

University of Colorado at Boulder
Department of Economics

Prof. Jeffrey S. Zax
zax@colorado.edu
<https://www.colorado.edu/economics/people/faculty/jeffrey-zax>

Economics 4626
Syllabus and schedule
11 January 2023

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 economic causes of inequality and discrimination, and to discuss the implications of these causes for public policy.

and midterm examinations. You should expect every class, including the first class, to occupy the entire scheduled time. You should expect to attend every class. If you miss any of the first three classes, on January 17, 19 and 24, without an approved excuse, you will be dropped from the course.

I will hold regular office hours between 10:30 a.m. and 12:00 p.m. on Tuesdays and 12:30p.m.-2:00p.m. on Wednesdays in my office, Economics 111 and via Zoom (<https://cuboulder.zoom.us/my/jeffreyzax>). Appointments may be made for meetings at other times, if these are inconvenient. Course information will be posted on Canvas as needed. Notifications will be posted there as well, or sent via Canvas email or campus email. It is your responsibility to monitor both.

Course prerequisites:

This course requires previous completion of Economics 3070, Intermediate Microeconomic Theory, or its equivalent. This prerequisite will be enforced. Anyone uncertain with regard to their preparation should consult with me immediately.

This course requires good auditory comprehension in the English language. Most of the important course material is presented verbally. The ability to follow the discussion is essential for successful course completion.

This course requires good reading comprehension in the English language. The remaining course material is presented in journal articles that are written for a general but well-prepared audience. While these articles are relatively short, they are also relatively dense. The ability to understand their content and extract what is most important is essential.

Finally, the ability to write effectively in the English language is very important. All of the graded elements of the course require original composition. Most of it is in the form of short responses of up to six sentences. However, one three-page and one five-page essay are also required.

Course requirements:

Performance in this course will be judged on the basis of five graded assignments. Three of the assignments are examinations. They will ordinarily consist of short essay questions of

These examinations will consist of short answer essay questions. The first midterm examination will address the material in lectures 2 through 8. The second midterm examination will address the material in lectures 9 through 21.

Papers

Two graded assignments are papers. Each will analyze the issues presented in a case from the Harvard Business School, based on our course material. Both papers must be type-written, double-spaced, with conventional margins. Papers that exceed the maximum lengths, either in physical length or because of compressed formats, will be penalized.

These papers must be submitted electronically through the course Canvas website in the Adobe .pdf format. Make sure that you arrange to convert your papers to .pdf format before the deadline for submission. Speak with me in advance if you anticipate difficulty with this requirement.

The first term paper is a three-page discussion of Inequality and Globalization, Harvard Business School Product No. 705040-PDF-ENG. It will be due on 28 February unless class progress deviates significantly from expectations. It will be worth 20 points, or 6.6% of the course total.

The second paper is a five-page discussion of Brazil Under Lula: Off the Yellow BRIC Road, Harvard Business School Product No. 707031-PDF_ENG. It will be due on 25 April unless class progress deviates significantly from expectations. It will be worth 50 points, or 16.7% of the course total.

Papers that are submitted after the associated deadline without my approval will be assessed a penalty of one point for each day or partial day beyond the deadline. Papers submitted more than ten days late without my approval will receive a score of zero. If you anticipate difficulty meeting either of these deadlines, discuss your situation with me in advance.

Students may cooperate with each other in preliminary analysis of the cases. However, each student must submit their own paper, in their own words. If a paper shares any substantial common text with any other source, the submitting student will receive the grade of "F" for the course and will be reported to the Honor Code Council for violating our standards of academic integrity.

Both cases may be purchased at <https://hbsp.harvard.edu/import/987910>. You will need to register at the website in order to obtain access. It will provide you with .pdf copies of the cases which you can save and print. The cases each cost \$4.25.

All students must adhere strictly to all standards of academic integrity. This requires that you submit papers that consist largely of your own words, with proper attribution for text that originates from any other source. All methods of composition that rely in any way on artificial intelligence are prohibited. If I suspect that artificial intelligence has been employed in the composition of any paper, it will be the student's responsibility to demonstrate the contrary in order to avoid sanctions.

