Preface to the First Edition

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This book is the first to provide a comprehensive treatment of the personal distribution of wealth in its modern sense, namely the distribution between people of (to put it briefly) a country's stock of marketable assets. If the subject matter is important, why has a book on it not been published before? I attempt here to provide an answer.

To adopt William Stanley Jevons's aphorism, originally related to 'the laws of consumption', if the laws of the distribution of wealth 'are developed by no other science, they must be developed by economists' (Jevons [1871] 1957, p. 39). But as Harold Demsetz put it, '[e]conomists usually take the bundle of property rights as a datum and ask for an explanation of the forces determining the price and the number of units of a good to which these rights attach' (Demsetz, 1967, p. 47). The vast majority of economists, especially those of the present day, have preoccupied themselves with either the allocation of resources or, to a lesser extent, the utilisation (employment) of resources. Only a small proportion have devoted their time to the study of distribution. Of these, most have been concerned with analysing the distribution of income, between either classes or persons. Only a few have examined the personal distribution of wealth.

One of the reasons for the unequal allocation of labour among economists has been the relative paucity of data relating to the distribution of wealth, at least until very recent times. But one suspects this is not the only reason. The claims of economics to be a science have been supported by the belief that allocation and utilisation of resources are value-free, a belief which can be sustained if one is prepared to ignore, for example, the fact that in a market economy, resource allocation is determined not according to 'one person, one vote', but 'one (distributed) dollar, one vote'. Distribution theories, involving as they must the making of interpersonal comparisons, are more difficult to divorce from explicit reference to values. This gives them a faintly disreputable air in the eyes of some economists, as does their potential for challenging the *status quo*. Working in the area of distribution is thus for an economist a challenging task. It does not follow, however, that it is a task which need not be undertaken. On the contrary,

the well-being of persons depends greatly on the share they obtain of both national income and national wealth.

Given the universal relevance of the subject matter of this book, I have tried as far as possible to make it accessible to the general reader; diagrams and equations are very few and far between. I have nonetheless eschewed the ‘dumbing down’ which has increasingly afflicted the modern world.

The closest approximation to an antecedent to this book is to be found in the chapter in Atkinson and Bourguignon (2000) entitled ‘The Distribution of Wealth’, by James B. Davies and Anthony F. Shorrocks. My acknowledgements begin with an appreciation of the generosity of Tony Shorrocks in unhesitatingly sending me a draft of that chapter two years prior to its publication. The forthcoming publication of that chapter, in turn, was originally drawn to my attention by Ed Wolff, to whom also I consequently owe a debt of gratitude. And I am particularly indebted to Tony (now Sir Anthony) Atkinson, who generously read the drafts of two chapters of this book when it was in its infancy, and magnanimously encouraged what must have then seemed to him an unpromising project. Atkinson (in the United Kingdom) and Wolff (in the United States) have been leaders among those dedicated individuals who have beavered away transforming unfriendly statistics into meaningful pictures of the distribution of wealth, to whom I take this opportunity of paying tribute.

As may be apparent, this book has been substantially influenced by the *Weltanschauungen* both of James Meade, Professor of Political Economy at Cambridge and Fellow of Christ’s College at the time when I was a postgraduate student at Christ’s, and of Amartya Sen, a contemporary of mine at Cambridge; I should like to acknowledge my debt also to the Shell Company, one of whose scholarships enabled me to study at Cambridge in the first place. The book has in addition benefitted from discussions, sometimes at the Boxing Day Test cricket in Melbourne, with Jack (J.J.C.) Smart, who taught me philosophy when I was an undergraduate at the University of Adelaide.

This book was conceived during a discussion with Edward Elgar, to whose unwavering support over the subsequent years I should like to attest. At Edward Elgar Publishing my main dealings have been successively with Jane Croft (before she moved elsewhere), Julie Leppard, Alexandra Minton and Suzanne Mursell, all of whom willingly provided assistance when it was needed – my thanks go to each, as well as to two anonymous helpful referees and an anonymous eagle-eyed proofreader.

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