

X-From\_: rosenthal@econ.ucla.edu Wed Mar 03 18:25:28 2004  
 X-Sender: rosenthal@econ.ucla.edu  
 X-Mailer: QUALCOMM Windows Eudora Version 5.1  
 Date: Wed, 03 Mar 2004 09:27:51 -0800  
 To: Thomas Piketty <piketty@ens.fr>  
 From: Jean-Laurent Rosenthal <rosenthal@econ.ucla.edu>  
 Subject: Re: Fwd: Conference Announcement  
 X-Virus-Scanned: by amavid-new at cepremap.ens.fr

Voila le texte

Les Notes de Lindert (qui sont les seuls commentaires utiles que j'ai recu au bord du pacifique) sont jointes

Je pense un aller-retour toi-moi puis une discussion vont regler ce papier

Amitie

J-L

Notes on the December 2003 draft of  
 "Wealth Concentration in a Developing Economy: Paris and France, 1807-1994."  
 Thanks to Jean-Laurent for sending me a copy of the December draft.

This is a terrific paper, and I find the conclusions intriguing. For the twentieth century, the results certainly seem consonant with what Thomas found on the income front in the JPE. For the nineteenth century, you certainly seem to get a strong rise in concentration. Your explanations also seem plausible.

When presenting the nineteenth century conclusion, though, you should tell readers how you square it with the non-concentration of income sketched by Christain Morrisson and Wayne Snyder. It's fair enough to list the ways in which you think their estimates have a trend bias. They themselves give their readers fair warnings. But please do confront the issue.

For me, the key section is Section 4, "From Paris to France." You give this some good thought already. Here's my main thought: How might you buttress your assertion that your "very conservative assumption" is enough to avoid overstating the upward trend in wealth concentration for the whole country? Conservative as those assumptions may be, do they really succeed in bounding the trend? What more could you do here, at moderate cost, about the distribution outside of Paris?

Here is one possibility. For the lower 90 percent of the distribution, you say, the TRA project has a fair chance of giving good impressions. It apparently has its own limitations, including the fact that it fans out from 1800-1830 spouses to a wider descendent population. That is ingenious, but not exactly what one expects in a national wealth distribution. Could you take a closer look at the implications of the TRA project for inequality among the lower 90 percent outside of Paris?

A proposal: Take just two benchmark dates for the TRA project, to save on effort. My first candidate is 1867, a date that is far enough from 1902 to give a sense of the long-term drift, and a date that has the virtue of being just before a political upheaval and not just after one. The second candidate would be 1827, if that isn't too early in the cycle of the 1800-1830 marriage cohort. (Otherwise, you could try 1837.) Can you put bounds on the larger distribution -- non-Paris and not-richest -- between the benchmarks of 1827, 1867, and 1902? I'm not sure just how to do that, since I don't fully understand the TRA data, but give it a try.

You could also ponder the various reconciliations of your wealth clues for 1837 and 1867

with the hints about 1831 and 1864/66 from Morrisson-Snyder and the crude tax sources they used.

Other odds and ends:

Page 2, middle, "about the impact of inequality on growth. Economists now realize that cross-country regressions of inequality on growthŠ." -- Maybe the last three words should be "growth on inequality," since we usually say dep.var. on indep. var's.

Page 6, lines 4-5, "However only 30% of decedents in Paris had a positive estate during the 19th century" -- How did you reach this conclusion about the number of estates from the numbers of declarations? Maybe worth an explanatory footnote.

Page 6, near bottom, "The remaining declarations were treated as individuals - thus biasing downwards our inequality estimates." What TREND bias might your assumption have imparted?

Page 8 -- Break up the too-long paragraph.

Page, 9, "It is also striking to note that the fraction of Paris estates in the top 1% estates has remained virtually changed over the 20th century (around 25%)" -- I think you meant virtually unchanged. Anyway, I'm not sure the data in Table 3 would convince all readers of the constancy.

Page. 10, middle -- do you agree that the words in brackets should be added? "Giving Paris a larger share at the beginning would both raise the share of [Paris in national] wealth of the top 1% in France in 1807 and lead to more rapid rise in inequality over time."

Page 12, line 11 -- "concentrati"

Page 11 versus Page 14: Two sections numbered "6."

Figures 3 and beyond -- estae -> estate, in the Source note.

At 06:22 PM 3/3/2004 +0100, you wrote:

Jean-Laurent

Désolé de ne pas t'avoir répondu plus tôt.

Je comptais me mettre à la révision finale incessamment (y compris la reprise de Paris>>France, que j'ai laissé dans un état peu satisfaisant), j'attendais simplement les séries Tra de Gilles.

Dès que je reçois les séries Tra de Gilles, je complète les choses à compléter, puis je t'envoie le tout pour polissage finale de la rédaction, tu nous renvoies le tout une dernière fois pour vérifier que l'on reconnaît le bébé. OK?

Peux tu m'envoyer la version actuelle du papier, histoire de ne pas perdre du temps sur des versions dépassées?

Pour la suite, je suis d'accord avec le programme de ta note.

Thomas



[PPVRAEA1.doc](#)