

## **Economics BC 3011: Inequality and Poverty**

### **Spring 2007**

Barnard Hall 304,  
TTh 410-525 p.m.

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*Please use the subject heading 'Inequality and Poverty' to ensure a reply.*

Office Hours: Mondays 2-330 p.m., unless otherwise announced.

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### **Course Description:**

This course surveys the complex and expansive topic of inequality and poverty, attempting a holistic perspective – one that integrates disciplinary perspectives (economics, sociology, and philosophy) and theoretical and empirical analysis. The course will review normative arguments concerning inequality and deprivation, the existing empirical pattern of poverty and inequality in the world, and debates concerning possible causes, consequences and remedies. Inequality and poverty within different units of analysis -- individual countries and the world as a whole -- will be considered. The interplay of empirical assessment and ethical reasoning in the field will be given central attention.

### **Course Requirements:**

The requirements for the course are a midterm (which will take place on Thursday, October 11th) and a final exam. The midterm will receive a forty percent weight and the final exam a sixty percent weight in the calculation of the course grade. Students with alternative proposals as to how they should be assessed (for instance, through the substitution of a 25-30 page final paper for the exams) are encouraged to raise them with the instructor by submitting a one-page proposal containing a plan of activities and a detailed rationale. This must be done by the end of the fourth week of class (Thursday September 27<sup>th</sup>). No such proposals will be accepted after that date. All written work in the class must be submitted in hard copy form, although it may *additionally* be emailed to the TA

and instructor. All requests to reconsider grades must take the form of a detailed written petition explaining the reasoning behind the student's request and must be submitted to a teaching assistant in the first instance. Such requests will not otherwise be considered.

There will be optional weekly recitation sections, which will begin during the second week of class. They will take place on Thursdays from 6-7 p.m. in Milbank 328.

A prerequisite for the course is *either* microeconomics or macroeconomics at the intermediate level. Students without this prerequisite who wish to take the course should speak with me personally.

### **Reading:**

All the readings will be available on the internet or on the course website (available via Courseworks). There are no other required texts.

### **Course Structure:**

The following scheduling is merely indicative. It may be adjusted to take advantage of the availability of guest lecturers, or for other reasons. It is the responsibility of students to follow the progress of the class and to adjust their reading accordingly, at all times keeping up with them. It is possible that the readings will be adjusted (readings removed or added) during the course of the semester.

## **(A) THE SUBJECTIVE EXPERIENCE :**

### **(1) Poverty (1 class, Sept. 6<sup>th</sup>)**

Ehrenreich, B. (2001), *Nicked and Dimed*, selection on website.

Kozol, J. (1995) *Amazing Grace: The Lives of Children and the Conscience of a Nation*, selection on website.

Narayan, D. et al (2000), *Voices of the Poor* (especially chapter 1 and conclusions in the volume *Can Anyone Hear Us?*, and chapters 1, 2 and 11 in the volume *Crying Out for Change*) available on <http://www.worldbank.org/poverty/voices/reports.htm>

Sainath, P. (1996), *Everybody Loves a Good Drought: Stories from India's Poorest Districts*, selection on website.

*Recommended:*

Orwell, G. (1933), *Down and Out in Paris and London*.

Salgado, Sebastiao (1993), *Workers: An Archeology of the Industrial Age*.

Salgado, Sebastiao (2000), *Migrations: Humanity in Transition*.

See also:

<http://www.pdnonline.com/legends/legends10/>

<http://www.nytimes.com/specials/salgado/home/>

Seabrook, J. (1996), *Cities of the South*.

Viramma et al (1997), *Viramma: Life of an Untouchable*

**(2) Inequality (1 class, Sept. 11<sup>th</sup>):**

Bourdieu, P. et al (1984), *Distinction*, selection on website.

Frank, R. (1985), *Choosing the Right Pond*, selection on website.

Hochschild, J. (1981), *What's Fair? American Beliefs About Distributive Justice*, selection on website.

Scott, J. (1985), *Weapons of the Weak: Everyday Forms of Peasant Resistance*, selection on website.

*Recommended:*

Dumont, L. (1970), *Homo Hierarchicus*

Newman, K. (1999), *Falling from Grace: Downward Mobility in the Age of Affluence*, selection on website.

Sennett, R. and J. Cobb (1972), *The Hidden Injuries of Class*, selection on website.

