

PSCI 4016

INEQUALITY AND PUBLIC POLICY IN THE U.S. AND EUROPE



SPRING 2020

Professor SHIN

Time and Location: TTH 11:00 AM – 12:15 PM, ECCR 135

Contact: adrian.shin@colorado.edu

Office Hours and Appointments:

- Location: Ketchum 135
- Office Hours: Tuesdays and Thursdays 3:00–4:00 PM
- Make a 15-minute appointment via <https://professorshin.youcanbook.me>

Course Objective

This course is an advanced undergraduate course for students interested in the political economy of inequality and relevant public policies. The income gap between the most rich in the top one percent of the population and the rest, is the highest it has been since the financial crisis of 2008. The level of inequality is increasing not only in income flows, but also in the value of Americans' financial and social assets. This includes housing, educational attainment, and health outcomes. There is a debate on whether this is merely a natural result of the free market under capitalism, or if it represents the growth of an American oligarchy. Nonetheless, it is the most fundamental shift in the United States since the end of World War II. Comparatively, some European countries—England and Ireland, for example—have also seen large increases in inequality. Yet others, like Sweden and Germany, are exceptions to this growth in income and value gaps. While the United States is becoming more similar to some European countries in a number of aspects, it is also growing apart from others. Additionally, the growth of China and India as new economic powers in the international system has shifted global distributions of income and wealth, suggesting new welfare implications for different groups of Americans and Europeans.

This course will provide an in-depth understanding of factors that change the level of inequality in the US and in Europe, and its economic, political, and social consequences

across these states over time. As such, this course is comparative in nature. We will discuss America and the European states by comparing and contrasting them. The goal of this comparative study is to understand why they are different, and why these differences may be crucial in understanding public policy outcomes. We will begin the course by discussing what inequality means, where it comes from, and what it looks like empirically. This brings us to focus on inequality in contemporary America. We will learn about the U.S. distributions of income and resources, and understand how the growth of inequality we see today came to be. We will focus on the causes of inequality, and what its consequences are for the U.S. economy, society, and politics. In addition, we will consider economic inequality through the lens of historical gender and racial inequalities in America, and how their legacies and persistence today affect the gaps we observe.

The course then shifts the focus to Europe. We will first consider Europe in light of our discussion of America in the first half of the course. Why is inequality in Europe broadly lower than it is in America? Will Europe eventually reach American levels of inequality? What could be done if policymakers were to prevent this? We will then look at differences in inequality between European countries and explore their causes and consequences. We will also consider Europe's particular experiences with immigration. In the last section, we will finally conclude the course by looking to the developing world, particularly China and India, and how their rise to international economic power is affecting global inequality.

Textbooks

- Larry Bartels, *Unequal Democracy 2nd Edition* (2016)
- Alberto Alesina and Edward L. Glaeser, *Fighting Poverty in the USA and Europe*
- Branko Milanovic, *The Haves and the Have-Nots*

Evaluation

For a total possible score of **100,000 points**, your grade is made up of the following 5 components: (1) 26 daily quizzes (2) 2 exams; (3) a group presentation; (4) a final paper or project; and (5) attendance and participation. The grade breakdown of these components, along with their respective dates, is shown below.

You will automatically fail the entire course for plagiarism, cheating, fabrication, lying, bribery, threat, unauthorized access, resubmission, aiding academic dishonesty, and other behaviors I find unacceptable according to the University's Honor Code. Additionally, I will report all Honor Code violations to the Honor Council, the Department, and the Dean of Students.

- I. 26 Daily Quizzes (**26,000 points**): At the end of each class, you will be given a quiz based on the reading assignments and class discussions. **No make-up quiz will be given for unexcused or excused absences.** Students will need to find other ways to earn points elsewhere if they miss a quiz.

II. You will have two in-class **essay** exams in this course. No final exam will be given for this course because you will have a final paper to write. On each exam, you will be given two questions, but you only need to answer one. The exams are closed book; you are not allowed to use any notes or books.

(a) Exam 1 (**15,000 points**) – Thursday, 2/20

(b) Exam 2 (**15,000 points**) – Thursday, 4/7

(c) Exam Policy

- There will be no make-up exams offered for sickness/medical reasons/personal reasons, including a death in the family, unless students can satisfy the following two conditions: 1) provide documentation (e.g. a doctor's note from the Wardenburg Health Services), and 2) give me advance notice (if possible) that you will miss the exam. No-shows and non-submissions receive zero points.

