Review of: "Developments in Regional Inequality in Greece"

Georgios Bertsatos[1]

1 KEPE: Centre of Planning and Economic Research, Athens, Greece

It is shown that the disposable income of households increased from 2017 to 2022 in Greece. Even if the income inequality fell in the Greek territory, there are persistent income inequalities at the regional level from 2017 to 2022. The sample is based on the EU-SILC dataset for the period 2018-2023 (the report of year t is based on data of year t-1).

It appears that the empirical distribution of the equivalized disposable income, in 2017 constant prices, shifted to the right from 2017 to 2022, denoting an improvement in the living conditions of the households. Also, the employed inequality indices exhibited "ups and downs" (see Graph 1) and were volatile during the covered period (2017-22). Cumulatively, it is found that inequality reduced from 2017 to 2022 according to 3 out of 4 inequality indices (see Graph 2). However, hidden disparities exist at the regional level. Specifically, in 4 regions (Eastern Macedonia & Thrace, South Aegean, Ionian Islands, and especially Peloponnese), income inequality increased (see Table 1).

The paper is well written and structured. Below, there are some suggestions that could improve the quality of the paper:

- It should be made clear that the Gini, MLD, and ATK inequality indices were calculated by the author and not downloaded as ready-to-use variables from a database. Also, the definitions of those indices would be a nice addition to the text (just a few lines).
- At the end of section 2, in the last paragraph, it is not clear what that "less than 1%" means. Do the households whose equivalized disposable income was more than 10 times the average equivalized income comprise the 1% of the total households examined in the dataset?
- Below Table 1, or in the conclusions, some more lines could be added explaining the "within regions" and "between regions" statistics, as well as their economic interpretations.
- Regarding directions for future research, the author could dedicate a small paragraph at the end of the paper. For example, an econometric investigation with a parsimonious static or dynamic model, at the regional level with a number of regions/groups G = 13, with region (and probably time) fixed effects could be initiated with the MLD inequality index being explained by regional macroeconomic [e.g., GDP or GVA (per capita) in levels or growth rates, and CPI or inflation] or socioeconomic [e.g., education, (un)employment] variables.