

**BLOOMBERG  
HARVARD**

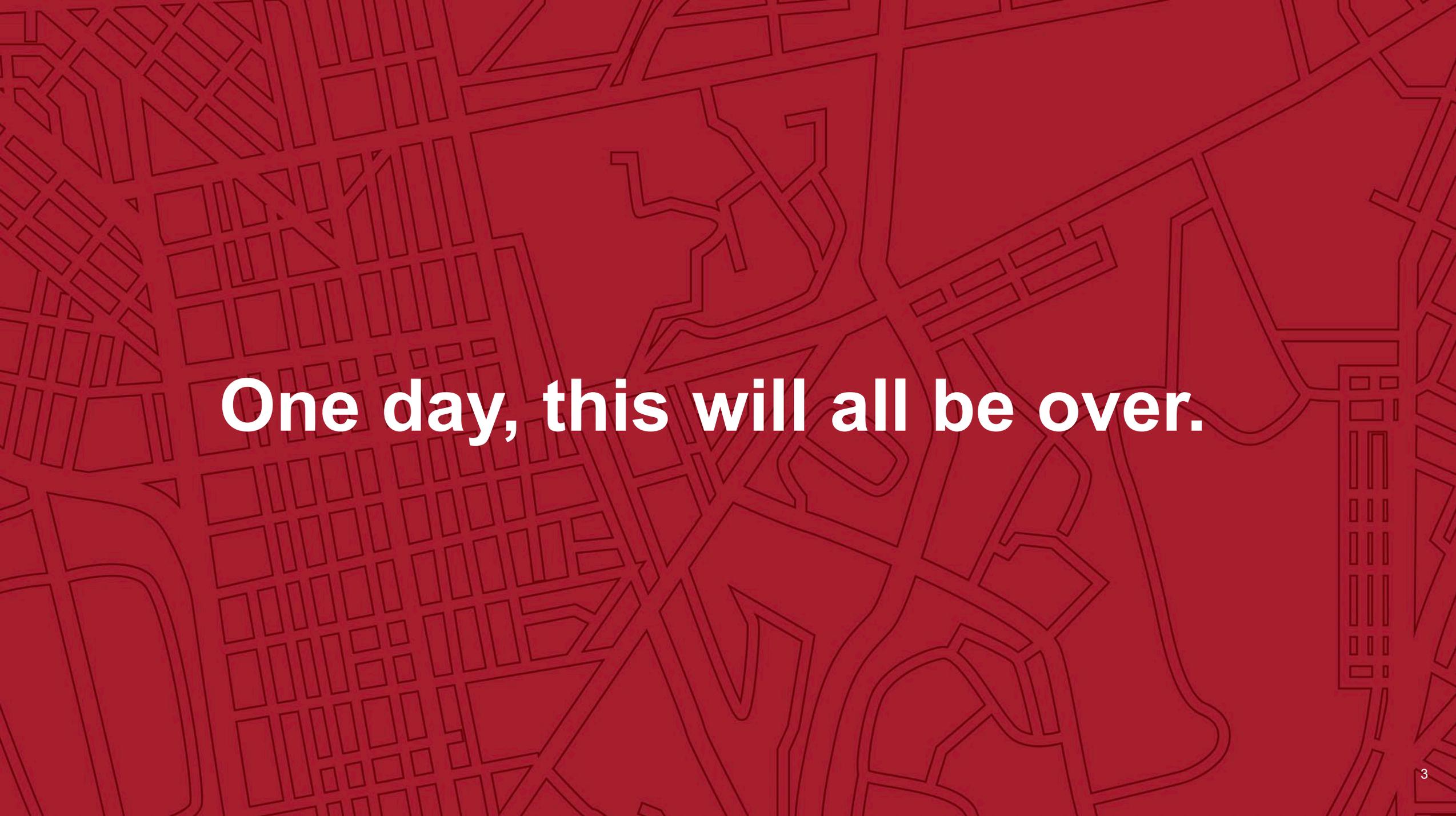
City  
Leadership  
Initiative

# Dignity and the Equitable