The American Economic Association has published an article by Paris School of Economics Associate Chair Thomas Piketty titled “Income Inequality and Progressive Income Taxation in China and India,” in the April issue of the American Economic Journal: Applied Economics. The paper was written with his colleague Nancy Qian from Brown University.

In their paper Dr. Piketty and Dr. Qian evaluate income tax reforms in China and India. “The combination of fast income growth and under-indexed tax schedule in China implies the fraction of the Chinese population subject to income tax has increased from less than 0.1 percent in 1986 to about 20 percent in 2008, while it has stagnated around 2-3 percent in India. Chinese income tax revenues, as a share of GDP, increased from less than 0.1 percent in 1986 to about 1.5 percent in 2005 and 2.5 percent in 2008, while the constant adaptation of exemption levels and income brackets in India have caused them to stagnate around 0.5 percent of GDP.”

AEJ: Applied is a publication of the American Economic Association. The journal, which is published four times a year (January, April, July, and October), publishes papers covering a range of topics in applied economics, with a focus on empirical microeconomic issues. In particular, we welcome papers on labor economics, development microeconomics, health, education, demography, empirical corporate finance, empirical studies of trade, and empirical behavioral economics. We are facilitating the exchange of ideas through our online discussion forum.