

Poverty, Inequality and Social Policies

Professor: Silvia Borzutzky

Email: sb6n@andrew.cmu.edu

Office Hours: By appointment- Feel free to email me if you need an appointment.

Classroom: HBH 1007

Teaching assistants (TAs)

The class will be divided between two TAs. You will know who your TA is, during the first week of classes.

The TAs are:

Sydney-anne Wilczynski (swilczyn@andrew.cmu.edu)

and

Laura Ospina (lospina@andrew.cmu.edu)

TAs office hours will be by appointment.

The role of the TAs is to support your writing assignments and do a memo workshop

1.-Course Description and Objectives

The goals of this course are to analyze the concept of poverty and its measurements and to analyze selected social policies, or anti-poverty policies, pursued in the US and in the developing world.

The first section will analyze and define poverty and inequality measurements and discuss both universal and targeted strategies to combat poverty.

The second section will focus on the U.S and it will analyze health, housing, social security, and welfare policies in the U.S., as well as wage and childcare policies. The questions of gender and racial inequalities will be emphasized much as possible throughout this section and throughout the class.

The third section will focus on the problem of poverty in low-income countries and on specific policies such as Microfinancing, and Conditional and Unconditional Cash Transfers, also known as Universal Basic Income.

2.-Skills: The course emphasizes the development of analytical skills.

Students will develop these analytical skills in different forms:

- a) **Class discussions** which will allow the students to develop the ability to analyze, discuss, and defend different policy positions in an academic environment.
- b) **Writing two policy memos:** It is critical for all of us to be able to summarize a problem, present possible solutions, and recommend policies/solutions to others. The policy memos allow the students to develop these very important skills. Students are expected to assume the role of a policy maker and provide specific policies to the President or another relevant policy maker. The policy memos emphasize the use of data, the analysis of the problem, and the policy design.
The first policy memo will be your midterm exam and the second policy memo will be your final exam.
- c) **Group presentation:** Group presentations are geared to allow the student to develop the ability to work in a project with other students, learn about a specific topic in depth, and prepare a class presentation using either power point or class handouts. To ensure the effectiveness of the presentation the instructor meets with the student about a week before the presentation to set the specific topics and parameters of the presentation. The handout or slides need to be submitted to the instructor at least 24 hours before the presentation. The instructor will review the slides or handouts to verify the effectiveness of the presentation.

3.-Requirements and grading

It is required to attend class, do the readings, and participate in the class discussions.

Class absences will be reported to the Program Director and will affect the grade and PPIA benefits.

Grading:

Policy Memos (midterm and final) = 70% of the grade

Group presentation= 30% of the grade

Policy memos

Memo topics and detailed guidelines will be distributed to the class on the assigned dates.

Students must submit a draft of the memo to the assigned TA for comments. Dates are provided below.

The TA will review the paper's content, style, and citations.

The instructor will provide detailed memo guidelines and your TAs are going to do a memo workshop right after the memo topic is distributed.

Memo dates:

Policy memo 1 (midterm exam): Topic distributed on June 27

Memo draft due to your assigned TA via email: no later than July 3rd before 10:00 PM.

Memo due: Tuesday July 9 before 10:00 PM. Please submit through Canvas

Policy memo 2 (final exam): Topic distributed on July 18

Memo draft due to your TA via email: no later than July 23 before 10:00 PM

Memo due: July 30 before 10:00 PM. Please submit through Canvas

Please note that it is mandatory to submit a draft to your TA on the assigned date

Memo Grading Criteria

Problem

Grammar and spelling: minor problems

Major problems

Impact

minus half grade point

minus one point

Missing sections:

a) Abstract and/ or conclusions:

minus half point each

b) Missing one of the content sections:

minus one point

c) Failing to analyze the problem:

minus one point

Recommendations:

No recommendations

minus one point

Good idea for a recommendation,
but poor development or implementation:

minus half point per recommendation

Citations:

Depending on the seriousness of the problem:

minus one point to failing grade

Presentation/ Group project: Students will be assigned a presentation topic during the first week of classes. The instructor will form groups of about four or five students each and assign dates. Topics will be organized around policy areas. More information on presentations will be provided later.

