I. Course Description

This course introduces the measurement and analysis of poverty and inequality, as well as explanations for recent trends. The course will cast a wide view looking at poverty and inequality around the world, but it will take a closer look at inequality and the distribution of earnings in Canada. The course covers the measurement of poverty and inequality, including wealth inequality and intergenerational mobility. The causes of poverty and inequality will focus on explanations related to earnings and the labour market. The course will address redistributive policies, such as taxation and transfer programs, directed toward poverty and inequality, but also the government expenditures and programs that affect earnings. The goal of this course, however, is not to resolve the issues of poverty and inequality but to demonstrate their complexity. By the end of the course, students will be stronger analytical and critical thinkers and will be much more adept at assessing the meaning and limits of arguments based on statistics.

By the nature of the material, this 3-credit course directed at second year BIE students is fairly statistical and quantitative; but prior knowledge of Excel is not required, as the necessary skills will be taught. Several topics make use of intermediate microeconomic concepts, as well as concepts from probability and statistics, so ECON 301 and ECON 327, or equivalent, are co-requisites.

II. Contact Information and Office Hours

The following consultation times at the instructor’ offices in the Iona Building are provided exclusively for the students in this course:

Nicole Fortin, East Wing Office 202: Mondays, 1:30-3:30PM

For other arrangements, please see the instructor immediately after class or inquire by e-mail at nicole.fortin@ubc.ca. Students can expect a turn-around of 24 hours or less on weekdays.

The teaching assistant for this class will cover the fine points of measurement issues in Excel in the discussion groups and will hold office hours.

III. Expected Schedule of Topics

This tentative schedule will be modified to follow the progression of the class. I will evaluate the progression of the class using your informal feedback, as well as analytics coming from CANVAS.
quizzes and Top Hat answers. Topics may take more or less time than I anticipate, and I may decide to change the order in which we address various topics. Quizzes and exams will cover material that has been covered in the actual lectures regardless of whether we are ahead of or behind the projected schedule. Detailed information on the required readings for the tests will be posted on the CANVAS course web site.

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IV. Learning Activities and Outcomes

The class will appeal to several types of learning activities.

1. Lectures
   • The instructor will cover the material on substantive economic issues and analytical tools in twice-weekly lectures
   • Students will be prompted to reflect on some questions that assess their understanding and share answers to the class using Top Hat (see course web site on to register)
   • Students’ reading of discussion journal articles prior to class will prepare them for additional in-class engagement

2. Tutorials/Discussion groups
   • Students will attend smaller groups tutorials and discussion sessions lead by the TA
   • The fine points of inequality measurement using Excel/Google Sheets will be covered in those classes
   • There will present opportunities for additional discussions of the course material

3. “Homework”
   • The students will test their understanding of the material in quasi- bi-weekly quizzes, which will also serve as preparation to the exams
   • The students will sharpen their skills with empirical methods in the context of 3 empirical assignments done in groups of maximum 3 students

As a result of these learning activities, the students will know how to implement the analytical tools used in policy discussions surrounding poverty and inequality, understand their strengths and limitations. This will enhance their ability to critically assess the writings of academics and practitioners on these issues and to understand the strengths and weaknesses of some of the proposed solutions.

V. Assessment of Learning

The assessment of learning will comprise several components, weighted as follows:

1. Incoming Survey: 1%
2. Class Participation (Top Hat) 10%
3. Online quizzes (5): 15%
4. Empirical (Excel) assignments (3): 24%
5. Midterm: 20%
6. Final (comprehensive): 30%

Before the beginning of classes, students are asked to complete an incoming survey concerning their background and interest in topics pertaining to the class. Students should register in the Top Hat platform before the beginning of classes; it is free to register for this class.

During regular classes, students will be asked to answer 3-5 questions on the Top Hat platform. The responses will carry different weights for correctness and participation as indicated in the questions.
Students who experience issues with their devices or miss some classes for one reason or another will be able to answer the Top Hat questions as homework, but will receive 50% of the points.

Every other week, you will be asked to complete at home on-line quizzes on the material covered in class. The short questions from these five quizzes will offer a good preparation for the exams, which will combine short questions with a few longer analytical questions. The quizzes will be posted on the Wednesday and you will have 48 hours to complete them. Submissions late by up to 24 hours will receive 50% of the points; submissions more than 24 hours late will receive no credit. The correct answers and your score on these quizzes will be posted on CANVAS only after the quizzes have closed.

The Empirical assignments will teach you Excel skills needed to compute and evaluate measures of poverty and inequality. Groups of a maximum of 3 students can hand in a single assignment for the group. You are encouraged to use Excel given that the data and some templates for the exercise will be available on CANVAS. Tutorials explaining the Excel skills will be held in the week following the posting of the assignments.

The Midterm and Final exams will comprise a set of short questions, similar to those asked in the quizzes, and a set of longer analytical questions. The short questions are intended to test your overall knowledge of subject matter covered in lectures and conceptual understanding of economics (not the mathematical derivations but a clear understanding of key economic concepts such as elasticities, price/income effect). The longer questions will test your understanding of the assigned readings and the ability to apply such understanding, as well as that of the key economic concepts to new material, for example, interpretation of tables and graphs.