**(B) FOUNDATIONAL DEBATES (4 classes, Sept. 13<sup>th</sup>, 18<sup>th</sup>, 20<sup>th</sup>, 25<sup>th</sup>):**

Anderson, E. (1999), "What is the Point of Equality?" *Ethics*, vol. 109, available on <http://www.jstor.org/view/00141704/di994973/99p03115/0>

Cohen, G.A. (1988), "Are Disadvantaged Workers Who Take Hazardous Jobs Forced to Take Hazardous Jobs?", on website.

Nozick, R. (1977), *Anarchy, State, and Utopia*, selection on website.

Parfit, D. (1991), "Equality or Priority?", on website.

Rawls, John (1971), *A Theory of Justice*, selection on website.

**Sen, Amartya (1984), "Equality of What?", on website**

Sen, Amartya (1992), *Inequality Reexamined*, selection on website

## **(C) APPROACHES TO CONCEPTUALIZATION AND MEASUREMENT**

### **(1) Poverty (2 classes, Sept. 27<sup>th</sup>, Oct. 2<sup>nd</sup>)**

Ray, D. (2000), *Development Economics*, selection on website.

Sen, Amartya, "Poor, Relatively Speaking", on website.

Sen, Amartya (1981), *Poverty and Famines*, selection on website.

### **(2) Inequality (1 class, Oct. 4<sup>th</sup>, Oct. 9<sup>th</sup>):**

Ray, D. (2000), *Development Economics*, selection on website.

## **(D) EMPIRICAL STUDIES OVER SPACE AND TIME:**

### **(1) Individual Countries (2 classes, Oct. 16<sup>th</sup>, Oct. 18<sup>th</sup>):**

#### **Comparative perspective:**

Gottschalk, P. and T.M. Smeeding (1997), "Cross-National Comparisons of Earnings and Income Inequality", *Journal of Economic Literature*, Vol. XXXV, pp. 633-687, available on

<http://www.jstor.org/view/00220515/dm990868/99p01963/0>

#### **The United States:**

Gottschalk, P. (1997), "Inequality, Income Growth and Mobility: The Basic Facts", *Journal of Economic Perspectives*, Vol. 11 No. 2, available on

<http://www.jstor.org/view/08953309/di980591/98p0020k/0>

Jorgenson, D. W. (1998), "Did we Lose the War on Poverty?", *Journal of Economic Perspectives*, Vol. 12 No. 2, available on

<http://www.jstor.org/view/08953309/di014713/01p0008y/0>

Wolff, Edward N. (2002) *Top Heavy*, selection on website.

## India and China:

Benjamin, D. et al (2007), "Inequality and Poverty in China During Reform", available on course website.

Deaton, A. and J. Dreze (2002), "Poverty and Inequality in India: A Re-Examination", available on <http://www.cdedse.org/pdf/work107.pdf>

Lanjouw, P. and N. Stern (1998), Economic Development in Palanpur Over Five Decades, (Oxford: OUP), chs. 4 and 5, available on course website.

### (2) The World (2 classes, Oct. 23<sup>rd</sup>, Oct. 25<sup>th</sup>):

Chen, Shaohua and M. Ravallion (2007), "How Did the World's Poorest Fare in the early 1980s?", available at [http://www.worldbank.org/research/povmonitor/MartinPapers/How\\_have\\_the\\_poorest\\_fared\\_since\\_the\\_early\\_1980s.pdf](http://www.worldbank.org/research/povmonitor/MartinPapers/How_have_the_poorest_fared_since_the_early_1980s.pdf)

Milanovic, B. (1999), "True World Income Distribution, 1988 and 1993: First Calculations, Based on Household Surveys Alone", unpublished article, available on [http://wbi0018.worldbank.org/research/workpapers.nsf/\(allworkingpapers\)/8DEA74BC10A97DCF8525683300663553?OpenDocument](http://wbi0018.worldbank.org/research/workpapers.nsf/(allworkingpapers)/8DEA74BC10A97DCF8525683300663553?OpenDocument)

Pogge, T. and S. Reddy (2002), "Unknown: The Extent Distribution and Trend of Global Income Poverty", available on [www.socialanalysis.org](http://www.socialanalysis.org)

Pritchett, L. (1997), "Divergence, Big Time", Journal of Economic Perspectives, Vol. 11 No. 3, available on <http://www.jstor.org/view/08953309/di980592/98p0034h/0>

