

Econ 344--Seminar on
The Economics of Poverty and Discrimination

Spring 2001

Prof. Peter Gottschalk
Carney 334
(617)552-4517
Office Hours
Tues 4-5 (except 4 days)
Thur 10:30-12

Course Outline

Format-- This course will be run as an upper division seminar. During the first part of the course I will present material . The last third will consist of a set of debates on public policy initiatives. The course requires active student participation and substantial writing.

Books-- The required texts for the course are:

There Are No Children Here by Alex Kotlowitz
America Unequal Sheldon Danziger and Peter Gottschalk
The Economics of Poverty and Discrimination Schiller
It Takes a Nation Rebecca Blank

Grades-- Grades will be assigned on the basis of your class average, using the following weights:

Midterm	25%
Papers	
Paper #1	10
Paper #2	15
Paper #3	15
Final	<u>35</u>
	100

Class participation will make a crucial difference if you are on the borderline between two grades.

Papers-

Paper #1

You are to read There Are No Children and write a 2-3 page *well-written* p **memo** giving your policy prescriptions for dealing with the problems faced by the family in this book. You are not expected to do any library research for this paper. It is to reflect your current beliefs about what works and what does not work. The paper will be graded solely on the basis of the logic of the argument and the quality of the writing. The paper is **due in class Thursday January 25, 2001** .

Paper #2

Based on the material covered in class and your own library research you are to critically evaluate the policy proposals you offered in paper #1. What was wrong with your initial proposals? Were they consistent with the evidence? How would

you modify your proposal. This **memo** should be 3 to 5 pages. The date for this paper will be announced in class.

Paper #3

Students will be divided into groups to debate a recent public policy issue. Each group will be asked to prepare a 10 page brief for or against a specific policy which was either proposed in the recent past or is currently being debated. The arguments in these papers should be based on fact not assertion. A key element will be building a factual case. Each group will distribute copies of its brief to each member of the class. Students will be expected to have read these briefs before coming to class where the topic will be debated. Deadlines that will be distributed once the debates are scheduled.

Deadlines

The ability to meet deadlines is an important part of this course. Failure to meet these deadlines will result in a 10 percentage point reduction in the grade for that assignment for each day late, so be sure you can meet the deadline.

Sources and plagerism

All sources must be documented carefully. This requires footnotes as well as citation in the bibliography. I have very high standards for academic honesty so, in case of doubt, either cite or ask me if it should be cited.

Primary sources should be used. Magazines and the internet should be used with caution since there is little or no assurance that this material has been screened for accuracy. For example, it is acceptable to use material from government documents on the internet but not from a personal web page. In case of doubt try to get a primary source to verify the information.

A useful WWW site with access to government data is economicsearch.com

Syllabus

Introduction

Overview

The role of evidence and statistical analysis

Review of univariate statistics

Review hypothesis testing from your statistics book

Regression

Review regression from your statistics book

The Background

Growth in Inequality

Facts

Schiller Ch 1

Danziger and Gottschalk Ch 1,3,5 and 6

Causes

Danziger and Gottschalk Ch 7

Discrimination

Facts

Schiller Ch 10

Causes

Schiller Ch 8 9 10

Policies

Schiller Ch 14

Poverty

Dimensions of the problem

Definition and measures of Poverty

Blank Ch 1

Schiller Ch 2

The Underclass Debate

Schiller Ch 7

Welfare dependency

Schiller Ch 11 12

Policy Responses

Overview of Policies

Danziger and Gottschalk _Ch 2

Blank Ch 2

Income Transfers

Public Transfer Programs

Blank Ch 3,4 and 6

Danziger and Gottschalk _Ch 4

Tax programs (EITC)

Danziger and Gottschalk Ch 8

Private Charity

Blank Ch 5

Education and Training

Schiller Ch 13

Employment Policies

Schiller Ch 3

Potential debate topics

1. Enterprise zones and other geographic based programs should be expanded
2. Welfare programs can be designed to encourage work and discourage having more children
3. Immigration of less skilled workers should be limited

Memo

To : Peter Gottschalk
From: Your Name
Subject: Policy Proposal
Date: September 15, 1994

This memo identifies three problems faced by the Rivers family, offers three policy responses to these problems and describes the type of evidence necessary to evaluate these policies.

Problems

I focus on three problems:

- Education-- Lafayette and Pharoah will not be able to compete in the labor market because of the inadequate education they receive....
- Housing-- The Rivers family.....

- Crime--

Policy Proposal

To deal with these problems I would advocate the creation of one new program and the expansion of....

- Privatize schools--

Needed Evidence

To evaluate the effectiveness of these programs....