The Arison School of Business invites you to a
Finance/Accounting Workshop by

Prof. Amir Rubin

On:

"Wealth and Compensation Inequality in the US: Why Economic Growth is Likely to Lead to Further Income Inequality", Amir Rubin and Dan Segal

Monday, November 14th, 2011, 14:00, Sammy Ofer building, meeting room, 2nd floor
IDC Herzliya Campus

Abstract:
The paper analyzes the relation between growth and income inequality in the US during the post-war years (1953-2008). The paper shows that economic growth has contributed to the increase in income inequality in the US. The essence of this result is that the income of the top income groups is more sensitive to growth compared to the income of the lower income groups. This increased sensitivity arises because the top income groups receive a large portion of their income from wealth, which is more sensitive to growth than labor income, as well as skilled-based performance pay.