# **SOC6312H1: STRATIFICATION AND INEQUALITY**

### **University of Toronto**

Term: Winter 2019 – Lecture Date/Time: Thursday, 12-2pm – Location: Room 240, 725 Spadina

#### INSTRUCTOR

Geoff Wodtke

Office: Room 394, 725 Spadina Ave

Office Hours: Thurs 2-4pm or by appointment

Email: geoffrey.wodtke@utoronto.ca

### DESCRIPTION

This course will examine the empirics, causes, and consequences of material inequalities in modern societies from an interdisciplinary perspective. More specifically, we will investigate some of the following questions. For example, how are material inequalities conceptualized and measured? How unevenly is income distributed in contemporary society? How have these inequalities changed over time? And what are the consequences of these changes? This course will cover basic concepts and facts as well as both classical and contemporary theoretical debates. Although much of the material will be comparative and pertain to modern societies in general, the emphasis will be on the U.S. and Canada.

### **READINGS**

This is a reading intensive course. The required readings consist of books and articles available for loan through the University of Toronto library or for purchase through a variety of online retailers. Where possible, pdf copies of the assigned articles and book chapters are hyperlinked below in the course schedule or posted to the course website site. Extra copies of the assigned books are also available from the instructor for short-term loan.

### **EVALUATION**

### **Reaction Essays**

Each week, students will write a short reaction essay summarizing their thoughts about the assigned readings for that week. The essay should be no more than 1-2 pages in length, double-spaced, and in 12-point font. When drafting these essays, it may help to consider some of the following questions. What is the key argument or finding? What do you think of the author's argument or finding? What are the reasons that you agree or disagree with the author's argument or finding? These short reaction essays are due each week at the beginning of class, and altogether they count for 15 percent of your final grade. They will be evaluated on a credit versus no credit basis.

#### **In-class Presentations**

Each week, a different student or group of students will deliver a presentation to the class on the assigned readings for that week. The presentation should be about 50 minutes long and accompanied by slides or some other form of visual media. This assignment will count for 35 percent of your final grade. When creating these presentations, consider the following questions. What is the key argument or finding of the article? What data or evidence did the author use to support this argument or generate the finding? Is the author's evidence compelling, or are there reasons to be skeptical? How might the study be improved to make a more convincing case? How does the article relate to others you have read for the course? Presentations will be delivered during the first half of the course and then followed by group discussion during the second half. Presentations will be evaluated for the extent to which they demonstrate knowledge of the assigned readings; the structure of their arguments about the merits and limitations of the readings; and the quality, clarity, and grammar of the slides and delivery.

### **Research Proposal**

Students will write a research proposal that involves a question related to poverty or inequality. These proposals should be at least 15 pages long, double-spaced, and in 12-point font. They will count for 50 percent of your final grade. Students are strongly encouraged to develop an existing project or idea using material from this course or to use this assignment as an opportunity to launch a new empirical project. The proposal should include a well-defined research question, a description of the motivation for the study, a review of the relevant literature, and a brief outline of some proposed methods and/or data for answering the question of interest. Proposals will be evaluated for the extent to which they demonstrate knowledge of the selected topic; the structure of their arguments; and the quality and clarity of the writing. \*\*\*Paper copies of this assignment are due to me by April 18, 2019\*\*\*

### **Grades**

Grades for this course will be assigned as follows: reaction essays (15 percent), in-class presentations (35 percent), and research proposal (50 percent).

### **SCHEDULE**

January 10, 2019: Income Inequality – Conceptualization, Measurement, and Empirics

Reading:

Allison, Paul D. 1978. "Measures of Inequality." American Sociological Review 43:865-

880.

- Ryscavage, Paul. 1999. *Income Inequality in America: An Analysis of Trends*. New York, NY: M. E. Sharp. Read Ch. 1-3.
- Piketty, Thomas and Emmanuel Saez. 2006. "<u>The Evolution of Top Incomes: A Historical and International Perspective</u>." *American Economic Review* 96:200-2005.
- Saez, Emmanuel and Michael R. Veall. 2005. "<u>The Evolution of High Incomes in Northern America: Lessons from Canadian Evidence</u>." *American Economic Review* 95:831-849.
- Firebaugh, Glenn. 1999. "Empirics of World Income Inequality." American Journal of Sociology 104:1597-1630.
- Zhou, Xiang and Geoffrey T. Wodtke. 2018. "Income Stratification among Occupational Classes in the United States." *Social Forces*.

