

Measurement issues with applications to GDP, poverty and inequality

**ECTS : 3**

**Description du contenu de l'enseignement :**

Is GDP a suitable measure of economic and social progress? What makes a distribution of income more or less equal? How to quantify environmental damages?

This course aims at addressing these questions. It is a methodological course that discusses the measurement of economic and social outcomes. Policies are often designed based on indexes and quantitative objectives, while defining those indexes and outcomes is not always straightforward. In this course, we will discuss both the theoretical and empirical aspects of how to construct outcome variables: how are the conceptual choices made in terms of what is included or excluded from the computation of an indicator, and how each component is valued? Which data are used and do they allow to observe the entire phenomenon we want to measure? How do we translate the theoretical concepts into the data?

An introductory session will focus on what to be measured and how to measure it. In particular, it will discuss what the potential biases introduced by data choices (what is the source of the data, the size and representativeness of the sample, etc.). It will be followed by topic sessions on GDP, inequality, employment and unemployment, education, and the measurement of phenomena that cannot be directly observed.

**Compétence à acquérir :**

This course will allow students to have a critical eye on how socioeconomic indicators are built. It will provide them with some statistical tools regarding the measurement of phenomenon and cover more specific measurement issues in a range of economic and social dimensions. This reflection will allow students to better understand some of the controversial questions that are discussed in the public debate, and to themselves build social and economic indicators.

This class will be useful to all students, and in particular those who intend to do a PhD dissertation in economics using empirical data, as well as students who plan to work in institutions that produce economic statistics, studies and policy recommendations.

**Mode de contrôle des connaissances :**

Assessment will be based on a presentation (30%), a written assignment (65%) and participation in class (5%). The presentation will consist of a presentation in class around a topic where measurement issues are central (30%). Regarding the assignment, students will be asked to think about and build some indicators on a specific topic, and to implement the measurement of these indicators on real data.

**Bibliographie, lectures recommandées :**

A specific reading list with articles provided for each lecture

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