Economy

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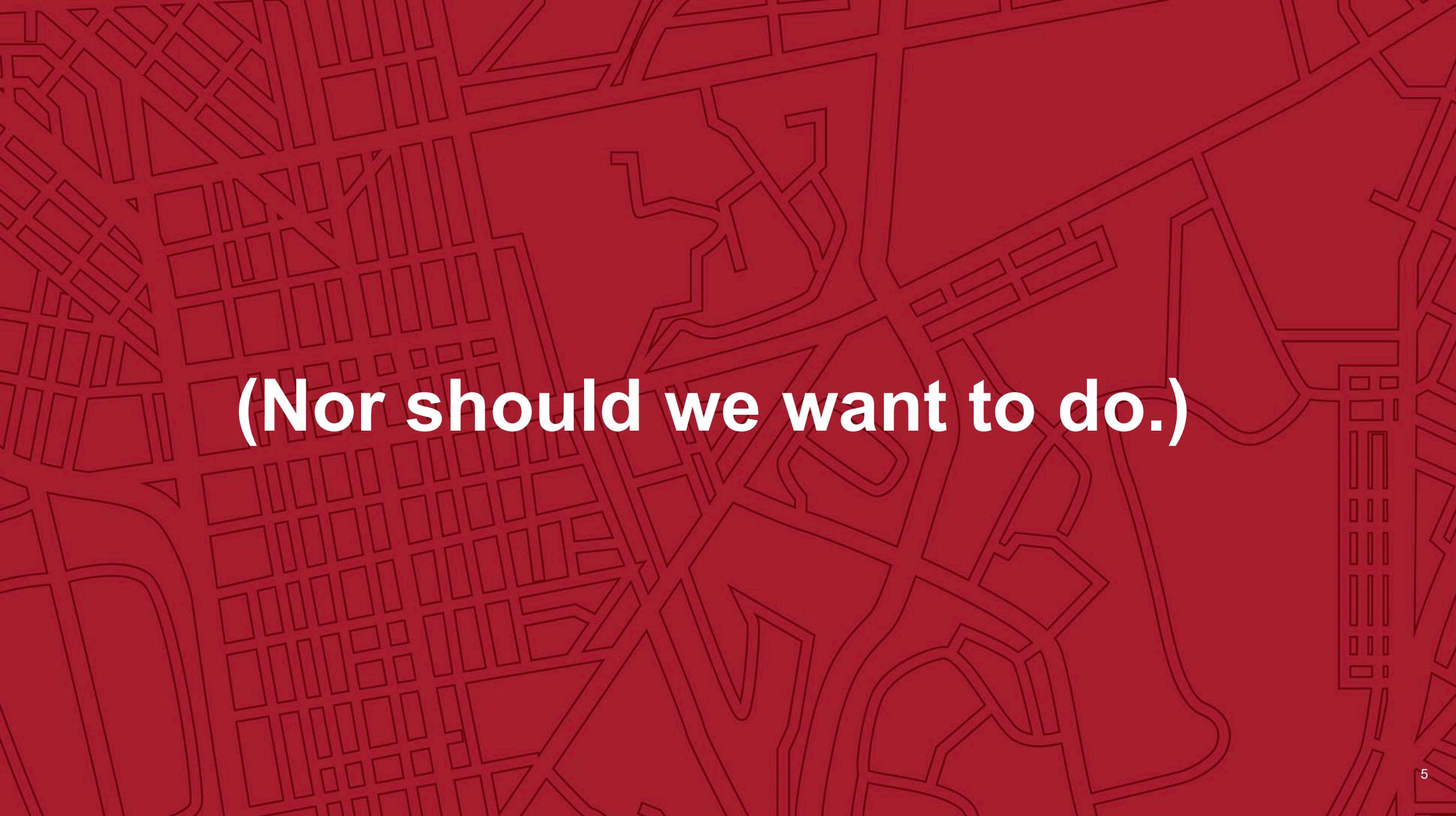
**What is dignity?**



