

Econ 513 F: Urban Poverty and Inequality

Hamilton College

Fall, 2019

SYLLABUS

TIME & LOCATION

Tuesdays & Thursdays 2:30-3:45 PM in KJ Room 103

INSTRUCTOR

Mo Alloush

mismaila@hamilton.edu

Office Location: KJ-218

Office Hours: Wednesdays 2-4 PM

Thursdays 4-6 PM

If you cannot make it during these times, email me and we can schedule an appointment.

DATA ANALYSIS AID

Luis Mijares

[*lmijares@hamilton.edu*](mailto:lmijares@hamilton.edu)

Office Location: KJ-205

Office Hours: Sundays 2:00 PM to 7:00 PM

Monday-Wednesday Noon to 8:00 PM

Thursday Noon to 6:00 PM

COURSE DESCRIPTION

This course covers empirical and theoretical analyses of poverty and inequality mainly in urban areas. It will draw from work in urban, health, development, and behavioral economics. We will explore what contributes to urban poverty and what factors play a role in exacerbating it. This class satisfies the senior project requirement through an empirical study closely related to a topic covered in this class.

Prerequisites: Microeconomic theory, economic statistics and introduction to econometrics.

Learning Objectives: By the end of this semester, you will:

1. Understand economic theories related to urban poverty and inequality;
2. Be familiar with the main economic literature on this topic;
3. Be the proud author of an empirical senior thesis on a topic related to poverty and inequality.

Textbook: There is no required textbook in this class. We will draw on a range of material including journal articles from economics, psychology, and sociology. All material will be available for download on the course Blackboard site. Students will also be asked to watch Youtube clips or listen to podcasts outside of class.

If you are interested in learning more about Urban poverty and inequality, you are encouraged (but **not required**¹) to read one (or more!) of the following books on urban poverty in both the U.S. and around the World:

Behind the Beautiful Forevers (by Katherine Boo)

Evicted (by Matthew Desmond)

Off the Books: The Underground Economy of the Urban Poor (by Sundhir Venkatesh)

COURSE FORMAT

A detailed course outline begins on Page 5. Learning material at this level to allow you to successfully complete your senior project requires active engagement. I would like you to view me as a facilitator of your learning process: In class, I will explain new concepts, discuss important points, and add context to the assigned material. Importantly, I want you to view the class as an ongoing informed and engaged discussion with me and your classmates.

Finish the assigned readings prior to class. Engagement with the material during class will reinforce your learning. If something is unclear or you need additional help, please ask, during class or my office hours.

This course is a 15-week semester-long course yet it will move at an accelerated pace. It is important to keep up with the readings and materials.

Attendance: I expect you **to attend all classes**. You are responsible for all material covered in class. I will not formally take attendance, however, this is a small class and the participation portion of your grade will suffer should you skip many classes.

Blackboard: You will access course materials, reading and other information via the course Blackboard site. It is your responsibility to visit the site often. I will use Blackboard to record your grades in the class. It is your responsibility to verify that these scores are properly recorded.

Grading: Your grade in this course will be based on total points earned and weighted as follows:

Participation	15%
Labs	15%
Article Presentation	10%
Quizzes/Assignments	15%
Senior Project Paper	30%
Senior Project Presentation	15%

Participation: I expect you **to attend all classes**. When in class, I expect you do contribute to the discussion, answer my questions, and ask informed ones. Throughout the semester, I will ask students to lead discussions on the class readings. The classroom should be a safe place to test your thoughts on the topics we are studying. At all times you are to be respectful of others in the class. Your participation grade will be based on the quality of your in-class comments, your participation in statistics labs, as well as the quality of the feedback you give to your fellow students during and after their oral and article presentations.

¹ These will not be tested: I chose to list these books because they helped shape my understanding of urban economics; I want this list to be a resource for you if you are interested in reading more on these topics.

Professor Ann Owen uses the following guidelines to evaluate participation:

- C: Prepared for class and attentive in class. Infrequent or low quality comments
- B: Prepared for class, attentive and makes good comments on a regular basis
- A: Prepared for class, attentive, makes high-quality comments on a regular basis

I will adopt these guidelines in my evaluation.

Labs: You will have two lab assignments. These will involve significant amounts of work with data using Stata and you will submit a short write up (with tables and figures) along with your Stata do-file. You may work in groups of two. Do not share do-files or work across groups.

Article Presentation: Students will also be asked to give two 15 – 20 minute presentations of an assigned reading. The first presentation will be a group presentation with two classmates. The second will be an individual presentation. The quality of your presentations will factor into your grade here, especially the individual one. These are good practice for your Senior Project final presentation.

Quizzes & Assignments: Throughout the semester, a number of quizzes and assignments will be given. These will be relatively short and questions will cover the concepts and ideas from the assigned articles. Your lowest grade will be given lower weight.

