Poverty, Inequality and Social Policy
Professor: Silvia Borzutzky Email: sb6n@andrew.cmu.edu
Office Hours: Wd. 5:00-6:00 PM or by appointment. Feel free to email me and we’ll schedule an appointment at your earliest convenience.
TAs: Kevin Leary (kpleary@gmail.com)
Alex Mitchell (agmitche@andrew.cmu.edu)

Course Description and Objectives
In her book Social Forces and States Judith Teichman argues that “significant and long term improvement in distributional outcomes is a daunting political task [that requires] a strong societal consensus on the importance of the reduction in inequality, one that compels political leaders to make difficult policy changes.” Teichman’s words indicate that poverty and inequality are not just socioeconomic problems, but critical political and policy problems both in the U.S. and in the rest of the world.
This course is divided in three sections. The first one discusses the global nature of inequality and what can be done to reduce its impact. The second part is comparative in nature and will focus on poverty and socioeconomic policies pursued in, the U.S. and in three middle income countries: Chile, Mexico and South Korea. In this section the focus is on the role that social forces and the state play in the generation of socioeconomic policy responses to poverty and inequality. The third section analyses poverty, the behavior of the poor and antipoverty policies in very poor countries or regions of the world.
Throughout the course we will also analyze the role that new approaches to social policy play in the alleviation of poverty and inequality, including the impact of tax policies, conditional cash transfers, micro-financing and others. Ongoing debates on the advantages and disadvantages of public versus private programs in the areas of social security and health will also be analyzed.

2.-Skills: The course emphasizes the development of analytical skills.
Students will develop these analytical skills in different forms:
   a) Class discussions which will allow the students to develop the ability to analyze, discuss, and defend different policy positions in an academic environment
   b) Writing two policy memos: It is critical for all of us to be able to summarize a problem, present possible solutions, and recommend policies/solutions to others. The policy memos allow the students to develop these very important skills. Typically, students are expected to assume the role of a policy maker and provide specific policies to the President or the Secretary of State. The policy memos emphasize the use of relevant data, the analysis of the problem, and the policy design.
   c) Group presentation and paper: Group presentations are geared to allow the student to develop the ability to work in a project with other students, learn about a specific topic in depth, and prepare a class presentation either using power point or class handouts. In order to ensure the effectiveness of the presentation the instructor meets with the student about a week before the presentation to set the specific topics and
parameters of the presentation. The handout or slides need to be submitted to the instructor at least 24 hours before the presentation. The slides or handouts are reviewed by the instructor in order to verify the effectiveness of the presentation. The members of the group will also have to provide the instructor with a 10-12 pp. case study paper. The paper will be due five days after the presentation.

d) **Analytical essays:** The final exam consists of one or two analytical essays or memos in which the students will analyze the core concepts studied in the class and apply them to specific cases.

**Requirements and grading**

*It is required to attend class, do the readings and participate in the class discussions.*

Students who do not attend class will have their grade substantially reduced.

**Grade reduction will proceed as follows:**

- Between 3-4 unexcused absences = One point reduction i.e. from A to B
- Between 5-6 unexcused absences = two points reduction i.e. from A to C
- Over 6 unexcused absences = students will fail the class

If you have a reason for not attending class please email me.

**Grading:**

Policy Memos = 50% of the grade (25% each)

Group project: Includes presentation and paper = 25% of the grade

Final exam = 25% of the grade

**Policy memo.** Memo topics and detailed guidelines will be distributed to the class on the assigned date.

Students will have the option of submitting a draft of the memo to the TA for comments. Students are strongly encouraged to use this option. The TA will be able to review the paper both for content and citations.

**Group project:** Students will select a country or problem during the second week of classes and the instructor will form groups of about 3-4 students each. The group will do a class presentation and write a case study paper on the chosen topic. Topics will be organized around policy areas or countries.