**One day, this will all be over.**



**We will not return to the  
pre-pandemic past.**

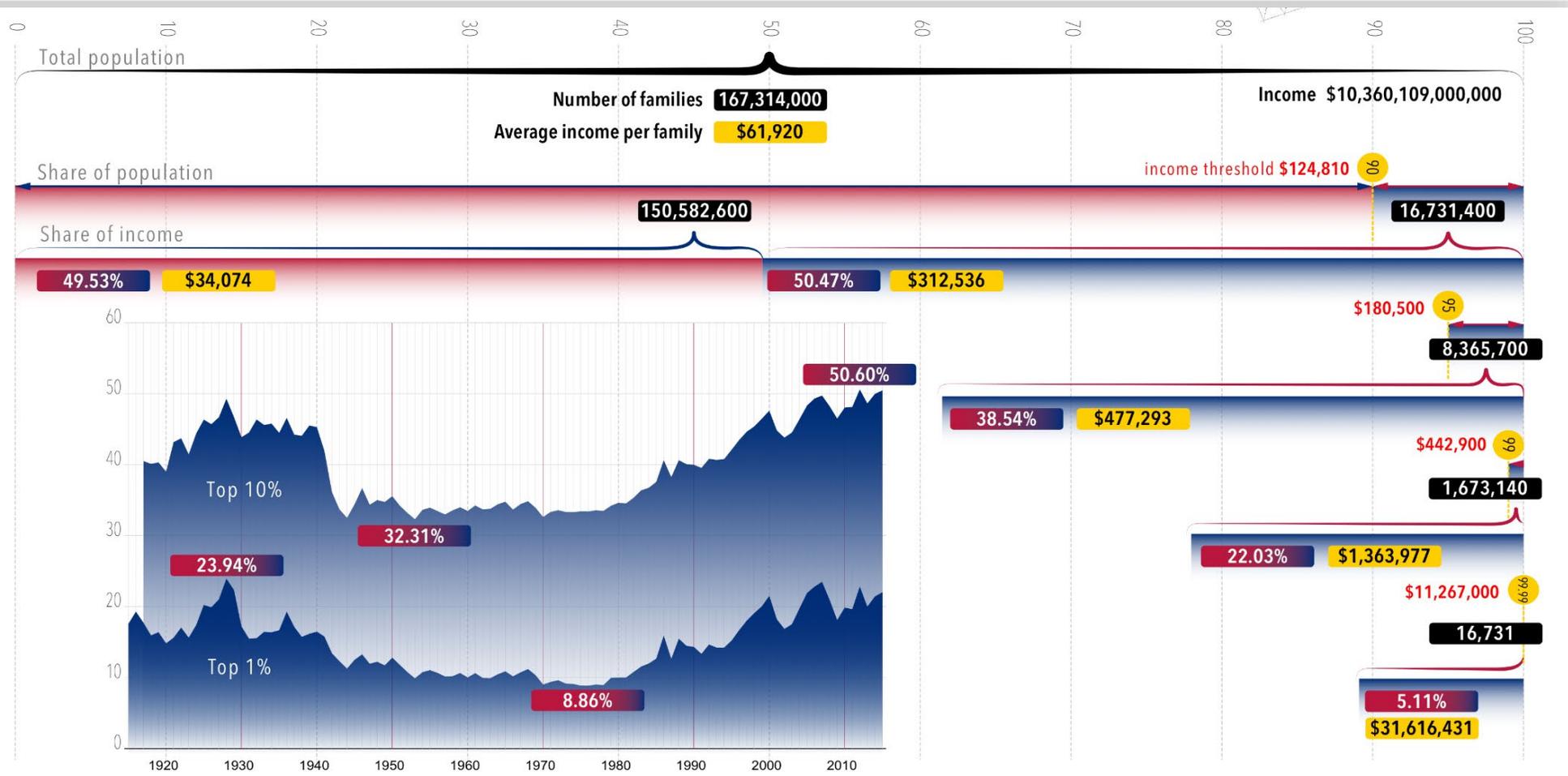


**(Nor should we want to do.)**



# Rising inequalities, magnified

# DISTRIBUTION OF INCOME



Source: Sheets "Table 0," "Table A3, and "Table A6" in the data file for Thomas Piketty and Emmanuel Saez, "Income Inequality in the United States, 1913-1998," *Quarterly Journal of Economics*, 118(1), 2003, 1-39, updated to 2015, available at <https://eml.berkeley.edu/~saez/TabFig2015prel.xls>, accessed in August of 2017.

