


International Summer University^{WU} 2023

WU (Vienna University of Economics and Business)

Course outline

Course title	<i>Economic Approaches Towards Inequality and Distribution</i>
Instructor	<p><i>Sofie R. Waltl</i></p> <p>Sofie.waltl@wu.ac.at</p> <p>www.sofiewaltl.com</p> <p><i>Vienna University of Economics and Business</i></p> 
Language of instruction	English
Course level	Graduate
Contact hours	35 teaching hours (45 min. each)

Aim of the course

The course provides a broad overview of different aspects to measure and assess inequality. Topics covered include gender inequalities, intergenerational mobility, distributional national accounts, wage inequality and perceived fairness, and poverty. Students will acquire skills to read and understand research articles, critically assess employed methods, formulate research questions and develop a research design.

Learning objectives

Students will

- Obtain an understanding of the various dimensions of inequality
- Understand current topics and methodologies in inequality research
- Be able to read, understand and discuss research articles in this field
- Be able to formulate a concrete research question, and identify potential data sources and methodologies to address this question
- Be able to effectively present and discuss selected topics

Prerequisites and/or admission requirements

Application requirements for the Graduate Program are current enrollment in a master's or MBA program (or equivalent), with a focus on business administration/economics, and / or a bachelor degree in a business major by the time of participation in the ISU^{WU} program.

Applicants interested in participating in the International Summer University^{WU} need an excellent command of the English language. The English language requirements can be found at [ISU^{WU} Language Requirements](#).

Teaching methods
<ul style="list-style-type: none"> • Pre-course assignment • Interactive lectures • Readings and associated quizzes • Student group work and presentations: design of a hypothetical research question, description of the necessary data and methodology applied • Moderated class-room discussions (world café format)

Pre-course assignment
<p>Between 2013 and 2020, the lecture series "Inequality and..." on different aspects of inequality took place at the European Investment Bank and organized under the lead of Prof. Conchita D'Ambrosio. The recordings of these lectures are available online:</p> <ul style="list-style-type: none"> • https://www.eni.lu/fhse/research/multidisciplinary_area_of_research_on_sustainability_mars/inequality_and_lectures_series <p>Each student is expected to pick and watch one of the recorded lectures, and write a concise and to-the-point summary (roughly 1,500 words excl. list of references; essay writing style). Additionally, students should look up and read two publications mentioned during the lecture (scientific articles or reports by institutions). A brief discussion of these articles' main findings should be incorporated into the essay.</p> <p>Points to be addressed in the summary:</p> <ul style="list-style-type: none"> • What is the main theme and what is the role of the lecturer within this field? • Select and name some core topics of research and recent developments in this field. • What are the main applied approaches to address these questions? • What kind of data does this research rely on? • Name some recent findings mentioned by the lecturer. • Highlight and briefly discuss the selected related publications in the context of the lecture's main theme. <p>Notes: All quoted sources need to be accurately cited. Provide a list of references at the end of the essay.</p> <p>Deadline: The pre-course assignment must be emailed to the lecturer as a PDF document by June 25, 2023. The file should be named "Inequality_and_<TOPIC>_<STUDENT'S LAST NAME>_<STUDENT'S FIRST NAME>.pdf".</p> <p>Hint: To find the cited articles and related literature, you may use Google Scholar, Connected Papers or the WU library</p>

Course Contents	
Day 1 Gender: A hidden dimension	<ul style="list-style-type: none">• Get2know• Introduction to the course, group assignment and groups formation• Lecture on gender as a missing dimension in inequality research• Quiz and discussion regarding the prepared article• Supervised brainstorming for group assignment
Day 2 Intergenerational Mobility	<ul style="list-style-type: none">• Lecture on intergenerational mobility: concepts, empirical measurement strategies and data sources, persistence of inequalities• Quiz and discussion regarding the prepared article• Supervised work on group assignment
Day 3 Wealth Inequality and Distributional National Accounts	<ul style="list-style-type: none">• Lecture on wealth inequality, national accounting and distributional breakdowns• Quiz and discussion regarding the prepared article• Supervised work on group assignment
Day 4 Earnings Inequality and Perceived Fairness	<ul style="list-style-type: none">• Lecture on earnings inequalities, job satisfaction, perceived fairness and consequences on moral• Quiz and discussion regarding the prepared article• Supervised work on group assignment

Day 5 Poverty	<ul style="list-style-type: none"> Lecture on various dimensions of poverty, applied measurement concepts and techniques, and policy consequences Quiz and group discussion regarding the prepared article Group presentations Part I
Day 6 Inequality of Opportunity	<ul style="list-style-type: none"> Lecture on the concept of inequality of opportunity versus inequality of outcomes Quiz and group discussion regarding the prepared article Group presentations Part II
Day 7 World Café	<ul style="list-style-type: none"> Wrap-up of the course World Café

Comments

The distribution of specific elements of the course content over the duration of the course may be adapted at the lecturer's discretion.