Senior Project: 18-20 page empirical study related to a topic on poverty and/or inequality of your choosing. More on this can be found at the end of the syllabus.

Senior Project Oral Presentation: Students will give an oral presentation to the class based on their research paper. Presentations will last between 15 and 20 minutes and be held during the last two weeks of classes. More details on this assignment are also discussed in a separate handout.

Attendance for all class members is mandatory during this time period.

Regrade Policy: All requests must be submitted within one week of receiving the grade back in the form of your original work and a written explanation of why you believe your assignment/exam should be regraded. If you submit a regrade request, **your whole exam/problem set will be subject to regrade.**

COURSE MISCELLANEOUS

Code of Academic Conduct: Students are expected to understand and abide by the Hamilton College Honor Code (<https://www.hamilton.edu/student-handbook/studentconduct/honor-code>). Any violations of this Code will be treated seriously and reported to the Director of Community Standards.

You are expected to do your **own academic work**: failing to do so is **scholastic dishonesty**. Scholastic dishonesty includes cheating on examinations or assignments; copying assignments from old answer keys; engaging in unauthorized collaboration on academic work; plagiarizing; taking, acquiring, or using test materials without faculty permission; falsifying records to dishonestly obtain grades; fabricating or falsifying data or data analysis results.

If you have additional questions, please ask me. I can respond to your specific questions regarding what would constitute scholastic dishonesty in the context of this class.

Disabilities: Hamilton College will make reasonable accommodations for students with properly documented disabilities. If you have a learning disability or a physical disability that requires accommodation, please meet with me during the first two weeks of class. All discussions will remain confidential. You will need to contact Allen Harrison in the Dean of Students Office (Elihu Root House; ext 4021) who coordinate services for students with disabilities.

Mental Health & Stress Management: As a student you may experience a range of issues that can cause barriers to learning. This includes strained relationships, increased anxiety, alcohol/drug problems, feeling down, difficulty concentrating and/or lack of motivation. These mental health concerns or stressful events may lead to diminished academic performance and may reduce your ability to participate in daily activities. The source of symptoms might be strictly related to your course work; if so, please speak with me.

It is important to know that Hamilton College has services that are available to assist you. You can learn more about the broad range of confidential psychological care services available on campus via the Hamilton College Counseling Center: <https://www.hamilton.edu/offices/counselingcenter>. The College provides mental health services to support the academic success of students. Confidential and free psychological services are available to help you manage personal challenges that may threaten your well-being.

In the event that I suspect you need additional support, I will express my concerns and the reasons for them to you, and remind you of resources that might be helpful to you. It is not my intention to know the details of what might be bothering you, but simply to let you know I am concerned and that help, if needed, is available.

Getting help is a smart, often difficult, and always courageous thing to do.

Courtesy: As a courtesy to your fellow students and me, be respectful. Be on time for class. If you arrive late or leave early, please do so quietly. Do not use your cell phones, tablets, or laptops during lecture other than for class purposes. You may not take pictures of my notes or otherwise take recordings during class—I expect and encourage you to write down your own notes.

Hamilton College is a diverse community comprised of individuals having many perspectives and identities. In order to create an inclusive and intellectually vibrant community, we must understand and value individual differences and common ground. The Hamilton College Guiding Principles (<https://www.hamilton.edu/student-handbook/studentconduct>) reflect the ideals I seek to uphold in this class.

COURSE SCHEDULE

This sketch of topics, readings and assignments may change slightly as we proceed. Readings are available on the course website. Required readings are designated by *. You are highly encouraged to read the introductions and conclusions of the other listed readings.

Week	Topics & Readings	Assignments
1 08/29	Introduction, Course Overview, & Discussion of Senior Project	
I. Poverty & Inequality: Measurement, Understanding, and Urban Trends		
2 09/03 & 09/05	<p>*Meyer & Sullivan (2012). Identifying the Disadvantaged: Official Poverty, Consumption Poverty, and the New Supplemental Poverty Measure. *Iceland Chapter 3 “Methods of Measuring Poverty” -Johnson and Smeeding (2012). A consumer’s guide to interpreting various poverty measures ----- *Iceland & Bauman (2007). Income Poverty and Material Hardship. *Short: Haveman (2009). What does it mean to be poor in a rich society? *Short: Kochar (2015). What it means to poor by global standards.</p>	
3 09/10 & 09/12	<p>*The Growth and Spread of Concentrated Poverty. Link here. *Iceland Chapter 4 & 5 ----- *Pathak et al. (2017). Public transit & the changing spatial distribution of poverty. -Glaeser et al. (2008). Why do the poor live in cities?</p>	Assignment #1 due 09/13 at 7:59 PM
II. Neighborhood Effects, Education, & Crime		
4 09/17 & 09/19	<p>Neighborhoods</p> <p>*Ludwig et al. (2013). Long-Term Neighborhood Effects on Low-Income Families: Evidence from Moving to Opportunity. *Ludwig et al. (2012). Neighborhood Effects on the Long-Term Well-Being of Low-Income Adults. <i>Science</i>. ----- *Chyn, Eric (2018). Moved to Opportunity: The Long-Run Effect of Public Housing Demolition on Labor Market Outcomes of Children. *Chetty, Raj, Nathan Hendron, and Lawrence Katz (2016). The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Project.</p>	
5 09/24 & 09/26	<p>Impact Evaluation Methods & Stata Review</p> <p>*Pomeranz (2017). Impact evaluation methods in public economics. ----- Gentrification</p> <p><i>Based on popular demand! See Blackboard for readings.</i></p>	Lab report #1 due on 10/01 at 2:30 PM
6 10/01 &	<p>Education</p> <p>*Sandra Black (1999). Do Better Schools Matter? Parental Valuation of Elementary Education. *Owens, Ann (2018) Income Segregation between School Districts and Inequality in Students’ Achievement.</p>	

