

# Economics of Distribution

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Econ Specializations Info Session  
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# Course Overview

## Field Course

- ▶ Franziska Disslbacher
- ▶ Pirmin Fessler

## Research and Policy Seminar

- ▶ Alexander Huber
- ▶ Anna Schwarz

## **Office Hours:**

Franziska Disslbacher (by appointment)

## Field Course

# Course Content

- ▶ Economics of distribution and inequality, centering on **earnings, income and wealth**.
- ▶ We study the measurement, causes and consequences of *inequality* in these dimensions, contrasting key **theories** with **empirics**.
- ▶ Also: Key research methods used in the field.

# Inequality Trends

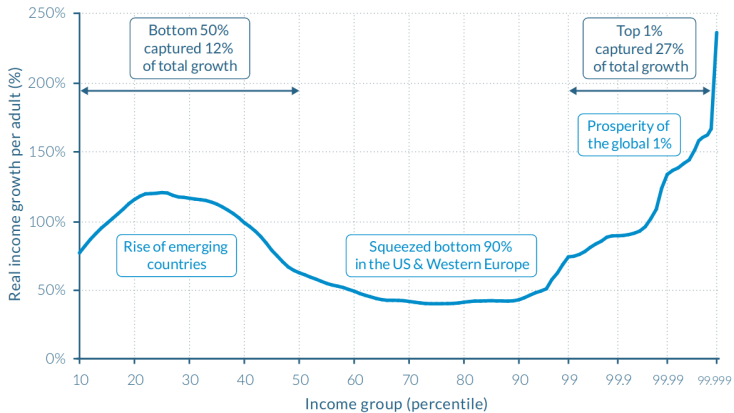


Figure: Global inequality: Elephant curve, 1980-2016

# Inequality Trends

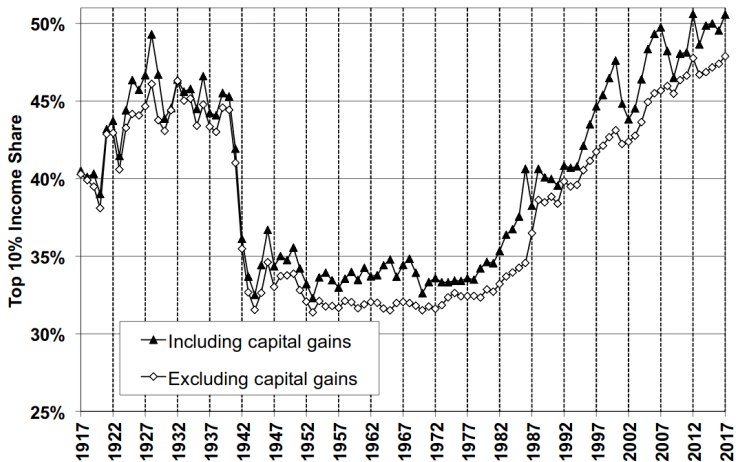


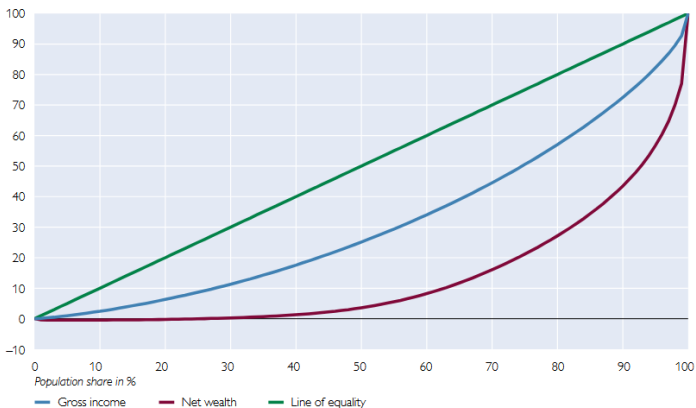
Figure: Top Decile Income Share in the US, 1917 - 2017

# Wealth Inequality

Chart 8

## Lorenz curves of gross income and net wealth

Gross income and net wealth shares in %



Source: HFCS Austria 2017, OeNB.

Figure: Income vs. Wealth Inequality in Austria

# Learning Outcomes

- ▶ Introduction to the analysis of economic inequalities and the interplay between inequality and economic growth
- ▶ Especially from the perspectives of *public economics* and *labor economics*

## **After completion you should be able to answer:**

- ▶ How does inequality vary across countries and evolve over the path of development?
- ▶ What are the *theories* that can explain the degree of economic inequalities and its trend?
- ▶ How do *policies* affect inequalities, and what types of policies can foster equitable growth?
- ▶ Which research *methods* and data sources are used in frontier research of this field?

# Schedule

## 1. Introduction & Theory

- ▶ Overview on grand debates
- ▶ Inequality of what? Among whom?

## 2. The Seven Grand Debates

- ▶ Does  $r > g$  imply greater inequality?
- ▶ Observing the economy
- ▶ Taxation and inequality
- ▶ Household structure and equivalence scales
- ▶ Labor markets I: Gender and Migration
- ▶ Labor markets II: Digit- & Globalisation; Automation
- ▶ Social Mobility

## 3. Windup

- ▶ Recap and nexuses
- ▶ Exam

# To-Do

## 1. Introduction & Theory

- ▶ Read slides (& articles)
- ▶ Discuss in the classroom
- ▶ Choose topic to work on

## 2. The Seven Grand Debates

- ▶ Structure of each session:
  - ▶ 1 main paper (**essay**)
  - ▶ 2 additional papers (**presentation + discussion**)
- ▶ Your To-Dos:
  - ▶ Read main paper
  - ▶ Write essay (5 out of 7)
  - ▶ Prepare 1 presentation and 1 discussion for additional paper

## 3. Windup

- ▶ Summary session
- ▶ Exam

# Assessment: Overview

## Components

25% Essays (5 out of 7 Grand Debates)

15% 1 Presentation

10% 1 Discussion

50% Exam

## Grades

≥ 90% Excellent

≥ 80% Good

≥ 65% Satisfactory

≥ 50% Sufficient

# Assessment: Essays

- ▶ Own thoughts on the text / subject
- ▶ NOT only summary of the paper
- ▶ **create** an answer (vs. selection of answer)
- ▶ Single authored
- ▶ 5 out of 7
- ▶ Min. 700 words (and not significantly more)
- ▶ Hand-in the evening before the lecture via canvas

# Assessment: Presentation

Two presentations per *Grand Debate*

- ▶ One presentation by each participant
- ▶ Present paper as if it was your own work
- ▶ Share slides via Canvas

# Assessment: Discussion

- ▶ One discussion by each participant
- ▶ Provide critical discussion of the paper
- ▶ Connections to other aspects of the debate
- ▶ Views held in the rest of the field
- ▶ Share your own thoughts

## Research and Policy Seminar

# Course Overview

- ▶ Introduction to survey data on wealth, labor and housing
  - ▶ Survey of Consumer Finances (SCF)
  - ▶ Austrian Microcensus
- ▶ Conduct an empirical research project (up to 4 people per group)
- ▶ Centered around research questions relevant to inequality research
  - ▶ Wealth
  - ▶ Income
  - ▶ Housing
  - ▶ Migration
  - ▶ Gender
- ▶ Present your results and write a small paper

We're looking forward to having you!  
Questions?