This is the first half of a two-semester multi-disciplinary seminar on causes, consequences, and potential remedies for economic inequality. This semester will concentrate on understanding the causes of rising wage inequality and the possible policy responses. The second semester, taught by Professors Theda Skocpol (Government) and William Julius Wilson (Kennedy School) will look at issues such as neighborhood effects, family structure, and the welfare state.

**Prerequisites.** The proseminar is for second year doctoral students in the Government and Social Policy program, the Sociology and Social Policy program, and the Program on Inequality and Social Policy. Space permitting, it is open to a few other second-year graduate students who are comfortable doing doctorate level research work. Permission of the instructor is required. To be considered, students must have completed two semesters of graduate-level statistics. Preference will be given to Kennedy School students.

**Weekly Assignments.** There will be thirteen class meetings. Each week, you will be expected to send a 300- to 500-word email memo about the assigned readings to the other members of the class. To accommodate exams in other courses, illnesses, and other emergencies, you may skip two of these required memos, but you must send me a note to that effect. One third of the final grade will be based on these memos. To help me keep track of the memos, please use a subject heading with the form “511 memo for 9-21-05” (use the date of the class meeting not the date on which you are writing). **Memos are due by 6pm on the Monday before class.** All participants, including auditors, must do the weekly memos on the readings.

Unless I ask you to specifically address a particular issue or set of questions, please consider the following in your memo:

1. **Insight/Idea:** What did you see as the most important insight or idea from the readings. I am not looking for summaries. What did you take away as the critical lesson. This can be very short.
2. **Reaction:** What are your reactions to each of the readings? Are they methodologically sounds? Do they focus on the right questions? Are you convinced of the conclusions? If not, why not?
3. **Class Discussion:** What issues would you particularly like to discuss in class?
Grades. One third of your grade will be based on your weekly memos about the readings and participation in class. Two thirds will be based on your research paper.

Classes. I will designate three members of the class to start each week’s discussion by identifying two or three recurrent themes in the memos that the full class should discuss during the first hour. You should try to keep your introductory comments to five minutes, and I will cut you off after ten minutes. The three members leading the discussion will need to communicate with each other prior to the class session to coordinate their comments. I will spend the second hour discussing related policy issues and promising lines of research that the readings do not cover. I will also provide a brief overview of the readings for the next class (and will sometimes provide technical background necessary for understanding the readings) and pose questions for the next week’s memos. Students are expected to attend all classes unless you let me know ahead of time.

Research Paper. The proseminar requires a research paper that uses either quantitative or qualitative data to throw new light on some policy question. These papers can be submitted for other classes as well, but you must notify me if this is the case. Your goal should be to produce a publishable paper by the end of the third semester of the proseminar (January 2006). Students not enrolled in a doctoral program should consult the instructor. See the “Research Paper” handout for paper deadlines and additional information about the paper requirement.

Advising. Professors Theda Scokpol, William Julius Wilson, and I will divide up papers so that you have a single advisor throughout the year. If you have preferences about your advisor, please let me know.

Copies of Readings.
All readings for the semester are available in the Kennedy School Library. There are essentially three types of readings:

- Books. These are complete books or long excerpts from books that copyright restrictions prevent us from including in the course packet. You should consider buying these books or plan on getting them from the library.

- On-line readings. The majority of the readings for the course are articles that are available somewhere on the WWW. A version of the syllabus with hyperlinks to these articles will be posted on the course web site. If there is demand, we will also create a course packet of the on-line readings. It will be expensive though. So many people will prefer to print the articles themselves from the web versions.

- Course packet readings. These are readings that are not available on-line. You can either purchase the course packet at the Course Materials Distribution Office (CMDO) in Belfer G-7 at the Kennedy School or read them in the library.
CLASS SCHEDULE

Class #1.  (September 21) How Does Social Science Affect Public Policy?


Class #3.  (October 5) The Core Economic Model (Supply and Demand for Skills) and the Reality of the Low-Wage Labor Market.

Class #4.  (October 12) Should We Care? Do We Care? Moral Arguments About Inequality and Evidence about Citizen Attitudes

Class #5.  (October 19) Labor Market Politics and Wage Setting Institutions

Class #6.  (October 26) Gender and Race: Discrimination and Affirmative Action

Class #7.  (November 2) Family Background vs. Genes vs. Neighborhoods

Class #8.  (November 9) Minimum Wage vs. EITC vs. Traditional Cash and In-kind Transfer Programs vs. Wealth Transfers

Class #9.  (November 16) Social Insurance Programs


Class #11.  (November 30) Does schooling make workers more productive? If so, how?

Class #12.  (December 7) Can Education Policies Change the Distribution of Skills?

Class #13.  (December 14) The Future: Demographic Change, Immigration, and Globalization
September 21. How Does Social Science Affect Public Policy?


Those who have not had a course in labor economics should also read:


*Also Recommended*:


October 5. The Core Economic Model (Supply and Demand for Skills) and the Reality of the Low-Wage Labor Market.

Richard Freeman and Lawrence Katz, “Rising Wage Inequality: The United States vs.


Elliot Liebow, Tally’s Corner, Little Brown, 1967.


Also Recommended:


October 12. Should We Care? Do We Care? Moral Arguments About Inequality and Evidence about Citizen Attitudes


Branko Milanovic, “Why We All Care About Inequality (but are loath to admit it).” World Bank, October 8, 2003.


Also Recommended:


**October 19. Labor Market Politics and Wage Setting Institutions**


**October 26. Gender and Race: Discrimination and Affirmative Action**


Christopher Jencks, Rethinking Social Policy, 1992, Chapter 1.


November 2. Family Background vs. Genes vs. Neighborhoods


Christopher Jencks, Rethinking Social Policy, Chapter 3.


November 9. Minimum Wage vs. Wage Subsidies vs. Traditional Cash and In-kind Transfer Programs vs. Wealth Transfers


**November 16. Social Insurance Programs**


*If you have not had a course in labor economics, first read:*


*Everyone should read:*


**November 30. Does schooling make workers more productive? If so, how?**


December 7. Can Education Policies Change the Distribution of Skills?


December 14. The Future: Demographic Change, Immigration, and Globalization


