

Economics 190S: Economics of Poverty
Emory University
Spring 2010

Professor David Frisvold
Rich Building 322
(404) 727-7833
david.frisvold@emory.edu
<http://userwww.service.emory.edu/~dfrisvo>

Classes: MWF 10:40-11:30
Room: Rich 107
Office Hours: MWF 11:30-12:00
MW 3:30-4:30

Course Description

This seminar examines poverty measurement and trends; consequences of poverty; economic explanations for poverty in the US; and federal, state, and local government policy and program responses to poverty. This course will primarily focus on poverty in the United States, although we will discuss poverty in an international context at the end of the course.

Text

Changing Poverty, Changing Policies, edited by Marcia Cancian and Sheldon Danzinger, Russell Sage Foundation, 2009.

Course Outline

Chapter numbers for the readings refer to the chapters in your text. Journal articles are available online through the Emory library. The dates listed below are tentative and the schedule may change. This syllabus is not a fixed document and is subject to revisions.

For each week, you are expected to read the readings for the week before class on Monday. Beginning with week 3, on Monday, a student will lead the discussion of the articles for the week. This discussion should include a 10 minute summary of the readings. For the remainder of the class, the student should facilitate the class discussion. On Wednesday, the class will continue to discuss the readings and I will lead the discussion. On Friday, the class will discuss current events related to the week's topic or participate in a formal debate.

Week 1: 1/13 and 1/5

Course Overview

Ch. 1

U.S. Poverty Measurement

Blank (2008)

Week 2: 1/20 and 1/22 (no class on 1/18)

Poverty Trends and the Dynamics of Poverty

Ch. 2

Ch. 7 (pages 180-190)

Week 3: 1/25, 1/27, and 1/29

Consequences of Poverty

Ch. 6

Ch. 7 (pages 190-200)

Week 4: 2/1, 2/3, and 2/5

Causes of Poverty: Economic Opportunity

Ch. 3

Danzinger (2007)

Week 5: 2/8, 2/10, and 2/12

Causes of Poverty: Discrimination

Heckman (1998)

Bertrand and Mullainathan (2004)

Week 6: 2/15, 2/17, and 2/19

Causes of Poverty: Demographics and Immigration

Ch. 4

Ch. 5

Week 7: 2/22 and 2/24 (no class on 2/26)

Antipoverty Policies: Income Support

Ch. 8

Hotz and Scholz (2000)

Week 8: 3/1, 3/3, and 3/5

Antipoverty Policies: Welfare Reform and Workforce Development

Blank (2007)

Ch. 11

Debate on 3/5

Week 9: Spring Break (no class on 3/8, 3/10, and 3/12)

Week 10: 3/15 and 3/17 (no class on 3/19)

Antipoverty Policies: Family Policies

Ch. 9

Ludwig and Mayer (2006)

Week 11: 3/22, 3/24, and 3/26

Antipoverty Policies: Education

Ch. 10

Heckman and Masterov (2007)

Debate 2 on 3/26

Week 12: 3/29, 3/31, and 4/2

Antipoverty Policies: Health Care

Ch. 12

Gruber (2008)

Week 13: 4/5, 4/7, and 4/9

Antipoverty Policies: Health and Nutrition

Case and Paxson (2006)

Currie (2009)

Week 14: 4/12, 4/14, and 4/16

Poverty in an International Context

Kanbur (2008)

The State of Human Development (2006)

Week 15: 4/19, 4/21, and 4/23

Poverty in an International Context

Role of Microcredit in the Eradication of Poverty (1998)

Rawlins and Rubio (2005)

Debate 3 on 4/23

Week 16: 4/26 (Last Day of Class)

Conclusion

Ch. 14

Readings

Bertrand, Marianne and Sendhil Mullainathan (2004) "Are Emily and Greg More Employable Than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination," *American Economic Review*, 94(4), 991-1013.

Blank, Rebecca M. (2007) "What We Know, What We Don't Know, and What We Need to Know about Welfare Reform," National Poverty Center Working Paper #07-19, available at: http://npc.umich.edu/publications/working_papers/?publication_id=131&.

Blank, Rebecca M. (2008) "How to Improve Poverty Measurement in the United States," *Journal of Policy Analysis and Management*, 27(2), 233-254.

Case, Anne and Christina Paxson (2006) "Children's Health and Social Mobility," *Future of Children*, 16(2), 151-174.

Currie, Janet (2009) "Policy Interventions to Address Child Health Disparities: Moving Beyond Health Insurance," *Pediatrics*, 124, S246-S254.

Danzinger, Sheldon H. (2007) "Fighting Poverty Revisited: What Did Researchers Know 40 Years Ago? What Do We Know Today?" *Focus*, 25(1), 3-11.

Gruber, Jonathan (2008) "Covering the Uninsured in the United States," *Journal of Economic Literature*, 46(3), 571-606.

Heckman, James J. (1998) "Detecting Discrimination," *Journal of Economic Perspectives*, 12(2), 101-116.

Heckman, James J. and Dimitriy V. Masterov (2007) "The Productivity Argument for Investing in Young Children," NBER Working Paper 13016.