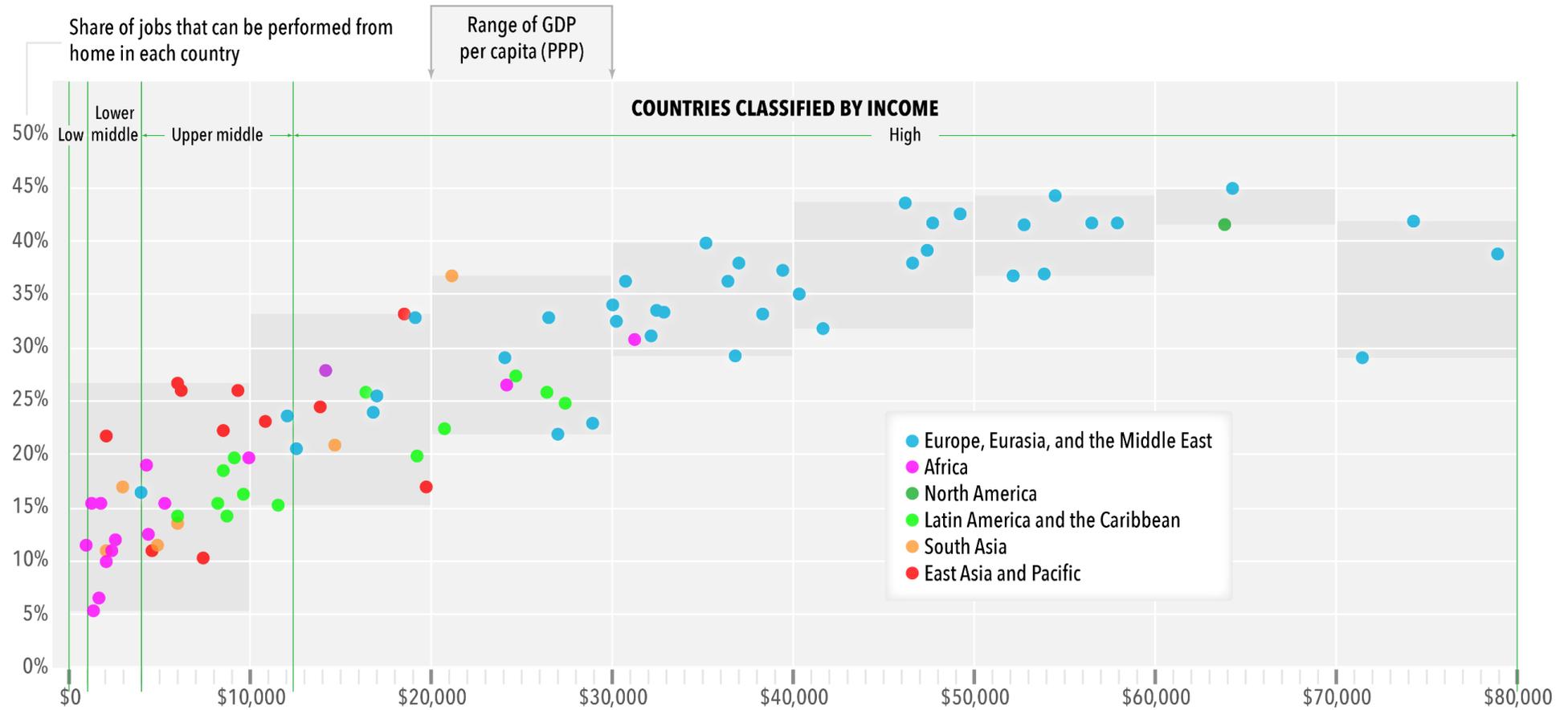
Note: Data is for 2015. Income is defined as pre-tax cash market income, including capital gains and excluding government transfers. Fractiles, defined by total income, also include capital gains.

## Working from Home in the United States



Source: Calculated based on data from National Household Travel Survey, the Federal Highway Administration, the U.S. Department of Transportation, <https://nhts.ornl.gov>.  
Note: Survey is based on the 2017 data.

# Working from Home around the World

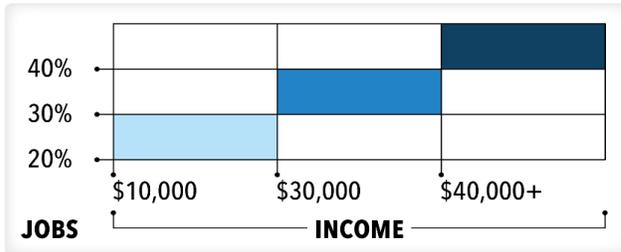


Source: Based on calculations by Jonathan I. Dingel and Brent Neiman, "How Many Jobs Can be Done at Home?" University of Chicago, Booth School of Business, NBER, and CEPR, May 12, 2020.

