

THE POLITICS OF ECONOMIC INEQUALITY

POL SCI 355
University of Wisconsin-Milwaukee
Fall 2018
Time: TR 2:00-3:15pm
Room: LUB S171

Professor: Ora John Reuter
Office: Bolton 670
Email: reutero@uwm.edu
Office Hours: W 1:00-3:00pm or by appointment
Mode of Delivery: In-person

Course Description: For centuries, high levels of economic inequality were a fact of life around the world, and these inequalities fundamentally shaped political life. Indeed, as we will explore in this class, economic inequality played a key role in determining the form and structure of the modern state. In the 20th century, levels of inequality plummeted in many Western societies (though significant inequalities remained), but by the beginning of the 21st century levels of inequality had again risen to levels not seen since before the First World War. This has made economic inequality one of the most talked about topics in contemporary political discourse.

This course considers the political implications of economic inequality across the globe and throughout history. It begins by considering the moral debates surrounding economic inequality and then proceeds to consider the empirical consequences of inequality on political outcomes. Here we consider both how economic inequality has shaped state development in the sweep of history and how inequality affects politics in the 21st century. The course then proceeds to debate the political causes of income inequality—with necessary attention also paid to non-political causes. The course concludes with a critical examination the various institutional configurations and policy reforms that have been proposed to address rising levels of economic inequality. Which of these reforms would work? Should they be supported? Are the benefits of reducing economic inequality greater than the costs? These are questions we will examine in this section of the course.

Course Objectives:

In this course you will:

1. Become familiar with philosophical debates about inequality
2. Learn about the effects of economic inequality on politics
3. Become familiar with the major economic and social explanations of economic inequality
4. Become an expert on the political causes of inequality
5. gain 'real-world' knowledge about economic inequality around the world
6. use the analytic toolkit of social science to analyze economic inequality

Requirements:

- 1) Attend class sessions and participate

The format of this class will be discussion with some lecture. Your participation includes both attendance and engagement in class discussion.

I will lecture at times, but most of our class time will be spent discussing the themes and arguments presented in our readings. Everyone should be ready to contribute something in every class. Your comments need not dazzle every time. Often times, the most productive contributions to class discussions are questions. If you don't understand something in the readings, say so. The authors we read are not perfect; their prose may not always be clear and their arguments will never be bulletproof. Speak up and air your grievances if you are confused. We will all be better for it and you will be rewarded come evaluation time.

Attendance is mandatory. Our class is small, and therefore, you cannot free ride on your fellow classmates. Your absences will be noticed by all and have a palpable impact on our sessions. Each unexcused absence will result in the reduction of your participation grade by 1/3 of a letter grade. Absences will only be excused for documented illness, family crises, religious observances etc.

Late Policy: You are expected to arrive to class on time unless you have a valid excuse. It is disruptive and disrespectful to arrive to class late. If you are not present when I take roll at the beginning of class, you will be marked as absent for the day unless you have a documented excuse for your tardiness.

Your class participation grade will be based upon three equal components: 1/3 will be based on reading quizzes (see below), 1/3 will be based on participation in class, and 1/3 will be based on attendance.

- 2) Complete assigned readings before the date indicated on the syllabus.

In order to participate effectively in discussion, you will need to have done the required readings for that day. Much is expected in terms of reading, but you are up to the task.

Each week I will post on D2L a short list of questions that you should keep in mind while doing the next week's readings. These questions will help facilitate discussion on a given reading. On some, but likely not all, class days we will begin class with a short quiz. These quizzes will contain one question drawn from that week's questions. Grades of "check" or "check-minus" and "unsatisfactory" will be assigned.

- 3) Response paper

You will be responsible for writing one 3-4 page research response paper over the course of the semester. The response paper can be written on the readings with a "*" next to them on the syllabus.

