



## **Economics 5180 and 6180**

### **Poverty & Inequality**

Fall Semester 2019

Class Periods: Monday/Wednesday, 12:00pm-1:20pm; Gardiner Commons 5490

Discussion Section: Friday, 10:00-11:00am, Gardiner Commons 2575

**Instructor:** Marshall Steinbaum

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**Office Hours:** Wednesdays 2pm-3pm. GC 4229

**Teaching Assistant:** Brandi Chase

**TA Email:** brandi.chase@utah.edu. Please put the course number in the subject line.

### **Required Materials**

Thomas Piketty, *Capital in the Twenty-First Century* (2014) Harvard University Press. ("C21")

Other required readings will be posted to Canvas.

*Global Inequality* by Branko Milanovic (2016) is also a useful text but is not required.

### **Course Description**

This course focuses on economic inequality within countries and at the global level. The first part of the course is an overview of comparative inequality and its components: inequality between and within capital and labor, the creation, valuation, and persistence of wealth, explanations for unequal labor incomes among workers and between employers, and the combination of capital and labor income inequality in each country's personal income distribution.

The course will then move to a series of topics:

- Absolute wellbeing and deprivation (poverty), as well as health and life expectancy as measures of absolute welfare.
- Group inequality by race, gender, and geography.
- Global inequality, mobility of capital and labor between countries, as well as trends in inequality within developing countries, with China and Brazil as example cases.
- Social mobility: inheritance of economic status between generations, as well as the societal mechanisms that contribute to or erode it.

## Course Outcomes

By the end of this course, you will be able to:

- Identify and understand trends in inequality in the US, other countries, and globally, over time.
- Distinguish inequality between and within capital and labor.
- Understand how global inequality relates to within-country inequality, and how absolute and relative measures of inequality relate to one another.
- Comprehend scholarly and public debates about the causes of inequality, and critically assess explanations for trends in inequality in light of the evidence.

## Teaching and Learning Methods

This course is a relatively small seminar that invites discussion of important and controversial contemporary issues. Class periods will consist of presented material: explanation of core concepts, empirical data, and original scholarship, as well as class discussion. Homework assignments will consist of mandatory readings, short-essay-type responses, and basic data analysis. We may experiment with online discussion of contemporary readings on Canvas. For an economics course, there is a lot of reading. There will be an in-class midterm and a take-home final. Graduate students also have a mandatory term paper.

Students should feel able to express themselves at all times in class and in their assignments and exams. Please maintain a climate of mutual respect for one another.

## University Policies

1. ***The Americans with Disabilities Act.*** The University of Utah seeks to provide equal access to its programs, services, and activities for people with disabilities. If you will need accommodations in this class, reasonable prior notice needs to be given to the Center for Disability Services, 162 Olpin Union Building, (801) 581-5020. CDS will work with you and the instructor to make arrangements for accommodations. All written information in this course can be made available in an alternative format with prior notification to the Center for Disability Services.
2. ***University Safety Statement.*** The University of Utah values the safety of all campus community members. To report suspicious activity or to request a courtesy escort, call campus police at 801-585-COPS (801-585-2677). You will receive important emergency alerts and safety messages regarding campus safety via text message. For more information regarding safety and to view available training resources, including helpful videos, visit [safeu.utah.edu](http://safeu.utah.edu).
3. ***Addressing Sexual Misconduct.*** Title IX makes it clear that violence and harassment based on sex and gender (which includes sexual orientation and gender identity/expression) is a civil rights offense subject to the same kinds of accountability and the same kinds of support applied to offenses against other protected categories such as race, national origin, color, religion, age, status as a person with a disability, veteran's status or genetic information. If you or someone

you know has been harassed or assaulted, you are encouraged to report it to the Title IX Coordinator in the Office of Equal Opportunity and Affirmative Action, 135 Park Building, 801-581-8365, or the Office of the Dean of Students, 270 Union Building, 801-581-7066. For support and confidential consultation, contact the Center for Student Wellness, 426 SSB, 801-581-7776. To report to the police, contact the Department of Public Safety, 801-585-2677(COPS).

