HLE 201: POVERTY AND PUBLIC POLICY

John F. Kennedy School of Government
Fall 2003
Monday and Wednesday 4:10 – 5:30
Land Hall

This course examines the causes and consequences of poverty and explores strategies for addressing it. The course focuses on the United States, Mexico and China—examples of three very different contexts. We begin by exploring the relationships among development, inequality and poverty; the various ways poverty is defined and measured; and the experience of poverty in the three countries. We examine a number of explanations for poverty, including changes in family structure and population demographics, changes in the labor market, residential segregation and government policy. Finally, we examine policy options and issues, including training and education, safety net programs, supports for families and children, and welfare reform. Throughout the course, we explore the ways in which the three countries are similar and different. We also emphasize throughout the course an analytic approach for arriving at policy recommendations.

There are no prerequisites for the course, save an interest in and concern for the problems of poverty. We hope and expect that students will come to the class with a wide range of knowledge and experience, that the material will be relevant both to those with considerable experience and those without, and that students from places at different levels of development will interact productively with the material and with each other. Non-Kennedy School students may enroll in the course with the permission of an instructor.

Course Requirements

Class participation and responses to readings. Students are expected to prepare for and participate in class discussions. Students must also submit responses to the readings for 16 (sixteen) of the 23 classes for which readings are assigned. The reading response for September 24 is required. Responses should be 150-200 words, and should be posted on the course website in the assignment drop box, where they will be available for reading by all members of the class. We urge you to read, build on and respond to responses that have been submitted prior to your own.

Please respond to the specific questions for a particular class. If no question is posed, your response should include:

1. Insight/idea. What do you see as the most important insight or idea from the readings?
2. Reaction. What are your responses to the readings? Are the authors asking the right questions? Are you convinced of the conclusions? If there are apparent inconsistencies or contradictions among the readings, what do you make of them?

3. Questions/ issues. What questions or issues concern you?

Responses to readings must be submitted by 9:00 AM of the day of the class to which you are responding.

**Mid-semester extended response. Due October 31. About 750 words.** The assignment and instructions for responding to it will be distributed two weeks in advance.

**Final assignment.** The final assignment will consist of a policy analysis and answers to a few short questions. There will be some choice in topics for the policy analysis and in the questions.

**Grading:**
- Participation/responses 25%
- Mid-semester assignment 25%
- Final assignment 50%

**Readings:**
The following book is required for this course. It is available for purchase at the Coop and is also on reserve at the KSG library.


Readings for this course are available and marked on the syllabus as follows:

- **B:** required book for the course.
- **O:** available on-line at the link provided in this syllabus.
- **W:** available from the course website in the "online readings" section.
- **R:** on reserve in the KSG library
- **P:** available in course packets distributed by the Course Materials Distribution Office (CMDO) in Belfer 7.

*All readings will also be on reserve at the Kennedy School library*
Course Outline and Reading Assignments

I. Conceptualizing and measuring poverty


2. September 15: Conceptualizing poverty. (MJB)
   
   
   
   

3. September 17: Characteristics and dynamics of the poor. (MJB)
   
   
   

   
   B: Mary Corcoran, “Mobility, Persistence, and the Consequences of Poverty for Children: Child and Adult Outcomes,” in Danziger and Haveman, pp. 140-161.
   
   
   
   P: Mercedes Gonzalez de la Rocha, “Private Adjustments: Household Responses to the Erosion of Work,” UNDP.

5. September 24: Why do/should people care about poverty? (JW)
   
   
   
   W: See sheet on course homepage for more links to religious, corporate, and global statements regarding why people care about poverty.
II. Explanations of Poverty

6. September 29: Explanations for overall development levels: economic and institutional explanations. (DR)
   


7. October 1: Exploitation, discrimination and segregation (JW)


O: Mexico: A Comprehensive Development Agenda for the New Era chapters 23 & 24
   http://www.bancomundial.org.mx/bancomundial/SitioBM.nsf/4628b26bc65292fd852567c720063c13c/9dfdbbb4bb108d2e586256d5e005abdb0?


8. October 6: Family structure and poverty. (JW)

B: Maria Cancian & Deborah Reed, "Changes in Family Structure: Implications for Poverty and Related Policy," in Danziger and Haveman, pp. 69 – 96.