III. Team Presentation (**15,000 points**)

- [OPTION 1] Your team will lead a class with a 15-minute presentation with **learning-by-doing (LbD)** class activities prepared and implemented by the team.
- [OPTION 2] Your team will choose and complete a group project on inequality and will present your work in class. *To select this option, you must come see me to get my approval at least two weeks prior to your team presentation.*

IV. Final Paper or Project (**20,000 points**) – Monday, 5/4 (due via Canvas at 11:00 AM)

- [OPTION 1] You will choose two countries in Western Europe to compare and contrast their levels of inequality and relevant public policies. Be sure to mention which type of inequality constitutes the focus of your paper and demonstrate the theoretical and empirical link between the type of inequality and the public policies you have chosen. Are the levels of inequality and public policies different or similar across the two countries? Explain why they are similar or different using primary and secondary sources. What *normative* implications do your findings suggest?
- [OPTION 2] Write a paper or create a project on a topic of your choice. *To select this option, you must come see me **by Thursday, April 9th** to get my approval. Physical projects must be presented in class on or before Thursday, April 30th. Make sure to consult me to schedule your in-class presentation.*
- You are encouraged to consult me during my office hours or make an appointment to discuss the topic of your choice.
- Late papers will lose **3,000** points per day (not per class). **Papers turned in after 11:00 AM on 5/6 will not be accepted.**
- Formatting Requirements:
 - Maximum of 6 pages

- 1 inch margins for all
 - Double-spaced
 - Times New Roman, 12-point
- *Non-compliant papers will lose 1,500 points per formatting violation.*
 - You must submit this paper both as a hard copy in class (this is the version that will be graded with comments) and electronically on Canvas so that we can verify its originality using turnitin.com. You will not receive credit for this paper until we have both a paper copy and your electronic version has passed the originality test.
 - You must use quotation marks and provide proper citations when you use exact words of another author. You also need to cite an author whose argument you summarize or paraphrase in your papers. Your papers must provide citations and a list of references for the sources of facts you use in them. Appropriate sources for papers will be discussed in class.
- V. **Participation (9,000 points):** Since this is a seminar, it is important for you to be present in class to participate. Students should come to class having read the materials and should be prepared to 1) summarize the author(s)' arguments, 2) describe the evidence or theoretical justification to support the arguments, and 3) provide three reading questions for each reading assignment. I will select students randomly to present their answers to the class and ask other students for their input. When students are not present to answer my questions in class, they will lose participation points. Only documented and excused absences, such as religious holidays, a death in the *immediate* family, medical emergency, etc., will not lose participation points.
- VI. **Attendance:** Since attendance is the least students can do to learn in a seminar, students are expected to be present in all class sessions. Students can fail the course by missing six class sessions regardless of the work they have done. For *unexcused* absences, penalties will apply as follows:
- First Absence: **-100** points
 - Second Absence: **-500** points
 - Third Absence: **-1,000** points
 - Fourth Absence: **-5,000** points
 - Fifth Absence: **-10,000** points
 - Sixth Absence **-50,000** points (At this point, you will be sure to fail the course.)
- VII. **Side Quests (Various Points):** Throughout the semester, you will have a variety of opportunities to increase your points by completing extra assignments. The maximum possible reward for completing each quest will not exceed 3,000 points. Note that side quests have due dates. You will not be able to complete a side quest after its due date.

GradeCraft™

We will be using **GradeCraft™** to keep track of your course progress. I will design side quests and make them available through the learning management system. More information about how to register for and use GradeCraft will follow on Thursday, 1/23.

Points to Letter Grade Conversion

*I will **not** be rounding up any points at the end of the semester. An excellent way to score more points is to complete the side quests on time.*

A: $\geq 94,000$

A-: $\geq 90,000$

B+: $\geq 87,000$

B: $\geq 84,000$

B-: $\geq 80,000$

C+: $\geq 77,000$

C: $\geq 74,000$

C-: $\geq 70,000$

D+: $\geq 67,000$

D: $\geq 64,000$

F: $< 64,000$

Regrading Policy

In this class, all grades are final. There is no process for filing a grade grievance. However, if you find a computational error, please let me know as soon as possible.

Email Etiquette

First of all, never address me by my first name or Mr. Shin. Other unacceptable salutations include informal greetings like "hey." The only acceptable forms are simple and the following: Professor Shin or Dr. Shin.

To help you write professional emails, I have posted some useful resources on Canvas about how to write emails to professors. This is a valuable skill to have as you navigate through college and prepare for your career. Please include a subject. I prefer something

like “[PSCI 4106]” followed by something indicative about the purpose of your email. For instance, if you want to discuss classroom accommodation due to your disability, the subject of your email can be “[PSCI 4106] Disability Accommodation and Extra Exam Time.”

Do not email me for the following reasons:

1. You missed a class session and want notes from me.
 - Instead, consult your classmates.
2. You are going to miss a class session for inexcusable reasons and want to let me know.
 - Letting me know does not make a difference.
3. You want to know whether you can take the final at some other time for inexcusable reasons.
 - The answer is no.

