Economic Approaches to Inequality

Course Description:

This is the third course in the graduate labor economics series. This course will broadly focus on issues related to the determinants and consequences of inequality in developed countries (mostly the U.S.), with an emphasis on empirical approaches typically used in applied microeconomics research. We will also discuss the role of the government in addressing inequality, with a focus on social safety net programs, transfer programs, and taxation. Readings will encompass a broad range of mostly recent economics papers.

Course Requirements:

1) In-class presentation and class discussion of ONE research paper (15% for presentation, 5% for discussion participation). Please choose among the papers on the reading list that are marked with a ‘[P]’. The presentations should be about 20 minutes long, and should consist of a summary of the analysis and results, a discussion of the significance of the paper, and a critical reaction to the paper. Each student will be required to present ONE paper, and all students will be expected to come to class prepared to discuss and critique the papers being presented. Please send me an ordered list via email of 3 papers you’d be interested in presenting by FRIDAY, OCT. 9—the first person to request a paper gets it.

2) TWO Referee Reports (10% each). An important and frequent job of an economist is to write referee reports for journals. To write a good referee report, it is necessary to learn how to be critical. You should write a 2-3 page report. The first part of the report should summarize the paper and give a couple of overview comments. The second part of the report should go through all of your comments one by one. You can do a referee report on any of the applied microeconomics papers in the fall quarter seminar series (which means that you should be attending these seminars) or on any of the NBER Working Papers released since January 2015 (see: http://www.nber.org/new_archive/).
   - Referee Report 1 DUE IN CLASS on MONDAY, OCT. 19
   - Referee Report 2 DUE IN CLASS on MONDAY, NOV. 9
3) **A completed paper based on your own original research (45%).** You are required to turn in a completed research paper by the end of this quarter. Your grade will in part depend on the progress you’ve made on the research proposal you developed in 250B. The paper is DUE IN CLASS on WEDNESDAY, DEC. 2.

4) **Presentation of your research paper (15%).** Each student is required to do a 35 minute presentation of their research paper. Please be sure to attend the fall quarter seminar series and the labor lunch series to get a sense for how these presentations are typically done. As is the case with almost all economics talks, the audience (your fellow classmates and I) will be allowed to interrupt throughout your presentation with questions and comments. *Please e-mail me your presentation date preferences by FRIDAY, OCT. 9.* Presentation slots will be assigned first-come first-serve.

**ATTENDANCE IN THIS CLASS IS MANDATORY,** as it is important for all students to be present to hear and discuss each other’s presentations and to promote fruitful discussions of the papers we will cover.
- If there is an extenuating circumstance, and you know you will be absent for some (non-emergency) reason, please send me an email **at least 3 days in advance.** If you miss **3 or more classes** during the quarter, your grade will be automatically **lowered by 25%**.

**Tentative Schedule of Lectures (Subject to Change):**

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
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<tbody>
<tr>
<td>Monday Sept. 28</td>
<td>Inequality, Poverty, Mobility</td>
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<tr>
<td>Wednesday Sept. 30</td>
<td>Inequality, Poverty, Mobility</td>
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<tr>
<td>Monday Oct. 5</td>
<td>Inequality, Poverty, Mobility</td>
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<tr>
<td>Wednesday Oct. 7</td>
<td>Labor Markets and Wage Inequality</td>
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<tr>
<td>Monday Oct. 12</td>
<td>Health, Human Capital Formation, and Inequality</td>
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<tr>
<td>Wednesday Oct. 14</td>
<td>NO CLASS</td>
</tr>
<tr>
<td>Monday Oct. 19</td>
<td>Health, Human Capital Formation, and Inequality</td>
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<td><strong>Referee Report 1 DUE in class</strong></td>
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<tr>
<td>Wednesday Oct. 21</td>
<td>Consequences of Inequality on Socio-Economic Outcomes</td>
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<tr>
<td>Monday Oct. 26</td>
<td>Consequences of Inequality on Socio-Economic Outcomes</td>
</tr>
<tr>
<td>Wednesday Oct. 28</td>
<td>Social Safety Net and Transfer Programs</td>
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Monday Nov. 2   Social Safety Net and Transfer Programs
Wednesday Nov. 4  Social Insurance and Mandated Benefits
Monday Nov. 9   Social Insurance and Mandated Benefits
Referee Report 2 DUE in class
Wednesday Nov. 11 NO CLASS (VETERANS’ DAY)
Monday Nov. 16   Income Taxation
Wednesday Nov. 18 Income Taxation
Monday Nov. 23   2 Student Presentations on Own Research (35 min each)
Wednesday Nov. 25 Race and Gender Inequality
Monday Nov. 30   2 Student Presentations on Own Research (35 min each)
Wednesday Dec. 2  2 Student Presentations on Own Research (35 min each)
Completed Research Paper DUE in class

Schedule of Student Presentations on Own Research:

Monday Nov. 23:
Monday, Nov. 30:
Wednesday, Dec. 2:

Readings (*=required reading; [P]=option for student presentation):

I may add to the readings as the quarter goes on. Please read the assigned readings before class.

Inequality, Poverty, Mobility (3 lectures)


**Labor Markets and Wage Inequality (1 lecture)**


**Health, Human Capital Formation, and Inequality (2 lectures)**


**Consequences of Inequality on Socio-Economic Outcomes (2 lectures)**


**Social Safety Net and Transfer Programs (2 lectures)**


**Social Insurance and Mandated Benefits (2 lectures)**


**Income Taxation (2 lectures)**


**Gender and Race Inequality (1 lecture)**


