

Fall 2013

M. Odekon

Office: Filene Room 108

Ext.: 5097

Digital name: modekon@skidmore.edu

Office Hours: M 1:30-3:00 pm

W 2:00-3:30 pm

or by appointment

EC 319

Economics of Poverty and Income Distribution

Course Description/Goals and Objectives

This course explores fundamental principles in the contemporary analysis of the distribution of income and poverty. Topics include theories of the distribution of income, measurement of income distribution and poverty, the extent of income inequality and poverty in the United States, causes of income inequality and poverty, international aspects of inequality and poverty, and public policy related to income inequality and poverty.

Textbook:

B. Schiller (BSc). 2008. *The Economics of Poverty and Discrimination* (10th edition)

Learning Objectives

At completion of this course, students will be able to:

- Understand the major causes of poverty and income and wealth inequality in the United States.
- Discuss and analyze the different public policies in the United States.
- Understand and describe the major trends in poverty and economic inequality in the United States over the past thirty years.
- Understand the primary economic theories of income distribution.
- Evaluate and comment on empirical findings regarding poverty and inequality.

Course Structure:

The class will be taught in a mixed lecture-discussion format. Group discussions and assignments will help students to apply the reading material.

- **Group project:** You will work in groups of three to write a short paper (6-pages, double-spaced) on class in the United States as presented in the Tang Teaching Museum exhibit, *Classless Society*. Specifically, you will choose the piece in the exhibit that your group believes makes the most interesting statement about class in the US, and answer the following questions: What makes that specific piece especially effective? What are two other pieces in the exhibit your group found interesting, but what led you as a group to choose the first one instead? How much does the effectiveness of the piece depend on its specific context in the exhibit?

- **Final Paper:** You will write a paper (15 pages, double-spaced) that analyzes how macroeconomic factors, such as economic growth, unemployment, and public policy affect poverty. You can work in groups on the analysis for this project, but you must write each paper individually.

Grading:

Group Project, Presentation and Discussion	30 points (due date: October 17 th)
Final Project	35 points (due date: December 3 rd)
Class Participation	15 points
Oral Examination	20 points (tba)

Course Outline:

- I. Economic theories of distribution
<http://www.nber.org/chapters/c1842.pdf>

- II. Definition and Measurement of income inequality and poverty
Schiller, Chapters 1-3

<http://www.census.gov/hhes/www/poverty/about/overview/measure.html>

http://siteresources.worldbank.org/INTPA/Resources/429966-1259774805724/Poverty_Inequality_Handbook_Ch01.pdf

http://siteresources.worldbank.org/INTPA/Resources/429966-1259774805724/Poverty_Inequality_Handbook_Ch02.pdfK:148956~piPK:216618~theSitePK:430367,00.html

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPA/0,,contentMDK:20238991~menuPK:492138~pagePK:148956~piPK:216618~theSitePK:430367,00.html>

http://siteresources.worldbank.org/INTPA/Resources/429966-1259774805724/Poverty_Inequality_Handbook_Ch06.pdf

- III. Income inequality and poverty in the United States

https://tang.skidmore.edu/app/public/webroot/files/uploads/classless_society/

<http://www.census.gov/prod/2012pubs/p60-243.pdf>

<http://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.26.3.111>

<http://www.npc.umich.edu/publications/workingpaper05/paper19/Poverty-6-9-05.pdf>

IV. Causes of income inequality and poverty
Schiller, Chapters 5-12

V. Economic policy, income inequality, and poverty
Schiller, Chapters 13-17

http://www.familyimpactseminars.org/s_mifis04c06.pdf

VI. International comparisons
Schiller, Chapter 4

<http://www.epi.org/publication/ib339-us-poverty-higher-safety-net-weaker/>

<http://www.oecd.org/berlin/47570121.pdf>

http://siteresources.worldbank.org/INTPA/Resources/4299661259774805724/Poverty_Inequality_Handbook_Ch10.pdf

<http://terror-mirror.com/books/etrbo008.pdf>

Important Web Sources:

American Enterprise Institute www.aei.org

Brookings Institution www.brookings.edu

Bureau of Labor Statistics www.bls.gov

Census Bureau www.census.gov

Center on Budget and Policy Priorities www.cbpp.org

Center for Law and Social Policy www.clasp.org

Economic Policy Institute www.epinet.org

Employment Policies Institute www.epionline.org

Institute for Research on Poverty (IRP) www.ssw.wisc.edu/~irp/

Joint Center for Poverty Research (JCPR) www.jcpr.org

National Bureau of Economic Research (NBER) www.nber.org

National Poverty Center (NPC) www.npc.umich.edu