### Recommended:

Reddy, S. and T. Pogge (2002), "How *Not* to Count the Poor", on [www.socialanalysis.org](http://www.socialanalysis.org)

Wade, Robert (2000) "Winners and Losers", available on [http://www.economist.com/opinion/displayStory.cfm?Story\\_ID=587](http://www.economist.com/opinion/displayStory.cfm?Story_ID=587)

[251](#)

Familiarity with WIDER World Income Inequality Data Base, available at <http://www.wider.unu.edu/wiid/wiid.htm>

## **(D) THE PRODUCTION AND REPRODUCTION OF INEQUALITY AND POVERTY**

### **(1) Sociological perspectives (3 classes, Oct. 30<sup>th</sup>, Nov. 1<sup>st</sup>, Nov. 8<sup>th</sup>):**

Jencks, C. (1994), *The Homeless*, selection on website.

Mills, C. W. (1956), *The Power Elite*, selection on website.

Newman, K. (1999), *No Shame in my Game: The Working Poor in the Inner City*, selection on website.

Piven, F. P. and R. W. Cloward (1977), *Poor People's Movements: Why They Succeed and How they Fail*, Vintage Books.

Venkatesh, S. (2000), *American Project: The Rise and Fall of a Modern Ghetto*, selection on website.

Wilkinson, R. (1996), *Unhealthy Societies: The Afflictions of Inequality*, selection on website.

Willis, P. (1977), *Learning to Labour*, selection on website.

Wilson, W.J. (1996), *When Work Disappears*, selection on website.

### **Recommended:**

Tilly, C. (1998), *Durable Inequalities*, selection on website.

### **(2) Economic Perspectives (3 classes, Nov. 13<sup>th</sup>, Nov. 15<sup>th</sup>, Nov. 20<sup>th</sup>):**

Agarwal, B. (2002), "Are We Not Peasants Too? Land Rights and Women's Claims in India", available on <http://www.popcouncil.org/publications/seeds/seeds21.pdf>

Borjas, J. (2000), "Labor Market Discrimination", on website.

Dasgupta, P. (1996), *An Inquiry into Well-Being and Destitution*, selection on website.

McCulloch, N. and M. Calandrino (2003), "Vulnerability and Chronic Poverty in Rural Sichuan", *World Development*, Vol. 31, no. 3.

Ray, D. (2000), *Development Economics*, selection on website.

Sen, Amartya (1990), "Gender and Cooperative Conflict", on website.

**(E) WHAT IS TO BE DONE? POLICIES AND PROSPECTS (4 classes, Nov. 27<sup>th</sup>, Nov. 29<sup>th</sup>, Dec. 4<sup>th</sup>, Dec. 6<sup>th</sup>)**

**(1) The Role of Institutions and Public Action:**

Dreze, J. and A. Sen (1989), *Hunger and Public Action*, selection on website.

Fortin, N. and T. Lemieux (1998), "Institutional Changes and Rising Wage Inequality: Is there a linkage?", *Journal of Economic Perspectives*, Vol. 11 No. 2, available on <http://www.jstor.org/view/08953309/di980591/98p0023d/0>

Sen, A. (1981), *Poverty and Famines*, selection on website

**(2) Targeting and Universality:**

Loury, G. (2002), *The Anatomy of Racial Inequality*, selection on website.

Sen, A. (1995), "The Political Economy of Targeting", on website.

**(3) Growth – its power and its limits:**

Hirsh, F. (1976), *Social Limits to Growth*, selection on website.

Ravallion M. and G. Datt (1999), "When is growth pro-poor? Evidence from the diverse experiences of India's states?", available at <http://econ.worldbank.org/docs/1016.pdf> .

**(4) Revising the World: Proposals, Prospects and Dilemmas:**

Cohen, G.A. (2000), *If You're an Egalitarian, How Come You're So Rich?*, selection on website.

Freeman, R. (1999), *The New Inequality: Creating Solutions for Poor America*, selection on website.

Pogge, T. (2002), *World Poverty and Human Rights*, selection on website.

Putterman, L, J.E. Roemer and J. Silvestre (1998), "Does Egalitarianism Have a Future?", *Journal of Economic Literature*, Vol. XXXVI, available on <http://www.jstor.org/view/00220515/di010567/01p0098d/0>

Van Parijs, P. (1992), *Arguing for Basic Income: Ethical Foundations for a Radical Reform*, selection on website.