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

Course Time and Location
Monday & Wednesday 10-11:20am
ENG-209

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 social welfare theories. 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.
Grading:  
Quizzes: 30%  
Exams: 50%  
Data project: 20%

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 Integrity:  
As an academic community dedicated to the creation, dissemination, and 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
Policies

- **Exams:** There are two exams, a midterm and a final. 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 8, 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 2-5 page report.

- **Attendance:** You are expected to attend class. Class is where we discuss the material and go over assignments. While there is no grade for attendance, class participation is crucial for doing well on the exams and your participation is considered when you are between grades.

- **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.
### Tentative Course Outline — check Canvas for Updates, Readings, and Quiz deadlines!

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<tr>
<th>Wk</th>
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<td>Introduction</td>
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References / Readings

Note: Specific reading assignments/changes/updates will be posted in Canvas in the Module Section.

Module 1: Preferences and Fairness

We cover material from The CORE team, The Economy. Available at: https://www.core-econ.org © CORE Economics Education (CORE) is licensed under the Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License.

Unit 4 “Social Interactions”

Unit 5 “Property and power: Mutual gains and conflicts”

Module 2: Measurement of Economic Inequality

Unit 19 “Economic Inequality”

Core Insights: “A World of Differences”

Module 3: Income and Wealth Distribution in the US


Defining the middle class: Cash, credentials, or culture?
Richard V. Reeves, Katherine Guyot, and Eleanor Krause, May 7, 2018
https://www.brookings.edu/research/defining-the-middle-class-cash-credentials-or-culture/

Module 4: Intergenerational Mobility and the Geography of Opportunity

The Opportunity Atlas: Mapping the Childhood Roots of Social Mobility
Raj Chetty, John Friedman, Nathaniel Hendren, Maggie R. Jones, Sonya R. Porter
NBER working paper no. 25147, October 2018
https://opportunityinsights.org/paper/the-opportunity-atlas/
Module 5: Segregation, Racism, and Opportunity

Race and Economic Opportunity in the United States: An Intergenerational Perspective
Raj Chetty, Nathaniel Hendren, Maggie R. Jones, Sonya R. Porter
Quarterly journal of economics, volume 135, issue 2, may 2020, pages 711–783, March 2018
https://opportunityinsights.org/paper/race/

https://wwwnorton.com/books/The-Color-of-Law/

Module 6: Inequity and Health

How Economic Inequality Inflicts Real Biological Harm. This article was originally published with the title "The Health-Wealth Gap" in Scientific American 319, 5, 62-67, November 2018

Mortality and Morbidity in the 21st Century
Anne Case and Sir Angus Deaton, March 23, 2017


Module 7: Education, Technology, Globalization