This paper should have three components:

- 1) The paper should briefly (one paragraph) sum up the main argument made by the author and the evidence provided.
- 2) It should contain an evaluation and critique of the author's argument and evidence. Does the author's argument make sense? Why or why not? Does his evidence (if any) comport with his/her argument? Why or why not? Do you know of other evidence that undermines (or supports) the author's argument? Does one of the other readings for that day offer a perspective that is discordant with the perspective offered by the author? This section should constitute the lion's share of the paper.
- 3) The paper should conclude with some questions for the class that flow from your evaluation/critique.

You will give a short 5-minute presentation on your paper to kick off our discussion of that reading. Students are encouraged to be creative in the presentational style. Students will be evaluated on how well they are able to generate discussion of their reading.

Each week we will determine who will write reaction papers for the following week. I will ask for volunteers.

4) Prepare for and participate in two in-class debates.

For these debates, the class will be divided into four teams. In order to prepare you will be required to prepare a 1-page 'position paper' that lays out why you think the position you are defending is the correct one and why the opposition position is incorrect. This first individual position paper is due by email on October 23. The second is due by email on December 11. You will also be required to meet with your debate team once outside of class. More specific instructions will be distributed in the weeks prior to the debate.

5) One Final Paper

Your single most important assignment in this class will be a research paper. In this paper, you will undertake original research on a topic related to economic inequality. For more information see the documents in the "ResearchPaper" tab on D2L.

In the coming weeks we will discuss the methods of writing a research paper in more detail. On September 11, I will distribute an extensive list of example topics. Then, on October 11, you will submit a topic along with a brief outline.

On November 20, I will ask each of you to submit an annotated outline/progress report with bibliography.

The final draft of the paper will be due by December 23 (by email). The paper should be at least 2800 words.

6) Two Small Exams

The first exam will cover material covered before October 4. The second exam will cover material covered between October 4 and November 13.

7) One Final Exam.

To be held on Friday December 21 at 12:30pm. The exam is cumulative, but will focus more heavily on material in the last part of the course.

Academic Honesty:

All assignments and activities associated with this course must be performed in accordance with the University of Wisconsin, Milwaukee's policies on academic honesty. Plagiarism will not be tolerated in this course and any plagiarism on any assignment will result in a failing grade for the course.

When in doubt, cite. If you have questions about attribution, please see me. I am here to help! More information is available at: <http://www4.uwm.edu/dos/conduct/academic-misconduct.cfm>

Evaluation:

Class Attendance, Reading Quizzes, and Participation: 25%

Response Paper and Discussion Leadership: 5%

Debate Position Papers and Participation: 10%

Mid-term quiz #1: 7.5%

Mid-term quiz #2: 7.5%

Final exam 20%

Final Paper Progress Report: 5%

Final Paper: 20%

GRADING SCALE:

100-93	A	77-73	C
92-90	A-	72-70	C-
89-88	B+	69-68	D+
87-83	B	67-63	D
82-80	B-	62-60	D-
79-78	C+	59-0	F

Required Texts for Purchase:

Piketty, Thomas. 2014. *Capital in the 21st Century*. Cambridge, MA: Harvard UP

All other readings listed on the syllabus be made available on D2L or are available at the weblink provided on the syllabus.

Late Assignment Policy

All assignments are due on the assigned date. Response papers are due on the day that a reading is covered in class. I do not accept late assignments. Exceptions are made only in the most severe and extraordinary circumstances.

Expected Time Commitment:

This is a three-credit course, so the expected time commitment from students is approximately 144 hours. Students will spend 40 hours in class over the course of the semester. Approximately 50% of the

remaining time will be spent preparing for class by doing assigned readings and reviewing previous lecture notes. A further 25% will be spent preparing for quizzes and exams. Students should expect to allocate the final 25% to writing the final paper.