Important Reminders

Cheating and Plagiarism: Students who plagiarize will receive 0 points in the assignment and consequently will fail the class. The instructor will make use of all available University policies. All cases of plagiarism will be reported to the Dean and Program Chair. Students caught plagiarizing will lose all PPIA benefits.

Cell phone use and texting: Please disconnect your cell phone before coming to class and refrain from either checking messages or sending text messages.

Use of Internet Sources: Please use reliable sources. Wikipedia and blogs are not reliable sources.

Chat Gpt and other AI programs: Canvas informs the professor and TAs of the percentage of the paper that was generated by Artificial Intelligence. Any paper showing that more than 25% of the material was generated by AI will receive a failing grade.

Take care of yourself. Do your best to maintain a healthy lifestyle this semester by eating well, exercising, avoiding drugs and alcohol, getting enough sleep and taking some time to relax. This will help you achieve your goals and cope with stress.

All of us benefit from support during times of struggle. You are not alone. There are many helpful resources available on campus and an important part of the college experience is learning how to ask for help. Asking for support sooner rather than later is often helpful.

If you or anyone you know experiences any academic stress, difficult life events, or feelings such as anxiety or depression, we strongly encourage you to seek support. Counseling and Psychological Services (CaPS) is here to help: call 412-268-2922 and visit their website at <http://www.cmu.edu/counseling/>. Consider reaching out to a friend, faculty or family member you trust for help getting connected to the support that can help.

Accommodations for Students with Disabilities: If you have a disability and have an accommodations letter from the Disability Resources office, I encourage you to discuss your accommodations and needs with me as early in the semester as possible. I will work with you to ensure that accommodations are provided as appropriate. If you suspect that you may have a disability and would benefit from accommodations but are not yet registered with the Office of Disability Resources, I encourage you to contact them at access@andrew.cmu.edu.

Writing Support: Feel free to get in touch with the Global Communication Center (GCC), if you need additional writing support. You can schedule appointments by emailing the gcc-cmu@andrew.cmu.edu

Syllabus

Required Book: Abhijit Banerjee and Esther Duflo, Poor Economics: A Radical Rethinking of the way to Fight Poverty, Public Affairs 2011

Articles can be accessed online or on Canvas

Readings are due on the assigned date.

Students should be ready to analyze and discuss the assigned readings.

June 18

Topic: Measuring Poverty and Inequality

Please Read before the first class

O. Blanchard and D. Rodrik, “We have the tools to Reverse the rise in Inequality”,
<https://www.piie.com/commentary/speeches-papers/we-have-tools-reverse-rise-inequality>

Chad Stone, et. al., “A Guide to Statistics on Historical Trends in Income Inequality”
UPDATED, January 13, 2020, Center on Budget and Policy Priorities
<https://www.cbpp.org/research/poverty-and-inequality/a-guide-to-statistics-on-historical-trends-in-income-inequality>

How Do We Measure Poverty? Is There a Better Way to Do It? Peterson Foundation, 2019,
<https://www.pgpf.org/budget-basics/how-do-we-measure-poverty-and-is-there-a-better-way-to-do-it>

Section 1: U.S Social Policies: A race and gender-based analysis

June 20

Topic: What kind of social policies? Targeted or universal?

Read:

Othoring and Belonging Institute at Berkley “Categorizing Strategies”
<https://belonging.berkeley.edu/categorizing-strategies>

Topic: Childcare/Family Leave Policies in the US: Impact on women and children

Read:

Schochet, Leila, The Child Care Crisis Is Keeping Women Out of the Workforce, 2019, Center for American Progress,

<https://www.americanprogress.org/issues/early-childhood/reports/2019/03/28/467488/child-care-crisis-keeping-women-workforce/>

The White House, “Fact Sheet: The American Families Plan” April 2021,

<https://www.whitehouse.gov/briefing-room/statements-releases/2021/04/28/fact-sheet-the-american-families-plan/>

Sarah Donovan, “Paid Family and Medical Leave in the U.S”, Congressional Research Service,

<https://crsreports.congress.gov/product/pdf/R/R44835>

June 25:

Topic: Wages and the Gender and Racial Wage Gap

Read

The Guardian, “Gender pay gap means women work 67 days a year for free, says TUC”, 2018