4. ***Undocumented Student Support Statement.*** Immigration is a complex phenomenon with broad impact—those who are directly affected by it, as well as those who are indirectly affected by their relationships with family members, friends, and loved ones. If your immigration status presents obstacles to engaging in specific activities or fulfilling specific course criteria, confidential arrangements may be requested from the Dream Center. Arrangements with the Dream Center will not jeopardize your student status, your financial aid, or any other part of your residence. The Dream Center offers a wide range of resources to support undocumented students (with and without DACA) as well as students from mixed-status families. To learn more, please contact the Dream Center at 801.213.3697 or visit [dream.utah.edu](http://dream.utah.edu).

### **Course Policies**

***Attendance & Punctuality:*** Attendance at lectures on Mondays and Wednesdays is mandatory, and any material discussed in lectures is fair game for exams.

***Participation:*** All students are expected to participate in class discussion.

***Food & Drink:*** Please do not eat lunch during class periods.

***Electronic Devices in Class:*** All phones should be silenced during class.

***Canvas:*** It is students' responsibility to keep up with assignments and due dates posted to Canvas and read the material posted there.

### **Assignments**

Assignments will be posted by the Wednesday class period and are due via Canvas by the following Monday at 11am.

### **Grading Policy**

Final grades will be determined by numerical average.

|                          | <u>Undergraduates</u> | <u>Graduates</u> |
|--------------------------|-----------------------|------------------|
| Class participation:     | 10%                   | 5%               |
| Homework:                | 25%                   | 20%              |
| Midterm Exam:            | 25%                   | 20%              |
| Final Exam (cumulative): | 40%                   | 30%              |
| Term Paper:              |                       | 25%              |

Letter Grade Distribution:

|                  |                  |
|------------------|------------------|
| $\geq 93.00$ A   | 73.00 - 76.99 C  |
| 90.00 - 92.99 A- | 70.00 - 72.99 C- |
| 87.00 - 89.99 B+ | 67.00 - 69.99 D+ |
| 83.00 - 86.99 B  | 63.00 - 66.99 D  |
| 80.00 - 82.99 B- | 60.00 - 62.99 D- |
| 77.00 - 79.99 C+ | $\leq 59.99$ F   |

