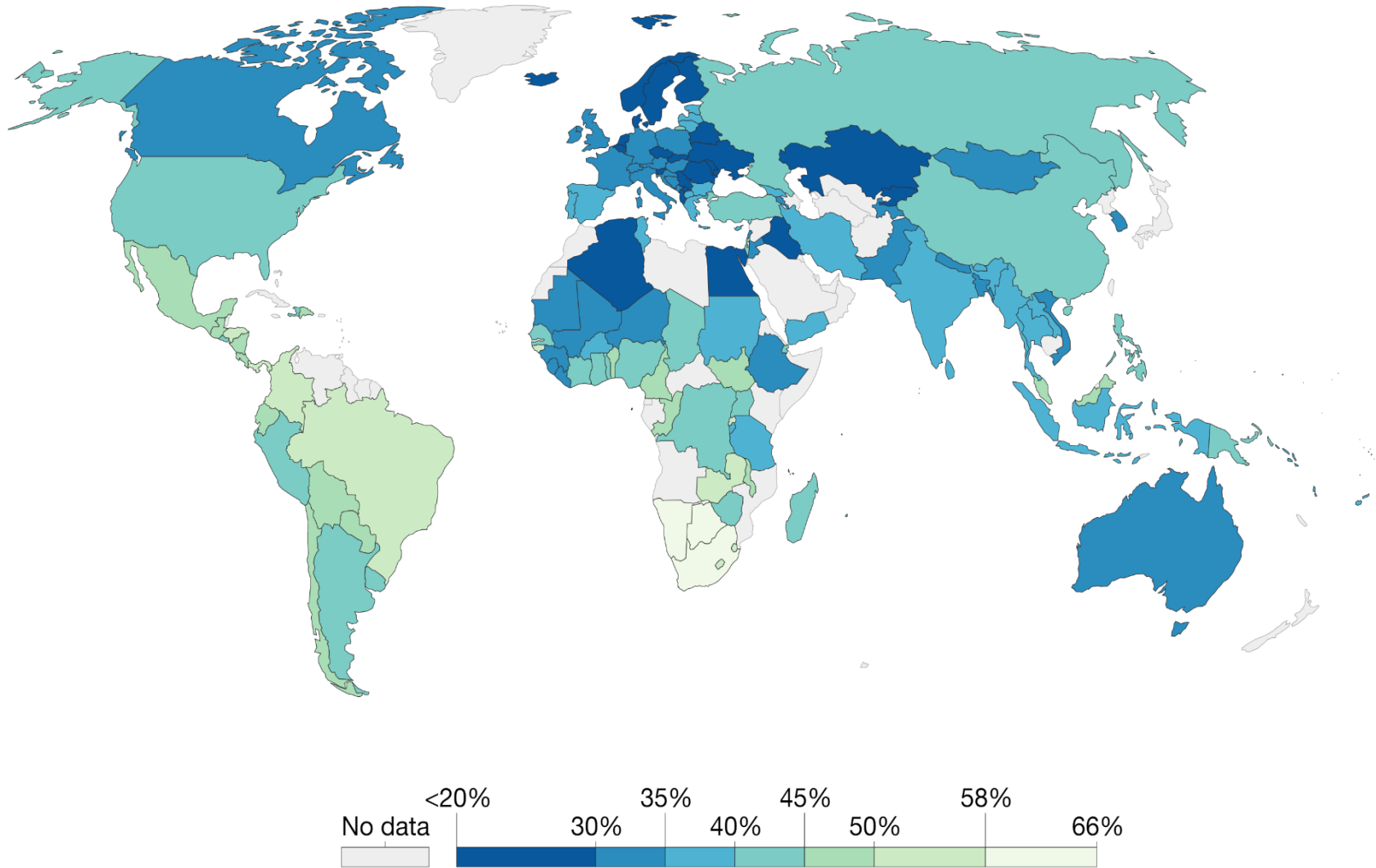
- Entropy, Theil Index, Information Theory Index, Dissimilarity Index, Divergence Index
 - Most measures are „entropy-based“
 - Dissimilarity index is not „entropy-based“
- Entropy a Theil Index indicate the level of diversity between groups
 - if all are members of one group, there is no diversity in population
- Entropy measure is offered for discrete variables (proportion)
- Theil Index is offered for continuous variables (distribution)

