

IV. Research Practicum on Inequality, Poverty and Public Policy

Prof. Irwin Garfinkel

*Irwin Garfinkel is the Mitchell I. Ginsberg Professor of Contemporary Urban Problems and co-director of the Columbia Population Research Center. A social worker and an economist by training, he has authored or co-authored over 180 scientific articles and twelve books on poverty, income transfers, program evaluation, single parent families and child support, and the welfare state. His research on child support influenced legislation in Wisconsin and other American states, the US Congress, Great Britain, Australia, and Sweden. He is currently the co-principal investigator of the Fragile Families and Child Well being Study. His most recent book is *Wealth and Welfare States: Is America Laggard or Leader?**

Through lecture and discussion this course will address issues relating to poverty, inequality, and opportunity with special, but not exclusive, emphasis on these phenomena in American society. The course will examine alternative definitions of income poverty and inequality, trends in poverty and inequality, the causes of poverty and inequality, the role of wealth, the perpetuation of inequality across generations, and public policies designed to reduce poverty and inequality and promote opportunity.

The practicum is intended to be a "hands on" endeavor for the student in the formulation and execution of a research study. Therefore, the substantive material will occupy half of the class time of each meeting. The remaining time will be given to constructing and reviewing student term papers. During the 1st meeting, we describe several large data sets which contain information on inequality and poverty issues, and which will be made available for class use (e.g., National Survey of Families and Households; Panel Study of Income Dynamics; Survey of Income and Program Participation, The Fragile Families and Child Well-being Study, and the New York City Social Indicators Survey). Either individually, or in teams, students will formulate research projects and undertake analyses from either one of the supported data sets or another data set that is more appropriate for addressing the research question and is accessible to the students in time to complete coursework. (Approval to use another data set is contingent upon instructor approval.) Substantial class time will be devoted to assisting students with project formulation and to providing advice on analytic procedures. Computer time will be made available for the projects and a teaching assistant, attached to the course, will assist with programming and statistical issues. A written research paper at the end of the semester will be required from each student team.

Prerequisites

One year of prior statistical study and some familiarity with statistical software, such as SPSS, SAS, or STATA.

Assignments

There are short written assignments due every week of the semester beginning in week 2 and continuing through week 12. The assignments are to be sent to classmates as well as to both faculty and the TA. Beginning in week 4, the weekly assignments are team assignments. In addition, one short assignment, which each student will complete individually, is to summarize the readings for the week. The summary should be no more than three single spaced pages. All other short assignments are components of the term paper. A first draft of the term paper is due in either week 13 or 14. The final draft of the term paper is due on the last day of class.

Week 2: identify area of interest, begin work on selecting topic, identify potential co-authors
Week 3: Title, data set, and 1 paragraph description of paper

Team Assignments

Week 4: Revised title and description of paper

Week 5: Means, %'s, and minimum and maximum values of dependent and independent variables and write up of results The write-up should be a paragraph or two that tells the reader between one and three big things she or he should learn from the table.

Week 6: 1st draft of introduction to paper

Week 7: Redo your table of means by adding two more columns, which show means for your sample divided into two groups of your key independent variable. Do tests of statistical significance of differences. This is your first look at data and your hypothesis. Write up results. Tell an interesting story.

Week 8: 1st draft of review of literature. What is known (and not known) theoretically and empirically & how paper adds to knowledge.

Week 9: 1st draft of data section

Week 10: 1st draft of methods section

Week 11: Preliminary regression results for at least 1 dependent variable and write up results

Week 12: Revised or extended regression results, write up results

Week 13: 1st drafts of half class papers

Week 14: 1st draft of 2nd half of class papers

Week 15: Final draft of papers due

Grades

The final grade will be based 20% on summary of weekly reading, 70% on the quality of the final paper, and 10% on class participation.

Topic Selection

This the most challenging part of paper-writing and week 4 is less than one month away. Make a list of two or three possible topics, discuss them with relevant faculty members in your department, make an appointment to see me if that seems helpful, and do some background reading on each possible topic so you have some idea what has been done. **Don't settle on a topic until you have done some reading, have a question that you think research could help answer, and have some idea what evidence you could find to answer it.**

Required Purchases

Maria Cancian and Sheldon Danziger, (eds). 2009. Changing Poverty, Changing Policies, Russell Sage Foundation.

