

WASHINGTON AND LEE UNIVERSITY
SCHOOL OF COMMERCE, ECONOMICS AND POLITICS
ECONOMICS 297A (Winter 2004): Professor Goldsmith

THE ECONOMICS OF RACE AND ETHNICITY

OVERVIEW

The purpose of this seminar is to enhance understanding of the link between race and ethnicity, and economic outcomes. Seminar participants will explore a number of topics through assigned reading and classroom discussion. Topics to be examined include; what are race and ethnicity, economic theories of discrimination, social-psychological insight about stereotyping, legacy impacts on social-economic status, affirmative action, wealth disparities between racial/ethnic groups, the role of communities in shaping economic and social well-being, concepts of identity, the connection between skin shade and economic outcomes, the contribution of assimilation and English language proficiency to the economic outcomes of immigrant Latino workers, and the racial/ethnic composition of schools and academic achievement. The course will foster the development and use of critical thinking, effective writing, and oral presentation skills. Student evaluation will be based on classroom participation, an examination of concepts discussed, and a paper project.

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

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Room 210 Williams School of Business
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CLASS TIMES: Tuesday and Thursday 9:00-12:00 (B, C, and D hours)

CLASS LOCATION: Williams School, Room 235

OFFICE HOURS: Tuesday and Thursday 1:00-4:00 or by appointment. To make an appointment please see me before or after class,

leave a message on my door, call my office at 458-8970,
or send an e-mail message.

REQUIRED READING AND PARTICIPANT RESPONSIBILITIES

Course Reading Pac (to be purchased from Professor, check only--make
check to Washington and Lee University)

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, describe the economic model
presented in the paper (if one is used), 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.

PROBLEM AND POLICY PAPER

Seminar participants are required to produce a "*Problem and Policy Paper*"
over the course of the term. Students must start by identifying a question they
intend to explore and they are expected to obtain approval for the topic from the
instructor. Students are expected to read a few professional (i.e., journal) articles
on their topic as well as material available in the media or off the web. Given this
background students are to prepare a 5-8 page *Problem and Policy Paper* that must
follow the following structure:

I. Introduction

This section must identify the problem to be examined--the
question to be explored--and must make the case for why this is a
problem to solve or question to answer.

II. Literature Review

This section describes what is known about this problem 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. It would be ideal if an economic model were used to explore the question being investigated so that your question becomes a *ceteris paribus* violation. You should 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 examined in the paper.

The *Problem and Policy Paper* is due at 5:00 p.m. Thursday May 26th, 2005--no exceptions!! Students are expected to provide the instructor with an update on the status of their paper throughout the--SHORT--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.

GRADING

Final grades are based on a weighted average of final exam (25%), research paper (25%), class participation (25%) and *Overview Paper Form* performance (25%).

COURSE SCHEDULE

THE CONCEPT AND MEASUREMENT OF RACE

Class #1: Tuesday April 19, 2005.

Reading

1. Clark Larsen, 1996. "The Biological Anthropology of Race: Some Historical Insights and the (Mis)Uses of an Archaic Concept." *American Association of Physical Anthropologists Statement on Biological Aspects of Race*.
2. Troy Duster, September 14, 2001. "Buried Alive: The Concept of Race in Science." *The Chronicle of Higher Education*.
3. Stephen J. Gould, February 1995. "Commentary on the Bell Curve." (American Museum of) *Natural History*, 104(2),

Film (shown during class, 1 hour)

**Race: The Power of an Illusion (Three Part Series from PBS)
Part I: The Difference Between Us**

Class #2: Thursday April 21, 2005.

Reading

1. Stephen J. Gould, November 28, 1994. "Curveball." *The New Yorker*.
2. William Darity Jr., 2001. "End of Race?" *Transforming Anthropology* Vol. 10(1), pp.39-43

Film (shown during class, 1 hour)

Race: The Power of an Illusion (Three Part Series from PBS)
Part II: The Story We Tell
**RACE, COLOR AND IDENTITY:
LATINOS AND LATINAS IN THE USA**

Class #3: Tuesday April 26, 2005.

Reading

1. Marta I. Cruz-Janzen, 2001. "Latinegras." *Frontiers*, 22(3), pp.168-183.
2. Alejandro Portes, and Cynthia Truelove, 1987. "Making Sense of Diversity: Recent Research on Hispanic Minorities in the United States." *Annual Review of Sociology*, 13, pp. 359-385.

Class #4: Thursday April 28, 2005.

Reading

1. Alexandra Russell, 2002. "Though Shall Not Speak: Accent Discrimination in the American Workplace." *Deliberations*, pp. 13-28.
2. George J. Borjas, ,2000. *Labor Economics*, Irwin-McGraw Hill: Boston, MA. Becker's Theory of Discrimination, pp. 342-349; and Sources of Discrimination, pp. 354-362).

Presentation

Art Goldsmith, Department of Economics, Washington and Lee University.
"Why Do Latina and Latino Workers in the U.S. Earn Less than White Workers?" (paper by Art Goldsmith, Darrick Hamilton, and William Darity, Jr.)

