Economics of Inequality
(Master PPD & APE, Paris School of Economics)
Thomas Piketty
Academic year 2014-2015

Syllabus & Course Material
(check on line for updated versions)
• Email: piketty@psemail.eu
• Office hours: Tuesdays 9h-12h, Jourdan B101

• Course web page: http://piketty.pse.ens.fr/teaching/10/17
  (check on-line for updated versions)
• The objective of this course is to present recent research in the area of income and wealth distribution. Issues will include the following.

• How did income and wealth distributions evolve since the 19th century, how can we account for these changes? What was the interaction with the growth and capital accumulation process?

• Did the recent rise of inequality contribute to the 2008 financial crisis? What will be the impact on income and wealth distributions?

• **Can we properly understand macro issues with representative-agent models?**
• This course will take for the most part a positive perspective on distributional issues. For references on normative models of optimal redistribution and taxation, see my Public Economics course

• The course is organized in 8 lectures of 3 hours (7 lectures + 1 exam)
• To validate the course, students are required:
  (1) to attend and actively participate to all lectures;
  (2) to take the exam
     (past exams are available here)
General references

To a large extent the course will follow this book:

• T. Piketty, *Le capital au 21e siècle*, Seuil 2013
  *Capital in the 21st century*, Harvard University Press 2014

This book is based upon a collective data collection project:

• F. Alvaredo, T. Atkinson, T. Piketty, E. Saez, “*The Top 1% in International and Historical Perspective*”, Journal of Economic Perspectives 2013


(soon to become the W2ID: World Wealth & Income Database)


• T. Piketty, E. Saez, “Inequality in the long run”, Science 2014


A quick roadmap of the lectures

• **Lecture 1: Income, capital and growth**
  (Tuesday September 23rd 2014, 13h45-16h45)
  (Capital in the 21st century, chapters 1-2)

• **Lecture 2: The dynamics of capital/income ratios: private vs public capital**
  (Tuesday September 30th 2014, 13h45-16h45) (chap.3-4)

• **Lecture 3: The dynamics of capital/income ratios: β=s/g**
  (Tuesday October 7th 2014, 13h45-16h45) (chap.5)
- **Lecture 4: From capital/income ratios to capital shares**
  (Tuesday October 14\(^{th}\) 2014, 13h45-16h45) (chap. 6)

- **Lecture 5: The structure of inequality: labor income**
  (Tuesday November 4\(^{th}\) 2014, 13h45-16h45) (chap. 7-9)

- **Lecture 6: The structure of inequality: capital ownership**
  (Tuesday November 18\(^{th}\) 2014, 13h45-16h45) (chap. 10-12)

- **Lecture 7: The regulation of capital and inequality**
  (Tuesday November 25\(^{th}\) 2014, 13h45-16h45) (chap. 13-16)

- **Lecture 8: Exam**
  (Tuesday December 2\(^{nd}\) 2014, 13h45-16h45)