Any act of academic dishonesty will result in a grade of "F" for the course and referral to the Honor Code Office for possible non-academic sanctions. Information regarding the Honor Code academic integrity policy can be found at the [Honor Code Office website](#).

Course resources:

All assigned articles are from the [Journal of Economic Perspectives](#). They are available as .pdf files on our Canvas website.

Tentative course schedule and assigned readings:

Lecture schedule

<u>Date</u>	<u>Lecture number</u>	<u>Lecture title, readings and assignments</u>
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I. The Measurement of Inequality

Tuesday, January 17	1.	Introduction
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Thursday, January 19	2.	Simple inequality measures
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Banerjee, Abhijit and Esther Duflo (2008) "What is middle class about the middle classes around the world?", [Journal of Economic Perspectives](#), Vol. 22, No. 2, Spring, 3-28.

Tuesday, January 24	3.	Lorenz curves and Gini coefficients
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III. The Microeconomics of Distribution

Thursday, February 16 9. Investments in human capital: Schooling, training, experience and the value of life

Deming, David J. (2022) "Four facts about human capital", Journal of Economic Perspectives, Vol. 36, No. 3, Summer, 75-102.

Tuesday, February 21 10. 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. 3, Summer, 93-118.

Thursday, February 23 11. Inequality as an incentive

Tuesday, February 28 12. The inheritance of economic status and children's welfare

Aizer, Anna, Hilary Hoynes and Adriana Lleras-Muney (2022)

"Children and the US social safety net: Summary of findings from the Survey of Income and Program Participation (SIPP)", Journal of Economic Perspectives, Vol. 36, No. 3, Summer, 119-142.

- March 2 13. Local externalities, peer effects and inequality
- 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.
- Tuesday, March 7 14. Intragenerational mobility
- Thursday, March 9 15. Income, earnings and wage inequality
- Acemoglu, Daron and James A. Robinson (2015) "The rise and decline of the general laws of capitalism", Journal of Economic Perspectives, Vol. 29, No. 1, Winter, 3-28.
- Hoffmann, Florian, David S. Lee and Thomas Lemieux (2020) "Growing income inequality in the United States and other advanced economies", Journal of Economic Perspectives, Vol. 34, No. 4, Fall, 52-78.
- Tuesday, March 14 16. Wealth inequality
- Kopczuk, Wojciech (2015) "What do we know about the evolution
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Thursday, March 23 19. Poverty

Hoynes, Hilary W., Marianne E. Page and Ann Huff, (2006) "Poverty in America: Trends and explanations", Journal of Economic Perspectives, Vol. 20, No. 1, Winter, 47-68.

Page, Lucy and Rohini Pande (2018) "Ending global poverty: Why money isn't enough", Journal of Economic Perspectives, Vol. 32, No. 4, Fall, 173-200.

Tuesday, April 4 20. Well-being

Kahneman, Daniel and Alan Börs

V. Discrimination and anti-discrimination policies

Tuesday, April 18 23. Race, ethnicity and the

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 available to discuss any issues of individual or group treatment in office hours or by appointment.
- The following pages present the University's required "Syllabus Statements", which apply to this course in their entirety.

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

SYLLABUS STATEMENTS

CLASSROOM BEHAVIOR

Both students and faculty are responsible for maintaining an appropriate learning environment in all instructional settings, whether in person, remote or online. 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. For more information, see the classroom behavior policy, the Student Code of Conduct and the Office of Institutional Equity and Compliance.

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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 303-441-8671 or dsinfo@colorado.edu for further assistance. If you have a temporary medical condition, see [Temporary Medical Conditions](#) on the Disability Services website.

PREFERRED STUDENT NAMES AND PRONOUNS

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believe they have been subjected to misconduct can contact OIEC at 970-491-127 or email cureport@colorado.edu information about university policies,