Academic Honesty:

All assignments and activities associated with this course must be performed in accordance with the University of Wisconsin-Milwaukee's academic misconduct policy. Plagiarism will not be tolerated in this course and any plagiarism on any assignment will result in a failing grade for the course. *When in doubt, cite.* If you have questions about attribution, please see me. I am here to help! More information is available at http://www.uwm.edu/acad_aff/policy/academicmisconduct.cfm

University Policies (<http://www4.uwm.edu/secu/SyllabusLinks.pdf>)

[NOTE: ALL READINGS ON THIS SYLLABUS ARE SUBJECT TO CHANGE. I WILL NOTIFY YOU IN ADVANCE BY EMAIL AND/OR IN CLASS IF A CHANGE IS MADE PLEASE CONSULT THE D2L VERSION OF THE SYLLABUS BEFORE DOING YOUR READINGS.]

PART I: CONCEPTUAL AND NORMATIVE PRELIMINARIES

September 4-Course Overview and Introductory Remarks

September 6-Measuring and Conceptualizing Inequality

Noah, Timothy. 2012. *The Great Divergence*. Pp 1-27.

Piketty, Thomas. 2014. *Capital in the 21st Century*. Cambridge, MA: Harvard UP. Chapter 7, pp 237-265*

September 11-Inequality and Human Nature

Rousseau, Jean Jacque. *Discourse on the Origins of Inequality* (pp 37-39, 40-41, 43, 44-48, 51-59, 60-70, 77-81 [Highlighted sections only])

September 13-Theories of Distributive Justice: Utilitarianism and Libertarianism

Sandel, Michael. 2009. *Justice: What's the Right Thing To Do?* Chapters 2 and 3

September 18-Theories of Distributive Justice: Egalitarianism and Its Critics

Sandel, Michael. 2009. *Justice: What's the Right Thing To Do?* Chapter 6

Stanford Encyclopedia of Philosophy [Section 4 on “Equality of Opportunity and Luck Egalitarianism” only]
<http://plato.stanford.edu/entries/justice-distributive/#EopPri>

September 20—Writing your Research Paper

No reading: Presentation by Professor Reuter

PART II: WHY ECONOMIC INEQUALITY MATTERS

September 25—Long Run Economic Growth and Political Development

Stanley L. Engerman and Kenneth L. Sokoloff. 2002. “Factor Endowments, Inequality, and Paths of Development among New World Economies” *Economia*, Fall 2002. Pp41-88 only.

September 27—Redistributivist Theories of Democratization

Acemoglu, Daron and James Robinson. 2006. *Economic Origins of Dictatorship and Democracy*. New York: Cambridge. Pp1-40

October 2—Critiques of Redistributivist Theories

Ansell, Benjamin and David Samuels. 2010. “Inequality and Democratization: A Contractarian Approach” *Comparative Political Studies**

Haggard, Stephen and Robert Kaufman. 2012. “Inequality and Regime Change: Democratic Transitions and the Stability of Democratic Rule” *American Political Science Review**

October 4—First Mid-Term Quiz

October 9—Economic Development

Read the essays by Paul Graham and Ezra Klein. Links to be provided.

Anderson, Lisa, Jennifer Mellor, and Jeffrey Milyo. 2008. “Inequality and Public Good Provision: An Experimental Analysis” *Journal of Socio-Economics**

Milanovic, Branko. 2011. *The Haves and Have Nots*. Pp12-18

October 11—Political Engagement and Trust

Solt, Frederick. 2008. “Economic Inequality and Democratic Political Engagement” *American Journal of Political Science**

Skocpol, Theda and Lawrence Jacobs. 2005. *Inequality and American Democracy: What We Know and What We Need to Learn*. Chapter 2

October 16—Political Representation

Skocpol, Theda and Lawrence Jacobs. 2005. *Inequality and American Democracy: What We Know and What We Need to Learn*. Chapter 3, pp 93-130

Bartels, Larry. 2008. *Unequal Democracy*. Chapter 9*

October 18—Policy Outcomes in a Democracy

Gilens, Martin and Benjamin Page. 2014. “Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens” *Perspectives on Politics*.*

Page, Benjamin, Larry Bartels, and Jason Seawright. 2013. “Democracy and the Policy Preferences of Wealthy Americans” *Perspectives on Politics*.*

October 23— Social and Psychological Effects?

