

Severin Rapp

Curriculum Vitae

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Gender: male (he/him)

Nationality: AUT/CHE

Education

- 2023 **Visiting Research Student**, *London School of Economics and Political Science*, London
Advisor: Prof. Francisco Ferreira
- expected 02.2024 **PhD in Economics and Social Sciences**, *Vienna University of Economics and Business (WU)*, Vienna, Thesis: Measuring wealth inequality - New methods and approaches
Supervisory Board: Prof. Wilfried Altzinger (WU), Prof. Jesus Crespo-Cuaresma (WU), Prof. Max Kasy (Oxford)
- 2018–2019 **MSc in Comparative Social Policy**, *University of Oxford*, Oxford, Distinction
Supervisor: Prof. Brian Nolan
- 2014–2017 **BSc in Economics, Business and Social Sciences**, *WU*, Vienna, *GPA 1.16, Ranked among the top 1% of the students in the same cohort*
Economics Track
- 2016 **Erasmus Exchange Semester**, *University of Edinburgh*, Edinburgh

Research interests

- Household Behavior and Family Economics
- Distribution
- Welfare, Well-Being, and Poverty
- Finance

References

Prof. Jesus Crespo-Cuaresma

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Prof. Brian Nolan

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Prof. Maximilian Kasy

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Research Papers

JMP *Household economies of scale for wealth: The benefits of sharing with wealth-in-utility*, Available at: https://severin-rapp.github.io/assets/wealthreq_JMP

Measures of private wealth often refer to households or tax-units. But how does household wealth map into individual welfare? Analogous to household economies of scale for consumption, this paper is the first to offer a methodology and empirical results to account for household wealth scale effects based on wealth-in-utility preferences. I propose scale effects that differ by savings purpose – funding consumption as opposed to holding wealth for motives such as status (wealth-in-utility savings). Using the German Socio-Economic Panel's stated preference data, I estimate that economies of scale for wealth-in-utility savings are high. In addition, the paper offers an empirical application to inequality measurement. Since high wealth-in-utility economies of scale dominate among the wealthy, estimates of inequality increase. Accounting for scale effects increases inequality estimates, such as the Palma ratio for Germany by up to 18% and the Gini index by 3%. The results matter for the measurement of inequality and optimal taxation.

Working paper *The subjective wealth distribution: How it arises and why it matters to inform policy?*, joint with P. Fessler, Available at: <https://www.oenb.at/dam/jcr:c442f243-a839-4fd7-bc85-1d7c1b82e398/wp-249.pdf>

Recently, the influence of income and wealth distribution on aggregate savings receives considerable attention. While most studies have focused on measured income distributions, we emphasize the critical role of individuals' subjective perceptions in economic decision-making. Our results largely align with standard economic theory, asserting the importance of wealth and (permanent) income for the savings rate. Additionally, our results introduce a potential new dimension: the relevance of an individual's perceived position within the wealth distribution. Using unique wealth survey data, we uncover a significant bias in self-assessed distributional ranks. Our estimates indicate that descriptively individuals who underestimate their wealth rank have a savings rate approximately 50% higher than those who assess their rank accurately. This robust finding persists in our predictive effects of smaller size (underestimating one's wealth rank by 1 wealth decile goes along with a 0.8 percentage point higher savings rate) even after controlling for wealth and income and a range of household and individual characteristics. To identify a causal effect of 2.3 percentage points per wealth decile underestimation, we introduce a novel Instrumental Variable (IV) approach, leveraging the implementation of a wage transparency law. Importantly, this IV approach is less prone to errors arising from common support issues, as it relies solely on the differences in perceived wealth ranks that are explainable by the policy. Our findings offer valuable insights for contemporary macroeconomic models and contribute to the understanding of how social segregation and information bubbles impact economic decisions, mediated through individual perceptions of relative wealth.

Research in progress

Understanding Wealth Inequality: A Probate-Based approach, joint with F. Disslbacher

This project delivers the first administrative micro data set for wealth in Austria. We collaborate with local courts to digitise individual-level probate records. In addition to detailed data on individual balance sheets, the probate records also offer rich information on the characteristics of the deceased, as well as the process of intergenerational wealth transmission such as information on wills. We focus on the time period from 2014 to 2019. In contrast to probate records employed in previous research, such as those for Italy and the UK, there is no missing population due to minimum asset thresholds. The data will be used to benchmark survey evidence of wealth inequality in Austria. Beyond that, the data set will allow to study a wide range of research questions related to bequests and intergenerational wealth transmission.

Peer reviewed publications

- 2023 **S. Humer and S. Rapp.** *Wealth and Welfare: Do Private and Public Safety Nets Compensate for Asset Poverty?*. *Social Inclusion*, 11(1), 176–186, <https://doi.org/10.17645/si.v11i1.5937>