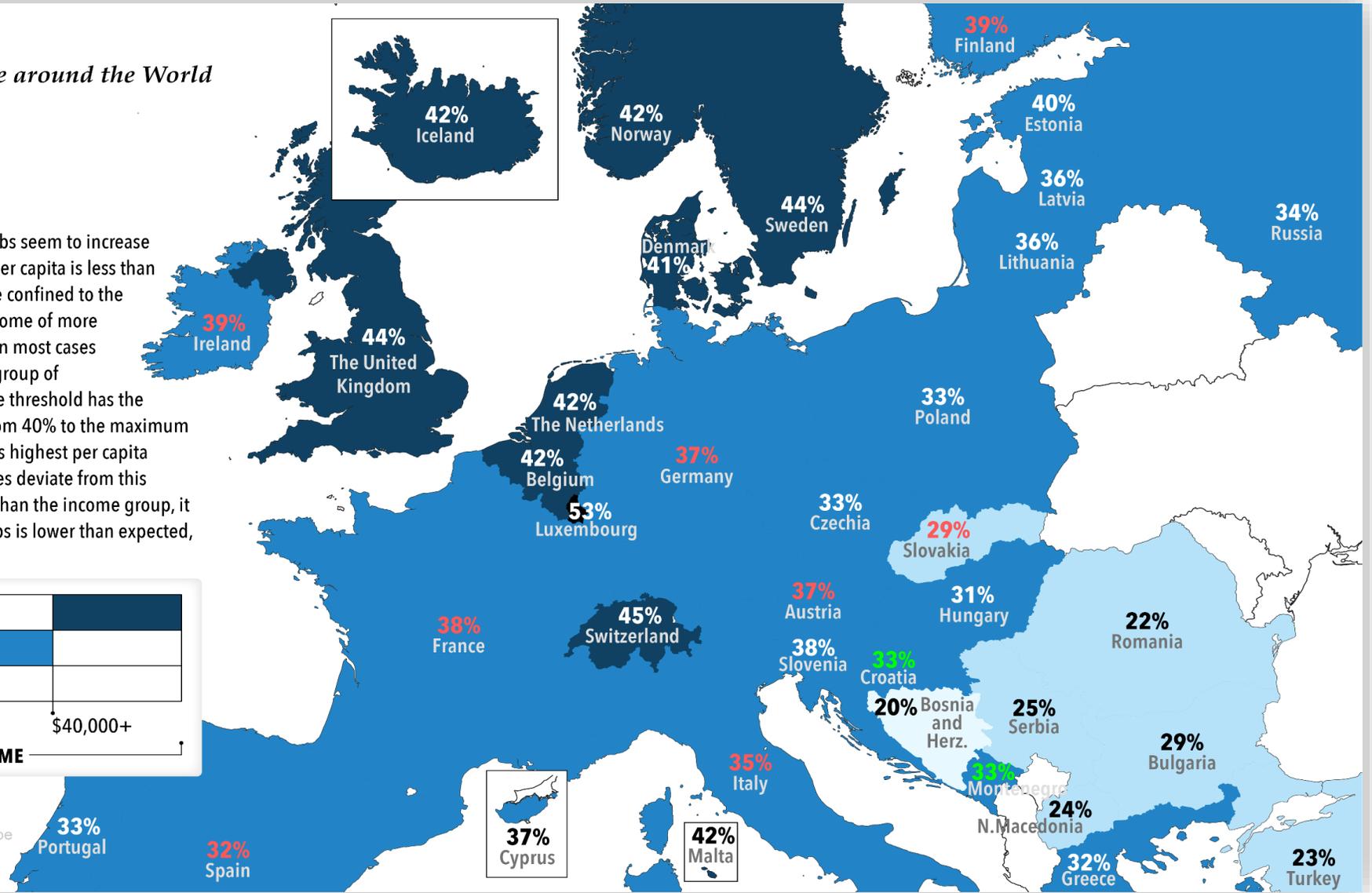
Note: The classification of countries by income is based on the World Bank schema.

