Editors Introduction

The papers included in this special issue of *Panoeconomicus* come from the 32nd Annual EAEPE Conference, held on between 2nd and 4th of September 2020, and organized by the European Association for Evolutionary Political Economy (EAEPE).

The five papers selected to be published at this special issue focus on the issue of income inequality.

The first paper corresponds with the Keynote Speech given by Professor Robert Skidelsky. The article by Professor Skidelsky outlines the main principles of a modernized economic framework, both in theoretical and policy-oriented terms, based on the original spirit of John Maynard Keynes that help to address the main problems that the world economy is currently facing: first, the globalization process; second, the huge inequalities of wealth and income; and, third, the climate change and the global warming. For Professor Skidelsky, a more active role of national States is required to solve these problems.

The following four articles were selected among the papers presented at the Special Session on Income Inequality organized by the journal *Panoeconomicus* at the aforementioned 32nd Annual EAEPE Conference.

The paper by Philip Arestis, Jesús Ferreiro, and Carmen Gómez analyses the determinants of the change of labour income in a set of twenty European Union countries over the years 2000 to 2013. For the authors, the growth of employment and real wages and the decline in unemployment rates contribute to the rise of the size of labour shares. On the contrary, economic growth contributes to reduce the size of labour income, implying that the model of economic growth in the period analysed contributed to the rise of the share of capital income. In the case of the employment protection legislation, the results show that reforms that facilitated the use of temporary employment contracts had a negative impact on labour income shares.

Kosta Josifidis, Novica Supić, and Slađana Bodor analyse in their article the effects of foreign and domestic investment on income distribution in the post-communist European Union member states. The paper shows the existence of opposite effects of both sources of investment. Domestic investment, through mass layoffs and the transfer of wealth into the hands of a small economic and political elite, would have increased income inequality; on the contrary, foreign direct investments in these countries would have contributed to eliminate the negative effects of domestic investment on income inequality. In these sense, the economic and political reforms associated with the European integration, thanks to their positive impact on FDI inflows from the old EU member states, contributed to a more egalitarian income distribution.

The article written by Samuel Medina-Claros, Francisca García-Pardo, Salvador Perez-Moreno, and Elena Barcena-Martos adopts a gender perspective in its study of economic inequalities. Namely, the article analyses the different perfomance accross countries in terms of the economic gender gap, that is, the inequalities in the quantity and quality of women's economic involvement. Through the study of the three dimensions of the World Economic Forum's Economic Participation and Opportunity Index (remuneration, participation and advancement) in 110 countries over the years 2006 to 2019, the authors show which countries have been left behind. The authors also conclude that, although a convergence is detected in the closure of the gender gaps in remuneration, that evidence is not found in the advancement and participation gender gaps.

Finally, the article by Jelena Žarković Rakić and Marko Vladisavljević analyses the differences in income inequality in three Eastern European countries: Croatia, Serbia, and Slovenia. The authors focus on the role played by the differences registered in the personal income taxation implemented in these there countries after the dissolution of Yugoslavia. Thus, whilst Croatia and Slovenia adopted a progressive personal income tax, Serbia adopted a flat tax. The hypothesis of the authors is that the implementation of this flat tax is a key determinant of the higher income inequality registered in Serbia. The simulations made by the authors show that the implementation of the Croatian and Slovenian tax system would lead to a significant decrease of the current levels of income inequality and poverty in Serbia.

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