<https://www.theguardian.com/news/2018/mar/08/gender-pay-gap-means-women-work-67-days-a-year-for-free-says-tuc>

Lawrence Mishel and Julia Wolfe “CEO compensation has grown 940% since 1978; Typical worker compensation has risen only 12% during that time” Economic Policy Institute, August 14, 2019 <https://www.epi.org/publication/ceo-compensation-2018/>

Valerie Wilson, et. al., “Black women have to work 7 months into 2017 to be paid the same as white men in 2016” Economic Policy Institute,

<https://www.epi.org/blog/black-women-have-to-work-7-months-into-2017-to-be-paid-the-same-as-white-men-in-2016/>

Elise Gould, “The State of American Wages 2017”, March 2018, Economic Policy Institute,

<https://www.epi.org/publication/the-state-of-american-wages-2017-wages-have-finally-recovered-from-the-blow-of-the-great-recession-but-are-still-growing-too-slowly-and-unequally/>

Janelle Jones, “The racial wealth gap: How African-Americans have been shortchanged out of the materials to build wealth”, Economic Policy Institute, 2017

<https://www.epi.org/blog/the-racial-wealth-gap-how-african-americans-have-been-shortchanged-out-of-the-materials-to-build-wealth/>

Caleb Crain, “State of the Unions: What happened to America’s labor movement?”, The New Yorker,

August 19, 2019, <https://www.newyorker.com/magazine/2019/08/26/state-of-the-unions>

June 27:

Topic: Focus on Health: Medicare, Medicaid, and the ACA; Health and Race in the US

Read:

Robin Rudowitz , Rachel Garfield and Elizabeth Hinton, “10 Things to Know about Medicaid: Setting the Facts Straight”, 2019 H. Kaiser Family Foundation,
<https://www.kff.org/medicaid/issue-brief/10-things-to-know-about-medicaid-setting-the-facts-straight/>

Christine Eibner, “The Affordable Care Act in Depth” Rand Corporation
<https://www.rand.org/health/key-topics/health-policy/aca/in-depth.html>

Ricardo Nulia, “Poor and Uninsured in Texas” The New Yorker, August 18, 2016
<https://www.newyorker.com/news/news-desk/poor-and-uninsured-in-texas>

J. McDermott, ‘Both in rich and poor countries, universal health care brings huge benefits’, The Economist,
<https://www.economist.com/special-report/2018/04/28/both-in-rich-and-poor-countries-universal-health-care-brings-huge-benefits>

J. Interlandi, Why doesn't the U.S. have Universal Health Care: The Answer has everything to do with Race., The NY Times, Aug 2019,
https://www.nytimes.com/interactive/2019/08/14/magazine/universal-health-care-racism.html?nl=todaysheadlines&emc=edit_th_190818?campaign_id=2&instance_id=11591&segment_id=16273&user_id=b8f13fbb1d398398315a18158b082aef®i_id=491673520818

July 2:

Topic: Social Security

Read

“Social Security: A Primer”, Congressional Research Service, 2020,
<https://fas.org/sgp/crs/misc/R42035.pdf>

Benjamin W. Veghte, Elliot Schreur, and Mikki Waid, “Social Security and the Racial Wealth Gap”, National Academy of Social Insurance, December 2016

<https://www.nasi.org/research/2016/social-security-racial-wealth-gap>

Joan Entmacher, Mikki Waid, and Benjamin W. Veghte , “Overcoming Barriers to Retirement Security for Women: The Role of Social Security”, National Academy of Social Insurance,

<https://www.nasi.org/research/2016/overcoming-barriers-retirement-security-women-role-social-se>

Happy 4th

July 9:

Topic: Welfare Policies

Read:

Gene Falk, “The Temporary Assistance for Needy Families (TANF) Block Grant: Responses to frequently Asked Questions”, Congressional Research Service, 2016

<https://fas.org/sgp/crs/misc/RL32760.pdf>

Ashley Burnside and Liz Schott, “States Should Invest More of Their TANF Dollars in Basic Assistance for Families”, February 25, 2020,

<https://www.cbpp.org/research/family-income-support/states-should-invest-more-of-their-tanf-dollars-in-basic-assistance>

Eduardo Porter, “The Myth of Welfare Dependency Corrupting Influence on the Poor” The New York Times, 2015