## Working from Home around the World EUROPE

In Europe, income and teleworking jobs seem to increase with a general regularity: if the GDP per capita is less than \$30,000, the share of jobs tends to be confined to the 20-30% range. Economies with an income of more than \$30,000 but less than \$40,000 in most cases create 30-40% teleworking jobs. The group of countries beyond the \$40,000 income threshold has the greatest share of teleworking jobs: from 40% to the maximum of 53% in Luxembourg, which also has highest per capita income of \$116,152. Some economies deviate from this pattern: if the share of jobs is higher than the income group, it is marked with **⬆️**. If the share of jobs is lower than expected, it is indicated with **⬇️**.



Source: Based on calculations by Jonathan I. Dingel and Brent Neiman, "How Many Jobs Can be Done at Home?" May 12, 2020.

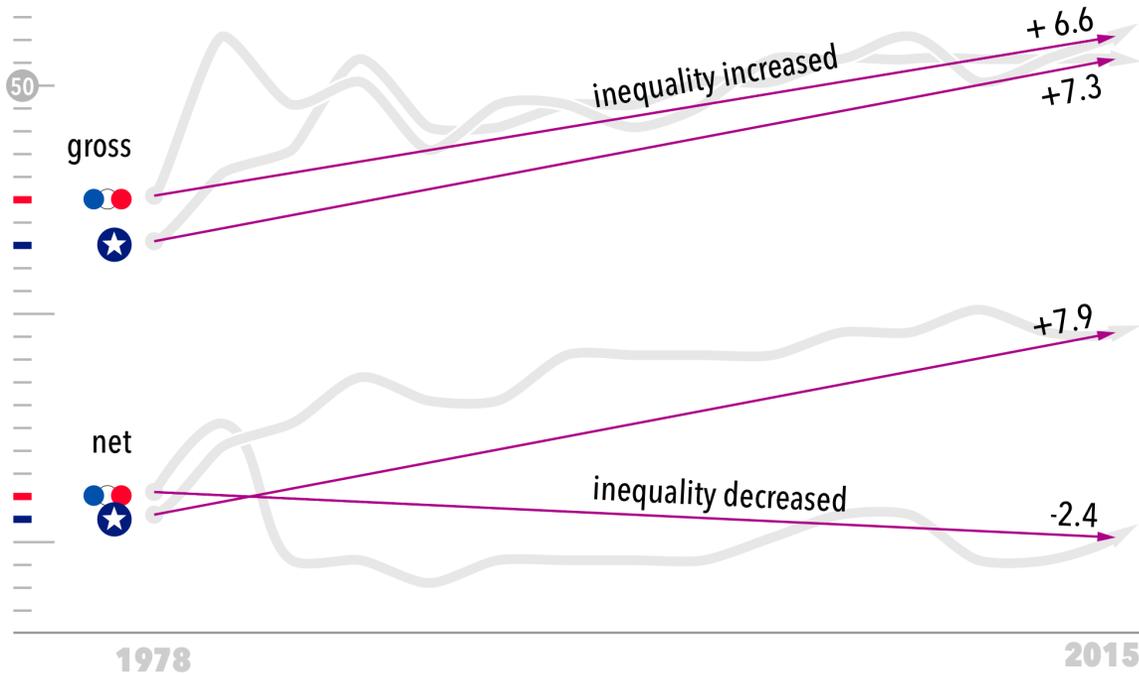




# Policies

Gini Index %

# 1978-2015

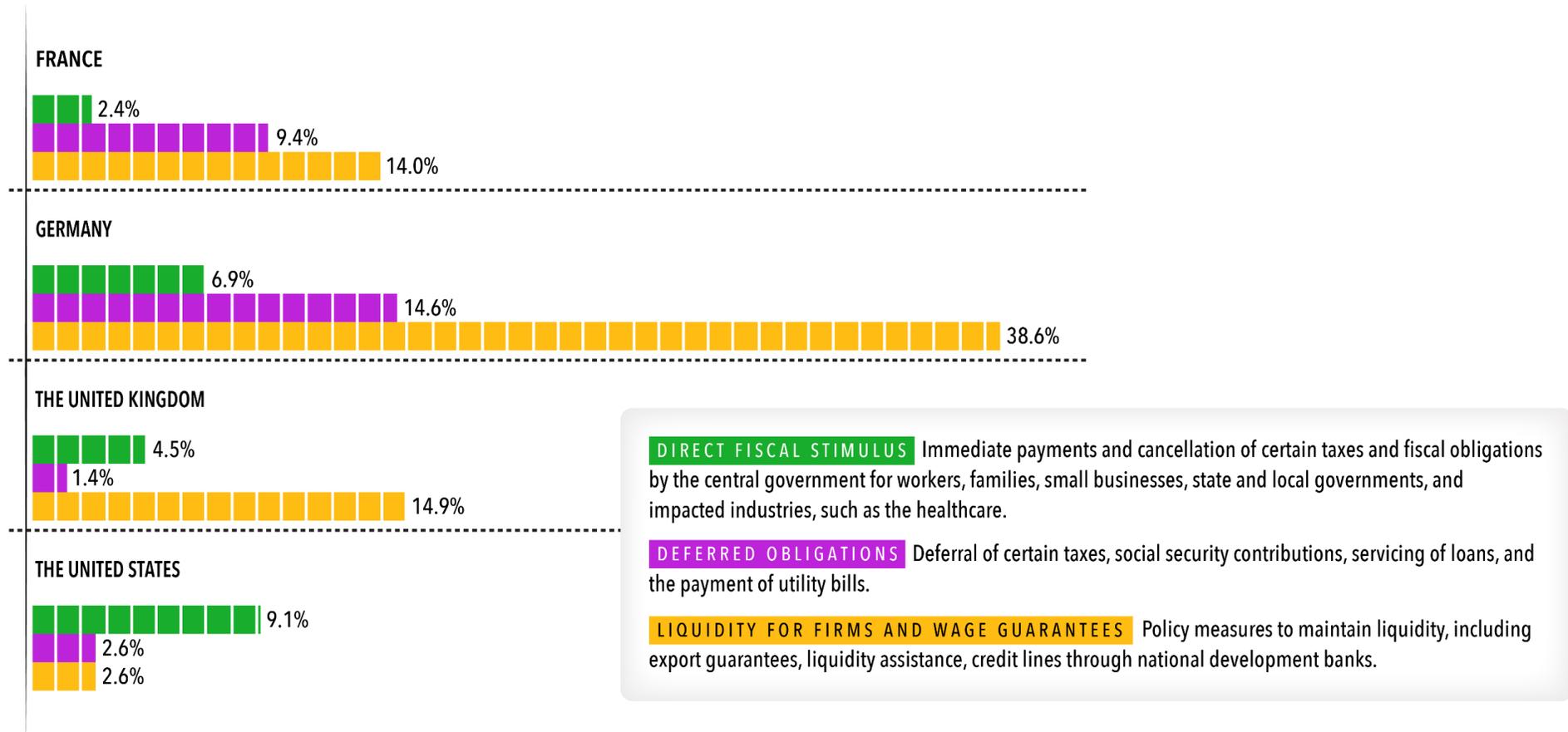


At 0%, the Gini coefficient indicates equally distributed income; the greater numbers express increasing inequality, culminating at 100% in a theoretical case of all income accruing to one person or household.

The Gini coefficient here is measured at two stages, before and after income redistribution by the social welfare system of France and the United States. "Gross" represents market income, before taxes and transfers. The effect of the tax system and grants is drawn in the category of "Net."