Punctuality and attendance are mandatory in all sessions.

Criteria for successful completion of the course

- Active participation in class and group discussions
- Clarity and consistency of argument in discussions and written input
- Refer to the current literature to support arguments
- Breadth and depth of analyses – analytical rather than descriptive approach in both discussions and written input
- Creativity of proposed research design
- For written input: Clarity of structure and format, appropriate referencing

The following evaluation scheme is applied:

Grade	Points	Description
1/A	90 +	Exceptional, outstanding and excellent performance. Normally achieved by a minority of students who are highly engaged in the subject matter. These grades apply to a student who is self-initiating, exceeds expectations and has an insightful grasp of the subject matter.
2/B	80-89	Very good, good and solid performance. These grades indicate good engagement with and a good grasp of the subject matter or excellent grasp in one or more areas balanced with a satisfactory grasp in other areas.
3/C	70-79	Satisfactory. These grades indicate a satisfactory level of engagement, performance and knowledge of the subject matter.
4/D	60-69	Marginal Performance. A student receiving this grade demonstrated a superficial grasp of the subject matter.
Failed	59 and below	Unsatisfactory performance

Assessment

- Presentation of group assignment (40%)
- Pre-course assignment (25%)
- Daily quiz results regarding the prepared readings (25%)
- Active participation in class discussions (10%)

Course literature (cases, papers, online material...)

Alesina, A., Stantcheva, S., & Teso, E. (2018). Intergenerational Mobility and Preferences for Redistribution. *American Economic Review* 108 (2): 521–54.

Card, D., Mas, E., Moretti, E. & Saez, E. (2012). Inequality at Work: The Effect of Peer Salaries on Job Satisfaction. *American Economic Review*, 102 (6): 2981-3003.

Deaton, A. (2006). Measuring Poverty. In: Banerjee, A. V., Benabou, R., & Mookherjee, D. (Eds.). *Understanding poverty*. Oxford University Press.

Kanbur, R., & Wagstaff, A. (2016). How useful is inequality of opportunity as a policy construct?. In *Inequality and growth: Patterns and policy* (pp. 131-150). Palgrave Macmillan, London.

Sauer, P., Rehm, M. & Mader, K. (2020). Gender: The Hidden Dimension in the Measurement of Economic Inequality, *LIS Notes*, No 15 (September 2020).
Access: <https://www.lisdatacenter.org/newsletter/nl-2020-15-im-3>

Cowell, F. A., & Van Kerm, P. (2015). Wealth inequality: A survey. *Journal of Economic Surveys*, 29(4), 671-710.

Vermeulen, P. (2018). How fat is the top tail of the wealth distribution? *Review of Income and Wealth*, 64(2), 357-387.

Further readings suggested by the lecturer(s)

Fehr, E., Goette, L., & Zehnder, C. (2009). A Behavioral Account of the Labor Market: The Role of Fairness Concerns. *Annual Review of Economics* 1, 355–384.

Piketty, T. & Zucman, G. (2014). Capital is back: Wealth-income ratios in rich countries 1700–2010. *The Quarterly Journal of Economics*, 129(3):1255–1310.

Ramos, X., & Van de Gaer, D. (2016). Approaches to inequality of opportunity: Principles, measures and evidence. *Journal of Economic Surveys*, 30(5), 855-883.

Saez, E., & Zucman, G. (2016). Wealth inequality in the United States since 1913: Evidence from capitalized income tax data. *The Quarterly Journal of Economics*, 131(2), 519-578.

Waltl, S. R. (2022). Wealth inequality: A hybrid approach toward multidimensional distributional national accounts in europe. *Review of Income and Wealth*, 68(1), 74-108.

Please note the following information on the total workload of the respective course:

Course level	ECTS-credits	Pre-course workload	In-class activity	Outside of class workload during the program
Graduate	4	approx. 20 hours	27 hours (= 35 teaching hours)	approx. 33 hours