<https://www.nytimes.com/2015/10/21/business/the-myth-of-welfares-corrupting-influence-on-the-poor.html>

By Arthur Delaney “Behind the Scenes, Trump Diligently Tries to Slash Social Programs” Huff Post

https://www.huffpost.com/entry/donald-trump-social-safety-poverty-welfare_n_5cd5d5ebe4b054da4e895073

July 11: Trip to DC

July 16:

Topic: Housing Policies

Read:

Michael Greenberg, “Tenants under Siege: Inside New York City’s Housing Crisis”, NY Review of Books, 2017

<https://www.nybooks.com/articles/2017/08/17/tenants-under-siege-inside-new-york-city-housing-crisis/?printpage=true>

The Guardian, “Housing First: the 'counterintuitive' method for solving urban homelessness” Oct 2014,

<https://www.theguardian.com/cities/2014/oct/20/housing-first-the-counterintuitive-method-for-solving-urban-homelessness>

The U.S. Department of Housing and Urban Development, “The 2015 Annual Homeless Assessment Report to Congress, 2015”,

<https://www.hudexchange.info/resources/documents/2015-AHAR-Part-1.pdf>

Section 3: Behavioral Approaches to Poverty in Low-income Countries

July 18

Section 2: Understanding behaviors and the role of government and new policies in developing countries.

Topics: Hunger, Health, and Conditional Cash Transfers

Read:

Abhijit Banerjee and Esther Duflo, Poor Economics: A Radical Rethinking of the way to Fight Global Poverty, pp. 1-70

Maxine Molineux, N. Jones and F. Samuels, “Can Cash Transfer Programmes have ‘Transformative’ effects?” 2016

http://discovery.ucl.ac.uk/1497225/1/Molyneux_SI%20Intro%20near%20FNL%20.pdf

Banerjee, A. et.al, “Debunking the Stereotype of the Lazy Welfare Recipient: Evidence from Cash Transfer Programs Worldwide”, 2016,

https://scholar.harvard.edu/files/remahanna/files/151016_labor_supply_paper_draft_final.pdf

Policy memo 2 (final exam): Topic distributed on July 18

Memo draft due to your TA: July 23 before 10:00 PM

Memo due: July 30 before 10:00 PM. Please submit through Canvas

July 23:

Topic: Education, Savings and Lending

Read:

Poor Economics: A Radical Rethinking of the way to Fight Global Poverty, pp. 71-115

July 25:

Topic: Entrepreneurship and Microfinancing

Read:

Poor Economics: A Radical Rethinking of the way to Fight Global Poverty, pp. 157-234

Jpal, “Microcredit: Summary of Seven Studies on the impact of Microcredit: Where Credit is due”, 2015

<https://www.povertyactionlab.org/sites/default/files/publications/where-credit-is-due.pdf>

July 30

Topic: Universal Basic Income and how to fight global poverty

Read:

Poor Economics: A Radical Rethinking of the way to Fight Global Poverty, pp. 235-274

Maura Francese and Delphine Prady, “Universal Basic Income: Debate and Impact Assessment”, IMF December 10, 2018

<https://www.imf.org/en/Publications/WP/Issues/2018/12/10/Universal-Basic-Income-Debate-and-Impact-Assessment-46441>

Nathan Heller, Who Really Stands to Win from Universal Basic Income?, The New Yorker, 2018,

<https://www.newyorker.com/magazine/2018/07/09/who-really-stands-to-win-from-universal-basic-income>

The Economist, “Why the world should adopt a basic income” July 4, 2018,

<https://www.economist.com/open-future/2018/07/04/why-the-world-should-adopt-a-basic-income>

Aug 1st:

Conclusions

E. Gould, D. Perez and V. Wilson, “Latinx Workers—Particularly Women—face Devastating job Losses in the COVID-19 Recession <https://www.epi.org/publication/latinx-workers-covid/>

C. McNicholas, et.al., “Why unions are good for Workers—Especially in a crisis like COVID-19, EPI, https://www.epi.org/publication/why-unions-are-good-for-workers-especially-in-a-crisis-like-covid-19-12-policies-that-would-boost-worker-rights-safety-and-wages/?utm_source=Economic+Policy+Institute&utm_campaign=178373f29