“The Bonferroni, Gini and De Vergotini indices. Inequality, welfare and deprivation in the European Union in 2000”

Authors:
Elena Bárcena
Luis J. Imedio

Universidad de Málaga.

Correspondent:
Elena Bárcena Martín
Facultad de Ciencias Económicas y Empresariales.
Dpto. de Estadística y Econometría (68).
Campus de El Ejido, s/n. Universidad de Málaga.
29013. MÁLAGA.
Tel. 952137188
E-mail: barcenae@uma.es

Abstract

This paper studies the Bonferroni and De Vergotini inequality measures, showing their differences and similarities from the statistical and normative standpoint. We frequently refer to the Gini index because it is the most common inequality measure and because it shows similar properties to the ones of the previous indices. We also investigate their welfare and deprivation interpretation and they three show up as complementary measures.

We apply these indices to obtain rankings, in terms of inequality, welfare and deprivation, of the European Union countries in 2000, using the information contained in the European Community Household Panel, and make a sensitivity analysis of the ranking to different equivalence scales.

Key words: Partial mean, lineal measures of inequality, PHOGUE, European Union.

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