Reading--for class #5

1. Gary Orfield, and Chungmei Lee, January 2005. "Why Segregation Matters: Poverty and Educational Inequality." The Civil Rights Project (at Harvard University), pp. 1-47.

RACE, ETHNICITY AND EDUCATIONAL DISPARITY IN THE USA

Class #5: Tuesday May 3, 2005.

Reading (in addition to Orfield and Lee)

1. Jencks, Christopher, and Megedith Phillips, September 1998. "America's Next Achievement Test: Closing the Black-White Test Score Gap." *The American Prospect*.
2. Jencks, Christopher, et. al, November 1998. The Black-White Test Score Gap. *The American Prospect*.

Class #6: Thursday May 5, 2005.

Presentation

Catherine Eckel, Professor of Economics, Virginia Tech.

"Conditional Trust: Sex, Race and Facial Expressions in a Trust Game"

Reading (to be discussed after the Eckel presentation)

1. Roland G. Freyer, Jr., and Steven D. Levitt, September 2004. "The Black-White Test Score Gap Through Third Grade." Working Paper, *National Bureau of Economic Research*.

Class #7: Special Meeting Time and Place

Monday May 9, 2005; 4:00--6:00 pm. Room 345 Elrod Commons.

Presentation

**Diane Whitmore, Professor, Harris School of Public Policy,
University of Chicago.**

"Chipping away at the Black-White Achievement Gap"

Presentation

For the Shepherd Poverty Program (Optional for Economics 297A)

Monday May 9, 2005; 12 noon. Room 345 Elrod Commons.

{Lunch Provided, sign up if you wish to attend}

**Diane Whitmore, Professor, Harris School of Public Policy,
University of Chicago.**

"How Do the Poor Spend Their Food Stamps?"

**RACIAL WAGE DISPARITY IN THE
USA**

Class #8: Thursday May 12, 2005.

Reading

1. Darity, William, A., and Patrick L. Mason, 1998. "Evidence on Discrimination in Employment: Codes of Color, Codes of Gender." *Journal of Economic Perspectives*, 12(2), pp. 63-90.

Presentation

Art Goldsmith, Department of Economics, Washington and Lee University.

"From Dark to Light: Skin Color and Wages Among African-Americans" (paper by Art Goldsmith, Darrick Hamilton, and William Darity, Jr.)

WEALTH DISPARITY AND AFFIRMATIVE ACTION

Class #9: Tuesday May 17, 2005.

Reading

1. Edward N. Wolff, (Summer) 1998. "Recent Trends in the Size Distribution of Household Wealth." *The Journal of Economic Perspectives*, 12(3), pp. 131-150. (**STOP** after the top 1/3 of page 142)
2. N.S. Chiteji, and Darrick, Hamilton, 2002. "Family Connections and the Black-White Wealth Gap among Middle Class Families." *Review of Black Political Economy*.
3. N.S. Chiteji, and Darrick, Hamilton, 2005. Wealth disparity Tables (3 pages--forthcoming, Pew Study On Wealth Inequality).

Film (shown during class, 1 hour)

**Race: The Power of an Illusion (Three Part Series from PBS)
Part III: The House We Live In**

Class #10: Thursday May 19, 2005.

Presentation

**Darrick Hamilton, Professor, Milano Graduate School of Management
and Urban Policy, New School University.**

"Black-White Wealth Disparity: The Role of Family Connections"

Reading

1. Roland G. Freyer, Jr., and Glenn C. Loury, November 2004. "Affirmative Action and Its Mythology." Forthcoming, *Journal of Economic Perspectives*.

Presentation

For the Shepherd Poverty Program (Optional for Economics 297A)

Thursday May 19, 2005; 12 noon. Room 345 Elrod Commons.

{Lunch Provided, sign up if you wish to attend}

Darrick Hamilton, Professor, Milano Graduate School of Management and Urban Policy, New School University.

"Racial and Ethnic Disparities in Wealth: Causes and Consequences"

Class #11: Tuesday May 24, 2005.

Presentation

Art Goldsmith, Department of Economics, Washington and Lee University.

"Does a Foot-in-the-Door Matter?: White-Nonwhite Differences in the Wage Return to Tenure and Prior Workplace Experience"

(paper by Art Goldsmith, Darrick Hamilton, and William Darity, Jr.)

Reading

1. Brian Bucks, Fall 2004. "Affirmative Access Versus Affirmative Action: How Have Texas' Race-Blind Policies Affected College Outcomes?" Working Paper, University of Wisconsin at Madison.

Class #12: Thursday May 26, 2005.

Presentation

Art Goldsmith, Department of Economics, Washington and Lee University.

"Work Force Diversity, Affirmative Action, and Firm Performance--A Graphical Exposition: Understanding the Role

of Worker Interaction.” (by Art Goldsmith, Darrick Hamilton, and William Darity, Jr.)