

Vesa-Matti Heikkuri

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citizenship: Finnish

Employment

Tampere University

Postdoctoral Research Fellow at the Finnish Centre of Excellence in Tax Systems Research, 2023-

Education

Brown University

Ph.D., Economics, 2023

M.A., Economics, 2018

University of Helsinki

M.Sc., Mathematics, 2022

University of Groningen

Visiting student (Erasmus), Spring 2015

University of Oulu

M.Sc., Economics, 2016

B.Sc., Economics, 2014

Teaching Experience

Instructor, Tampere University

Advanced macroeconomics, Spring 2024

Teaching Assistant, Brown University

Intermediate Microeconomics (Mathematical), Professor Rajiv Vohra, Spring 2023

Mathematics for Economists (graduate course), Lecturer Alex Poterack, Fall 2018 and Fall 2022

Economic Growth, Professor David Weil, Fall 2021

Essential Mathematics for Economics, Lecturer Alex Poterack, Fall 2019, Spring 2020, and Summer 2021

Economania (Summer course for high school students), Summer 2019

Economic Development, Professor Louis Putterman, Spring 2019

Teaching Assistant, University of Oulu

Economic Theory II (macro), Professor Mikko Puhakka, Fall 2014 and Fall 2015

Research Experience

Research Assistant, Brown University

Professor David Weil, Summers 2018 and 2019

Research Assistant, University of Oulu

Professor Ilmo Mäenpää, Spring 2016

Professor Rauli Svento, Fall 2015

Professor Mikko Puhakka, Summer 2014

Seminars and Conference Presentations

2024: Finnish Economic Association Annual Meeting, ZEW Public Finance Conference
2023: Population Association of America Annual Meeting[†], ECINEQ Meeting
2022: Brown University Growth lab, Population Association of America Annual Meeting, Brown University Theory seminar
2021: Stone Center on Socio-Economic Inequality at City University of New York[†], Max Planck Institute for Demographic Research[†], Brown University Growth lab
2020: Brown University Macro lunch

Professional Activities

Referee
Journal of Economic Growth

Awards and Fellowships

Brown University Merit Dissertation Fellowship
Spring 2022
James M. and Cathleen D. Stone Wealth and Income Inequality Project Fellowship
Spring 2021
Stephen R. Ehrlich Fellowship Fund
2017-2018

Languages and Skills

Finnish (native), English (fluent)
Matlab, R, Stata, Python, L^AT_EX

Working Papers

Population Aging, Cohort Replacement, and the Evolution of Income Inequality in the United States [Latest version]
with Matthias Schief

This paper examines the impact of demographic change on household income inequality in the United States, both historically and prospectively. We emphasize the distinct roles of population aging and cohort replacement and develop a methodology to study their joint compositional effect. We document that cohorts born later in the 20th century embody higher levels of income inequality compared to earlier-born cohorts, and we argue that most of the increase in inequality over the past two decades can be accounted for by demographic change. Moreover, we predict that future demographic change will continue to put significant upward pressure on household income inequality in the United States.

Subgroup Decomposition of the Gini Coefficient: A New Solution to an Old Problem [Latest version]
with Matthias Schief
Revise and Resubmit at Econometrica

We study inequality decomposition by population subgroups. We define properties of a satisfactory decomposition and ask what these properties imply for the decomposition of familiar inequality indices. We find that the Gini coefficient, the generalized entropy indices, and the Foster-Shneyerov indices all admit

satisfactory decomposition formulas derived from a common set of axioms. While our axiomatic approach recovers the known decomposition formulas for the generalized entropy and the Foster-Shneyerov indices, it leads us to a novel decomposition formula for the Gini coefficient. The decomposition of the Gini coefficient is easy to compute, and it has both a geometric and an arithmetic intuition.

Work in Progress

On the Determinacy of Equilibrium in a Continuous-time Overlapping Generations Model

Institutional Changes and the Allocation of Talent: Macroeconomic Effects of a School Reform in Finland
with Cosimo Petracchi and Matthias Schief

Tight Bounds for the Gini Coefficient of Composite Populations
with Matthias Schief

Optimal Transport and the Measurement of Inequality
with Tommaso Coen and Matthias Schief

[†]Presentation by co-author