Course Outline

Students are required to complete the reading assignments **by** the associated date. (R) indicates the reading assignment has been made available via Canvas. (T) means it is from one of the textbooks. For a reading assignment with (W), you can click on its title to access the web sources.

Part A: What is Inequality?

- **Week One: Concepts and Background**
 - Tuesday, 1/14
 - * Read the syllabus.
 - * (R) Noah, Timothy. Series in *Slate* on Inequality “The Great Divergence”
 - Thursday, 1/16
 - * (T) Milanovic, Branko. Chapter 1 and Vignettes 1.1, 1.2, 1.3, and 1.10
- **Week Two: The Rich and the Poor since 10,000 BC**
 - Tuesday, 1/21
 - * (R) Diamond, Jared. *Guns, Germs, and Steel*. Chapters 1, 4, 5, 13, and 14
 - * (R) Clark, Gregory. Farewell to Alms, Chapter 1
 - Thursday, 1/23

- * (R) Boix, Carles and Frances Rosenbluith "Bones of Contention: The Political Economy of Height Inequality."
- * (W) Freeland, Chrystia. "The Rise of the New Global Elite." *Atlantic Monthly*, Jan/Feb 2011
- * (W) Peck, Don. "Can the Middle Class be Saved?" *Atlantic Monthly*, Sep 2011.

- **Week Three: Historical and Empirical Trends**

- Tuesday, 1/28
 - * (R) Piketty, Thomas. *Capital in the Twenty-First Century*. Introduction and Part 1
- Thursday, 1/30
 - * (R) Atkinson, Anthony B., Thomas Piketty, and Emmanuel Saez. "Top Incomes in the Long Run of History."
 - * (R) Albertus, Michael and Victor Menaldo. "Capital in the Twenty-First Century—in the Rest of the World"

- **Week Four: Democracy, Inequality, and Public Policy**

- Tuesday, 2/4
 - * (R) Acemoglu, Daron, Suresh Naidu, Pascual Restrepo, and James A. Robinson. "Democracy, Redistribution, and Inequality"
- Thursday, 2/6
 - * (R) Scheve, Kenneth and David Stasavage. "Democracy, War, and Wealth: Lessons from Two Countries of Inheritance Taxation."
 - * (R) Dorr, Dalton and Adrian J. Shin. "War, Inequality, and Taxation."

Part B: Inequality in America

- **Week Five: Income and Wealth Inequality in America**

- Tuesday, 2/11
 - * (T) Bartels, Larry. *Unequal Democracy*, Chapter 1
 - * (W) Scott, Janny and David Leonhardt "Class Matters: Shadowy Lines that Still Divide", *New York Times*
- Thursday, 2/13
 - * (R) Piketty, Thomas and Emmanuel Saez. "Income Inequality in the United States, 1913–1998."
 - * (R) Saez, Emmanuel "Striking it Richer: The Evolution of Top Incomes in the United States"

- **Week Six: Review (2/18) and Exam 1 (2/20)**

- **Week Seven: Politics of Inequality in America**

- Tuesday, 2/25

- * (T) Bartels, Larry. *Unequal Democracy*. Chapters 2, 3, and 8

- Thursday, 2/27

- * (T) Bartels, Larry. *Unequal Democracy*. Chapters 9 and 10

- * (R) Gilens, Martin and Benjamin I. Page. "Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens."

- * (R) Winters, Jeffrey A. and Benjamin I. Page "Oligarchy in the United States?"

- * (R) Connell, Brendan J., Dalton C. Dorr, and Adrian J. Shin. "Inequality and the Partisan Political Economy."

- **Week Eight: What do Americans think about Inequality?**

- Tuesday, 3/3

- * (T) Bartels, Larry. *Unequal Democracy*. Chapters 4 and 5

- Thursday, 3/5

- * (T) Bartels, Larry. *Unequal Democracy*. Chapters 6 and 7

- **Week Nine: Race, Gender and American Inequality**

- Tuesday, 3/10

- * (T) Alesina, Alberto and Edward L. Glaeser, Pages 133–166

- Thursday, 3/12

- * (R) Gilens, Martin. "How the Poor Became Black"

- * (R) Blau, Francine and Lawrence Kahn "The Gender Pay Gap"

Part C: Inequality in Europe

- **Week Ten: Why is Europe different from America? What are the Differences in Europe?**

- Tuesday, 3/17

- * (T) Alesina, Alberto and Edward L. Glaeser, Chapters 1, 2, and 3

- Thursday, 3/19

- * (T) Milanovic, Branko. Vignette 3.3

- * (R) Gosta Esping-Andersen, *Three Worlds of Welfare Capitalism*, Chapters 1 and 2

