ECON 3150 Economics of Inequality and Discrimination

Instructor Contact

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Office Location: Wooten Hall 347
Class: Online Course; Course materials will be on Canvas.
Office hours: Tuesday: 9:00 am-11:00 am on Zoom or in Wooten Hall 347
or by appointment: in office or on Zoom (https://unt.zoom.us/j/7286678727)

Course Description and Objectives

The gap between the rich and the poor in the United States has widened significantly over the past 40 years. This course examines the reasons for this trend and evaluates policies aimed at addressing its causes and consequences. Using microeconomic models, basic discrimination frameworks, and statistical tools, we will explore inequality through an economic lens, learning fundamental concepts to answer key questions.

Please Note: This course is undergoing a title change. Currently listed as *Economics of Discrimination*, the new title, **Economics of Inequality and Discrimination**, will officially take effect in the Fall 2027 catalog.

Course Structure

This is an online course, with all materials and the majority of content delivered via Canvas. The semester is structured around a 16-week schedule, and course materials will be made available one week in advance. While the reading and essay assignments are accessible throughout the entire semester, the final two weeks are specifically dedicated as reading weeks to allow you to focus on completing them.

Part 1: Understanding and Measuring Inequality

- Define inequality and explore methods to measure it (e.g., Gini coefficient, Lorenz curve).
- Examine trends in earnings, wealth, and wellbeing inequality in the U.S. over time.
- Discuss economic theories (e.g., skill-biased technological change, globalization) to explain these changes.

Part 2: Inequality and Discrimination by Race, Gender, and others

- Investigate disparities in earnings, wealth, and opportunities along race and gender lines.
- Explore whether these differences stem from discrimination, using models like taste-based and statistical discrimination.
- Analyze policies addressing past and present discrimination (e.g., affirmative action, anti-discrimination laws) through economic thinking.

Part 3: Policies Addressing Inequality

- Analyze policies designed to mitigate the causes and consequences of inequality (e.g., progressive taxation, education subsidies).
- Learn fundamental economic concepts: opportunity cost, comparative advantage, supply and demand, human capital, and responses to incentives.
- Critically evaluate policy effectiveness using these economic tools.

Course Objectives

By the end of the course, students will be able to:

- Understand economic theories explaining inequality and discrimination.
- Analyze data to evaluate disparities in earnings, wealth, and wellbeing.
- Assess how institutions, policies, and markets affect inequality.
- Evaluate policies addressing inequality and discrimination.
- Apply economic concepts (e.g., opportunity cost, supply and demand) to social and economic justice issues.

Course Materials

There is no required textbook for this course. Lecture outlines, support materials, and articles used in conjunction with class lectures provide the information for the course.
The course content is organized by weeks. The course content is organized by week. Materials will generally be posted to Canvas ahead of time. You will also find a calculator useful for completing calculations on quizzes and exams.

Recommended Reading (More details of this reading list can be found in a separate file):

- Becker, G. S. (1971), The Economics of Discrimination
- Goldin & Katz (2009), The Race Between Education and Technology
- Deaton, A. (2013), The Great Escape: Health, Wealth, and the Origins of Inequality
- Rycroft, R. S. (2013), The Economics of Inequality, Poverty, and Discrimination in the 21st Century
- Piketty, T. (2014), Capital in the 21st Century
- Atkinson, A. B. (2015), Inequality: What Can be Done?
- Rothstein, R. (2017), The Color of Law: A Forgotten History of How Our Government Segregated America
- Sowell, T. (2019), Discrimination and Disparities
- Pistor, K. (2019), The Code of Capital: How the Law Creates Wealth and Inequality
- Petrou, K. (2021), Engine of Inequality: The Fed and the Future of Wealth in America
- Ehrenberg & Smith (2021), Modern Labor Economics

Course Requirements

Your grade in this class will be based on exams, weekly homework (quizzes), and an essay.

Exams (80% in total): **a midterm exam (40%) and a final exam (40%). Notice that the midterm exam will cover practical material, while the final exam will be comprehensive and cover material from the whole semester. Make-up exams will only be granted if the student provides advance notice at least two weeks before the scheduled exam date, except in cases of documented emergencies.**

Quizzes (10%): 10% will be based on quizzes on Canvas, which are not timed; only one attempt is allowed. Those quizzes are designed to help you learn the material and review the math, models, and concepts that will be on exams. Late quizzes are not accepted. There are no make-up quizzes, so be sure to submit your first attempt on time to ensure that you get credit for each quiz. Each quiz is due **Sunday night**.

Reading books and write essay (10%): Throughout the semester, you will have the chance to pick up a book from the reading list and writing a short essay. At the end of the semester, we will have two weeks dedicated to reading and essay writing. More details of this requirement will be provided on Canvas.

Grading Relatd Policies

Because it is impossible to perfectly calibrate every exam ahead of time, each midterm and the final exam will be curved as needed. Curves ensure that your numerical score accurately reflects your mastery of the material based on the following criteria:

> A (90–100%): The student demonstrates thorough knowledge of economic models and their underlying intuition, alongside a clear ability to apply these models to novel situations.
> B (75–89%): The student demonstrates solid knowledge of economic models and their underlying intuition, but struggles to apply them to novel situations.
> C (60–74%): The student demonstrates basic knowledge of economic models, but struggles to explain the underlying intuition and cannot apply them to novel situations.
> F (Below 60%): The student demonstrates little to no understanding of the course content.

Late Work

- **Quizzes:** Late quizzes are not accepted under any circumstances, as a detailed answer key opens shortly after the deadline. There are no make-up quizzes.
- **Exams:** Make-up exams are only granted with at least two weeks' advance notice, except in cases of documented emergencies.

Turnaround Time

I aim to return graded work to you within one week of the due date. When this is not possible, I will send an announcement to the class.

Grade Disputes

You are required to wait 24 hours before contacting me to dispute a grade. Within that time, I expect that you will review the assignment details and reflect on the quality of the work you turned in. If you would still like to meet, email me to set up a meeting (I cannot discuss grades over email). You should come to our scheduled meeting with specific examples that demonstrate that you earned a higher grade than you received. If you miss your scheduled meeting, you forfeit your right to a grade dispute. If you do not contact me to schedule a meeting within seven days of receiving your grade, you also forfeit your right to a grade dispute.

Extra Credit

There are no extra credit opportunities in this course.

Course Schedule

Week	Topic
1	Lecture 1: Introduction
2	Lecture 2: Basic Statistics
3	Lecture 3: Trends in Income Inequality
4	Lecture 4: Trends in Wealth and Well-being Inequality
5	Lecture 5: Economic Theories of Inequality
6	Lecture 6: Inequality by Demographic Factor I
7	Lecture 7: Inequality by Demographic Factor II
8	**Mid-Term Exam**
9	Lecture 8: Discrimination in Economic Theory I
10	Lecture 9: Discrimination in Economic Theory II
11	Lecture 10: Measuring Discrimination I
12	Lecture 11: Measuring Discrimination II
13	Lecture 12: Policies Addressing Inequality and Discrimination
14	**Reading Week I**
15	**Reading Week II** (book assignment and essay)
16	**Final Exam**