

University of California - Davis
Integrated Studies 8C: Inequality
Fall 2004

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SYLLABUS

The readings to be purchased come in the form of a two-volume reader called "The Packet for IST 8C." Both volumes of The Packet is now on sale at Navin's Copy Shop, on the corner of 3rd Street and University Avenue. The readings in Volume 1 will be discussed at various dates up to the midterm on November 3rd. Volume 2 of The Packet covers the material after the midterm.

In what follows, only the readings marked "A" are assigned. Readings marked "R" are just recommended extra reading, not assigned, and are not available in The Packet. (You might want to look at some "R" readings as sources for your term paper.) Material on the lecture handouts is also assigned, except where the handout says "optional."

American Economic Inequality Today

- A: • Paul Krugman, "For Richer: How the Permissive Capitalism of the Boom Destroyed American Equality." *New York Times Magazine* 20 October 2002. (In Packet, Volume 1.)
- Martin Feldstein, "Reducing Poverty, Not Inequality." *The Public Interest*, Fall 1999: 33-41. (Also in the Packet.)
- Larry Bartels, "Homer Gets a Tax Cut: Inequality and Public Policy in the American Mind." Princeton, March 2004. [Not in Packet: Handed out in first class.]
- Robert Frank and Philip Cook, *The Winner-Take-All Society* (1995), Chs. 1-2, 8, 11. (Packet again.)

- R: Edward N. Wolff, *The Economics of Poverty, Inequality, and Discrimination*. (Southwestern, 1997).
- Graef Crystal, *In Search of Excess: The Overcompensation of American Executives* (W.W. Norton 1991), esp. Ch. 13.
- Derek Bok, *The Cost of Talent: How Executives and Professionals are Paid and How It Affects America*. (Free Press, 1993). Separate chapters cover corporate executives, doctors, lawyers, professors, teachers, and government officials.
- John M. Abowd and Michael L. Bognanno. "International Differences in Executive and Managerial Compensation." In Richard B. Freeman and Lawrence F. Katz (eds.), *Differences and Changes in Wage Structures*. (University of Chicago Press 1995), 25-66.

The History and Geography of Unequal Outcomes

- A: No Packet readings assigned. Lecture and lecture handouts cover this.

- R: François Bourguignon and Christian Morrisson. "The Size Distribution of Income among World Citizens: 1820-1990." *American Economic Review* 92, 4 (September 2002): 727-744.

Lant Pritchett, "Divergence Big Time," *Journal of Economic Perspectives* 11, 3 (Summer 1997): 3-17.

Peter Lindert, "Three Centuries of Inequality in Britain and America." In A.B. Atkinson and François Bourguignon (eds.), *Handbook of Income Distribution*, volume 1. (Amsterdam, 2000): 167-216.

Theories of Justice and Fairness

A: • John Arthur and William H. Shaw (eds.), *Justice and Economic Distribution* (Prentice-Hall 1978), excerpts from Pages 15-99 on Rawls and Nozick.

• Milton Friedman, *Capitalism and Freedom* (1962), 161-195 = Chs. X (The Distribution of Income), XI (Social Welfare Measures), and XII (Alleviation of Poverty).

R: John Rawls, *A Theory of Justice* (1999 edition), parts of Chs. 1, 5.

Amartya Sen, *Inequality Re-Examined* (Harvard, 1995), 1-30.

On utilitarianism: Chapter in John Arthur and William H. Shaw (eds.), *Justice and Economic Distribution* by Smart.

Stephen Nathanson, *Economic Justice* (Prentice-Hall 1998).

John E. Roemer, *Equality of Opportunity* (Harvard 1998), 1-24.

Inequality and Ability

A: • Claude Fischer *et al.*, *Inequality by Design: Cracking the Bell Curve Myth* (1996), Chs. 1, 2, and 4 and Appendix 1.

R: Richard Herrnstein and Charles Murray, *The Bell Curve: Intelligence and Class Structure in American Life* (Free Press 1994), Chs. 5, 6, and 21. On two-hour reserve: BF431.H398.1994.

The whole *Inequality by Design* book is also on two-hour reserve: BF431.I513.1996.

Steven Fraser (ed.), *The Bell Curve Wars*. (Basic Books 1995).

Bernie Devlin *et al.* (eds.), *Intelligence, Genes, and Success: Scientists Respond to the Bell Curve*. (Springer 1997).

Christopher Jencks and Meredith Phillips (eds). *The Black-White Test Score Gap* (Brookings Institution, 1998).

Stephen Jay Gould. *The Mismeasure of Man*. Second edition (W.W. Norton 1996.)

Flynn, James R. "IQ Trends over Time: Intelligence, Race, and Meritocracy." In K.A. Arrow, S. Bowles, and S. Derlauf (eds.), *Meritocracy and Economic Inequality*. (Princeton University Press, 2000): 35-60.

Nicholas Lemann, *The Big Test: The Secret History of American Meritocracy* (Farrar, Straus, and Giroux 1999).

