Welcome. I am Prof. Jeffrey S. Zax. This is Economics 4626, "The Economics of Inequality and Discrimination". This class requires previous completion of Economics 3070, our course in intermediate microeconomics. It may occasionally require the use of derivatives. Anyone uncertain with regard to their preparation should consult with me immediately.

This class will meet on Mondays, Wednesdays and Fridays from 1:00 p.m. until 1:50 p.m. throughout the semester in Economics 119. I will hold regular office hours between 10:30 a.m. and 11:30 a.m. on Mondays and Wednesdays in my office, Economics 111. Appointments can be made for meetings at other times, if these are inconvenient.

In particular, any student eligible for and needing academic adjustments or accommodations because of a disability or because of religious practices should arrange to meet with me immediately. University policies regarding the former are available at www.colorado.edu/sacs/disabilityservices. Those regarding the latter are available at www.colorado.edu/policies/index.html. The same exhortation applies to any student who has three final examinations scheduled on 16 December and wishes to reschedule the final examination in this course.

Performance in this class will governed by the University policy on classroom behavior (www.colorado.edu/policies/index.html) and the University Honor Code (www.colorado.edu/academics/honorcode). It will be judged on the basis of three instruments. The final examination, on 16 December, will be worth 150 points. Two midterm examinations will be valued at 50 points each. They will take place on 30 September and 6 November, unless class progress deviates substantially from my current expectations. Excuses are granted only in extraordinary circumstances. If granted, the excused points will be reallocated to subsequent examinations.

The course as a whole is valued at 250 points. The score attained by each student, evaluated relative to those of other students and to the score which would be attained by an intelligent student of economics at this level, will determine final letter grades.

The material to be mastered in this class is contained in the lectures and assigned readings. The tentative schedule of topics below also includes a list of assigned readings. These readings are available as a CoursePak from the UMC bookstore. Additional readings may be assigned at my discretion.

**Tentative schedule of topics:**

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<th>Date</th>
<th>Lecture Number</th>
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<td>26 August</td>
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<td>1. Introduction</td>
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28 August
2. Simple inequality measures and Lorenz curves

30 August
3. Lorenz curves and Gini coefficients

4 September
4. Intertemporal inequality

6 September
5. Inter-country inequality

9 September
6. Wealth inequality

11 September
7. Health inequality

13, 18 September
8. Income inequality


20 September
9. Equivalence scales

23 September
10. Consumption inequality

25 September
11. Poverty

27 September
12. Children’s welfare
II. Distribution and macroeconomics

2, 4 October

13. Inequality and economic development

III. Microeconomic determinants of distribution

7 October

14. Asset ownership and the intergenerational transmission of wealth

9, 14 October

15. Investments in human capital and the value of life


16 October

16. Assignment models and superstars

21 October

17. Intergenerational mobility and redistributive policy

IV. Non-neoclassical theories of income and wealth distribution

23 October

18. Power and inequality

25 October

19. Corruption

V. Microeconomic consequences of inequality

28 October

20. Inequality as an incentive

30 October

21. Inequality and local externalities

VI. The evaluation of inequality

1, 4 November

22. Social welfare functions and societal choice

6 November

Midterm examination
### VII. Discrimination and anti-discrimination policies

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<th>Date</th>
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<td>8 November</td>
<td>23. Discrimination worldwide</td>
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<tr>
<td>11 November</td>
<td>24. Sociological and anthropological perspectives on discrimination</td>
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<td>13 November</td>
<td>25. Ethnicity and race</td>
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<td>15 November</td>
<td>26. Partial equilibrium theories of labor market discrimination</td>
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<td>20 November</td>
<td>28. Local market power and cooperative discrimination</td>
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<td>22 November</td>
<td>29. Measurements of labor market discrimination</td>
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<td>25 November</td>
<td>30. Employment segregation and wages</td>
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<tr>
<td>27 November</td>
<td>31. Discrimination and labor market policies</td>
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<td>2 December</td>
<td>32. Slavery and child labor</td>
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<td>4 December</td>
<td>33. Housing segregation</td>
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<td>6 December</td>
<td>34. Fair housing</td>
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<td>9 December</td>
<td>35. Environmental racism</td>
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<td>11 December</td>
<td>36. Discrimination in automobile and other markets</td>
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<td>16 December</td>
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<td>Final examination 10:30a.m.-1:00p.m.</td>
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