

SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom - Happiness

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Course: 11

PhD Student Code: 62178

Title: Impacts of income inequality of economic growth of countries in the world and policy implications for Vietnam

Major: Development Economics

Code: 9310105

Name of Supervisor: Dr. Dang Thi Thu Hoai and Prof. Dr. Nguyen Khac Minh

Name of institution: Central Institute for Economic Management

SUMMARY OF NEW CONTRIBUTIONS OF THE THESIS

1. About theory

1) Data in previous studies have not been grouped; if yes, it has been clustered based on only one criterion. This thesis has simultaneously grouped data based on two criteria, including inequality and economic growth.

2) It is the first study to analyze the impact of inequality on economic growth based on a new combination between the SWIID dataset and the simultaneous equation system approach.

3) The study uses the most inequality measures: Gini index (Solt and WB), 10% income gap coefficient, 20% income gap coefficient, ratio 40, and WB and Palma's score.

2. About practice

1) Results are provided based on updated data up to 2019.

2) The added value of the dissertation is to show the world moving trend and the feasibility and replicability of the economic growth model in parallel with social justice.

3) Another added value of the dissertation is to evaluate the influence of three factors, including education, healthcare and technical progress, on the impact of income inequality on economic growth in countries similar to Vietnam.

4) The study verifies many transmission channels of income inequality's impact on economic growth. Specifically, there are nine transmission channels of influence examined, including fiscal policy channel, imperfect capital market channel, socio-political instability channel, reproductive decision channel, savings/investment channel, consumption behavior channel, labor motivation channel, access to education and healthcare channel, and channel of domestic demand for goods and services.

5) Policy recommendations for Vietnam to promote economic growth are made for the period after 2022 based on the updated context to 2020.

Hanoi, date month 5 year 2023

Supervisors

PhD student

Supervisor 1

Supervisor 2

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