

Summary of articles

L'absence d'envie dans une problématique « post-welfariste », by Marc Fleurbaey

Traditionally, the no-envy criterion was justified by the aim of equalizing welfare in a purely ordinal framework. Recent theories of equality (Rawls, Dworkin, Sen, etc.), which reject equality of welfare and instead prefer equality of resources or opportunities, reveal the actual meaning of no-envy and give it a renewed relevance. This paper presents an introduction to this “post-welfarist” approach, et proposes a formalization which shows the existence of some tradeoffs between ethical goals and feasibility.

Journal of Economic Literature classification number : D63.

L'absence d'envie ; une introduction, by William Thomson

This article is an elementary introduction to the literature devoted to the analysis of the concept of an “envy-free” allocation, that is to say an allocation such that every agent prefers his consumption bundle to anyone else’s consumption bundle. We list the merits of this definition as well as its limitations.

Journal of Economic Literature classification number : D63.

La présence d'envie : comment s'en accommoder ?, by Hervé Moulin

The model proposed by Fleurbaey in this volume is discussed, with a particular emphasis on single valued solutions. Then I explore the consequences of guaranteeing to each agent a fair share of the resources, viz one of the oldest tests of equity in the literature on faire division. This new test raises new logical impossibilities and brings new interpretations of the solutions proposed by Fleurbaey.

Journal of Economic Literature classification number : D63.

De l'utilité de l'absence d'envie dans une approche « welfariste » de la justice, by Claude Gamel

In the “welfarist” approach of normative economics issued from the utilitarian tradition, the non-envy criterion may overcome the fundamental debate between “old” and “new” welfare economics. Owing to

the notion of “intrapersonal” utility comparisons, economic theory is advancing through the deep question of social justice, specially about the definition of equality of opportunity. Nevertheless, in the no-envy theory of justice, everyone gets only the position of other people, without identifying oneself with their “character”; from an ethical point of view, this attitude is a restrictive one, in comparison with the idea of perfect procedural justice, which is nowadays explored by social philosophy.

Journal of Economic Literature classification numbers : A13, D63.

L'égalité de la liberté, by Serge-Christophe Kolm

No individual preferring any other's allocation to his own is identical to equality of liberty that is — understood in a large sense — the necessary form of justice in society. This paper shows the main properties and senses of this criterion and the central developments it led to.

Journal of Economic Literature classification number : D63.

Le multiplicateur d'investissement et l'épargne des revenus, by Xavier Bradley

The investment multiplier was elaborated during the thirties to prove the existence of a cumulative income increase due to investment spending. Unfortunately this procedure could not succeed as it attributed inconsistent characteristics to the basic concepts. For example, saving, although considered a mere residual, was in fact the condition of a finite value to the multiplier. Reexamining the nature of saving leads precisely to a change of emphasis from the multiplier to the multiplicand. The result is a new understanding of the creation and the destruction of incomes within the framework of the $I = S$ relation.

Journal of Economic Literature classification numbers : 011, 023, 031.

The Effect of Mutual Funds on the Financial Equilibrium, by Patrick Artus

We compare, from a theoretical point of view, the characteristics of the equilibrium of financial markets (equilibrium prices, volatility, welfare, allocation of portfolios between the different assets) in the case where individuals investors purchase directly financial assets and in the case where they have to invest through open-ended mutual funds (The “SICAV” in the French case).

We examine the effects of competition between the funds, which influences their asset structure and the level of fees, and of various market imperfections justifying the presence of the funds.

Journal of Economic Literature classification numbers : 311, 313, 314.