

Freie Universität Berlin, October 2019  
Mini-course for master/PhD students in economics  
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## **Distributing the National Accounts across Households: Concepts, Problems, Opportunities**

This course aims to introduce students to the study of distributional national accounts and related methodological approaches used in the study of economic inequality. The course will cover key themes in national accounting, household income and wealth distribution and aim for a deeper understanding of the promises and pitfalls of matching these macro and micro dimensions. A number of country case studies will be covered, focusing on recent trends in income and wealth inequality in Western countries, and offering a scrutiny of data sources, estimation methods, conclusions drawn.

### **1. Lectures and reading list (\* denotes key readings)**

#### **Lecture 1. Distributional National Accounts: An Introduction**

This lecture introduces the study of distributional national accounts, which aims to ascribe all components of national income to its ultimate beneficiaries, the households. The lecture will present central themes of this analysis, key concepts, modelling assumptions and discuss problems opportunities related to this approach to inequality analysis.

\* Piketty, T, Saez, E., Zucman, G. (2018). “Distributional National Accounts: Methods and Estimates for the United States.” *Quarterly Journal of Economics*, 133(2): 553-609  
<http://gabriel-zucman.eu/files/PSZ2018QJE.pdf>

\* Zwiijnenburg, Jorrit (2017), “Unequal distributions? A study on differences between the compilation of household distributional results according to DINA and EGDNA methodology.” OECD WP.  
[http://wid.world/wp-content/uploads/2017/11/054-DNA\\_OECD.pdf](http://wid.world/wp-content/uploads/2017/11/054-DNA_OECD.pdf)

OECD, “Understanding National Accounts” <http://www.oecd.org/sdd/UNA-2014.pdf> (especially ch 6)

Facundo Alvaredo, Lucas Chancel, Thomas Piketty, Emmanuel Saez and Gabriel Zucman (2018), “Distributional national accounts”, ch 6 in *Advancing Research on Well-being Metrics Beyond GDP*, OECD.

#### **Lecture 2. Redistribution and Country Case Studies in Distributional National Accounts**

Redistribution is an important component of public policy, and an area where the distributional national accounts generates notable differences relative to the conventional analysis, in particular relating to the valuation of in-kind transfers.

\* Aaberge, R., Bhuller, M, Langørgen, A, Mogstad, M (2010). “The distributional impact of public services when needs differ,” *Journal of Public Economics* 94, 549-562.  
[https://sites.google.com/site/magnemogstad/publicservices\\_JPubEc.pdf](https://sites.google.com/site/magnemogstad/publicservices_JPubEc.pdf)

\* Auten, G., Splinter, D (2018). “Income Inequality in the United States: Using Tax Data to Measure Long-term Trends”, WP. (USA)  
[http://davidsplinter.com/AutenSplinter-Tax\\_Data\\_and\\_Inequality.pdf](http://davidsplinter.com/AutenSplinter-Tax_Data_and_Inequality.pdf)

Aaberge, R, Langøren, A, Lindgren, P (2013) “The distributional impact of public services in European countries“, OECD.

<https://ec.europa.eu/eurostat/documents/3888793/5857249/KS-RA-13-009-EN.PDF>

Paulus, A, Sutherland, H, Tsakloglou, P (2010), The distributional impact of in-kind public benefits in European countries, *Journal of Policy Analysis and Management*.

### **Lecture 3. Wealth distribution**

This lecture covers recent developments in estimating wealth inequality in Western economies, focusing on the US. Different data sources and estimation approaches appear to provide different levels and even trends of inequality, and we will discuss potential explanations for this.

\* Saez Zucman (2016). “Wealth Inequality in the United States since 1913: Evidence from Capitalized Income Tax Data.” *Quarterly Journal of Economics*, 131(2): 519-578

<http://gabriel-zucman.eu/files/SaezZucman2016QJE.pdf>

\* Smith, Matt, Owen Zidar, and Eric Zwick. “Top Wealth in the United States: New Estimates and Implications for Taxing the Rich”. [Preliminary] (Working Papers).

[https://scholar.princeton.edu/sites/default/files/zidar/files/szz\\_wealth\\_19\\_07\\_19.pdf](https://scholar.princeton.edu/sites/default/files/zidar/files/szz_wealth_19_07_19.pdf)

Jakobsen, Jakobsen, Kleven, Zucman, “Wealth Taxation and Wealth Accumulation: Theory and Evidence from Denmark”, forthcoming in the *Quarterly Journal of Economics*

[https://www.henrikkleven.com/uploads/3/7/3/1/37310663/jjkz\\_qje\\_aug2019.pdf](https://www.henrikkleven.com/uploads/3/7/3/1/37310663/jjkz_qje_aug2019.pdf)

## **2. Schedule**

Three lectures at FU during October 23-24 2019, 90 minutes each:

- Wed Oct 23: 14.00 - 15.30
- Thu Oct 24: 10.00-12.00, 14.30-16.00

In addition, I will give paper presentations:

- Thu Oct 24, Lunch seminar (FU): 12:15-13:45
- Fri Oct 25, Seminar (DIW): 13.15-14.30