Frank, Robert. 2013. *Falling Behind: How Rising Inequality Harms the Middle Class*. Berkeley, CA: UC Press. 15-60 and 78-94

PART III: THE CAUSES OF ECONOMIC INEQUALITY

October 25--- Debate 1: How much of a problem is economic inequality?

October 30—Geography, Hunter-Gatherers, and Ancient Technology

Watch *Guns, Germs, and Steel* documentary at home. <https://www.youtube.com/watch?v=ojU31yHDqiM>

Boix, Carles and Frances Rosenbluth. 2014. “Bones of Contention: The Political Economy of Height Inequality” *American Political Science Review*. *

November 1-- Technology and Education

James J Heckman. Skill formation and the economics of investing in disadvantaged children. *Science*, 312(5782):1900–1902, 2006.

Noah, Timothy. 2012. *The Great Divergence*. Chapter 5.

November 6— No Class. Election Day.

November 8—Income Inequality and Finance

Piketty, Thomas. 2014. *Capital in the 21st Century*. Cambridge, MA: Harvard UP. Chapter 9

Noah, Timothy. 2012. *The Great Divergence*. Chapter 9.

November 13—Economic Development and Capital Accumulation

Piketty, Thomas. 2014. *Capital in the 21st Century*. Cambridge, MA: Harvard UP. Chapter 1 pp 47-71*

Piketty, Thomas. 2014. *Capital in the 21st Century*. Cambridge, MA: Harvard UP. 10 (entire)*

Milanovic, Branko. 2011. *The Haves and Have Nots*. Vignette 1.10

November 15—Mid-Term Quiz #2

November 20—Inheritance and Intergenerational Mobility

Noah, Timothy. 2012. *The Great Divergence*. Chapter 2.

Piketty, Thomas. 2014. *Capital in the 21st Century*. Cambridge, MA: Harvard UP. Chapter 11*

Milanovic, Branko. 2011. *The Haves and Have Nots*. Vignette 2.3

November 22—No Class

November 27—Public Policy

Skocpol, Theda and Lawrence Jacobs. 2005. *Inequality and American Democracy: What We Know and What We Need to Learn*. Chapter 4, pg 166-173, 179-192, 196-201

Alesina, Alberto and Edward L. Glaeser. 2004 *Fighting Poverty in the US and Europe: A World of Difference*. Chapter 2.

November 29—Does Democracy Reduce Inequality?

Ross, Michael. 2006. “Is Democracy Good for the Poor?” *American Journal of Political Science*.*

Bonica, Adam, Nolan McCarty, Keith Poole, and Howard Rosenthal. 2013. “Why Hasn’t Democracy Slowed Rising Inequality?” *Journal of Economic Perspectives*.*

December 4—Public Opinion

Bartels, Larry. 2008. “Homer Gets a Tax Cut: Inequality and Public Policy in the American Mind” *Perspectives on Politics**

Gimpelson, Vladimir and Daniel Treisman. 2018. “Misperceiving Inequality” *Economics and Politics**

December 6—Gender and Race

Noah, Timothy. 2012. *The Great Divergence*. Chapter 3.

Alesina, Alberto, Edward Glaeser, and Bruce Sacerdote. 2001. “Why Doesn’t the United States Have a European-Style Welfare State?” *Brookings Papers on Economic Activity*. 2 pg 1-3 22-61

December 11—Some Reform Proposals

Piketty, Thomas. 2014. *Capital in the 21st Century*. Cambridge, MA: Harvard UP. Chapters 14 and 15

Atkinson, Anthony. 2016. “How to Spread the Wealth” *Foreign Affairs*

December 13—Debate #2: What (if anything) should be done about economic inequality in Western democracies?