Subject Index

Actual vs. feasible and optimal income distribution 107
vs. required schooling 80
Aim variables 109
Analytical model 108
Assistance, social 139

Broken linear tax function 116

Capabilities, non-cognitive 4, 53, 158
productive 59, 151
Capital, contribution to national product 83
gains 2, 10, 147
human, see Human
income from 2, 5
share of income from 83, 98
Class structure 5
Coefficients in utility functions 59
Combined scarcities 51
Compartments of the labour market 29
Complete model 107
Consumable income 60
Consumption needs 59
Cost-pushed inflation 145
Creeping inflation 144
Cross-section studies 30, 36, 48

Data, changes of 107
Decile 13, 15, 26
Demand and supply theory 4 factors 29, 79
for production factors 79
index of 44
Depreciation of money 142
Developing countries 1, 26, 150
Development, technological 79
Deviation, relative average 14
Direct intervention 137
Distribution policies, income 137
Drift, preference 62

Education, planning group 4 race with technological development 97
substitution elasticity 85
Educational policies 148
Elasticities of substitution, short-run and long-run 86
Employees 140
state 140
Enrolment 31
Equality 128
fundamental 129
Equation, demand 29
employment 30
price 29
price, absolute 50
supply 29
Equitable income distribution 127
Equity 127
and optimality 152
Equivalence of human beings 60, 129
Ethical postulate 129
Excess supply 49
Experience, work 52
‘Exploitation’ by human capital 68
Factors, demand 29, 79
supply 29, 57
Family 13, 18
  size of 23, 59
First regression 91
  'Fundamental equality' 129
Generalized inflation 142
Graduate labour, income from 98
  Graduates, university, shortage
  and surplus 104
  Group vs. individual inquiries 53
Historical path of observations 91
  'Hitchcock problem' 68
Household 13, 18, 130
  size of 23, 132
Human capital school 4
Income, after complete redistribution 12
  after tax 12
  consumable 60
  distribution policies 137
  per consumer 13
  primary 12, 104
  recipients 13
Independence, degree of 53, 63
  Independents, small 140
Index of demand 44
  Indicators of inequality 14
  Inequality measures 30
  Inflation, reduction of 138
Institutional implications of equity 133
Instrument variables 109
  Insurance, social 139
Intervention in income formation, direct or indirect 137
IQ 5, 128
  IQ, parents' 6
Lustum prenium 127
Job, evaluation 128
  held 60, 82
  requirements 128
  substitution elasticity 85
Justice 127
Labour 2, 29, 79, 97, 152
Legislation, social 139
  Linear tension method 73
  simple, theory of utility 73
  Long-term elasticities of substitution 88
  Lorenz curve inequality index 14
  Lump-sum taxes 121, 148
Marginal productivity 87, 109
  tax rates 110
  'Marktkonform' 137
  Marxists 157
  Maximum equalization percentage 18
  Minimum wages 137
  Models, complete 107
  complete optimization 117
  Monetarist school on inflation 143
  Monopolies of high income groups 133
Needs, consumption 59
  Non-cognitive capabilities 4, 53, 158
  'Non-economic' factors in income formation 151
  Non-tradables 143
  Northwest-corner rule 68
Objectives of income distribution policies 137
Occupational status 5, 128
  Optimal income distribution 117
  Optimality and equity 132
  Optimization model 117
Ownership of capital, land 129
Parameters in utility function 58
Parliament 130
  Path analysis 7
  Policies, income distribution 137
  Policy model 117
  Preference drift 62
  Price, control 141
  equation 29
Primary income 12, 104, 108
  Production function 79, 81, 118
Subject Index

Productive capabilities 59
Productivity, marginal ratio 82, 108

Quadratic tax function 115
tension method 73
Quintile 13, 15

Race between technological development and education 97
Redistribution system 12, 120
Reduced forms 30, 94, 96
Regression, first and second 91
Relative average deviation 14
Required, education or schooling 80, 107

Scarcities, combined 51
Scarcity 51, 67, 114
Schooling, required 63, 80
years of actual 38, 59, 80
Second regression 91
Shortage of university graduates 104
Short-term elasticities of substitution 86
Simple linear theory of utility 73
Size of household 23, 132
Skills, non-cognitive 53
Social legislation 139
welfare function 117, 131
Socialist policies, traditional 134
Stagflation 145
Status, occupational 5, 128
Stochastic theories of income distribution 149
Structuralist school on inflation 143
Structure, social 155
Substitution, between production factors 83
elasticity, education 85
elasticity, job 85
indirect 83
Supply factors 29, 57
Surplus of university graduates 104
Tax, differentials 114
equations 112
expenditure 147
rate, marginal 110
shifting 113
system 134
Taxes, influence on income distribution 19, 107, 113, 141
lump sum 121, 148
Technological development 9, 79, 107, 148
race between education and 97
Tension between required and actual schooling 60
Tension, linear 73
quadratic 73
Time series tests 34
Tradables 144
Trade unions 139, 147
Traditional socialist policies 134
Types of labour 79

University graduates, shortage of 104
surplus of 104
Utility function 58, 72

Variables in utility function 58
Voting as a measurement 130
Wages, minimum 137
Wealth, distribution of 147
Welfare 57, 61
equal for all 130
social, function 117, 131
Work experience 52, 135

Years of schooling 38, 59