Hotz, Joseph V. and John Karl Scholz (2000) "Not Perfect, But Still Pretty Good: The EITC and Other Policies to Support the US Low-Wage Labour Market," OECD Economic Studies No. 31, available at: <http://www.oecd.org/dataoecd/23/6/2697856.pdf>.

Kanbur, Ravi (2008) "Poverty and Distribution: Twenty Years Ago and Now," available at: <http://www.arts.cornell.edu/poverty/kanbur/PovAndDistTwentyYears.pdf>.

- Ludwig, Jens and Susan Mayer (2006) "'Culture' and the Intergenerational Transmission of Poverty: The Prevention Paradox," *Future of Children*, 16(2), 151-174.
- Rawlings, Laura B. and Gloria M. Rubio (2005) "Evaluating the Impact of Conditional Cash Transfer Programs," *World Bank Research Observer*, 20(1), 29-55.
- Role of Microcredit in the Eradication of Poverty (1998), Report of the Secretary-General, available at: <http://www.un.org/documents/ga/docs/53/plenary/a53-223.htm>.
- The State of Human Development (2006) in Human Development Report 2006, available at: <http://hdr.undp.org/en/media/thestateofhumandevlopment.pdf>.

Course Requirements / Grading

Determination of grades:

Paper	40 %
Debates (team grade)	30 %
Presentations	10 %
Class Participation	20 %

Paper: The paper will be due during the final exam period for the class no later than 11:00am on April 29. There are two options for this assignment; you must choose to complete at least one option. The first option is a research paper. The second option is a smaller reflection paper combined with a volunteering experience through the VITA program.

Research Paper: A one page single-spaced proposal of your paper topic will be due on March 22 at the beginning of class. This paper, which should be 20 double-spaced pages not including references, will be an analysis of any aspect of poverty discussed in the course. Late papers will not be accepted for any reason. You are welcome, and encouraged, to discuss your topic with me before submitting your proposal.

Volunteer Income Tax Assistance (VITA) program: The VITA program is a volunteer program established by the IRS to ensure that families that qualify for the Earned Income Tax Credit (EITC) receive this benefit. Trained volunteers assist low- to moderate-income families with free tax preparation. This course will facilitate volunteer opportunities for students. Some of the benefits to students will be a greater understanding of the EITC, which is the largest cash antipoverty program in the United States. Additional information about the VITA program is available at www.atlantaprosperty.org and <http://vita-volunteers.com/index.htm>.

As an incentive to volunteer, instead of completing the paper assignment described above, students may volunteer (attend a training session, complete the online IRS certification, and then volunteer for 4 days for 3 hours each day) and write at least a 2 page (single-spaced) paper reflecting on their experience with the VITA program and the EITC. If you choose this option, you should let me know as soon as possible.

There will be two training dates to choose from: Sunday, January 17 from 10-5 and Saturday, January 23 from 9-5. You will need to attend one of these training sessions, which will provide an overview of tax preparation and the tax preparation software. Additionally, you will need to complete the basic certification available at <http://www.irs.gov/app/vita/> before January 31.

The volunteering experiences will occur at the International Rescue Committee site (<http://www.theirc.org/us-program/us-atlanta-ga>). Opportunities to volunteer will likely occur

on Tuesday evenings, Friday late afternoon, and Saturday mornings throughout February, March, and the beginning of April. You will coordinate the dates that you are available with Emory's Office of University-Community Partnerships (OUCP). The OUCP will provide transportation.

Debate: There will be three debates that occur throughout the semester. The details of the debates will be described as the semester progresses. Students will be divided into 2 teams; the teams will be chosen at random prior to each debate. In the debate each team will be assigned a position on the assigned policy and will debate the pros and cons of the policy using the economic concepts developed in class. Teams will research and prepare the arguments together and all team members will be assigned the same grade.

Presentation: Students will lead a discussion of the assigned articles in class during the semester. For the class periods that you lead the discussion, you should introduce and summarize the readings during the first 10 minutes of class. For the remaining 40 minutes of the class, you should facilitate the class discussion.

Class Participation: All students are expected to attend each class and participate in the discussion. The reason for absence, unless it is for a university-sanctioned event, does not matter; absent is absent.

Some of the readings will have definitions or concepts that you may not be familiar with. You are not expected to have any prior experience with economics prior to this class, but you are expected to ask questions in order to increase your understanding of economic concepts.

Additionally, for two weeks that you are not involved in leading the discussion, you will be responsible for preparing discussion questions for the class. By the preceding Friday, students should e-mail to the student leading the discussion (and cc me on the e-mail) at least 3 questions based on the reading that will be used to stimulate the in-class discussion. Submitting these questions on time and the thoughtfulness of the questions will count towards half of your class participation grade.

Course Policies

Course Management: All files for the course will be posted on Blackboard. To get to the Blackboard main page, go to <https://classes.emory.edu> and then use your e-mail ID and Password to log in and select your course.

Honor Code

The Emory University Honor Code is taken seriously and governs all work in this course. Details about the Honor Code are available at:
http://www.college.emory.edu/current/standards/honor_code.html