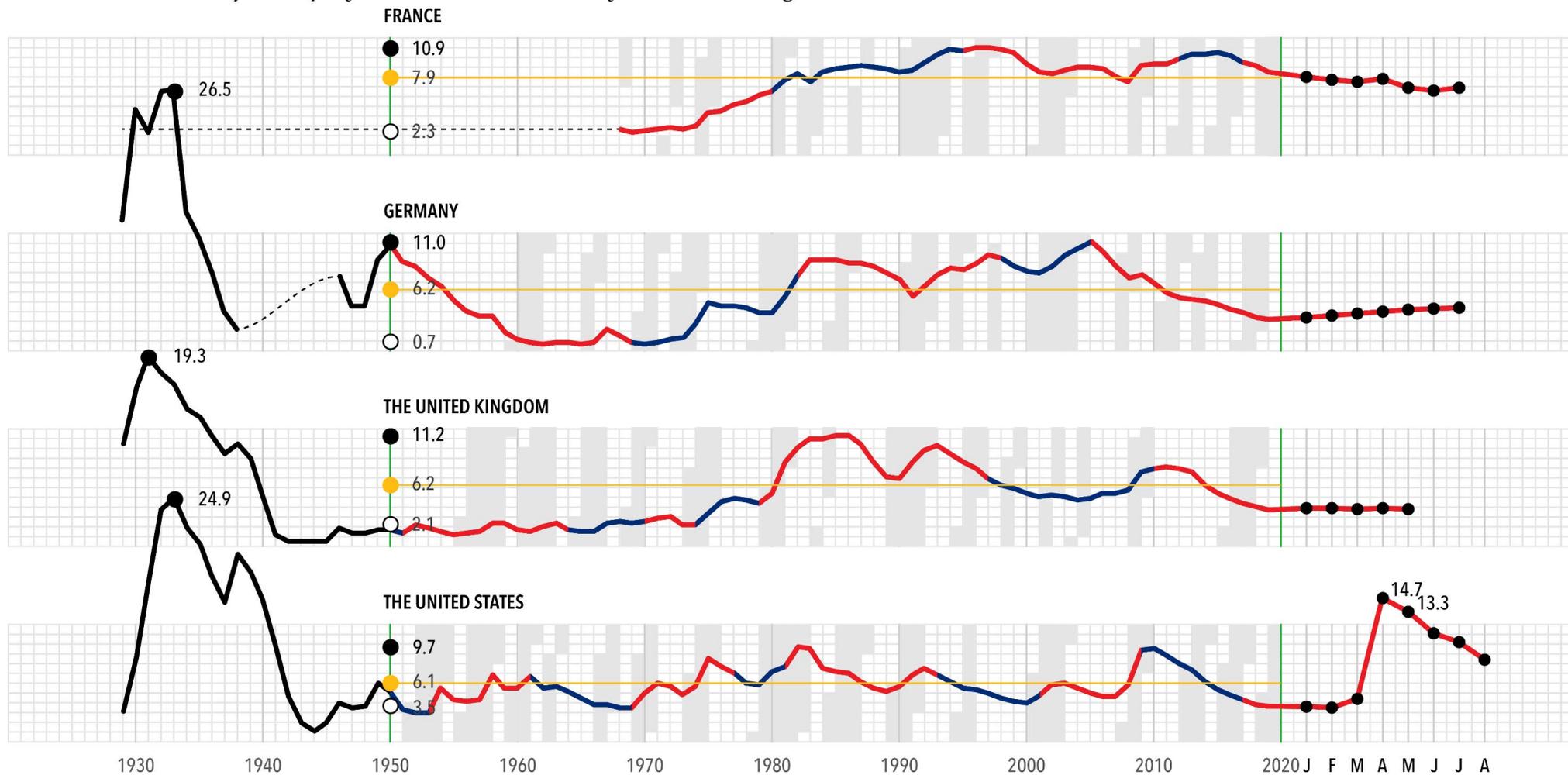
Source: Calculated based on data from *OECD.Stat*, <http://stats.oecd.org>, and *Luxembourg Income Study (LIS) Database* microdata, cited in Max Roser and Esteban Ortiz-Ospina (2018), "Income Inequality," *OurWorldInData.org*, <https://ourworldindata.org/income-inequality>.

**Fiscal Response to COVID-19**  
**% of 2019 GDP**



Source: Julia Anderson et al., "The fiscal response to the economic fallout from the coronavirus," *Bruegel.org*, April 25, 2020, <https://www.bruegel.org/publications/datasets/covid-national-dataset/>.

The Rate of Unemployment in France, Germany, the United Kingdom, and the United States, 1929–2020



**So if we try to return to what we had before:**

**A broken system**

- ✓ **An opportunity to reimagine**
- ✓ **An economy built on dignity**
- ✓ **Meaning, purpose**
- ✓ **Connecting macro to micro**

“

*What's true of all evils in the world is true of plague as well. It helps men to rise above themselves.*

”

Albert Camus, *The Plague*



**What can local leaders  
do to cultivate dignity,  
purpose and meaning  
in their communities?**



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