

Equitable Distribution of Income and Economic Growth Egyptian Case Example

Zeinab Tawfik El Sayed Ahmed Elewa

Abstract

The Study aimed to recognize Views in the Form of the Relationship between Economic Growth and Equity in the Distribution of Income, and then test the Hypothesis Kuznets in the Distribution of Income and the Impact on Economic Growth in Egypt during the period from 1988- 1989 to 2013-2012. To achieve that have been some of the Literature Review and get to know some of the Results of applied Studies in this Area.

It was clear from the Study Results that Kuznets Hypothesis is not considered a General Rule because of the different Policies pursued by each Country in the Income Distribution Process, and that, although the Egyptian Economy was growing relatively high rates during the study period, however, the distribution of Income in this period has been uneven, which means the Pattern of Economic Growth in Egypt did not lead to lower Inequality in Income distribution over the past 25 years, which represents the Study period where the Gini index for Egypt ranged between 0.30, 0.45, and low Gini index or height does not affect the Gross Domestic Product (GDP) depending on the Model where the Estimated Results Indicate a lack Significant of this variable with GDP.

Therefore, the Study recommended an Increase of the State's Efforts in the fight against Poverty and the low level of Access among Vulnerable Groups such as Children and the Elderly by Eliminating the Phenomenon of Street Children through training and rehabilitation, Education and Social Security Grants for the poor pensions, along with work to Increase Spending on Education as a percentage of GDP because that leads to the Accumulation of Human Capital, which is a key factor for Economic Growth through Increased Government Spending on the Education of the poor Showing in this Case the Equitable Distribution of Incomes, and work to Increase the Coverage of Health Services with Efficiency and Accessibility.

Arab Economic Journal 2015, February