Report on "Doing Rawls Justice: Evidence from the PSID"

The paper proposes a new approach to measure inequality in a distribution according to the Rawls' ideal of equity. The paper is divided in three main sections. In the first section, the conceptual framework is introduced. In this section the author explains the principles at the base of this ideal of equity that allow to distinguish between good and bad inequalities. These principles are "fair equality of opportunity", which concerns the origins of inequality, and the "difference principle", which concerns the consequences of inequality. In the second section, the author proposes a method to implement this approach and to evaluate inequality and make inequality comparisons on the base of the Rawls' ideal. In particular, the author proposes a Gini based measure of Rawlsian inequality. In the third section, the author proposes an empirical application based on PSID data.

Overall I find the paper interesting but difficult to read and go through.

Here are my detailed comments.

Comments

1. The paper is just too long. I think there are information that are not needed and this makes the paper a little disorganized and not very homogeneous. For instance, the sections "Inequality on growth" and "Growth on poverty" seems redundant and out of the focus of the paper. As a result, it becomes difficult to read the paper and to understand its aim and contribution.

2. In relation to my comment before, aims and contributions must be strengthened.

3. It is not clear to me how this approach differs from the Equality of Opportunity approach in the light of Roemer (1998), both from a conceptual and methodological point of view. In fact, in relation to the latter, the author uses the same definitions of this literature (for instance, types, opportunity profiles), which makes more difficult to understand the novelty of his approach. Furthermore, when the author uses the terms "types" and "opportunity profiles" he should mention that these terms are borrowed from the Equality of Opportunity literature with the appropriate references.

4. In the paper, the author often refers to a "pairwise inequality", but this definition seems to be inconsistent with his framework where inequality refers to a distribution made of N individuals.

5. Second paragraph, page 6, "pairwise outcome disparities are unfair and so illegitimate if and only if the better-off individual coincides with the better endowed one in terms of social resources". This sentence is wired. Suppose that the better endowed individual coincides with the better-off just because he exerted more effort, I would not judge this disparity to be unfair?

6. Page 11 and 12, the author defines a natural opportunity type as a combination of discrete values and a social opportunity type as a combination of discrete values. I think that the assumption that the values are discrete is too strong. Some justification for this assumption is needed. Would the framework work with continuous values?

7. Table 1, page 23, is not clear. What is the ID column? On the base of which criteria are circumstances defined as favourable?

8. At page 24-25 the author compare his results with what he calls "Roemer's inequality of opportunity". First, the author should be clearer when he refers to this "Roemer's inequality of opportunity", what is this exactly? Second, the author should report these results in a table to make comparisons easier. Probably, he could report estimates of Roemer's inequality of opportunity and Rawlsian inequality using exactly the same samples.

9. A discussion that motivates the difference between the results obtained implementing his approach and those obtained implementing the Roemer approach would be beneficial for the paper.

10. Page 26, second paragraph. I would definitely eliminate the sentence "However, to our opinion, part of this success… suitable for empirical investigations."

11. The paper contains too many quotations. I have counted 20 of them.

12. There are many typos. Some of them are:

- Incomplete sentence, page 7 second to last paragraph before section a) "Differently, in Rawlsian view inequalities are good… benefit the poorest individuals";

- Second paragraph, page 8 "but it also likely that" should be "but it is also likely that";

- Third paragraph, page 13 "within the income generation process" should be "within the income generating process";

- In many parts of the paper "responsible choices" should be "responsibility choices";

- First paragraph, page 17 "differently defined depending on main objectives" should be "differently defined depending on main objectives";

- Second paragraph, page 20 "Proposition 3.1 emphasizes that within Rawlsian view…" should be "Proposition 3.1 emphasizes that within the Rawlsian view…";

- Second to last paragraph, page 25 "this means that the financial crises has…" should be "this means that the financial crisis has…"