

ECONOMICS 323: Poverty and Discrimination
Spring, 2008

Instructor: Professor Mary Ellen Benedict
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Office hours: Tuesdays and Thursdays, 4:00-5:00 p.m.
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Course Time: 2:30-3:45 p.m. Tuesday/Thursday

Course Description:

This course will examine the theoretical and policy implications related to issues of poverty, income inequality, and discrimination. We mainly use a microeconomic approach to analyze different public policies and their effectiveness, but will incorporate some macroeconomic elements (e.g., redistribution through tax policy).

My goal is to prepare each of you for the “real world” so that you: (1) learn how to view problems from different economic viewpoints; (2) develop your critical thinking skills by critiquing these different viewpoints and policies; (3) develop evaluation techniques of government policies and agencies; (4) enhance your writing style so that you write more clearly than you do today.

Course Texts:

Required:

1. *Unlevel Playing Fields* by Randy Albelda, Robert W. Drago, and Steven Shulman, Dollars & Sense
2. *Striking a Balance* by Robert W. Drago, Dollars & Sense.
3. *Falling Behind* by Robert H. Frank, University of California Free Press.

Other readings:

1. Readings from labor economics textbooks as needed.
2. Tax Policy Chapter from Alan Blinder’s *Hard Heads, Soft Hearts*.
3. Readings TBA regarding Discrimination.

Grading: There are several components to your final grade:

Homeworks	25%
Project	25%
Midterm Exam	25%
In Class	15%
Quizzes	10%

Note: I calculate grades with these percentages and not with total points, although each assignment will be given points.

- Quizzes: Eight to ten quizzes will be given, mainly to see if you are prepared for the class or to examine whether you understood what was discussed. Each quiz is worth five points. The two lowest quizzes will be dropped from the final grade calculation, so if you must miss class, it will not necessarily harm your final grade. **Note: I plan to announce quizzes. However, if two of you say “I don’t know” in a row, I will give a pop quiz to the entire class.**
- Homeworks: One homework will be your grades for the project proposal/update and these are worth 5% of your homework grades.
- Two additional homeworks will be distributed and will comprise the other 20% of your homework grade. These homeworks will require a written short report on a topic of my choice. I will grade these reports with three criteria: (1) your understanding of economic theory as it relates to the topic, (2) your ability to demonstrate critical thinking skills (meaning you must show alternative viewpoints and why your view is the “best” under the circumstances), and (3) your ability to write clearly and logically. The first two criteria will be weighed more heavily than the last one.
- All homeworks completed at home MUST be typed, double-spaced, with the exception of graphs (these may be completed by hand).**
- Exam: The midterm exam is open-book, but don’t think that means you don’t need to study. You will be required to apply the concepts you have learned. This can be a more difficult task than memorizing words from the books.
- The exam will consist of essays and problems. Essays will be connected to the readings and will likely involve the use of graphs and expressing your learned opinion about a social problem or policy. Problems will be related to graphs or measurements of poverty/discrimination.
- Because I view exams as evidence of your understanding of economics, I will be very strict about anyone cheating. You should review your student handbook about the rules regarding academic honesty. I ask that you do not place me in the position of using these rules.
- In-Class: You automatically receive sixty (out of 100) points if you come to class and have no more than three misses (excused or unexcused). You lose four points for each additional miss. The last forty points will be assigned according to your participation in class discussion, being prepared if I call on you, and bringing a question to class when it’s your turn to do so. I have been known to give a couple of students bonus points here as well. Further, an individual can make up absences by maintaining a solid performance when in class. **NOTE: I mark attendance at the beginning of class, so if you are late, it is up to you to make sure your attendance is in order if you are a latecomer.**
- Project: The project will be described in a separate handout. Generally, it will require you to evaluate a current agency that deals with the poor or with discrimination in Ohio. Five percent of your project grade will be attributed to your presentation at the end of the semester.

Dates to Remember:

- Project Proposal: Jan. 31st (1 Page Max)
- Project Update: Feb. 28th (2 Pages Max)
- Spring Break: March 3-7
- Midterm: March 13th (Will hand out review sheet March 14th)
- Project Due: April 22nd
- Class Presentations: April 22, 23 and, Monday, April 28th 3:30-5:30* (5% Project Grade)

*Dates are currently tentative and will be discussed in class.

COURSE SCHEDULE*

TOPIC	READING/ASSIGNMENTS
1. Overview of class. General Description of Poverty – is it absolute or relative? General Description of Wages and Income by Gender and Race Two (three?) views of the world Life Out of Balance	Chapters 1 & 2, ADS Chapter 1, Drago (Read these in this order)
2. The Market Model and Problems with the Model -Assumptions of the Market Model -Standard Criticisms of the Market Model -The Political Economy View	Chapter 3, ADS Chapter 6, ADS Handouts
3. Work – How do we define the term? Work and Wages in the Neoclassical Model Work and Wages in the Political Economy Model	Chapter 2, Drago Chapter 4, ADS Chapter 7, ADS Handouts
4. More on Relative Income -Winner-Take-All Markets (WTA) -Social Problems that Arise from WTA Markets -The Care Gap and the Income Gap	Chapters 3 & 5, Drago Frank's <i>Falling Behind</i>
5. Two Policies to Help the Poor: A: Tax Policy What is fair? What helps the poor? B: Welfare Policy What is workfare? How well does it "work?"	Frank's <i>Falling Behind</i> Blinder's Tax Policies The "new" <i>Fair Tax</i> Handouts
6. Labor Market Discrimination from the Neoclassical View	Chapter 5, ADS Handouts
7. Labor Market Discrimination from the Political Economy View -Policies to reduce discrimination	Chapter 8, ADS Chapters 4 & 6, Drago Handouts
* This is a tentative schedule and subject to change.	

ADS= Albeda, Drago, Shulman