Segregation

- Inequality and segregation are structural facts (no individual)
- They lie beyond the individual ability to change them
- Both have negative consequences for society as well as individuals
- Try to explain: *economic, social, political, psychological*

Economic inequality – Gini Index, 2013

Shown is the World Bank (PovcalNet) inequality data. This data includes both income and consumption measures and comparability across countries is therefore limited. A higher Gini index indicates higher inequality.

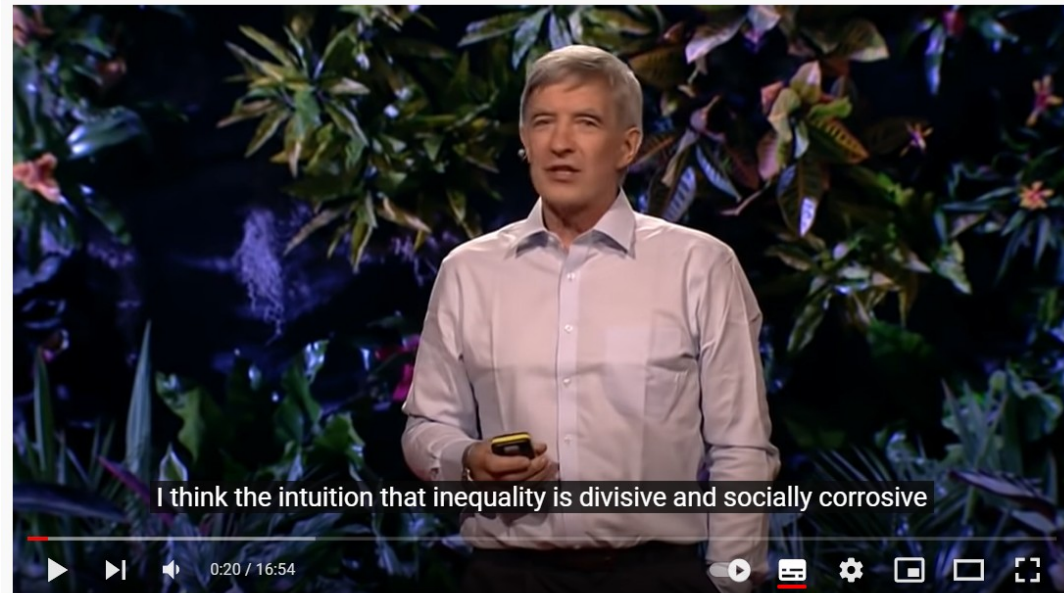


Advantages and disadvantages of Lorenz curve and GINI coefficient

- **advantages of GINI**
 - it is a number suitable for comparison of many historical periods or countries
- **disadvantages of GINI**
 - it does not show the shape of inequality, different shapes but one GINI coefficient
- **advantages of Lorenz curve**
 - it shows the shape of inequality, it means that it makes differences among various types of inequalities
- **disadvantages of Lorenz curve**
 - but Lorenz curve is not very suitable for huge comparisons, many curves means chaos

How economic inequality harms societies

- *Video YT: Richard Wilkinson*
- <https://youtu.be/cZ7LzE3u7Bw>
- Richard Gerald Wilkinson is British social epidemiologist
- Best known for his book (with Kate Pickett) *The Spirit Level*,
- He argues that equal distribution of incomes:
 - improves population health
 - decreases social problems (violence, drug abuse, teenage births, mental illness, obesity)
 - improves social cohesion



How economic inequality harms societies | Richard Wilkinson

Segregation – why it happens?

- *Video YT:* Segregation in US | Stanford Center on Poverty and Inequality
- <https://youtu.be/zxICQqDPD4g>



Segregation in the U.S.: Douglas Massey