Irwin Garfinkel, Lee Rainwater, and Timothy Smeeding. 2010. Wealth and Welfare States: Is America a Laggard or Leader?, Oxford University Press.

Lawrence C. Hamilton. Statistics with Stata (Updated for Version 10) Duxberry, 2008 or
A. Bryman and D. Cramer. Quantitative Data Analysis with SPSS 10.0 for
Windows. Taylor and Francis. 2000 or more recent version.

Paul Ryscavage, Income Inequality in America. Armonk: M. Sharpe. 1999.

Melvin Oliver and Thomas Shapiro. Black Wealth, White Wealth: A New Perspective on Racial
Inequality. New York: Routledge. 1995.

Edward Wolff. Top Heavy. New York: New Press. 1996.

Useful Websites

Census – Poverty Reports – <http://www.census.gov/hhes/www/poverty.html>

National Poverty Center – U. Michigan-- <http://www.npc.umich.edu/>

Institute for Research on Poverty - <http://www.ssc.wisc.edu/irp/>

Joint Center for Poverty Research – <http://www.jcpr.org/>

Luxembourg Income Study – <http://www.lisproject.org/>

Innocenti Research Center – <http://www.unicef-icdc.org/>

Fragile Families Study – <http://crcw.princeton.edu/fragilefamilies/>

Three Cities Study-- <http://www.jhu.edu/~welfare/>

LA Neighborhood Study-- <http://www.lasurvey.rand.org/>

The Urban Institute – New Federalism Project <http://newfederalism.urban.org>

Center for Law and Social Policy- <http://www.clasp.org/>

Future of Children: <http://www.futureofchildren.org>

Effects of Taxes and Transfers on Income and Poverty: 2006

<http://www.census.gov/hhes/www/income/income.html>

<http://pubdb3.census.gov/macro/032007/alttoc/toc.htm>

Tables of Alternative Poverty Estimates: 2006

<http://www.census.gov/hhes/www/povmeas/tables.html>

www.lisproject.org

Course Outline and Reading Assignments

1. Overview of the course; discussion of types of projects that a student might undertake; description of the various data sets prepared for class use; strategies in the formulation of student projects.

Irwin Garfinkel, Timothy Smeeding, and Lee Rainwater. 2010. Wealth and Welfare States: Is America a Laggard or Leader?, chapters 1 and 2.

2. Measurement issues in the study of income, wealth, poverty, and inequality; The Pen parade, Lorenz curve, and Gini coefficient; Discussion of student projects.

Paul Ryscavage, Income Inequality, Chaps. 1-4.

3. Income stratification; Trends in the distribution of income and earnings in the United States; Determinants of income attainment; Racial disparities in income; Discussion of data sets for course projects.

Paul Ryscavage, Income Inequality, Chaps. 5-8.

4. Assessing the Costs and Benefits of Economic Inequality in Rich Nations

Gary Burtless and Christopher Jencks, "American Inequality and Its Consequences," in Henry Aaron, James Lindsay, and Pietro Nivola (eds.), *Agenda for the Nation*, Brookings, 2003, pp61-108.

Angus Deaton, "Health, Inequality, and Economic Development," *Journal of Economic Literature* (March 2003), 41:113-158.

William Julius Wilson, *The Truly Disadvantaged*, Chicago, 1987, pp3-62.

Susan E. Mayer, "How Did the Increase in Economic Inequality between 1970 and 1990 Affect Children's Educational Attainment?" *American Journal of Sociology* (July 2001)107:1-32.

Check out Russell Sage Foundation website project on Social Inequality. See for example, under working papers, Larry Bartells "Economic Inequality and Political Representation"

5. Trends in the distribution of household wealth in the United States; The components of wealth. Racial disparities in wealth holdings; Tax policies and wealth inequality; Discussion of projects.

Edward Wolff, Top Heavy

Oliver and Shapiro, Black Wealth, White Wealth, Chaps. 1-4.

James B. Davies, "Wealth and Economic Inequality" in Oxford Handbook of Economic Inequality on reserve in pdf

6. Definitions, Trends, and Determinants of Poverty: Consideration of data analytic strategies.

Maria Cancian and Sheldon Danziger, (eds). 2009. Changing Poverty, Changing Policies, Russell Sage Foundation, chapters 1, 2, and 3.

