COURSE OVERVIEW

This seminar will examine the nature and extent of poverty in the U.S., its causes and consequences, and the antipoverty effects of existing and proposed government programs and policies. Our investigation will be interdisciplinary, drawing on insights from economists, sociologists, psychologists, philosophers, and public policy analysts. The types of questions to be addressed include the following:

What is poverty? Who are the underclass? Why is poverty so persistent? Is there a culture of poverty? Why are poverty rates for minorities so high? What are the interrelationships among poverty, family structure, inner city neighborhoods, crime, labor market conditions and public policies? Is poverty passed on from generation to generation? How has welfare reform changed the playing field? What are the effects of neighborhood, housing, education, labor market and welfare policies on poor adults and children? How might these policies be better designed to improve the economic prospects of poor adults and children?

The course will foster the development and use of critical thinking, effective writing, and oral presentation skills. Student evaluation will be based on preparation for class, participation during seminar meetings, and a paper project.

INSTRUCTOR: Stacy McLoughlin Taylor Acting Director, Shepherd Program for the Interdisciplinary Study of Poverty and Human Capability

CONTACT INFO.: Office Phone: (540) 458-8164
Room: Newcomb 21
E-mail: TaylorSM@wlu.edu

Office Hours: M,T,W,TH,F 3:00 p.m.-5:30 p.m. or by appt.

INSTRUCTOR: Art Goldsmith, Jackson T. Stephens Professor of Economics

CONTACT INFO.: Office Phone: (540) 458-8970
Room: 210 Williams School of Business
E-mail: GoldsmithA@wlu.edu

OFFICE HOURS: M,W 10:00-12:00 and 3:00-4:00 or by appointment.

CLASS TIMES: Monday and Wednesday 1:00-3:00 (F and G hours)
CLASS LOCATION: Law School, Room H

REQUIRED READING AND PARTICIPANT RESPONSIBILITIES

The Course Pak that contains the readings for the course (composed of 4 books for ease of handling) is available for purchase from the Stacy Taylor.

Class discussion will be based on the Reading listed for that day, unless otherwise noted!

It is imperative that members of the seminar read the assigned readings in a timely (i.e., by the time class meets) and a professional or thorough fashion, since seminars only work when students are prepared. Members of the seminar will be asked to fill out an Overview Paper Form for each assigned reading prior to attending class (the form is provided by the instructor). The “Form” asks students to; identify the questions examined in the paper, briefly describe the fundamental ideas presented in the paper, set out the key findings of the paper, identify shortcomings of the analysis conducted in the paper, and to reflect on how the analysis might be extended. Completion of the Overview Paper Form is a student’s ticket to attend class. This requirement of the course is aimed at ensuring lively and insightful discussion during meetings of the seminar. (Will these be graded check plus, check, or check minus).

ISSUE PAPER

Seminar participants are required to produce an “Issue Paper” (It may be a problem and policy paper or a comparable humanities paper) over the course of the term. Students must start by identifying a question or issue they intend to explore and they are expected to obtain approval for the topic from the instructors. Students are expected to read widely from professional sources (i.e., journal) articles and books on their topic and this may be supplemented by material available in the media or off the web. Given this background students are to prepare a 8-10 page Issue Paper that must follow the following structure (humanities papers will follow a different structure developed with the instructor)

I. Introduction
   This section must identify the issue to be examined--the question to be explored--and must make the case for why this is an important issue or problem to address.

II. Literature Review
   This section describes what is known about this problem or issue in the professional literature and through journalistic (i.e., news media and web) sources. Evidence on the question(s) you are examining and related questions should be cited along with a brief description of the data used in these studies and the type of analysis conducted.

III. Analysis of the Problem
   This section must contain a discussion of the likely impact of one or more changes or developments on the problem under examination. This analysis should be guided by insights from one or more disciplines. This section is where you offer
further insights about the cause and consequences of the problem you have chosen to examine. At the end of this section you are to draw some conclusions based on your inquiry.

IV. Policy Recommendation(s)

This section should set out one or more policy recommendations to address (i.e., reduce and possibly eliminate) the problem or issue examined in the paper.

Seminar participants are expected to have two faculty mentors for their project (one of the two course instructors, and another faculty member with expertise in the area of their project).

**Law Students:** To receive credit toward the writing requirement, you are expected to do a more substantial research paper (approximately 25 pages.) Please see Stacy McLoughlin Taylor if you are interested in this option.

