

UNIVERSITY OF COLORADO-BOULDER
Economics of Inequality and Discrimination
Instructor: Dr. Alpna Bhatia
Fall 2007: Econ 4626-001

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Office Hours: By Appointment and

Day	Time	Office	Phone
Tuesday,	9:30-10:45	Liby 140A	5-0388
Wednesday,	9:30-10:45	Econ 14C	2-7407
Thursday	9:30-10:45	Sewall	2-6608

The Economics of Inequality and Discrimination is a course that assumes that economic outcomes are not only based on personal preferences and decisions but also the race and gender identity of the economic actor, the microeconomic climate, and macroeconomic institutions. The importance of these identities vary from place to place and from time to time, depending on the social definitions and the relative privilege (or disadvantage) of each identity.

This course will attempt to define and understand socio-economic stratifications of income, and how they impact our economic lives. We will look at how economics as an academic discipline incorporates these social groups into its analysis of decisions and outcomes. Some topics include labor force participation decisions, theories of discrimination, and patterns of occupational segregation. We will explore both the dominant form of economic analysis—the neoclassical model—and also criticisms and alternatives to that model (heterodox economics). Lastly, we will incorporate some specific economic, social, and political issues that involve race, and gender, and analyze them with the tools we have learned. We will also review basic statistical concepts and tools in class. How do you formulate a hypothesis? How do you empirically test a hypothesis? What is the difference between statistical significance and economic significance? How do you interpret the output from a regression? Prior programming experience is not required or expected.

This course will be a mixture of lecture and class discussion. It is also a reading-and writing intensive course, and the quality of the class discussion depends on thoughtful and timely reading of the assignments. We are not constrained to follow this syllabus exactly-- if we find that there is another issue we wish to explore, we can decide to do so.

The course web page is located at <https://culearn.colorado.edu>. At that page you should be able to log on using your student user name and password. All information for the course will be posted on the web page. I will also post relevant administrative and substantive information regarding exams, and other announcements about the course at the above website. It is your responsibility to check the website for announcements, assignments, and any possible changes related to the course plan.

Course Prerequisite :This class requires previous completion of Intermediate Microeconomics or the equivalent. Material covered in the prerequisite course provides background and develops tools for this course. This necessary material is not taught or developed again in this course, although I will review some material. We will use a lot of algebra and some calculus (integration and differentiation) and draw LOTS of graphs. This preparation is non-negotiable.

Required Text: There are no required texts for this class. I will be drawing the theoretical part of my lecture from Borjas, Labor Economics, 3/E, McGraw Hill Publishers, ISBN :9780072871777.

I will follow the text closely on theoretical (labor) parts of the lecture. However, most lectures are not in any one text. Also, for some topics, my treatment will be different than that of the text. The texts should be viewed as a complement to the lectures, not a substitute. I will place this book on reserve in the Library. Readings, from journals and other sources, **will** be assigned during the course of the semester. **You will need to read these.** You should also try and have access to a newspaper with substantial economic reporting such as The Wall Street Journal, The New York Times, or The Financial Times. Some of these have free content available online, some have content available through Norlin.

Office Hours: Office hours are Tues, Weds, Thursday 9:30-10:45 and by appointment. Tuesdays I will hold my office hours in Liby, Wednesday office hours are in Econ, and Thursday office hours in Sewall. These hours are reserved for you, and I encourage you to spend as much of this time as you need getting help. If you are unable to make these office hours I will also schedule appointments at other times at your request.

If any material is ever unclear, or even if everything is perfectly clear, please chat with me about economics or anything for that matter. If you have a short question, please feel free to call me or email me. For longer and better explanations, come by my office during office hours or make an appointment to see me at your convenience.

E-mail: Email is absolutely the best way to get in touch with me, except in case of emergencies. I try to be prompt about replying to e-mail. However, you must allow me 24 hours to respond. **All email correspondence will take place using your UCB email address.** Make sure this account is activated. **Email may not be sent on CULEARN.**

Work: The class grade is based on one midterm exam, a final exam, inclass and online home works, two papers, peer review of papers, 1 paper presentation, reading summaries, and your class participation grade.

