

**Marlyn Glen**

## **Inequality and the Gini Coefficient**

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"Lower the Gini Coefficient!" isn't a compelling slogan that you'll see on a banner at a Labour movement rally.

Nor is it the subject of the chant : "What do we want? When do we want it?"

The Gini coefficient is the most commonly used measure of income inequality.

It reflects the gap between the rich and the rest, the kind of society we live in, and its inequalities.

If we had a society where there was perfect equality of income, the Gini coefficient would be 0, full inequality 100.

In Scotland over the past three years, the value of the Gini coefficient has risen from 33 to 35, meaning that inequality has increased .

(In the UK overall, it has remained the same at 36 over the same period.)

In the USA, the coefficient is a stark 47 per cent.

However not far from us are Sweden, Norway and Denmark, countries which have values for the Gini coefficient much lower than Scotland's.

They are some of the lowest measured in the world - recent values are Sweden at 23 per cent, and its neighbours, Denmark( 24) and Norway (25)

All three feature regularly in the top grades of international surveys which assess people's satisfaction with their lives alongside the quality of life in housing, income, their communities, education, health, and the work-life balance

The latest world-wide survey of the OECD Better Life Index (data compiled by the Organisation for Economic Co-operation and Development) saw Denmark come first, with Norway third and Sweden in sixth place.

Generally speaking, fairer societies such as the Scandinavian ones are healthier societies.

So let's look at statistics that compare important health indicators in Sweden with Scotland

Let's examine life expectancy, the number of years a child at birth is expected to live.

Life expectancy at birth for males in Sweden - 79

Life expectancy at birth for males in Scotland - 76

Life expectancy at birth for females in Sweden - 84

Life expectancy at birth for females in Scotland - 80

Men in Sweden can expect to live three years longer and women four years longer than they can expect to live in Scotland.

Comparing Norway with Scotland shows the same life expectancy gap.

Life expectancy figures can be supplemented by Healthy Life Expectancy figures.

These indicate the percentage of life that a male or female at birth can expect to live in a healthy condition.

It measures the quality of life.

Healthy Life Expectancy for a male in Sweden is 88 per cent of his life

Healthy Life Expectancy for a male in Scotland is 79 per cent of his life

Healthy Life Expectancy for a female in Sweden is 83 per cent of her life

Healthy Life Expectancy for a female in Scotland is 77 per cent of her life

Both men and women in Sweden can expect to live longer and to live longer in better health than men and women in Scotland.

The annual report of Scotland's Chief Medical Officer of Health, published last November, states candidly, "At present, Scotland has the lowest life expectancy of all Western European countries."

On another important indicator of health, infant mortality, the Chief Medical Officer of Health states that Sweden, Norway, Denmark, (Finland and Iceland) all have "significantly lower" infant mortality rates than Scotland."

Health inequalities arise from the lack of control that people have over their lives.

The less order that people have over their jobs, and their family situation, the greater their insecurity.

Low income, job uncertainty, underemployment and unemployment, all make people more vulnerable to stress which can express itself in unhealthy behaviour, and ultimately, disease.

Everyday experience tells us that despite decades of life-enhancing landmarks in new medical technology and scientific discovery, the relatively poorer health of the least advantaged persists.

In February of last year, the Marmot Review published its study of health inequalities in England for the UK government.

This intra-national contrast in health demonstrated the same degrees of inequality that international ones had found.

People who live in the least well-off areas of England are likely to die, on average, seven years earlier than those in the most affluent areas.

As the report said,

" People with higher socioeconomic position in society have a greater array of life chances and more opportunities to lead a flourishing life. They also have better health. The two are linked: the more favoured people are, socially and economically, the better their health. This link between social conditions and health is not a footnote to the 'real' concerns with health – health care and unhealthy behaviours – it should become the main focus."

The report produced a startling calculation -

" If everyone in England had the same death rates as the most advantaged, people who are currently dying prematurely as a result of health inequalities would, in total, have enjoyed between 1.3 and 2.5 million extra years of life.

" They would, in addition, have had a further 2.8 million years free of limiting illness or disability.

"It is estimated that inequality in illness accounts for productivity losses of £31-33 billion per year, lost taxes and higher welfare payments in the range of £20-32 billion per year, and additional NHS healthcare costs associated with inequality are well in excess of £5.5 billion per year."

A Scottish version of the calculation would possibly reveal a total sum of around £5 billion - roughly half the value of Scotland's NHS resources budget - a budget of over £10 billion this year.

The healthier you are, the more productive you are, and the more you help society.

While pointing out health differences between Scotland and Scandinavia, we mustn't delude ourselves or romanticise about society in Scandinavia.

All have recently witnessed populist penetration by the far Right into their politics in recent years, challenging the long periods of dominance by the Scandinavian Left.

However, in his essay in Policy Network, Mikko Kuisma says that this entry was " symptomatic of poor political strategy" of the left of centre parties.

"Research shows that certain core values of social democracy are still alive and that there is a future for progressive politics.

"Recent evidence of the widespread acceptance of not only the values of welfare but the broad structures and policies that maintain the welfare state comes from Denmark.

"According to a Danish newspaper , around 66% of the Danish population is happy to maintain the current level of taxation.

"This is in and of itself a remarkable result, as the levels of taxation in Denmark are the highest in the world."

Challenging health and income inequalities won't come by the "Lend a Hand" voluntarism of David Cameron's Big Society.

Reductions in them come from the actions of an interventionist government.

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