The **Problem and Policy Paper** is **due at 5:00 p.m. Friday March 22nd, 2006**—no exceptions!! A copy of the paper is to be provided at that time to both the faculty mentors and the student who will comment on their paper during the “**Paper Presentation Session**.” Students are expected to provide their mentors with an update on the status of their paper throughout the term (of course students are welcome to discuss their work with the instructor during normal office hours, or during an appointment, as often as they like). It is essential that students complete each component of the paper project in a timely fashion. Each student is required to present their paper (for 15 minutes) and to comment on another students paper during a “**Paper Presentation Session**” session the last week of the term.

**GRADING**

Final grades are based on a weighted average of; class participation (33%), **Overview Paper Form** performance (33%), and research paper (33%).

**Optional Readings for Review**

These should be a review from INTR 101.

*Measuring Poverty*

Questions of measurement often seem tedious and irrelevant. However, deciding who is poor and who is not poor is important. First, any definition of poverty embodies a set of assumptions about what constitutes economic need. Policy decision-makers need to be aware of these assumptions. Second, we often decide who is or is not eligible for aid by our definition of poverty. Third, if we are to monitor the effectiveness of interventions designed to reduce or eliminate poverty, we need to be able to measure the extent of poverty before and after the interventions.


*Work Disincentives and Welfare Dependence.*


**COURSE SCHEDULE**

**PART I: WHO ARE THE POOR, AND WHY STUDY INEQUALITY?**

**Topic 1: Why Should We Care About Inequality?**

**Class #1: Monday January 9, 2006.**


**Topic 2: Is Poverty a Short-Run of Long-Run Phenomena?**

Many people think of the poor as mired in poverty from year to year, with few people escaping. Is this accurate? Or is there substantial turnover in the poverty population? How many people who become poor remain poor for a very long time? How many people escape poverty only to fall back into poverty several years later? Do the persistently poor differ demographically from the rest of the population?

**Class #2: Wednesday January 11, 2006.**

Reading

1. Mary Corcoran, “Mobility Persistence, and …” In, Understanding Poverty, pp. 127-140.


**Class #3: Friday January 13, 2006.**

**Guest Speaker:** Professor Melina Bell, Department of Philosophy, Washington and Lee University

“*Philosophical Perspectives on Inequality*”
PART II: ALTERNATIVE PARADIGMS TO EXPLAIN POVERTY

Topic 3: Economic--Labor Market--Explanations for Poverty


Reading


(Lecture in class by Professor Goldsmith).

Topic 4: Institutional--Structural--Explanations for Poverty

Class #5: Wednesday January 18, 2006.

Reading


Topic 5: “Early” Cultural Explanations for Poverty

It has been argued that the poor (or a subgroup of the poor) differ from mainstream society in some crucial psychological sense. The poor have a distinct, separate culture and this culture keeps them mired in poverty. Further, this culture tends to perpetuate itself both within and across generations.


Reading

1. M. Katz. The Undeserving Poor, chapter. 1.


Reading


Special Class Meeting

Class #8: Friday January 27, 2006.

Reading


Guest Speaker: Professor Edward Olsen, Department of Economics, University of Virginia.

12:00-1:00 (Elrod Center Room 345--lunch served)

“Housing the Poorest Katrina Victims”

4:00-5:30, Northen Auditorium

“Reform of Low Income Housing Policy”

Class #10: Wednesday February 1, 2006.

Reading


3. Rebecca Blank. 1997. It Takes a Nation, Chapter 2 (Section 2.3 and 2.4, pgs. 60-75 provides a good overview of labor market changes 1967 –1993).

Class #11: Friday February 3, 2006.
1:00-3:00, Lewis Hall Classroom H

**Guest Speaker:** Professor Ngina Chiteji, Department of Economics, Skidmore College.

**Reading**


Topic 9: Economic Explanations Revisited: Labor Market Discrimination and Poverty

Class #12: Monday February 6, 2006.

**Reading**


2. **Becker’s theory of Discrimination**—get from econ of race and ethnicity

**Presentation:** Professor Goldsmith
“Skin Shade and the Wages of Blacks in the U.S.”

Special Class Meeting
Class #13: Tuesday February 7, 2006.
6:00-7:30, Lewis Hall Classroom H

**Guest Speaker:** Professor Tim Jost, Robert L. Willett Family Professor of Law, Washington and Lee University
“Understanding Medicare Reform”

**Reading**

PART III: RESPONDING TO POVERTY: NON WELFARE APPROACHES

Topic 10: Policies to Increase The Human Capital of Adults

Schooling and skills are positively associated with adult economic success. The economic returns to schooling and skills rose sharply in the 1980s and remained high throughout the 1990s. One way to improve individuals’ economic prospects is via programs that promote human capital development. What do we know about skill accumulation and poverty reduction?

