

University of Colorado at Boulder
Department of Economics

Prof. Jeffrey S. Zax
zax@colorado.edu
303-492-8268
<http://www.colorado.edu/Economics/Zax>

Economics 4626
Syllabus and schedule
30 December 2018

Welcome. I am Prof. Jeffrey S. Zax. This is Economics 4626, The Economics of Inequality and Discrimination.

Course description:

The purpose of this course is to investigate the extent of inequality, its causes and its consequences. This investigation occurs at both the macroeconomic and microeconomic levels. At the macroeconomic level, we discuss the relationship between inequality and growth and the effects of different national institutions on this relationship. At the microeconomic level, we discuss inequality in multiple dimensions. We analyze the individual choices from which and economic contexts in which it arises. We complete this discussion with an examination of discrimination: inequality that arises when disadvantages are imposed through coercive denial of market opportunities.

This course requires pr—F—W1` de

The final examination will take place on Saturday, 4 May, from 1:30 p.m. until 4:00p.m. It will

The tentative schedule of lectures below also includes the list of assigned readings. All articles are from the Journal of Economic Perspectives. They are available as .pdf files through the University Library's website. From any University computer, follow this protocol:

1. Access the Library website at <https://www.colorado.edu/libraries/>.
2. Click on "E-Journals" just below "OneSearch".
3. Search for "Journal of Economic Perspectives".
4. Click on "Journal of Economic Perspectives".
5. Click on "Select Year".
6. Locate the desired article.

For articles published prior to 2005, proceed through step 4 above and then continue:

5. Click on "ALL"
6. Click on "Summer 1987 to Present in American Economic Association journals".
7. Log in to Libraries Proxy Server.
8. Click on "View Past Issues".
9. Locate the desired article.

Additional readings may be assigned at my discretion.

Tentative course schedule:

<u>Date</u>	<u>Lecture number</u>	<u>Lecture title, readings and assignments</u>
I. The Measurement of Inequality		
15 January	1.	Introduction
17 January	2.	Simple inequality measures Banerjee, Abhijit and Esther Duflo (2008) "What is middle class about the middle classes around the world?", <u>Journal of Economic Perspectives</u> , Vol. 22, No. 2, Spring, 3-28.
22 January	3.	Lorenz curves and Gini coefficients
II. The Macroeconomics of Distribution		
24 January	4.	The effects of growth on inequality

Autor, David (2015) "Why are there still so many jobs? The history and future of workplace automation", Journal of Economic Perspectives, Vol. 29, No. 3, Summer, 3-30.

29 January

5. The effects of inequality on growth

Kremer, Michael and Dan Levy (2008) "Peer effects and alcohol use among college students", Journal of Economic Perspectives, Vol. 22, No. 3, Summer, 189-206.

26 February

12. Intragenerational mobility

Essay on Angola and the Resource Curse, Harvard Business School Case No. 9-711-016 is due.

28 February

13. The inheritance of economic status, intergenerational mobility and redistributive policy

Corak, Miles (2013) "Income inequality, equality of opportunity, and intergenerational mobility", Journal of Economic Perspectives, Vol. 27, No. 3, Summer, 79-102.

5 March

14. Wealth inequality

Kopczuk, Wojciech (2015) "What do we know about the evolution of top wealth shares in the United States", Journal of Economic Perspectives, Vol. 29, No. 1, Winter, 47-66.

7 March

15. Health inequality

Currie, Janet and Hannes Schwandt (2016) "Mortality inequality: The good news from a county-level approach", Journal of Economic Perspectives, Vol. 30, No. 2, Spring, 29-52.

Cutler, David M., Edward L. Glaeser and Jesse M. Shapiro (2003) "Why have Americans become more obese?", Journal of Economic Perspectives, Vol. 17, No. 4, Winter, 5-28.

IV. Evaluating inequality

11 April 22. Social welfare functions and societal choice

16 April 23. Preferences for redistribution and feasible redistribution

Diamond, Peter and Emmanuel Saez (2011) "The case for a progressive tax: From basic research to policy recommendations", Journal of Economic Perspectives, Vol. 25, No. 4, Fall, 165-190.

