

Economics of Inequality

Fall 2016

Course Description

This course is an introduction to the field of *Economics of Inequality*. We begin with important examples of how income inequality is typically measured and how income inequality can be discussed in terms of distributive justice. We briefly discuss intra-generational wage and income mobility. We then move on to a more lengthy discussion of inter-generational mobility and the role of family background as a determinant of adult outcomes. Following this, we discuss a number of related topics on inequality (topics that the lecturers have themselves done research on). For example, we will discuss the theory and measurement of time preferences and also cover time inconsistent preferences (hyperbolic discounting) and the relation to Economics of inequality. Following this, we give an introduction to the topics of poverty and to the “top income” literature. The course concludes with a lecture on gender and inequality.

Purpose

The purpose of this course is to give PhD students a broad introduction to the field of *Economics of Inequality* and to expose students to a broad range of topics, methods, research papers and researchers active in the field. Our hope is that this may lead students to write term papers for the course, which in turn could turn into thesis chapters.

Instructors

The instructors of this course are all active researchers in the field employed at SOFI, The Swedish Institute for Social Research, Stockholm University. The instructors are: Anne Boschini (AB), Markus Jäntti (MJ), Lena Lindahl (LL), Matthew Lindquist (ML), and Jenny Säv-Söderbergh. Their contact information can be found on SOFI's homepage: <http://www.sofi.su.se/>

Lecture Schedule (with teacher and topic)

1. Inequality: distributive justice and measurement (MJ)
2. Mobility: concepts and measurement (MJ)
3. Intergenerational inequality (ML)
4. Intergenerational inequality (ML)
5. Intergenerational inequality (ML)
6. Nonmonetary traits (LL)
7. Poverty, global inequality (MJ)
8. Top incomes, top incomes among women (AB)
9. Gender (JS)

Examination and Course Requirements:

1. Compulsory active participation in all lectures. One well motivated absence is accepted.
 - a. Report absence to matthew.lindquist@sofi.su.se
 - b. Each additional absence requires 1 additional referee report (see below) written on a paper that was discussed during the lecture that was missed. Deadline = November 1, 2016.
2. One 3-4 page referee report on a research article chosen by the student from the set of assigned papers (33% of final grade).
 - a. Deadline = November 1, 2016
 - b. Email your report to the responsible teacher (who will grade it) **and** Email your report to matthew.lindquist@sofi.su.se as well.
3. One term paper to be chosen individually but accepted by teacher(s) **or** two 3-4 page referee reports from the set of assigned papers (67% of final grade).
 - a. Deadline = December 1, 2016
 - b. Email your paper/reports to the responsible teacher (who will grade it/them) **and** Email the assignments to matthew.lindquist@sofi.su.se as well.

Grading

Pass = attendance + 3 referee reports

High pass = attendance + 1 referee report + term paper

Logistics

Papers to be covered by lectures will be available on Mondo one week before the lecture.

Lecture notes will be available the day before the lecture. Papers to be selected for referee report will be available at the same time as the papers for the lectures.