Class #14: Wednesday February 8, 2006.

Reading


3. Goldsmith- Lecture on language skills and immigration (maybe Darrick Hamilton on immigration)

UNDERGRADUATE BREAK, February 11th--19th

No Class

Topic 11: Policies to Increase Employment and Earnings of Low Skilled Workers and Policies to Improve Neighborhoods

What kind of labor market and tax policies might increase low skilled workers’ abilities to get and keep jobs, and make work more rewarding? Do placing low-skilled workers with temporary help agencies, health insurance programs, employer-based and/or employee based wage subsidies, public employment programs, affirmative action, and financial incentive programs work?

Class #15: Monday February 20, 2006. Evening Session: 5:30 p.m.-7:00p.m.

Guest Discussion Leader: Professor Kara Levine, Department of Economics, Washington and Lee University

Reading


PART IV: RESPONDING TO POVERTY: WELFARE POLICIES

Topic 12: The “War on Poverty”--Alternative Ideological Perspectives and Policies

Prior to welfare reform, some analysts claimed that Aid to Families with Dependent Children was generating a harmful subculture—the “welfare culture” which led girls to bear children out-of-wedlock and to go on welfare and led boys to father children and not take responsibility, to be idle, and to hang out.


Reading


Class #17: Friday February 24, 2006.

Reading


Class #18: Monday February 27, 2006.

Reading


Topic 14: Moral Justification of the Welfare State

Class #19: Wednesday March 1, 2006.

**Guest Speaker:** Harlan Beckley, Acting President & Founding Director of the Shepherd Poverty Program, Washington and Lee University

“Justification of the Welfare State: An Ethical and Philosophical Perspective”

**Readings**


Topic 15: The Constitution and Entitlement

Is there any constitutional basis to argue for unconditional social benefits such as welfare? Should there be?

Class #20: Friday March 3, 2006.

**Guest Speaker:** Ron Krotoszynski, Professor of Law, Washington and Lee University

“Positive Welfare Rights and the Constitution”

**Reading**


PART V: CRITIQUES OF WELFARE POLICIES--FOCUSING ON FAMILIES AND CHILDREN

Topic 16: Poverty, Welfare, and Marriage

Class #21: Monday March 6, 2006.

Reading


Topic 17: Poverty, Welfare, and Children

Most researchers simply compare two-parent families to mother-only families when assessing affects of family structure on child well-being. But there is considerably more diversity to family structure than this simple dichotomy implies. Furthermore, parents who stay together are different from parents who split up or never marry in the first place. This diversity and non-random selection complicates assessing effects of family structure on children.

Class #22: Wednesday March 8, 2006.

Reading


LAW BREAK, March 13th - 18th

No Class


Reading


**Topic 18: Poverty, Welfare, and Religion**

**Class #24: Wednesday March 22, 2006.**
**Reading**


**Special Class Meeting**
**Class #25: Thursday March 23, 2006.**
4:00-5:30, Elrod Center Room 345

**Guest Speaker:** Professor Janet Currie, Department of Economics, University of California at Los Angeles and Columbia University

*Early Childhood Developmental Intervention Programs: What Do We Know?“*

**Class #26: Monday March 27, 2006.**
4:00-5:30, Elrod Center Room 345

**Guest Speaker:** Mary Corcoran, Professor of Political Science, Sociology, and Women’s Studies, University of Michigan

*Early Childhood Developmental Intervention Programs: What Do We Know?“*

**Class #27: Wednesday March 29, 2006.**

“Paper Presentation Session #1: 1:00-2:15” (3 presentations and comments)

“Paper Presentation Session #2: 2:30–3:45” (3 presentations and comments)

**Class #28 Continued--Evening Session: Wednesday March 29, 2006.**

“Paper Presentation Session #3: 6:00-7:15” (3 presentations and comments)

“Paper Presentation Session #4: 7:30–8:45” (3 presentations and comments)
Class #29: Friday March 31, 2006.

“Paper Presentation Session #5: 1-2:15” (3 presentations and comments)
“Paper Presentation Session #6: 2:30--3:45” (3 presentations and comments)

Friday March 31, 2006

Survivors Party, 5:00-7:00 at the Home of Art Goldsmith and Jan Kaufman