

University of Colorado at Boulder  
Department of Economics

Prof. Jeffrey S. Zax  
[zax@colorado.edu](mailto:zax@colorado.edu)  
<https://www.colorado.edu/economics/people/faculty/jeffrey-zax>

Economics 4626  
Syllabus and schedule  
15 January 2024

Welcome! I am Prof. Jeffrey S. Zax. This is Economics 4626,  
The Economics of Inequality and Discrimination.

Course description:

The purpose of this course is to investigate the extent of inequality, its causes and its consequences. This investigation occurs at both the macroeconomic and microeconomic levels. At the macroeconomic level, we discuss the relationship between inequality and growth and the effects of different national institutions on this relationship. At the microeconomic level, we discuss inequality in multiple dimensions. We analyze the individual choices from which and economic contexts in which inequality arises. We complete this discussion with an examination of discrimination: inequality that arises when disadvantages are imposed through coercive denial of market opportunities.

Course structure:

This course will meet from 12:30p.m to 1:45p.m. on Tuesdays and Thursdays in Buchanan (LBB) 155. Classes will consist of lectures and discussions of course material, discussions of assignments and midterm examinations. You should expect every class, including the first class, to occupy the entire scheduled time. You should expect to attend every class. If you miss any of the first three classes, on January 16, 18 and 23, without an excuse from me, you will be dropped from the course. This requirement applies to all students, regardless of when they enroll in the course.

I will hold regular office hours between 10:30 a.m. and 12:00 p.m. on Tuesdays and 2:00p.m.- 3:30p.m. on Wednesdays in my office, Economics 111 and via Zoom (<https://cuboulder.zoom.us/my/jeffreyzax>). Appointments may be made for meetings at other times, if these are inconvenient. Course information will be posted on Canvas as needed. Notifications will be posted there as well, or sent via Canvas email or campus email. It is your responsibility to monitor both.

Course prerequisites:

This course requires previous completion of Economics 3070, Intermediate Microeconomic Theory, or its equivalent. This prerequisite will be enforced. Anyone uncertain with regard to their preparation should consult with me immediately.

This course requires good auditory comprehens<sup>o</sup>q

These examinations will consist of short answer essay questions. The first midterm examination will address the material in lectures 2 through 8. The second midterm examination will address the material in lectures 9 through 21.

### Papers

Two graded assignments are papers. Each will analyze the issues presented in a case from the Harvard Business School, based on our course material. Both papers must be type-written, double-spaced, with conventional margins. Papers that exceed the maximum lengths, either in physical length or because of compressed formats, will be penalized.

These papers must be submitted electronically through the course Canvas website in the Adobe .pdf format. Make sure that you arrange to convert your papers to .pdf format before the deadline for submission. Speak with me in advance if you anticipate difficulty with this requirement.

The first term paper is a three-page discussion of Governing the Chinese Dream: Corruption, Inequality and the Rule of Law, Harvard Business School Product No. 715023-PDF-ENG. It will be due on 27 February unless class progress deviates significantly from expectations. It will be worth 20 points, or 6.6% of the course total.

The second paper is a five-page discussion of Mexico: The Unfinished Agenda, Harvard Business School Product No. 701116-PDF\_ENG. It will be due on 23 April unless class progress deviates significantly from expectations. It will be worth 50 points, or 16.7% of the course total.

Papers that are submitted after the associated deadline without my approval will be assessed a penalty of one point for each day or partial day beyond the deadline. Papers submitted more than ten days late without my approval will receive a score of zero. If you anticipate difficulty meeting either of these deadlines, discuss your situation with me in advance.

Students may cooperate with each other in preliminary analysis of the cases. However, each student must submit their own paper, in their own words. If a paper shares any substantial common text with any other source, the submitting student will receive the grade of "F" for the course and will be reported to the Honor Code Council for violating our standards of academic integrity.

2.5 hours, or 150 minutes. It will be worth 150 points, or 50% of the course total. Approximately half of the final examination will address lectures 22 through 28. The remaining half of the final examination will revisit the material in lectures 2 through 21.

Any student who has three or more final examinations scheduled on 4 May has the right to reschedule all exams following the first two. Any student wishing to invoke this right must do so by 22 March.<sup>1</sup>

This examination will be strictly closed-note and closed-book. No cooperation of any kind will be permitted. If an exam displays any evidence of outside assistance, either from resources or other individuals, the submitting student will receive the grade of "F" for the course and will be reported to the Honor Code Council for violating our stand



## II. The Macroeconomics of Distribution

Thursday, January 25 4. The effects of  $g$  on the effects of  $g$  on the effects

### III. The Microeconomics of Distribution

Thursday, February 15 9. Investments in human capital: Schooling, training, experience and the value of life

Deming, David J. (2022) "Four facts about human capital", Journal of Economic Perspectives, Vol. 36, No. 3, Summer, 75-102.