Book Chapters, Research Reports And Other Publications

- 2023 **S. Rapp.** *Reichtum, Natur und Wilder Westen: Farrell, Justin (2020). Billionaire Wilderness. The Ultra-Wealthy and the Remaking of the American West.* *Wirtschaft und Gesellschaft*, 49(3), 129–133, <https://doi.org/10.59288/wug493.212>
- 2023 **K. Heitzmann and S. Rapp.** *Armut, soziale Ausgrenzung und Wohnen* [Poverty, social exclusion and housing]. In: A. Buxbaum, U. Filipič, S. Pirklbauer, N. Soukup, N. Wagner (Eds.), *Soziale Lage und Sozialpolitik in Österreich 2023: Entwicklungen und Perspektiven*. ÖGB Verlag
- 2021 **S. Rapp.** *Asset bias in equivalence scale measurement*. WU INEQ Working Paper Series No. 22
- 2020 **C. Dabrowski, R. Lasser, V. Lechinger and S. Rapp.** *Vermögen in Wien - Ungleichheit und öffentliches Eigentum* [Wealth in Vienna - Inequality and Public Ownership]. Vienna: City of Vienna Municipal Department 23
- 2020 **S. Humer and S. Rapp.** *Kosten von Kindern Erhebungsmethoden und Bandbreiten* [Measuring the Cost of Children: Methods and Bandwidths]. Vienna: City of Vienna Municipal Department 40
- 2018 **S. Humer and S. Rapp.** *Entwicklung und Verteilung von Lebenshaltungskosten* [Development and distributional impact of inflation]. Vienna: Federal Ministry for Work, Social Affairs, Health and Consumer Protection

Awards, Grants and Scholarships

Total monetary value: total: approx. €104,150.00

- 2023 WU International Research Fellow for LSE Visiting Student
- 2023 Research grant, City of Vienna Municipality Department No. 23
- 2023 Klaus Liebscher Economic Research Fellowship of the Austrian National Bank (OeNB)
- 2022 WU Foundation project grant
- 2022 WU Open Access Publication Fund awarded for Creative Commons publication
- 2022 Scholarship of Teaching and Learning, for "Fostering international knowledge transfer in higher education: Oxford Tutorial meets WU"
- 2021 Eudard März Award for best conference contribution at the 2021 Young Economists Conference in Linz
- 2019 Research grant, City of Vienna Municipality Department No. 23
- 2019 George Smith Award for best MSc-Thesis of the Department of Social Policy and Intervention, University of Oxford
- 2018 Maria Szecsi MSc-Scholarship of the Austrian Chamber of Labour
- 2017, 2016 Academic Achievement Scholarship, 2x
- 2015, 2016 WU Rector's List Winter and Summer Term, 2x
- 2015 Academic Achievement Scholarship
- 2014 Member of the WU Top League

Conference Presentations, Poster Sessions, Invited Talks

2023

21. WU Wien - Austrian Economic Association Winter Workshop
20. University of Warsaw - 21st Annual ESPAnet conference
19. Aix-Marseille Université - 10th ECINEQ Meeting
18. Renner Institut: "Soziale Lage und Sozialpolitik in Österreich 2023. Entwicklungen und Perspektiven"
17. Austrian National Bank Workshop "The Measurement of Augmented Wealth: Concepts, Methods and Results"
16. LSE - Inaugural III/LIS Comparative Economic Inequality Conference
15. Politecnico Milano - Winter School "Researching Social Insecurity in Europe: measures, drivers, policies"

2022

14. Bocconi - ExPov Poverty and Policy Working Group
13. WU Wien - Workshop "Wealth Inequality and Intergenerational Mobility"
12. Momentum Congress
11. Chamber of Labour - Young Economists Conference
10. Swansea University - Social Policy Association Annual Conference
9. CUNY Stone Center Wealth Seminar Series

2021

8. Austrian National Bank HFCS Seminar Series
7. Online - Social Policy Association Annual Conference

2020 and prior

6. Chamber of Labour - Young Economists Conference
5. Online - ESPAnet Annual Conference
4. WU Wien - Austrian Economic Association Annual Meeting
3. University of Verona - ECINEQ Winter School on Inequality and Social Welfare Theory
2. Momentum Congress
1. WU Wien - Austrian Economic Association Winter Workshop

Teaching

- since 2022 Supervision of several bachelor theses on wealth inequality and bequests
- since 2020 Economic and Fiscal Policy, WU, undergraduate level, focus on social insurance, labour markets, inequality, and COVID-19

Employment biography

- 2020 **Principal Investigator**, *Research Institute Economics of Inequality (WU INEQ)*, Vienna
- 2019 **Research Assistant**, *WU INEQ*, Vienna
- since 2019 **Research and Teaching Associate**, *Department of Economics*, WU, Vienna
- 2018 **Internship**, *European Parliament*, Brussels
- 2017-2018 **Research Assistant**, *WU INEQ*, Vienna
- 2017 **Internship**, *Oesterreichische Nationalbank - BAREV*, Vienna
- 2017 **Research Internship**, *Marie Jahoda - Otto Bauer Institut*, Linz

Professional activities

- Reviewer International Journal of Pluralism and Economics Education, Empirica Journal of European Economics
- Member European Economic Association
- Member Institutional Review Board for Research Ethics at WU Vienna, 2021–2023

Policy

- 2021–2023 **Student representative for doctoral students** , WU, Vienna
- 2018–2019 **Research Policy Officer**, *European Student Think Tank*, Brussels
- 2017–2018 **Member of Education Policy Committee and Commissioner for Quality Assurance**, *Austrian National Union of Students federal body of Representatives (ÖH)*, Vienna

Other Information

- Software R, Stan, EViews, STATA, \LaTeX , Markdown, Git
- Skills
- Languages German (mother tongue), English (C2), French (basic), Spanish (basic)