Syllabus: Economics of Inequality

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Scheduled Course Time

This course will be in hybrid synchronous/asynchronous online format.

Required: ZOOM class meetings: Tuesdays 10-11:15am

Video lectures, readings, assignments, quizzes, and exams on Canvas.

Optional: ZOOM office hour: Thursdays 10-11:15am

Please see the course calendar for exceptions to the schedule and for assessment dates.

Canvas Site: https://rutgers.instructure.com/courses/76728

Description: The increase in income inequality in the past decades as well as the persistent socio-economic inequality between groups in the United States has been one of the most pressing issues in economics and in the current policy debate. The course covers the history of income distribution in the United States. It lays a theoretical foundation using insights from behavioral economics and Rawlsian economics. We learn how to measure and define inequality. We analyze the causes and consequences of economic inequality. Finally, we discuss the effects of government institutions and policy.

Learning Goals: • Learn how to define and measure inequality
• Understand the assumptions economists make about preferences and markets
• Learn about the income and wealth distribution in the US and changes to the distribution since 1900
• Become able to discuss the causes and consequences of the most recent increase in economic inequality
• Learn about racial inequality and understand the connection between segregation, income and wealth

• Become able to analyze the interplay between economic outcomes and government policy
• Being able to contrast different interpretations of evidence and economic theory and understand resulting different views on economic policy
• Improve ability to understand past and present interrelationships among diverse political, social, racial/ethnic and/or gender groups
Grading: Quizzes: 30 %
Exams: 50 % Data project: 10% Attendance: 10 %
Grading scheme: 90-100 A 85-89 B+ 75-84 B 70-74 C+ 60-69 C 50-59 D 0-49 F
***There is no extra credit***

Academic
As an academic community dedicated to the creation, dissemination, and Integrity: application of knowledge, Rutgers University is committed to fostering an intellectual and ethical environment based on the principles of academic integrity. Academic integrity is essential to the success of the University’s educational and research missions, and violations of academic integrity constitute serious offenses against the entire academic community. The Academic Integrity Policy can be found here: http://academicintegrity.rutgers.edu

21:220:330:01 Economics of Inequality Fall 2020 Department of Economics, Rutgers-Newark

Policies

• **Exams:** There are two exams, a midterm (October 27 during class time) and a final (University final exam period). These are held during the designed times on Canvas. Exams consist of a mix of short answer, open-ended long answer questions and calculations/ math problems based on the material and assignments covered.

• Make-ups are for emergencies only. If you are unable to attend one of the exams you MUST have a verifiable excuse (a doctor’s note) and let me know BEFORE the exam takes place, otherwise you will get a 0% for the exam.

• **Quizzes:** There will be weekly/ biweekly quizzes, about 7-9, posted on Canvas. These are multiple choice or short answer and based on lectures, class discussions, readings, and assignments. Your lowest Quiz grade will be dropped. There are no make-ups.

• **Data Project:** For the project you will analyze data on the distribution of income for either a specific country, time period, or groups. Details will be discussed in class and posted on Canvas. You submit an excel file and a 1-2 page report.

• **Attendance:** is taken for required class meetings/ discussions usually scheduled on Tuesdays. Attendance for class time set aside for Q&A is not
mandatory, usually Thursdays. Mandatory dates are underlined below and noted on the Canvas course schedule.

- **Course outline** is subject to change. It is your responsibility to attend class meetings and check the **course site on canvas** regularly for course materials and announcements.

21:220:330:01 Economics of Inequality Fall 2020 Department of Economics, Rutgers-Newark

**Tentative Course Outlines — check Canvas for updates, readings, and deadlines!**

**Wk Dates Module/Topic**

1 T Sep. 1

R Sep. 3

Introduction

2 R Sep. 10 Preferences and Fairness

T Sep. 15 R Sep. 17

Measurement of Economic Inequality in theory

4 T Sep. 22 R Sep. 24

Measurement of Economic Inequality in practice

5 T Sept. 29

R Oct. 1 Income Distribution in the US

T Oct. 6

6 R Oct. 8 Wealth Distribution in the US

T Oct. 13

7 R Oct. 15 Top Incomes and Taxation

T Oct. 20

8 R Oct. 22 Geography of Opportunity

T Oct. 27 **MIDTERM**

9 T Nov. 3

10 R Nov. 5 Segregation, Racism, and Opportunity
Bibliography

https://eml.berkeley.edu/~saez/atkinson-piketty-saezJEL10.pdf updated summary: Striking it richer


Online Resources:


Distributional national accounts: http://gabriel-zucman.eu/usdina/
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Geography of Opportunity: https://www.opportunityatlas.org

Nelson, Robert K. , LaDale Winling, Richard Marciano, Nathan Connolly, et al.,
“Mapping Inequality,” American Panorama, ed.  
https://dsl.richmond.edu/panorama/redlining/#loc=5/39.1/-94.58

Segregated by design VIDEO  
https://www.segregatedbydesign.com

World Inequality Databases:  
https://www.wider.unu.edu/project/wiid-world-income-inequality-database  
Visualization: https://www4.wider.unu.edu  

https://wid.world