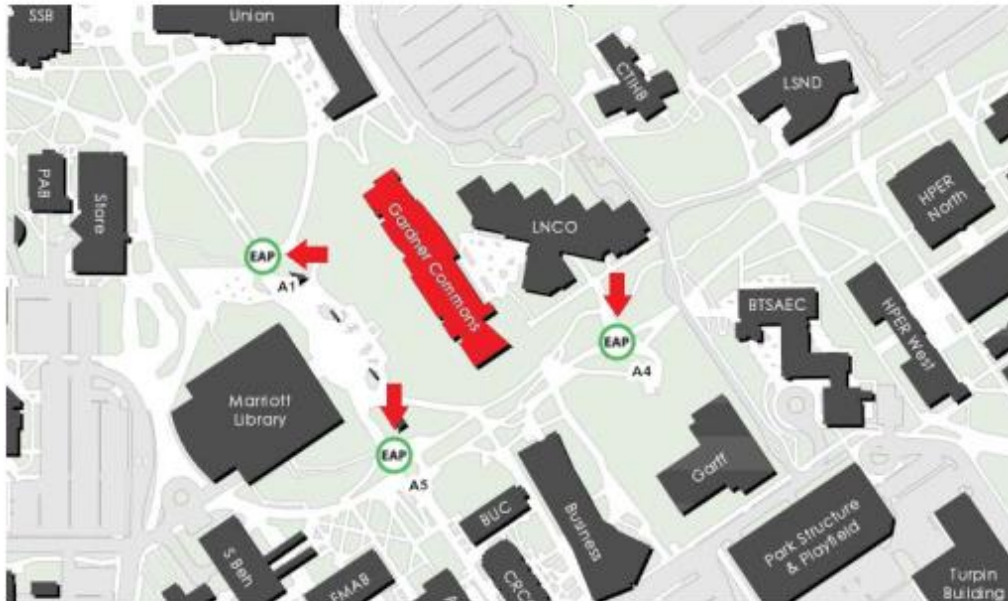
## Course Schedule

| <u>Date</u>                  | <u>Topic/Discussion</u>   | <u>Reading</u>    |
|------------------------------|---|-------------------|
| <b>Week 1:</b><br>Aug 19     | Introduction<br>Definitions   | C21, Introduction |
| Aug 21                       | Stylized facts  | C21, Ch. 1        |
| <b>Week 2:</b><br>Aug 26     | Capital as a factor of production   | C21, Ch 3-4       |
| Aug 28                       | Who owns capital and how to value it?   | C21, Ch 5         |
| <b>Week 3:</b><br>Sept 4     | The capital-labor split   | C21, Ch 6-7       |
| <b>Week 4:</b><br>Sept 9     | Earnings inequality between workers   | C21, Ch 9         |
| Sept 11                      | Earnings inequality between firms   |                   |
| <b>Week 5:</b><br>Sept 16    | Capital income inequality   | C21, Ch 10        |
| Sept 18                      | Saving and the rate of return on capital<br>Inheritance and Patrimonial Capital         | C21, Ch 11        |
| <b>Week 6:</b><br>Sept 23    |   |                   |
| Sept 25                      | Wealth Inequality   | C21, Ch 12        |
| <b>Week 7:</b><br>Sept 30    | Summing up: Inequality within developed countries<br>The multi-stakeholding corporation | PSZ, "DINA"       |
| Oct 2                        | Midterm   |                   |
| <b>Week 8:</b><br>Fall Break |   |                   |
| <b>Week 9:</b><br>Oct 14     |   |                   |
| Oct 16                       | Poverty and Extreme Poverty   |                   |
| <b>Week 10:</b><br>Oct 21    | Health and life expectancy in the US  |                   |
| Oct 23                       | Racial Inequality   |                   |

|                     |  |
|---------------------|--|
| <b>Week 11:</b>     |  |
| Oct 28              | Gender inequality and non-market labor   |
| Oct 30              | Geographic inequality  |
| <b>Week 12:</b>     |  |
| Nov 4               | Global Inequality & Poverty  |
| Nov 6               | The Paradox of the Elephant Curve  |
| <b>Week 13:</b>     |  |
| Nov 11              | International capital mobility   |
| Nov 13              | International labor mobility & the problem of migration<br>"Citizenship rents" |
| <b>Week 14:</b>     |  |
| Nov 18              | The cases of China and Brazil  |
| Nov 20              | Absolute & Relative Intergenerational Mobility                                 |
| <b>Week 15:</b>     |  |
| Nov 25              | Historical examples of social mobility & immobility                            |
| Nov 27              | Education as an engine of social mobility or class hierarchy?                  |
| <b>Week 16:</b>     |  |
| Dec 2               | Review   |
| Dec 4               | Review   |
| <b>Finals Week:</b> |  |
| Dec 11              | Take-home final exam due   |

*Note: This syllabus is meant to serve as an outline and guide for our course. Please note that I may modify it with reasonable notice to you. I may also modify the Course Schedule to accommodate the needs of our class. Any changes will be announced in class and posted on Canvas under Announcements.*

# CSBS EMERGENCY ACTION PLAN



## BUILDING EVACUATION

EAP (Emergency Assembly Point) – When you receive a notification to evacuate the building either by campus text alert system or by building fire alarm, please follow your instructor in an orderly fashion to the EAP marked on the map below. Once everyone is at the EAP, you will receive further instructions from Emergency Management personnel. You can also look up the EAP for any building you may be in on campus at <http://emergencymanagement.utah.edu/eap>.



## CAMPUS RESOURCES

**U Heads Up App:** There's an app for that. Download the app on your smartphone at [alert.utah.edu/headsup](http://alert.utah.edu/headsup) to access the following resources:

- **Emergency Response Guide:** Provides instructions on how to handle any type of emergency, such as earthquake, utility failure, fire, active shooter, etc. Flip charts with this information are also available around campus.
- **See Something, Say Something:** Report unsafe or hazardous conditions on campus. If you see a life threatening or emergency situation, please call 911!

**Safety Escorts:** For students who are on campus at night or past business hours and would like an escort to your car, please call 801-585-2677. You can call 24/7 and a security officer will be sent to walk with you or give you a ride to your desired on-campus location.