Final Grade:

1 midterm:	50 points	:	50
1 Final:	100points.	:	100
2 Papers:	50 points each	:	100
Peer Review:	25 points each	:	50
Paper presentation	25 points	:	25
Reading Summaries	25 points, 5 points each	:	25
Inclass or Online exercises	5 best	:	25
In Class Participation (subjective)		:	25
Grand Total			450

Actual letter grades will be based on a combination of each student's performance relative to others in the class and the typical grading scale.

Grading Scale:

Your score	Grade	Your score	Grade
93% to 100%	A	74% to 77.5%	C
90% to 92.9%	A-	70% to 73.9%	C-
88% to 89.5%	B+	68% to 69.5%	D+
84% to 87.5%	B	64% to 67.5%	D
80% to 83.9%	B-	60% to 63.9%	D
78% to 79.5%	C+	<u>Below 59.5%</u>	<u>F</u>

Exams: The course will include two exams: one midterm and a final. Exams will be a combination of multiple choice and short answer/long answer questions involving graphs. You should bring a #2 pencil and a **non-graphing** calculator to the exams (a ruler is also recommended). **No cell phone calculators will be permitted.** Exams will focus primarily on material presented in lecture-including material not in the text, current events, and such. If I spend class time on a topic/event I consider it material for your tests. **You are responsible for the material in the assigned readings, and in the lectures.**

I have a strict no make-up exam policy. If you miss any of the exams, no make up exam will be given. If you miss the midterm, due to circumstances beyond your control that you have documented to my satisfaction of course, then the weight on your final exam will increase appropriately. Students anticipating conflict with an exam date due to religious observance must bring these to my attention within the first 3 weeks of class. In case of over-scheduling (3 or more exams on the same day) it is your third exam of the day that must be changed. The final is cumulative as much of the later material builds on the earlier material.

Papers: There will be an extensive written component for all assessment. Understanding the difference between description and argument is essential for a good grade on these papers. The first paper will be concerned with the income levels in a country. You can choose to write about the United States or a country other than the United States. For the country paper you will analyze income stratifications in the country of your choice. Your second paper will involve your writing about current events (education reform, affirmative action, child care, or health care, and so on) and relating them to topics being discussed in class. You may write in response to readings, lectures, class discussions, current events, or any other ideas you might have. Your paper must also deal with gender or racial-ethnic differences related to the topic of your choice: If there is any segregation, discrimination or rational choice that may explain any differences. Each paper should include a brief summary of the issue, any economic tools that might be helpful in understanding the issue, and any personal opinions about the issue. Late papers are subject to 5 points a class penalty. There are no make up papers if you completely miss an assignment. Most importantly, the essays should be properly documented, including a bibliography, and footnotes or end notes. Papers without proper documentation will not be accepted. I will post detailed handouts on the paper as the time approaches.

Peer Review of Research Papers: I will assign you to peer review a paper from someone in class. The writer will give you a draft of their paper. You will read their paper and give the writer information that will help to improve what the writer has written so far. You should try to be honest, but not personal or unnecessarily harsh. Remember, you are critiquing the work, not the person. All students must turn in their original draft, the peer review, and their final draft to me. Refer to [Grading of Peer Review](#) for more detail.

Paper Presentation: You will present "one" your papers in class. Refer to [Grading of Paper Presentation](#) for more detail.

In Class Exercise: We will have a fair number of in-class exercises. I will also post some quizzes online. You must complete the assignment the week they are assigned. There are no make up problem sets if you completely miss an assignment I will grade the best 5 of your in-class or online assignments.