Skim Hilary W. Hoynes, Marianne Page, and Ann Huff Stevens, “Poverty in America: Trends and explanations” in the Journal of Economic Perspectives, Winter 2006

7. US Poverty in International Context

Irwin Garfinkel, Timothy Smeeding, and Lee Rainwater. 2010. Wealth and Welfare States: Is America a Laggard or Leader? chapters 3 and 4.

8. The relationship of family and poverty

Maria Cancian and Deborah Reed, Ch. 4 in Maria Cancian and Sheldon Danziger, (eds). 2009. Changing Poverty, Changing Policies, Russell Sage Foundation.

Sara McLanahan, Elizabeth Donahue, and Ron Haskins “Introducing the Issue” in Marriage and Child Well-being, *The Future of Children*, Volume 15, Number 2, Fall, 2005

Adam Thomas and Isabel Sawhill, “For Love and Money? The Impact of Family Structure on Family Income” in Marriage and Child Well-being, *The Future of Children*, Volume 15, Number 2, Fall, 2005

Adam Carasso and C. Eugene Steuerle, “The Hefty Marriage Penalty on Marriage Facing Many Households with Children, in Marriage and Child Well-being, *The Future of Children*, Volume 15, Number 2, Fall, 2005:

9. Opportunity and Mobility and other measures of well-being cross nationally

Marcus Janti, “Mobility in the United States in Comparative Perspective” in Maria Cancian and Sheldon Danziger, (eds). 2009. Changing Poverty, Changing Policies, Russell Sage Foundation.

Irwin Garfinkel, Timothy Smeeding, and Lee Rainwater: 2010. *Wealth and Welfare States: Is America a Laggard or Leader?* chapter 5.

Isabel Sawhill and Sara McLanahan, “Introducing the Issue” Opportunity in America, *The Future of Children*, Volume 16, Number 2, Fall 2006.

One paper from Opportunity in America, *The Future of Children*, Volume 16, Number 2, Fall 2006.

10. Programs to reduce insecurity and promote human capital

Jens & Ludwig, “Improving Educational Outcomes for Poor Children” in Maria Cancian and Sheldon Danziger, (eds). 2009. Changing Poverty, Changing Policies, Russell Sage Foundation.

Schwartz on health, in Maria Cancian and Sheldon Danziger, (eds). 2009. Changing Poverty, Changing Policies, Russell Sage Foundation.

Waldfogel on family policy in Maria Cancian and Sheldon Danziger, (eds). 2009. Changing Poverty, Changing Policies, Russell Sage Foundation.

Magnuson, Enduring Influences of Childhood poverty in Maria Cancian and Sheldon Danziger, (eds). 2009. Changing Poverty, Changing Policies, Russell Sage Foundation.

11. Programs that prevent and relieve poverty.

Irwin Garfinkel, Timothy Smeeding, and Lee Rainwater: 2009. *Wealth and Welfare States: Is America a Laggard or Leader?* chapter 8

John Karl Scholz and Kara Levine, “Trends in Income Support” in Maria Cancian and Sheldon Danziger, (eds). 2009. Changing Poverty, Changing Policies, Russell Sage Foundation.

Harry Holzer, “Workforce Development as an Anti-Poverty in Maria Cancian and Sheldon Danziger, (eds). 2009. Changing Poverty, Changing Policies, Russell Sage Foundation.

12. Poverty and Inequality in Poor Countries

Banerjee, Abhijit and Esther Duflo, “The Economic Lives of the Poor,” *Journal of Economic Perspectives* (Winter,2007), pp. 141-167

Besley, Timothy and Robin Burgess, “Halving Global Poverty,” *Journal of Economic Perspectives* (Summer, 2003), pp. 3-22

World Bank, *World Development Report and World Development Indicators*, Washington, DC, annual

13. and 14. Presentation of 1st drafts of term papers

15. Politics, history, culture and the role of empirical research in policy making

Irwin Garfinkel, Lee Rainwater, and Timothy Smeeding. 2010. Wealth and Welfare States: Is America a Laggard or Leader?, Oxford University Press. Chapters 6 and 7

Mary Jo Bane, "Poverty Politics and Policy" in Maria Cancian and Sheldon Danziger, (eds). 2009. Changing Poverty, Changing Policies, Russell Sage Foundation.