- * (R) Reid, T. R. *United States of Europe* Chapter 6

- **Week Eleven: Spring Break**
- **Week Twelve: Politics of Inequality in Europe**
 - Tuesday, 3/31
 - * (T) Alesina, Alberto and Edward L. Glaeser, Chapters 4 and 5
 - Thursday, 4/2
 - * (R) Rueda, David. “Insider-Outsider Politics in Industrialized Economies.”
- **Week Thirteen: Review (4/7) and Exam 2 (4/9)**
- **Week Fourteen: What do Europeans Think of Inequality?**
 - Tuesday, 4/14
 - * (T) Alesina, Alberto and Edward L. Glaeser, Chapter 7
 - Thursday, 4/16
 - * (R) Kaltenthaler, Karl, Stephen Ceccoli, and Ronald Gelleny. “Attitudes toward Eliminating Income Inequality in Europe.”
 - * (R) Cavallé, Charlotte and Kris-Stella Trump. “The Two Facets of Social Policy Preferences.”
- **Week Fifteen: Race, Inequality, and Migration in Comparative Perspective**
 - Tuesday, 4/21
 - * (T) Alesina, Alberto and Edward L. Glaeser, Pages 166–181
 - * (R) Lieberman, Robert. “Race and the Limits of Solidarity.”
 - * (R) Luttmer, Erzo F. P. “Group Loyalty and the Taste for Redistribution.”
 - * (R) Burgoon, Brian, Ferry Koster, and Marcel van Egmond. “Support for Redistribution and the Paradox of Immigration.”
 - Thursday, 4/23
 - * (W) Portes, Jonathan. “**The Economic Impacts of Immigration to the UK.**”
 - * (R) Timmer, Ashley and Jeffrey G. Williams. “Immigration Policy Prior to the 1930s: Labor Markets, Policy Interactions, and Globalization Backlash.”
 - * (R) Peters, Margaret E. and Adrian J. Shin. “Inequality and Immigration Policy.”

Part D: Global Inequality and Justice

- **Week Sixteen: Which inequality should we care most about?**
 - Tuesday, 4/28
 - * (R) Pritchett, Lant. “Divergence Big Time”

- * (W) Posner, Eric A. and Glen Weyl. “A Radical Solution to Global Income Inequality: Make the U.S. More Like Qatar.”
 - * (W) Iqbal, Farrukh. “Migration as a Way to Reduce Global Inequality.”
- Thursday, 4/30
- * (T) Milanovic, Branko. Vignette 1.9, Chapters 2 (pp. 95–108) and 3 (pp. 149–164).

University Policies

Disability Statement

If you qualify for accommodations because of a disability, please give me (during office hours or via an appointment) a letter from Disability Services in a timely manner (for exam accommodations provide your at least one week prior to the exam) so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities. Contact Disability Services at 303-492-8671 or by email at dsinfo@colorado.edu. If you have a temporary medical condition or injury, see [Temporary Medical Conditions](#) under the Quick Links at the [Disability Services website](#) and discuss your needs with me.

Honor Code

All students enrolled in a University of Colorado Boulder course are responsible for knowing and adhering to the [academic integrity policy](#) of the institution. Violations of the policy may include: plagiarism, cheating, fabrication, lying, bribery, threat, unauthorized access, clicker fraud, resubmission, and aiding academic dishonesty. All incidents of academic misconduct will be reported to the Honor Code Council (honor@colorado.edu); 303-735-2273). Students who are found responsible for violating the academic integrity policy will be subject to nonacademic sanctions from the Honor Code Council 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](#). **In this class, your sanction for any violation of the honor code will be failing the course.**

Religious Observance

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. If you have a potential class conflict because of religious observance, you must inform me two weeks prior to the event. See the [campus policy regarding religious observances](#) for full details.

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 differences of race, color, culture, religion, creed, politics, veteran's status, sexual orientation, gender, gender identity and gender expression, age, disability, and nationalities. 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](#).

In this class, appropriate classroom behavior includes arriving on time and remaining for the entire class. Do not sleep, read the newspaper, send email or text messages, play games, have private conversations, etc. during class. Be sure to turn off your cell phones before class begins.

Sexual Misconduct, Discrimination, Harassment, or Related Retaliation

The University of Colorado Boulder (CU Boulder) is committed to maintaining a positive learning, working, and living environment. CU Boulder will not tolerate acts of sexual misconduct, discrimination, harassment or related retaliation against or by any employee or student. CU's Sexual Misconduct Policy prohibits sexual assault, sexual exploitation, sexual harassment, intimate partner abuse (dating or domestic violence), stalking or related retaliation. CU Boulder's Discrimination and Harassment Policy prohibits discrimination, harassment or related retaliation based on race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation or political philosophy. Individuals who believe they have been subject to misconduct under either policy should contact the Office of Institutional Equity and Compliance (OIEC) at 303-492-2127. Information about the OIEC, the above referenced policies, and the campus resources available to assist individuals regarding sexual misconduct, discrimination, harassment or related retaliation can be found at the [OIEC website](#).