10/03	<p>-Alejandro Gaviria and Steven Raphael (2006). School-Based Peer Effects and Juvenile Behavior. -Lochner and Moretti (2004). The Effect of Education on Crime: Evidence from Prison Inmates, Arrests, and Self-Reports.</p> <p>-----</p> <p>Crime</p> <p>*Glaeser, Edward L., and Bruce Sacerdote (1999). Why Is There More Crime in Cities? *Damm, Anna Piil, and Christian Dustmann (2014). Does Growing Up in a High Crime Neighborhood Affect Youth Criminal Behavior?</p> <p style="text-align: right;">Senior project data report due Friday 10/04 at 7:59 PM</p>
7 10/08 & 10/10	<p>Crime Continued</p> <p>*Levitt & Donohue (2001). The impact of Legalized Abortion on Crime. *Levitt & Donohue (2019). The impact of Legalized Abortion on Crime over the last two decades</p> <p>-----</p> <p>*Steven Levitt (2004). Understanding why crime fell in the 1990s: Four factors that explain the decline and six that do not.</p> <p style="text-align: right;">Senior project proposal due 10/11 at 7:59 PM</p>
8 10/15	<p>5-minute proposal presentations on 10/15 Fall recess 10/17</p>
III. The Psychology of Poverty	
9 10/22 & 10/24	<p>*Mullainathan on Youtube *Short: Why poor people's bad decisions make perfect sense -World Bank 2015 Chapter 4 “Poverty” in Mind, Society, and Behavior report.</p> <p>-----</p> <p>*Mani et al (2013). Poverty Impedes Cognitive Function. *Shah et al (2012). Some consequences of having too little.</p>
10 10/29 & 10/31	<p>*Schilbach et al (2016). The psychological lives of the poor. *Dean et al (2017). Poverty and cognitive function.</p> <p>-----</p> <p>*Schilbach (2019). Alcohol and Self-control *Bessone et al (2019). Sleepless in Chennai *Kaur (2019). Does financial strain lower worker productivity? Lajaaj (2017). Closing one’s eyes on a gloomy future.</p>
11 11/05 & 11/07	<p>*Fehr & Haushofer (2013). On the psychology of Poverty. *Bor et al. (2018). Police killings & their spillover effects on the mental health of Black Americans -McInerney et al. (2013). Recession depression. -Marcus (2013). The effect of unemployment on the mental health of spouses.</p> <p>-----</p> <p>*Alloush (2019). Income, psychological well-being and the dynamics of poverty. *Haushofer (2019). Is there a psychological poverty trap? -Moya (2018). Violence, psychological trauma, and risk attitudes.</p> <p style="text-align: right;">Senior project part 2 due 11/04 at 11:59 PM</p>

IV. Poverty Traps	
12 11/12 & 11/14	<p>*Baranov et al. (2018). Maternal depression, women’s empowerment, and parental investment. *Blattman et al. (2017). Reducing crime & violence: experimental evidence on cognitive behavioral therapy in Liberia. ----- *Banerjee & Mullainathan (2008). Limited attention and income distribution *Bernheim, Ray, and Yeltekin (2015). Poverty and Self-Control.</p>
13 11/19 & 11/21	<p>*Genicot and Ray (2017). Aspirations and inequality. *Lybbert & Wydick (2018). Poverty, aspirations, and the economics of hope. ----- *Barrett & Carter (2013). The economics of poverty traps and persistent poverty *Kray & McKenzie (2014). Do poverty traps exist? Assessing the evidence</p> <p style="text-align: right;"><i>Full final project draft due 12/01 at 11:59 PM</i></p>
14 12/03 & 12/05	Epilogue, Wrap up, & Final Project Presentations
15 12/10 & 12/12	Final Project Presentations
<i>Final project due 12/20 at 11:59 AM</i>	