

**Income Distribution and  
High-Quality Growth**

edited by Vito Tanzi and  
Ke-young Chu

The MIT Press  
Cambridge, Massachusetts  
London, England

# Contents

Preface ix

Introduction xi

**1 Income Distribution and Sustainable Growth: The Perspective from the IMF at Fifty 1**

Michel Camdessus

**2 Income Distribution and Sustainable Growth: A Latin American Perspective 5**

Enrique Iglesias

**3 The Role of Government in the Contemporary World 21**

Joseph E. Stiglitz

***Comments***

*Alberto Giovannini 55*

*Jean-Claude Milleron 63*

**4 Income Distribution and Growth in Industrial Countries 69**

Andrea Brandolini and Nicola Rossi

***Comments***

*Michael Deppler 107*

*Assar Lindbeck 111*

- 5 Equity and Growth in Developing Countries: Old and New Perspectives on the Policy Issues** 117  
Michael Bruno, Martin Ravallion, and Lyn Squire
- Comments*
- Jiwei Lou* 147  
*Jacob M. Mwanza* 153  
*Dani Rodrik* 159
- 6 Equitable Economic Transformation** 165  
John Flemming
- Comments*
- Danuta Gotz-Kozierkiewicz* 191  
*Grzegorz W. Kolodko* 195  
*Nicholas Stern* 199
- 7 Monetary and Fiscal Policy for Equitable Economic Growth** 203  
Arnold C. Harberger
- Comments*
- Christian Morrisson* 242  
*Lawrence Summers* 247
- 8 External Sector and Income Distribution** 251  
Jagdish Bhagwati
- Comments*
- Nancy Birdsall* 291  
*Naohiro Yashiro* 295
- 9 The Political Economy of Macroeconomic Stabilizations and Income Inequality: Myths and Reality** 299  
Alberto Alesina

*Comments**James Buchanan* 327*Anne Krueger* 329**10 Equity Implications of IMF Policy Advice 331****I Monetary Policy: Equity Issues in IMF Policy Advice 333**

Manuel Guitián

**II Macroeconomic Adjustment with Major Structural Reforms:  
Implications for Employment and Income Distribution 351**

Vito Tanzi

*Comments**Ricardo Hausmann* 375*Arjun Sengupta* 387

Contributors 393

Index 395