

**University of Colorado at Boulder  
Department of Economics**

**Prof. Jeffrey S. Zax**

**Economics 4626**

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<sup>1</sup> University policies regarding multiple final examinations on the same day are available at [http://www.colorado.edu/policies/final\\_exam.html](http://www.colorado.edu/policies/final_exam.html).

Two midterm examinations will each take 40 minutes, and be worth 40 points. They will take place on 8 February and 5 April unless class progress deviates significantly from expectations.

The remaining article, that assigned for lecture 4, may be obtained from the webpage for this lecture on the course website:

<http://www.colorado.edu/Economics/Zax/Econ4626/spring11/webpages/econ4626.html>.

Additional readings may be assigned at my discretion.

**Tentative schedule:**

<u>Date</u>	<u>Lecture number</u>	<u>Lecture title, readings and assignments</u>
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**I. The Measurement of Inequality**

11 January	1.	Introduction
13 January	2.	Simple inequality measures

Easterlin, Richard A. (2000) "The worldwide standard of living since

- 22 February 12. Local externalities, peer effects and inequality
- Kremer, Michael and Dan Levy (2008) "Peer effects and alcohol use among college students", Journal of Economic Perspectives, Vol. 22, No. 3, Summer, 189-206.
- Essay on American Outsourcing Harvard Business School Case No. 9-705-040 is due.
- 24 February 13. Inequality as an incentive
- 1 March 14. Wealth inequality
- 3 March 15. Health inequality
- Smith, James P. (1999) "Healthy bodies and thick wallets: The dual relation between health and economic status", Journal of Economic Perspectives, Vol. 13, No. 2, Spring, 145-166.
- Cutler, David M., Edward L. Glaeser and Jesse M. Shapiro (2003) "Why have Americans become more obese?", Journal of Economic Perspectives, Vol. 17, No. 3, Summer, 93-118.
- 8 March 16. Income, earnings and wage inequality
- Gottschalk, Peter (1997) "Inequality, Income Growth, and Mobility: The Basic Facts", The Journal of Economic Perspectives, Vol. 11, No. 2, Spring, 21-40.
- Piketty, Thomas and Emmanuel Saez (2007) "How progressive is the U.S. federal tax system? A historical and international perspective", The Journal of Economic Perspectives, Vol. 21, No. 1, Winter, 3-24.
- 10 March 17. Equivalence scales
- 15 March 18. Consumption inequality
- Jorgenson, Dale W. (1998) "Did we lose the war on poverty?", Journal of Economic Perspectives, Vol. 12, No. 1, Winter, 79-96.
- 17 March 19. Poverty
- Hoynes, Hilary W., Page, Marianne E. and Ann Huff, (2006) "Poverty in America: Trends and explanations", The Journal of Economic Perspectives, Vol. 20, No. 1, Winter, 47-68.

Smeeding, Timothy (2006) "Poor people in rich nations: The United States in comparative perspective", The Journal of Economic Perspectives, Vol. 20, No. 1, Winter, 69-90.

29 March

20. Children's welfare

Currie, Janet (2001) "Early childhood education programs", Journal of Economic Perspectives, Vol. 15, No. 2, Spring, 213-238.

Edmonds, Eric V. and Nina Pavcnik (2005) "Child labor in the global economy", The Journal of Economic Perspectives, Vol. 19, No. 1, Winter, 199-220.

31 March

21. Satisfaction

Kahneman, Daniel and Alan B. Krueger (2006) "Developments in the measurement of subjective well-being", The Journal of Economic Perspectives, Vol. 20, No. 1, Winter, 3-24.

Di Tella, Rafael and Robert MacCulloch (2006) "Some uses of happiness data in economics", The Journal of Economic Perspectives, Vol. 20, No. 1, Winter, 25-46.

5 April

Midterm examination

#### **IV. Evaluating inequality**

7 April

22. Preferences for redistribution and feasible redistribution

12 April

23. Social welfare functions and societal choice

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<sup>2</sup> A summary is available at [http://registrar.colorado.edu/regulations/ferpa\\_guide.html](http://registrar.colorado.edu/regulations/ferpa_guide.html).