Reading Summaries: I expect each student to post, substantially, at least 5 times during the course of the semester. You can post on an article I have assigned integrating it with a topic I might have raised in lecture notes. You can be the first one to post on that topic or you may reply to someone's post. But the post must have **substantial information** in it to be graded for full credit. It has to be a summary and CRITICAL reaction (2-3 paragraphs) to the reading and needs to stimulate discussion; offer a different opinion than expressed by someone, and new interpretations of discussion material. Refer to [Grading of Reading Summaries](#) for more clarity on how I will be grading your reading summaries.

Extra Credit Assignments: Might be given during the class period. If so, I will announce the assignment in the class.

Attendance: I realize that a majority of students do attend class regularly, but to aid the few that don't, in order to re-enforce the importance of attendance, it will be factored into final grades. This is subjective evaluation, on my part, of your contribution to class: you show up, behave appropriately, and contribute positively. I reserve the right to record an absence or negative grade students who spend substantial class time on non-class activities (e.g. reading the paper, sleep) or leave the class early, unless I ask you to do so.

Students may be dropped administratively if they do not attend any of the first three class meetings. This deadline is imposed so that waitlisted students can roll into the class before the end of the add period, which is 5 September.

Students who miss nine class hours will loose 10% of their final grade. Nine class hours is three weeks of classes. To be clear, these absences are intended to cover both valid (religious, illness, car breaking down) and invalid reasons for missing class. Excused absences will therefore not be granted. There will be a few students who will be unable to attend class for more than three weeks due to very extreme circumstances. We can discuss these students on a case by case basis but no make-up exams or assignments will be given.

If you miss class, you are responsible for obtaining the material you missed. You should arrange to obtain notes from a classmate not from the professor. I encourage you to come to my office hours to discuss the material you missed, but you must first obtain the notes and relevant handouts, go over the information for yourself, and prepare specific questions to ask me. Students who come to see me with concerns about the course will be asked about each of these expectations in turn. ***If you are having any problems in the course, or are encountering personal problems that may affect your grade, please come to see me, when the problem occurs. Do not wait until the end of the semester when it is difficult, if not impossible, to correct any difficulties. No student should expect special consideration beyond that offered due to a student.***

Incomplete Policy: Incompletes are given only in the **most dire of circumstances**. Incomplete grades are not given for low grades. To be eligible for an incomplete grade, students must (1) successfully complete a substantial amount of course requirements, (2) have special circumstances (verification required) that precludes the student from attending classes and/or completing graded assignments, and (3) make arrangements to complete missing assignments with the original instructor in a timely manner.

ADA Statement: I will try and make all reasonable accommodations for persons with documented disabilities. If you qualify for accommodations because of a disability please submit a letter to me from Disability Services in a timely manner so that your needs may be addressed. Disability Services determines accommodations based on documented disabilities. Please realize I am under no obligation to provide retroactive accommodations. Contact: 303-492-8671, Willard 322, (www.colorado.edu/disabilityservices).

Religious Observance Policy: Campus policy regarding religious observances requires that faculty make every effort to reasonably and fairly deal with all students who, because of religious obligations, have conflicts with scheduled exams, assignments, or required attendance. If you have a conflict, please contact me at the beginning of the semester so we can make proper arrangements. Please realize I am under no obligation to provide retroactive accommodations.

Statement on Academic Dishonesty: I strongly believe in the Honor Code and expect you to abide by it. Academic dishonesty includes, but is not limited to: Plagiarism, Fabrication, Cheating, Forgery and Altering Documents. All instances of dishonesty will result in penalty without exception. The penalty for any offense in this course is a grade of "F" for the course and the incident will be reported to the Academic Vice President. I am not kidding about this. The CU Honor Code is available at <http://www.colorado.edu/academics/honorcode/>

