

The most important weapon in the fight against inequality and poverty is policy measures taken by governments across a wide range of issues. Analysis by multiple experts has shown the most vital are:

- [Government spending](#) , especially on free, universal and publicly-provided education, health and social protection, but also on public housing, water and sanitation, smallholder agriculture and low-cost green energy.
- **Taxation**, by taking measures to make VAT less regressive, keeping corporate income tax at reasonably high levels, having a progressive personal income tax system, and making maximum effort to collect the progressive income and asset taxes.
- **Labour policies**, notably paying living rather than minimum wages, enhancing women's rights in the workplace through anti-discrimination legislation and balanced parental leave, and increasing the legal protections and enforcement of worker and union rights.

DFI's work in this area involves compiling data to monitor spending, tax and labour policies, and conducting analysis to assess whether governments are committed to fighting inequality through an annual [Commitment to Reducing Inequality](#) Index produced with Oxfam.