In this course, we will be studying many aspects of poverty and inequality, both from the perspective of developing economies as well as in more advanced, industrialized societies. We will develop the core economic concepts and definitions, and then use that foundation to explore the implications for economic growth, well-being, justice, and other issues. In the last weeks of the semester, we will focus on political economy and policy dimensions.

This course presumes that you are comfortable with the material from intermediate-level microeconomics and macroeconomics. The readings also contain significant amounts of empirical results, so comfort with basic statistical methods (regressions, correlations, etc.) will be extremely helpful. (Statistical methods will not be tested either on the midterm or on the final.)

Requirements:

Class attendance is required. Although this is a lecture course, I want the classes to be participatory and generate a lively discussion of the topics at hand. Class participation will be 20% of the grade, and that covers weekly participation in class as well as participation in the class debates. There are two class debates scheduled: one on distributive justice and one on anti-poverty/inequality policy. I will break the class into groups to prepare debating briefs, and we will use the scheduled class time to have an open (structured) debate. The midterm exam will be held in class, comprising 25% of your grade. Finally, there will be a take-home final exam that will be the majority of your grade.

Class Participation 20%
Midterm Exam 25%
Final Exam 55%

Readings:

There are two texts from which I have selected a large number of chapters for the reading list. They should be available at Bookculture, the Columbia bookstore, and also on Amazon.com. The Banerjee book is available as an e-Book through the Columbia online library system. I have requested they be placed on reserve at the library as well.

- Banerjee, Abhijit et al., editors, Understanding Poverty (Oxford University Press, 2006)

In addition, there are many articles and book chapters on the syllabus, which will either be available online through the library system, on the internet, or I will scan them and place them on the class Courseworks site. Doing the readings for class is imperative. There are no problem sets or other weekly coursework, so I expect that the assigned readings will be completed prior to class each week.

Class logistics:

We will meet every Tuesday and Thursday that Barnard has scheduled classes. Any vital information about the class will be posted on the Courseworks site (i.e., syllabus, assignments, changes in readings, etc.) If you would like to talk with me, I will be available after class for quick questions, but I will also hold weekly office hours, currently planned for Mondays from 9:00-11:00. You should also feel free to email me at atimmer@barnard.edu, either to set up a time to talk or to ask anything that is easily handled by email. And I can be reached at (646) 872-4216.

Class Schedule:

September 8 Introduction to Inequality and Poverty

- “The Portfolios of the Poor” and “The Daily Grind” Chapters 1 and 2 (pp. 1-64) in Collins, Morduch, et al., Portfolios of the Poor, (Princeton University Press, 2009)

Part I The Basics

September 10 Income and Consumption; Definitions of Poverty

- “Measuring Poverty” Chapter 1 (pp. 3-15.) in Banerjee et al., eds., Understanding Poverty (Oxford University Press, 2006)
- “Poverty Lines” Chapter 3 in Haughton and Khandker Handbook on Poverty and Inequality (World Bank 2009). (pp.38-65.) (On Courseworks.)
- “Measures of Poverty” Chapter 4 in Haughton and Khandker Handbook on Poverty and Inequality (World Bank 2009). (pp.67-81.) (On Courseworks.)

September 15 Endowments; Opportunity; Capabilities
September 17  Vulnerability and Risk


September 22  Inequality: Definitions and Concepts


September 24  Inequality: Definitions and Concepts, continued


Part II  Causes of poverty and inequality

September 29  Institutions and the Structural Transformation

- Supplemental: Lewis “Economic Development with Unlimited Supplies of Labor.”

October 1  The Pathway out of Poverty (Peter Timmer, guest lecturer)


October 6  Global Inequality: Historical Trends and Economic Foundations

- “Colonialism, Inequality, and Long-Run Paths of Development” Chapter 3 (pp.37-61) in Banerjee et al., eds., Understanding Poverty (Oxford University Press, 2006)

October 8  Income Inequality: Earned and Unearned

- “The Kuznets Curve: Yesterday and Tomorrow” Chapter 4 (pp.63-72) in Banerjee et al., eds., Understanding Poverty (Oxford University Press, 2006)

October 13  Group and Peer Effects

Part III  Dynamics of Poverty and Inequality

October 15  Economic Mobility
  
  
  

October 20  Intergenerational Transmission of Inequality
  
  
  

October 22  Midterm Exam

Part IV  Economic Justice

October 27  Distributive Justice
  
  
  

October 29  Equality of Opportunity
  
  

November 3  Election Day: No Class

November 5  Class Debate

Part V  Impact of Poverty and Inequality

November 10  Inequality and Well-being
  
  

November 12  Inequality and Health
  
  
  

November 17  Inequality and Conflict


Part VI Policy Dimensions

December 1 Safety Nets and Ladders/Targeting

“Transfers and Safety Nets in Poor Countries” Chapter 14 (pp.203-29) in Banerjee et al., eds., Understanding Poverty (Oxford University Press, 2006)


December 3 Redistributive/Progressive Taxation

Emmanuel Saez, “Redistribution toward Low Incomes in Richer Countries,” Chapter 13 (pp.187-199) in Banerjee et al., eds., Understanding Poverty (Oxford University Press, 2006)


December 8 Development Policy: Growth and Inequality

Cunha Neves, Pedro; Tavares Silva, Sandra Maria, "Inequality and Growth: Uncovering the Main Conclusions from the Empirics," Journal of Development Studies, January 2014, v. 50, iss. 1, pp. 1-21

December 10 Class Debate

December 11 Take home exam available

December 13 Take home exam due