Discrimination & Harassment Policy: The University of Colorado at Boulder policy on Discrimination and Harassment (<http://www.colorado.edu/policies/discrimination.html>), the University of Colorado policy on Sexual Harassment and the University of Colorado policy on Amorous Relationships applies to all students, staff and faculty. Any student, staff or faculty member who believes s/he has been the subject of discrimination or harassment based upon race, color, national origin, sex, age, disability, religion, sexual orientation, or veteran status should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127 or the Office of Judicial Affairs at 303-492-5550. Information about the ODH and the campus resources available to assist individuals regarding discrimination or harassment can be obtained at <http://www.colorado.edu/odh>

CLASSROOM BEHAVIOR POLICY: I generally make sure that this class starts and ends on time. It is especially important that an atmosphere which facilitates the maximum opportunity for learning be present at all times. 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. I, as faculty, have the professional responsibility to treat all students with understanding, dignity and respect, to guide classroom discussion and to set reasonable limits on the manner in which they and their students express opinions. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, culture, religion, politics, sexual orientation, gender variance, and nationalities. **Each student also has a responsibility for maintaining an appropriate learning environment.** Students who fail to adhere to such behavioral standards may be subject to discipline. It is expected that all students present on a given day be attentive, polite and not a source of distraction to the instructor or any other student. I reserve the right to ask you to leave the class or mark you as absent for disruptive behavior. Here are some common disruptive behaviors:

- a) Arriving late or departing early (except for a health *emergency*) unless you make prior arrangements with me.
- b) Reading the newspaper or notes for another class unless specifically instructed by me to do so.
- c) Surfing the internet.
- d) Talking with other students about matters extraneous to the course while the class is in session, and
- e) Taking or making cell-phone calls or responding to a pager, vibrating cell during class.

Cell phones, non-class related websites, beeping, chirping, singing, game-playing, text-messaging, yodeling, and otherwise noise-making electronic things should be turned OFF during class. If I catch anyone surfing or on their cell I will give the class a pop-quiz which will substitute for that week's homework. This will also bring your class participation grade down.

The subject matter in this class can be sensitive and many of us have strong feelings about some issues. We all need to practice listening to others even when their views may be diametrically opposed to our own and we need to think about what we say before we speak. We will all learn more and feel more comfortable expressing our own views in a respectful environment. For more information about the Classroom Behavior Policy, go to <http://www.colorado.edu/policies/classbehavior.html>

Class Schedule* :

		Topic	Readings**	Assignment
27-Aug	31-Aug	Introduction and Review , Inequality measures	Becker,	
5-Sep	7-Sep	Wealth Inequality, Poverty, and Mobility	Gottschalk	HW 1
10-Sep	14-Sep	Inequality and Growth-Trade	Lindert	HW 2
		Inequality and Property Rights		
		Inequality, Crime, and Corruption	Svensson	
17-Sep	21-Sep	Redistribution: Theory	TBA	HW 3
24 th Sep	28-Sep	Role of Government, Budget Deficits, Health issues	Blank	Draft I due for peer review on 28th
		Presentations		<u>paper I due 1st</u>
	10 th Oct	Should we really care about Inequality?		-
	12-Oct	Midterm		
15 th Oct		Allocation of time between household and Labor markets	Bergmann,	H W4
		Age	Waldfogel	
	26-Oct	Gender Labor Issues: price of motherhood, child care issues	Kimmel	
29 th - Oct		Policies Affecting Paid Work and Family, welfare		HW 5
		Occupational Segregation, The Human Capital Model	Card and Krueger	
		Discrimination: Labor Markets, partial eqb.	Heckman	
	16-Nov	Measurements of labor market discrimination	Schelling	HW 6
19-Nov	23-Nov	Thanksgiving and Fall Break		
26-Nov		Political Economy	Carnoy	HW 7
		Discrimination and labor market policies:AA	Revkin	
		Housing and Health segregation,	Zax, Benabou	Draft paper II due on 7th
	14-Dec	Review, and Catch-up, Presentations		<u>paper II due 10th Dec</u>
17 th	Mon	Final 10:30-1:30		

Dec				
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*Schedule may change a little bit if I think it is necessary. If so, I will announce the change in class.

****Additional Readings may be assigned during the semester.**