SUP-206: The Causes and Consequences of Inequality

Professor David Deming
Office: 452 Taubman
Email: david_deming@havard.edu
Classroom: TBD
Monday 4:15 – 7:00 PM

Overview

This is a survey course about economic and social inequality. The goals of the course are to 1) provide you with a broad and balanced perspective on what social science has to say about the causes and consequences of inequality; 2) introduce positive and normative frameworks for discussions about the consequences of inequality; 3) understand how broad societal forces that are driving increasing inequality relate to specific policy choices at the Federal, state and local levels.

The course is offered weekly on Monday evenings. We will begin with two weeks of introductory lectures to set the stage. Then we will explore the relationship between long-run, macro forces of inequality and micro policy issues with a series of modules on particular topics. Each module will begin with a lecture on the day’s topic. The lectures will be interspersed with guided group work that is focused on designing policy solutions to the challenges raised in the lecture and readings. Assignments will be structured as follow-ups to the class discussion each week. Finally, each class (after the first 2) will begin with a policy discussion that is motivated by the previous week’s lecture and assignments.

Assignments

Quizzes

Every class after the first two will begin with a short multiple quiz to assess your knowledge of the readings. Quizzes will occur during the first 5 minutes of class and will be administered on the course webpage. There will be no makeup quizzes — students with excused absences will simply have their quiz grade averaged over the remaining weeks.

Reaction Papers

Students will be responsible for writing five reaction papers. Reaction papers should be 1 to 2 pages long and should offer (1) a concise and preferably integrated summary of the major arguments in that week’s readings; (2) a critical evaluation of one or more of the readings, including a discussion of limitations in the research; (3) a short statement about policy implications.

Reaction papers will be graded on a check, check-plus, check-minus standard. A check responds thoughtfully to the assignment; a check-plus shows unique/exemplary insight in its reflection and critique; a check-minus has one or more serious problems or shows little effort. Papers should be posted to the Canvas site (specific location TBA) by midnight on the Sunday before Monday’s class each week. Reaction paper assignments will be timed so that they are due before the beginning of a new module.
Written Testimony

Following each week’s class, students may prepare 3-5 pages of written testimony in response to the policy issues raised during discussion. Students may submit written testimony either individually or in pairs. I strongly encourage you to work in pairs, although I understand that this sometimes not practical. Each student will be responsible for 3 written testimony submissions. Written testimony should be submitted to the course page by midnight on the Friday before Monday’s class. The written testimony can build on your reaction paper from the previous week, but it should also reflect class discussion and should address the specific debate question at hand. In some cases, the written testimony will be in response to a specific policy proposal.

Written testimony should be evidence-based (with citations), but also concise and persuasive. I will discuss the guidelines for testimony in more detail in class.

Final Exam

We will have a take home final exam (date and time TBD). The exam will cover all course material and will be administered over a period of approximately 24 hours.

Grading and Course Logistics

Course grades will be based on the following components:

- Quizzes: 10%
- Reaction papers: 25%
- Written Testimony: 25%
- Final Exam: 30%
- Class Participation: 10%

Group written testimony will receive a single grade. However, each member of the group may submit to me (privately) an estimate of the share of total work done by each group member, and I reserve the right to modify individual grades for group assignments based on this feedback.

I have made a few pedagogical choices for this course that are guided by research evidence. First, all lecture classes will begin with a very short multiple choice quiz that is designed to test your knowledge of the readings. While this may seem overly paternalistic, research evidence clearly shows that frequent quizzing increases learning. Second, in response to research evidence that they are harmful for student learning, I have decided to ban laptops and other electronic devices from the lecture portions of class (you may use your laptops when working in groups). If you have a specific reason that you must use an electronic device in the classroom, please come see me and we can discuss it. Third, I have structured the assignments deliberately as a combination of individual and group work, with opportunities for reflection and improvement along the way. I will say more about this in class.

You must abide by the HKS Academic code and the university’s policies on academic integrity.
Readings and Course Schedule

All readings will be made available electronically on the course website. The readings for each module are required. In the process of preparing your written testimony, you may consult with other sources. I am happy to provide additional readings on any topic, or to help curate among the sources that you are considering.

1/22 – Overview – Inequality in the U.S. and around the World
1/29 – Normative Dimensions of Inequality and Intergenerational Mobility
2/5 – Education and Skills – Macro Perspective
2/12 – Educational Institutions – Preschool, K-12, Higher Education
2/19 – NO CLASS (President’s Day)
2/26 – Families, Health and Early Environments
3/5 – Segregation and Neighborhoods
3/12 – NO CLASS (Spring Break)
3/19 – Race, Discrimination and Criminal Justice
3/26 – Labor Market Institutions – Unions, Minimum Wage and Worker Bargaining Power
4/9 – The Top 1 Percent – Wealth Inequality, Taxation and Superstars
4/16 – The Politics of Inequality – Elite Influence, Mass Media and Money in Politics
4/23 – The Future of Inequality – A World Without Work?

Course Overview - Inequality in the U.S. and around the World (1/22)

Please read the series of articles for Slate by Timothy Noah on “The Great Divergence” (you will not be quizzed on this material, but it is a great and highly readable introduction to the issues we will be discussing throughout the semester.)


OECD. 2011. *Divided We Stand: Why Inequality Keeps Rising.* (Executive Summary).
And a 2016 update on income inequality:
OECD. 2016. “Income inequality remains high in the face of a weak recovery”.


Normative Dimensions of Inequality and Intergenerational Mobility (1/29)


Okun, Arthur M. *Equality and efficiency: The big tradeoff.* Brookings Institution Press, 2015 (NB – this link is to a short version with only key passages. I didn’t want to assign an entire book – but you should really read the whole thing!)


**Education and Skills – Macro Perspective (2/5)**


**Educational Institutions – Preschool, K-12, Higher Education (2/12)**


Families, Health and Early Environments (2/26)


Segregation and Neighborhoods (3/5)


Familiarize yourself with this application of the Schelling segregation model. Play around with different configurations (a tip – when the share of empty cells decreases, the model takes much longer to converge.) Plug in some of the estimated tipping points for major U.S. cities from the Card, Mas and Rothstein paper, and experiment with different white/nonwhite shares.


Race, Discrimination and Criminal Justice (3/19)


**Labor Market Institutions – Unions, Minimum Wage and Worker Bargaining Power (3/26)**


Research on the China Shock - [http://chinashock.info/](http://chinashock.info/) - Read the following papers:


The Top 1 Percent - Wealth Inequality, Taxation and “Superstars” (4/9)


The Politics of Inequality – Elite Influence, Mass Media and Money in Politics (4/16)


The Future of Inequality: a World without Work? (4/23)

Thompson, Derek. “A World Without Work,” The Atlantic, July/August 2015.