Tuesday, February 20 10. Health inequality

Currie, Janet and Hannes Schwandt (2016) "Mortality inequality: The good news from a county-level approach", Journal of Economic Perspectives, Vol. 30, No. 2, Spring, 29-52.

Cutler, David M., Edward L. Glaeser and Jesse M. Shapiro (2003) "Why have Americans become more obese?", Journal of Economic Perspectives, Vol. 17, No. 3, Summer, 93-118.

Thursday, February 22 11. Inequality as an incentive

Tuesday, February 27 12. The inheritance of economic status and children's welfare

Aizer, Anna, Hilary Hoynes and Adriana Lleras-Muney (2022) "Children and the US social safety net: Balancing disincentives for adults and benefits for children", Journal



Thursday, March 21

## V. Discrimination and anti-discrimination policies

- Tuesday, April 16      23. Race, ethnicity and the economics of identity
- Thursday, April 18      24. The discriminatory instinct
- Tuesday, April 23      25. Theories of discrimination
- Lang, Kevin and Ariella Kahn-Lang Spitzer (2020) "Race discrimination: An economic perspective", Journal of Economic Perspectives, Vol. 34, No. 2, Spring, 68-89.
- Small, Mario L. and Devah Pager (2020) "Sociological perspectives on racial discrimination", Journal of Economic Perspectives, Vol. 34, No. 2, Spring, 49-67.
- Essay on Mexico: The Unfinished Agenda due at 11:59p.m. MST.
- Thursday, April 25      26. Discrimination in labor markets
- Fryer, Roland G. Jr. and Glenn C. Loury (2005) "Affirmative action and its mythology", Journal of Economic Perspectives, Vol. 19, No. 3, Summer, 147-162.
- Tuesday, April 30      27. Housing segregation and its progeny: School busing, Fair Housing and environmental racism
- Ladd, Helen F. (1998) "Evidence on discrimination in mortgage lending", Journal of Economic Perspectives, Vol. 12, No. 2, Spring, 41-62.
- Thursday, May 2      28. Profiling and incarceration
- Saturday, May 4      Final examination, 1:30p.m.-4:00p.m.

### Additional policy statements

- The University adheres to the standards for student privacy rights and requirements as stipulated in the Federal Rights and Privacy Act (FERPA) of 1973, & 0

# Syllabus Statements

## Classroom Behavior

Students and faculty are responsible for maintaining an appropriate learning environment in all instructional settings, whether in person, remote, or online. Failure to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation, or political philosophy.

For more information, see the [classroom behavior policy](#), the [Student Code of Conduct](#), and the [Office of Institutional Equity and Compliance](#).

## Requirements for Infectious Disease

Members of the CU Boulder community and visitors to campus must follow university,

If you have a required medical isolation for which you require adjustment, contact me via email at [zax@colorado.edu](mailto:zax@colorado.edu) as soon as possible.

## Preferred Student Names and Pronouns

CU Boulder recognizes that students' legal information doesn't always align with how they identify. Students may update their preferred names and pronouns via the student portal; those preferred names and pronouns are listed on instructors' class rosters. In the absence of such updates, the name that appears on the class roster is the student's legal name.

## Honor Code

All students enrolled in a University of Colorado Boulder course are responsible for knowing and adhering to the [Honor Code](#). Violations of the Honor Code may include but are not limited to: plagiarism (including use of paper writing services or technology [such as essay bots]), cheating, fabrication, lying, bribery, threat, unauthorized access to academic materials, clicker fraud, submitting the same or similar work in more than one course without permission from all course instructors involved, and aiding academic dishonesty.

All incidents of academic misconduct will be reported to Student Conduct & Conflict Resolution: [honor@colorado.edu](mailto:honor@colorado.edu), 303-492-5550. Students found responsible for violating the [Honor Code](#) will be assigned resolution outcomes from the Student Conduct & Conflict Resolution as well as be subject to academic sanctions from the faculty member. Visit [Honor Code](#)

support resources. To learn more about reporting and support for a variety of concerns, visit the [Don't Ignore It page](#).

## Religious Accommodations

Campus policy requires faculty to provide reasonable accommodations for students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. Please communicate the need for a religious accommodation in a timely manner. In this class, contact me at [zax@colorado.edu](mailto:zax@colorado.edu) as soon as possible to discuss appropriate accommodations.

See the [campus policy regarding religious observances](#) for full details.

## Mental Health and Wellness

The University of Colorado Boulder is committed to the well-being of all students. If you are struggling with personal stressors, mental health or substance use concerns that are impacting academic or daily life, please contact [Counseling and Psychiatric Services \(CAPS\)](#) located in C4C or call (303) 492-2277, 24/7.

Free and unlimited telehealth is also available through [Academic Live Care](#). The Academic Live Care site also provides information about additional wellness services on campus that are available to students.