Bonica, Adam, Nolan McCarty, Keith T. Poole and Howard Rosenthal (2013) "Why hasn't democracy slowed rising inequality?", Journal of Economic Perspectives, Vol. 27, No. 3, Summer, 103-124.

V. Discrimination and anti-discrimination policies

18 April 24. Race, ethnicity and the economics of identity

23 April 25. The discriminatory instinct

Essay on Inequality in Brazil, Harvard Business School Case No. 9-711-086, is due.

25 April 26. Discrimination in labor markets: Models, measurement and policy

Darity, William A. Jr. and Patrick L. Mason (1998) "Evidence on discrimination in employment: Codes of color, codes of gender", Journal of Economic Perspectives, Vol. 12, No. 2, Spring, 63-90.

Blau, Francine D. and Lawrence M. Kahn (2000) "Gender differences in pay", Journal of Economic Perspectives, Vol. 14, No. 4, Fall, 25-46.

Heckman, James (1998) "The role of human capital in economic growth", Journal of Economic Perspectives, Vol. 12, No. 2, Spring, 91-116.

Ladd, Helen F. (1998) "Evidence on discrimination in mortgage lending", Journal of Economic Perspectives, Vol. 12, No. 2, Spring, 41-62.

2 May 28. Discrimination in automobile and other markets

4 May Final examination 1:30p.m.-4:00p.m.

Required statement of University policies

Accommodation for Disabilities: If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to your faculty member in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the academic environment. Information on requesting accommodations is located on the [Disability Services website](#). Contact Disability Services at 303-492-8671 or dsinfo@colorado.edu for further assistance. If you have a temporary medical condition or injury, see [Temporary Medical Conditions](#) under the Students tab on the Disability Services website.

Classroom Behavior: Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation or political philosophy. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records. For more information, see the policies on [classroom behavior](#) and the [Student Code of Conduct](#).

Honor Code: All students enrolled in a University of Colorado Boulder course are responsible for knowing and adhering to the Honor Code. Violations of the policy may include: plagiarism, cheating, fabrication, lying, bribery, threat, unauthorized access to academic materials, clicker fraud, submitting the same or similar work in more than one course without permission from all course instructors involved, and aiding academic dishonesty. All incidents of academic misconduct will be reported to the Honor Code (honor@colorado.edu); 303-492-5550). Students who are found responsible for violating the academic integrity policy will be subject to nonacademic sanctions from the Honor Code as well as academic sanctions from the faculty member. Additional information regarding the Honor Code academic integrity policy can be found at the [Honor Code Office website](#).

Sexual Misconduct, Discrimination, Harassment and/or Related Retaliation: The University of Colorado Boulder (CU Boulder) is committed to fostering a positive and welcoming learning, working, and living environment. CU Boulder will not tolerate acts of sexual misconduct (including sexual assault, exploitation, harassment, dating or domestic violence, and stalking), discrimination, and harassment by members of our community. Individuals who believe they have been subject to misconduct or retaliatory actions for reporting a concern should contact the Office of Institutional Equity and Compliance (OIEC) at 303-492-2127 or cureport@colorado.edu. Information about the OIEC, university policies, [anonymous reporting](#), and the campus resources can be found on the [OIEC website](#).

Please know that faculty and instructors have a responsibility to inform OIEC when made aware of incidents of sexual misconduct, discrimination, harassment and/or related retaliation, to ensure that individuals impacted receive information about options for reporting and support resources.

Religious Holidays: Campus policy regarding religious observances requires that faculty make every effort to deal reasonably and fairly with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. In this class, meet with me as soon as possible to discuss any appropriate accommodations. See the [campus policy regarding religious observances](#) for full details.

Additional policy statements

The University adheres to the standards for student privacy rights and requirements as stipulated in the Federal Rights and Privacy Act (FERPA) of 1974.²

I am happy to discuss any issues of individual or group treatment in office hours or by appointment.

Ordinarily, a student engaged in any act of academic dishonest will receive a failing grade for the course.

² A description is available at <http://www.colorado.edu/registrar/resources/family-educational-rights-and-privacy-act-ferpa>.