Inequality and Discrimination in Jobs and Pay

A: • Milton Friedman, *Capitalism and Freedom* (1962), 108-136 = Chs. VII (Capitalism and Discrimination) and VIII (Monopoly and the Social Responsibility of Business and Labor).

• Bradley Schiller *The Economics of Poverty and Discrimination*, 8th edition (2001), part of Chapter 9 and all of Chapter 10.

- R: Charles E. Hurst, *Social Inequality*, 5th edition (Allyn & Bacon 2001).
Dennis Gilbert, *The American Class Structure in an Age of Growing Inequality*, 5th edition (Wadsworth 1998.)
Francine Blau, "Trends in the Well-Being of American Women, 1970-1995," *Journal of Economic Literature*, 36, 1 (March 1998): 112-165;
Claudia Goldin, *Understanding the Gender Gap* (Oxford, 1990).
Barbara Bergman, *In Defense of Affirmative Action* (Basic Books, 1996).
Ronald G. Ehrenberg and Robert S. Smith, *Modern Labor Economics*, 8th edition (2003), excerpts from Chapter 12 on gender, race, and ethnicity in the labor market.

***** Midterm exam, Wednesday, November 3rd *****

Unequal Schools

A: • Jonathan Kozol, *Savage Inequalities: Children in America's Schools* (1991): 1-6, 206-233. In The Packet, Volume 2.

- R: For a host of international test score results for 2000 and 2003, with follow-up analysis, see www.pisa.oecd.org.
William Fischel, William 1996. "How *Serrano* Caused Proposition 13." *Journal of Law and Politics* 12, 4 (Fall): 607-636.
Lecture draws on Lindert, *Growing Public: Social Spending and Economic Growth since the Eighteenth Century*, Volume 1 (Cambridge University Press, 2004), Chs. 5, 6.

Affirmative Action in Higher Education

A: • William Bowen and Derek Bok, *The Shape of the River* (Princeton UP 1998, paperback 2000), parts of chs. 1-3, 10, In The Packet, Volume 2.
• Nathan Glazer versus Abigail Thernstrom, "The End of Meritocracy: Should SAT's Account for Race?" *The New Republic*, 27 September 1999, 26-29.

- R: Glenn Loury, *The Anatomy of Racial Inequality*. (Harvard UP, 2002.)
Charles Fried, "Uneasy Preferences: Affirmative Action in Retrospect," *The American Prospect*, September-October 1999: 50-56; versus William Julius Wilson, "Affirming Opportunity," *The American Prospect*, same issue: 61-64.
Howard Ball, *The Bakke Case: Race, Education, and Affirmative Action* (2000).
"Race Matters: Court Preserves Affirmative Action," *Wall Street Journal* 24 June 2003, on the University of Michigan case.
Holzer & Neumark, "Assessing Affirmative Action," *Journal of Economic Literature* 38, 3 (September 2000): 483-568.
David Lavin and David Hyllegard. *Changing the Odds: Open Admission and Life Chances of the Disadvantaged*. (Yale UP, 1996.)

Welfare Policy

A: • Charles Murray, *Losing Ground: American Social Policy, 1950-1980* (Basic Books 1984), pp. 147-177.
• Bradley Schiller, *The Economics of Poverty and Discrimination*, 8th edition (2001), Ch. 11 (pp. 193-224) on welfare programs.

R: Peter Lindert, *Growing Public: Social Spending and Economic Growth since the Eighteenth Century*, Volume 1 (Cambridge University Press, 2004), especially Chs. 10-12.

Health Inequality -- Who Should Die Sooner, and Who Should Decide?

A: • James W. Henderson, *Health Economics and Policy* (2002), Chapter 15 on “Medical Care Systems Worldwide.” (41 pp.)

R: Amartya Sen, “The Economics of Life and Death,” *Scientific American* May 1993: 40-47.
Sherman Folland, Allen Goodman, and Miron Stano, *The Economics of Health and Health Care*, 4th edition (2003): 482-516 = Ch. 21 on comparative health care systems and health system reform.

International Aid

No Packet readings assigned. Lecture will handle this material.

Global Markets, Global Inequality, and Fairness

A: • A customized reading on “Global Trade, Jobs, and Inequality,” in Packet, V. 2.

R: Peter Lindert and Jeffrey Williamson, “Does Globalization Make the World More Unequal?” in Michael Bordo, Alan Taylor, and Jeffrey Williamson (eds.), *Globalization in Historical Perspective* (University of Chicago Press, 2003): 227-270.
Thomas Pugel and Peter Lindert, *International Economics* (2000), Ch. 25 on immigration.
Ronald Ehrenberg and Robert Smith, *Modern Labor Economics*, Appendix 4A, “International Trade and the Demand for Labor: Can High-Wage Countries Compete?” (pp. 123-130).
Kaushik Basu, “Child Labor: Cause, Consequence, and Cure, with Remarks on International Labor Standards.” *Journal of Economic Literature* 37, 3 (September 1999): 1083-1119.

***** Papers due at noon, Monday, December 13th
in PL’s mailbox in 1111 SSH (or as a Word file). *****

***** Final Exam 4:00 - 6:00 Tuesday, December 14th. *****