9. October 8: Economic explanations for wage inequality. (DA)


P: (optional) Richard Freeman and Lawrence Katz, “Rising Wage Inequality: The
United States vs. Other Advanced Countries,” in Richard Freeman, ed. Working


October 13: holiday

10. October 15: Government policy, as it affects both development and inequality. (MJB)

   B: Danziger and Haveman, pp. 177-189

   P: Azizur Rahman Khan and Carl Riskin, Inequality and Poverty in China, pp. 3-8

   P/R: Tony Saich, Governance and Politics of China, Palgrave, 2001, pp. 219-222; 241-246

   P: Susan Kaufman Purcell and Luis Rubio, editors, Mexico under Zedillo, pp.37-39; 67-77

11. October 20: The relationship between macro-economic policies and poverty (RZ)

   Guest Speaker: Dr. René M. Zenteno
   Profesor – Investigador
   Escuela de Graduados en Administración Pública y Política Pública Tecnológico de Monterre

   Readings: To Be Announced.

12. October 22: Internal and trans-national migration. (MJB)

   P: George Borjas, Heaven’s Door: Immigration Policy and the American Economy, pp. 62-86.


III. Poverty Policies


   B: Lynn Karoly, “Investing in the Future” in Danziger and Haveman, pp. 314-356

   O: Lant Pritchett, “Where Has All the Education Gone?” World Bank Economic Review, 2001 367-391. (read online through Harvard library e resources)

14. October 29: Education 2. Specific Programs (MJB)


October 31: Mid-term assignment due

15. November 3: Training/ sectoral strategies. (DTE)


W: James Heckman, “Is Job Training Oversold?”, The Public Interest, Spring 1994, pp. 91-115. Also available online from Proquest.


R: Tony Saich, Governance and Politics of China, Chapter 10, pp 262-271


O: Swept Away: Chronic Hardship and Fresh Promise on the Rural Great Plains, pp. 4-24 http://www.cfra.org/

O: Strategies to revitalize rural America http://www.cfra.org/resources/strategies_revitalize.htm


17. November 10: Economic and community development: urban. (JW)


R: Tony Saich, Governance and Politics of China, Chapter 10, pp 248-254
18. November 12:  Asset development, including micro-credit  (MJB)

O:  Mexico: A Comprehensive Development Agenda for the New Era chapter 14  
http://www.bancomundial.org.mx/bancomundial/SitioBM.nsf/4628b26bc65292fd86256c720063c13c/9dfdbb4bb108d2e586256d5e005abdb0?

P:  David Stoesz, A Poverty of Imagination, University of Wisconsin Press, 2000, pp. 142, 144, 148-166

19. November 17:  Minimum wage; living wage.  (DTE)

http://lib2.harvard.edu:2056/journals/00220515.html

http://www.hcecp.harvard.edu/ (read executive summary and skim remainder)


B:  John Mullahy and Barbara L. Wolfe, “Health Policies for the Non-Elderly Poor,” in Danziger and Haveman

O:  Mexico: A Comprehensive Development Agenda for the New Era chapter 19  
http://www.bancomundial.org.mx/bancomundial/SitioBM.nsf/4628b26bc65292fd86256c720063c13c/9dfdbb4bb108d2e586256d5e005abdb0?

R:  Tony Saich, Governance and Politics of China, Chapter 10, pp 254-261


O:  Summary health data for the US, China and Mexico.  http://www.who.int/country


http://www-
November 26: No class

22. December 1: Safety nets 2: Pensions. (MJB)
   P: KSG Case: Pension Reform in China: Weighing the Alternatives C14-99-1547.0
      http://www.bancomundial.org.mx/bancomundial/SitioBM.nsf/4628b26bc65292fd86256c720063c13c/9dfdbb4bb108d2e586256d5e005abdb0?

   P: R. Kent Weaver, Ending Welfare as We Know It, Chapter 5, "Welfare Reform Agendas in the 1990s," 2000, pp. 102-134.

24. December 8: Where does each country go from here?
   R: Tony Saich, Governance and Politics of China, Chapter 12, Challenges in the Twenty-First Century, pp. 294-314
   O: Mexico: A Comprehensive Development Agenda for the New Era, chapters 1-5, pp. 51-141, focusing particularly on chapter 3: Poverty and Inequality
      http://www.bancomundial.org.mx/bancomundial/SitioBM.nsf/4628b26bc65292fd86256c720063c13c/9dfdbb4bb108d2e586256d5e005abdb0?

25. Wrap up

January 9: Final assignment due