

Economist Receives Rock Star Treatment

By Jennifer Schuessler

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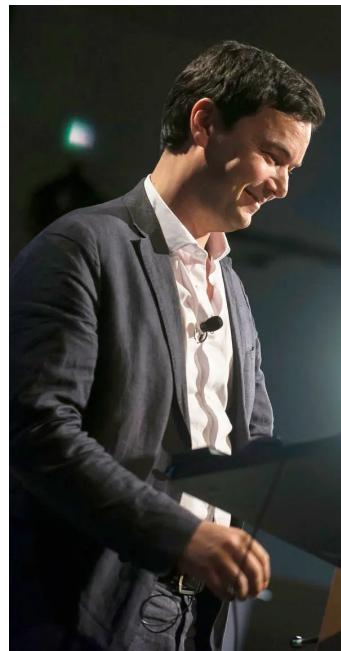
French economists who boldly question the dominance of capital over labor — and call for a progressive global tax on wealth — visit the American halls of power about as often as French rock stars headline Madison Square Garden.

But those halls of power are where Thomas Piketty, a 42-year-old professor at the Paris School of Economics, has been singing his song of late.

Since touching down in Washington this week to promote his new book, “Capital in the 21st Century,” Mr. Piketty has met with Treasury Secretary Jacob Lew, given a talk to President Obama’s Council of Economic Advisers and lectured at the International Monetary Fund, before flying to New York for an appearance at the United Nations, a sold-out public discussion with the Nobel laureates Joseph Stiglitz and Paul Krugman, and meetings with media outlets ranging from The Harvard Business Review to New York Magazine to The Nation.

The response from fellow economists, so far mainly from the liberal side of the spectrum, has verged on the rapturous. Mr. Krugman, a columnist for The New York Times, predicted in The New York Review of Books that Mr. Piketty’s book would “change both the way we think about society and the way we do economics.”

But through all the accolades, Mr. Piketty seems to be maintaining a most un-rock-star-like modesty, brushing away comparisons to Tocqueville and Marx with an embarrassed grimace and a Gallic puff of the lips.



Thomas Piketty at one of his New York talks this week.
Karsten Moran for The New York Times

“It makes very little sense: How can you compare?” he said on Thursday between gulps of yogurt during a break in his packed schedule — before going on to list the 19th-century data sets that Marx neglected to draw on in “Das Kapital,” his 1867 magnum opus.

“If Marx had looked at them, it would have made him think a bit more,” he said. “When I started collecting data, I had no idea where it would go.”

Mr. Piketty's dedication to data has long made him a star among economists, who credit his work on income inequality (with Emmanuel Saez and others) for diving deep into seemingly dull tax archives to bring an unprecedented historical perspective to the subject.

But "Capital in the 21st Century," which analyzes more than two centuries of data on the even murkier topic of accumulated wealth, has elicited a response of an entirely different order. Months before its originally scheduled April publication, it was generating intense discussion on blogs, prompting Harvard University Press to push the release forward to mid-February.

Since then, it has hit the New York Times best-seller list, and sold some 46,000 copies (hardback and e-book) — a stratospheric number for a nearly 700-page scholarly tome dotted with charts and graphs (as well as references to Balzac, Jane Austen and "Titanic").

And not all those readers are economists. Six years after the financial crisis, "people are looking for a bible of sorts," said Julia Ott, an assistant professor of the history of capitalism at the New School, who appeared on a panel with Mr. Piketty at New York University on Thursday. "He's speaking to a real feeling out there that things haven't been fixed, that we need to take stock, that we need big ideas, big proposals, big global solutions."

Those big ideas, and the hunger for them, were on ample display at N.Y.U., where the standing-room crowd was treated to Mr. Piketty's apology for having written such a long book, followed by a breakneck PowerPoint presentation of its main arguments, illustrated with striking charts.

Mr. Piketty's book on sale after he spoke Wednesday at the Graduate Center at the City University of New York.
Karsten Moran for The New York Times

At the book's center is Mr. Piketty's contention — contrary to the influential theory developed by Simon Kuznets in the 1950s and '60s — that mature capitalist economies do not inevitably evolve toward greater economic equality. Instead, Mr. Piketty contends, the data reveals a deeper historical tendency for the rate of return on capital to outstrip the overall rate of economic growth, leading to greater and greater concentrations of wealth at the very top.

Despite this inevitable-seeming drift toward "patrimonial capitalism" that his charts seemed to show, Mr. Piketty rejected any economic determinism. "It all depends on what the political system decides," he said.

Such statements, along with Mr. Piketty's proposal for a progressive wealth tax and income tax rates up to 80 percent, have aroused strong interest among those eager to recapture the momentum of the Occupy movement. The Nation ran a nearly 10,000-word cover article placing his book within a rising tide of neo-Marxist thought, while National Review Online dismissed it as confirmation of the left's "dearest 'Das Kapital' fantasies."

But Mr. Piketty, who writes in the book that the collapse of Communism in 1989 left him "vaccinated for life" against the "lazy rhetoric of anticapitalism," is no Marxian revolutionary. "I believe in private property," he said in the interview. "But capitalism and markets should be the slave of democracy and not the opposite."

Even if he doesn't expect his policy proposals to find favor in Washington anytime soon, Mr. Piketty called his meetings there gratifying. Mr. Lew, he said, seemed to have read parts of the book carefully. A member of the Council on Economic Advisers corrected a small error concerning Balzac's novel "Le Père Goriot," which includes a discussion

of getting ahead through advantageous marriage rather than hard work. "I was impressed," Mr. Piketty said.

His book, however, ends not with an appeal to policy makers, but with a call for all citizens to "take a serious interest in money, its measurement, the facts surrounding it and its history."

"It's too easy for ordinary people to just say, 'I don't know anything about economics,'" he said, before rushing to his next appearance. "But economics is not just for economists."

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