**Academic Integrity**

As usual, there is a policy of zero tolerance towards academic dishonesty. The **minimum** penalty for any incident of academic dishonesty will be an automatic grade of zero in the relevant course requirement. At my sole discretion, you may have additional marks subtracted from your class grade, receive a grade of zero in the course, and be reported to the faculty for further disciplinary action.

**Dispute Resolution, Missed Assignments, Quizzes or Exams**

Students who would like the grader to review their assignments or exams should direct their questions in writing to the grader first. If they are unable to resolve the dispute, the dispute should be directed to the instructor. Students who miss a quiz under valid grounds for **Academic Concessions**, will see the weight of that quiz transferred to the other quizzes. Students who miss the midterm exam under valid grounds for **Academic Concessions**, will see the weight of that exam apply to the final exam. There will be no remake quizzes or differed mid-term exams. Students must contact me via email as soon as they are aware they may need an in-term concession. Please include a Student Self-Declaration form, found on the [Arts Advising website](#). Students requiring a second concession must make their request to Faculty Advising Office. Students will not be allowed to miss the final exam for travel reasons. Students who experience ongoing medical and/or learning difficulties should register with [Centre for Accessibility](#) to get academic accommodations and other supports at UBC. The Center also handles differed final exams.
University Policies

UBC provides resources to support student learning and to maintain healthy lifestyles but recognizes that sometimes crises arise and so there are additional resources to access including those for survivors of sexual violence. UBC values respect for the person and ideas of all members of the academic community. Harassment and discrimination are not tolerated nor is suppression of academic freedom. UBC provides appropriate accommodation for students with disabilities and for religious observances. UBC values academic honesty and students are expected to acknowledge the ideas generated by others and to uphold the highest academic standards in all of their actions.

Details of the policies and how to access support are available on the UBC Senate website.

VI. Textbook and Readings

The textbook for this course is available as e-book or hardcover. This optional textbook covers the main topics seen in class and more.

- Wolff, E.N., 2009. *Poverty and income distribution*. 2nd Edition, John Wiley & Sons, Ltd. Because this text focuses mostly on the United States and is ten years old, it will be supplemented by more recent material considering global and Canadian issues. The course lecture slides plus the required readings will cover the material that you will be responsible for. A detailed list of these materials plus a list of concepts to be examined will be posted prior to the exams. In the same way as students are responsible for buying the textbook if so desired, the students are responsible for downloading the course lecture slides and other material in a timely fashion. The material may no longer be available after the end of the term.

The reading list below also include additional optional advanced and more in depth readings denoted by the dagger †; they are offered as a guide to the literature for students wishing to pursue the topics in greater details. Most of the readings are available in electronic form with UBC links using Google scholar for example. If you are connecting from off-campus you may need to use the UBC Library EZproxy server: https://login.ezproxy.library.ubc.ca/login. Additional information will be posted on the course website.

VII. Reading List

Note: It is likely that the list of the readings below will be modified to follow the progression and needs of students. Other links to news or opinion articles and reports will be posted on the CANVAS Reading List page.

1. Introduction
   a. Overview of inequality and poverty trends
      Wolff, Chap. 2.2, 2.3, and 2.5 (Review the appendix on national accounts if needed)
   b. Historical context of views on poverty and inequality
Part I. Income Inequality and Poverty Measures

2. Measuring Income Inequality
   a. Within-Country Inequality
      Wolff, Chap. 3.1-3.2 (except starred sub-sections)

   b. International Comparisons including Top Incomes
      Wolff, Chap. 3.4 (except starred sub-sections)
      World Inequality Report 2018 Executive Summary - WID.world, pp.1-9

   c. The Gini Coefficient and the Kuznets Curve
      Wolff, Chap. 3.3, 3.5 (except starred sub-sections)
      Toyama, Kentaro The Rise and Fall and Rise (Literally) of the Most Important Curve in Economics, The Atlantic (April 30, 2012)

3. Measuring Poverty
   Wolff, Chap. 4 (except starred sub-sections)
   † World Bank Handbook on Poverty and Inequality: Measures of Poverty, Chapter 4
   † World Bank Handbook on Poverty and Inequality: Poverty Lines, Chapter 3

4. Wealth Inequality
   Wolff, Chap. 5

5. Intergenerational Mobility
   Wolff, Chap 6.1, 6.4, 6.6
6. **Children and the Intergenerational Transmission of Poverty**

**Part II. Explanations of Inequality and Poverty**

7. **The Labour Force, Employment and Unemployment**
   Wolff, Chap 7
   Anu Madgavkar, A., Manyika, J., Krishnan, M., Ellingrud, K., Lareina Yee, L., Woetzel, J.,

8. **Human Capital, and Education**
   Wolff, Chap.8 (except starred sections)

9. **Explanations for Changing Earnings Inequality**
   a. **Market Forces**
      Wolff, Chap.11 (except 11.9 and 11.10)

   b. **Institutional Factors**
      Wolff, Chap.9.1-9.2, 9.4 (except starred sections), Chap. 15.7

10. **Discrimination**
    Wolff, Chap.12.1-12.3
11. **Gender Inequality**
   Wolff, Chap.14 (except 14.4)

**Part III. Public Policies to Reduce Poverty and Inequality**

12. **Redistributional Effects of Tax Policies**
    Wolff, Chap.16 (except 16.5)

13. **Transfers Programs and Pre-distribution Public Policies**
    Wolff, Chap.15 (except 15.5)

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