The length of the paper is between 10-12 pp. double spaced, one inch margins

**Memo Grading Criteria**

<table>
<thead>
<tr>
<th>Problem</th>
<th>Impact</th>
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<tbody>
<tr>
<td><strong>Grammar and spelling</strong></td>
<td></td>
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<tr>
<td>minor problems</td>
<td>minus half grade point</td>
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<tr>
<td>Major problems</td>
<td>minus one point</td>
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<tr>
<td>Missing sections:</td>
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<td>a) Abstract and/ or conclusions:</td>
<td>minus half point each</td>
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<td>b) Missing one of the content sections:</td>
<td>minus one point</td>
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c) Failing to analyze the problem: minus one point  

**Recommendations:**  
No recommendations minus one point  
Good idea for a recommendation, but poor development or implementation: minus half point per recommendation  

**Citations:**  
Depending on the seriousness of the problem: minus one point to failing grade  

**Cheating and Plagiarism**  
Students who plagiarize will receive 0 points in the assignment and consequently will fail the class. The instructor will make use of all available University policies. All cases of plagiarism will be reported to the Dean and Program Chair.  

**Laptops are not allowed in class** unless the student has obtained special permission from the instructor  

**Cell phone use and texting:** Please disconnect your cell phone before coming to class and refrain from either checking messages or sending text messages.  

**Use of Internet Sources:** Please use reliable sources. Wikipedia and blogs are not reliable sources.  

**Important dates:**  
**Policy memo 1:** Topic distributed Sept 30  
Memo due: Oct 11  
**Policy memo 2:** Topic distributed Oct 28  
Memo due: Nov. 10  
**Take home final:** Topic Distributed Dec 1st  
Due: Dec 10  

**Required Books:**  
Lane Kenworthy, *Progress for the Poor*, Oxford University Press 2011  
Judith Teichman, *Social Forces and States: Poverty and Distributional Outcomes in South Korea, Chile and Mexico*, Stanford University Press, 2012
Abhijit Banerjee and Esther Duflo, *Poor Economics: A Radical rethinking of the way to fight Poverty*, Public Affairs 2011

Maria Cancian and Sheldon Danziger, *Changing Poverty, Changing Policies*, Russell Sage Foundation

Please note that most of these books are available in Kindle and paperback

**Syllabus**

Sept. 2: **Introduction:** Measuring Poverty, Why to be concerned? What about inequality? The role of social policy

Read: .....

Sept 9: **Inequality: The globalization of Inequality**

Read: The Globalization of Inequality, pp. 1-116

Sept 16: **Inequality: The globalization of inequality**

Read: The Globalization of Inequality, pp 117-190

Sept 23: **Inequality: What can be done?**

Read: Inequality: What can be done? Diagnosis, pp. 1-112

Sept 30: **Inequality What can be done?**

Read: Inequality: What can be done?: Proposals for action, pp. 113-204

Memo topic distributed: Sept 30

Oct 7: **Inequality What can be done?**

Read: Inequality: What can be done?: More actions, pp. 205-308

Memo due: Oct 11 before noon
Section 2: Comparing Countries and Policies

The U.S.
Oct 14: Changing Poverty through Social Policy
Read: Maria Cancian and Sheldon Danziger, Changing Poverty, Changing Policies, pp. 35-62 and 153-200
Stanford Center on Poverty and Inequality, “The State of the Union: Poverty and Inequality, Report 2014” (on bboard)

Oct. 21: Anti-Poverty Policies
Read: Cancian and Danziger, pp. 201-329

Oct 28, Chile, South Korea and Mexico: Origins of Poverty and Inequality
Read: Judith Teichman, Social Forces and States: Poverty and Distributional Incomes in South Korea, Chile and Mexico, pp. 1-96
Memo topic 2 distributed

Nov 4: Distributional Outcomes, Social Conditions and Welfare Regimes in the Twenty-First Century
Read: Teichman, Social Forces and States: South Korea, Chile and Mexico, pp. 97-183
Read: “Anti-Poverty Programs in a Global Perspective Lessons from Rich and Poor Countries” June 20-21, 2011, Social Science Research Center Berlin
Memo 2: Due Nov. 10 before 10:00 PM

November 11: Poverty among the Poorest
Read: Abhijit Banerjee and Esther Duflo, Poor Economics: A Radical Rethinking of the way to Fight Global Poverty, pp. 1-132

November 18: Savings, lending, entrepreneurship and policies and conclusions
Read: Abhijit Banerjee and Esther Duflo, Poor Economics: A Radical Rethinking of the way to Fight Global Poverty, pp. 133-267

Final exam distributed

Dec 2: Progress for the Poor
Read: L. Kenworthy, Progress for the Poor, pp. 1-110

Dec 9: Conclusions

Take home exam due: December 10