# January 17, 2019: Trends in Income Inequality – Supply-side Explanations

### Reading:

- Champernowne, D. G. and F. A. Cowell. 1999. *Economic Inequality and Income Distribution*. Cambridge: University of Cambridge Press. Read Pp. 123-136.
- Easternlin, Richard. 1980. Birth and Fortune. New York, NY: Basic Books. Read Ch. 1-2.
- Schrammel, Kurt. 1998. "Comparing the Labor Market Success of Young Adults from Two Generations." Monthly Labor Review 121:3-9.
- Borjas, George J. 1994. "<u>The Economics of Immigration</u>." *Journal of Economic Literature* 32:1667-1717.
- Card, David. 1990. "The Impact of the Mariel Boatlift on the Miami Labor Market." Industrial and Labor Relations Review 43:245-257.
- Borjas, George J. 2015. "<u>The Wage Impact of the Marielitos: A Reappraisal</u>." National Bureau of Economic Research Working Paper No. 21588.

# <u>January 24, 2019</u>: Trends in Income Inequality – Demand-side Explanations

## Reading:

- Bluestone, Barry and Bennett Harrison. 1982. <u>The Deindustrialization of America: Plant Closings, Community Abandonment, and the Dismantling of Basic Industry</u>. New York, NY: Basic Books. Read Ch. 1-3.
- Krueger, Alan B. 1993. "<u>How Computers Have Changed the Wage Structure: Evidence from Microdata, 1984-1989</u>." *Quarterly Journal of Economics* 108:33-60.
- DiNardo, John E. and Jorn-Steffen Pischke. 1997. "<u>The Returns to Computer Use</u> Revisited: Have Pencils Changed the Wage Structure Too?" *Quarterly Journal of*

- Economics 112:291-303.
- Autor, David H., Frank Levy, and Richard J. Murnane. 2003. "<u>The Skill Content of Recent Technological Change: An Empirical Exploration</u>." *Quarterly Journal of Economics* 118:1279-1333.
- Card, D. and J. E. DiNardo. 2002. "Skill-Biased Technological Change and Rising Wage Inequality: Some Problems and Puzzles." *Journal of Labor Economics* 20:733-783.

# <u>January 31, 2019: Trends in Income Inequality – Institutional Explanations</u>

# Reading:

- DiNardo, John, Nicole M. Fortin, and Thomas Lemieux. 1996. "<u>Labor Market Institutions</u> and the Distribution of Wages, 1973-1992: A Semiparametric Approach." *Econometrica* 64:1001-1044.
- Card, David, Thomas Lemieux, and W. Craig Riddell. 2004. "<u>Unions and Wage Inequality</u>." *Journal of Labor Research* 25:519-562.
- Western, Bruce and Jake Rosenfeld. 2011. "<u>Unions, Norms, and the Rise in U.S. Wage Inequality</u>." *American Sociological Review* 76:513-537.
- Myles, John and Keith Banting. 2013. *Inequality and the Fading of Redistributive Politics*. Vancouver, BC: University of British Columbia Press. Read Ch. 1, 14, 16.

# <u>February 7, 2019: Trends in Income Inequality – Alternative Explanations</u>

### Reading:

- Piketty, Thomas. 2014. *Capital in the Twenty-first Century*. Cambridge, MA: Harvard University Press. Read Pp. 1-27, 52-55, 166-170, 212-222, and 227-230.
- Mouw, Ted and Arne L. Kalleberg. 2010. "Occupations and the Structure of Wage Inequality in the United States, 1980s to 2000s." American Sociological Review 75:402-431.
- Wodtke, Geoffrey T. 2016. "Social Class and Income Inequality in the United States:

  Ownership, Authority, and Personal Income Distribution from 1980 to 2010."

  American Journal of Sociology 121:1375-1415.
- Lin, Ken-Hou and Donald Tomaskovic-Devey. 2013. "<u>Financialization and U.S. Income Inequality</u>, 1970-2008." *American Sociological Review* 118:1284-1329.

### February 14, 2019: The Consequences of Income Inequality

### Reading:

Gilens, Martin. 2012. Affluence and Influence: Economic Inequality and Political Power in

America. Princeton, NJ: Princeton University Press. Read Ch. 1-3, 7.

Wilkinson, Richard and Kate Pickett. 2010. <u>The Spirit Level: Why Greater Equality Makes Societies Stronger</u>. New York, NY: Bloomsbury Press. Read Ch. 4-7.

Chetty, Raj, David Grusky, Maximilian Hell, Nathaniel Hendren, Robert Manduca, Jimmy Narang. 2016. "<u>The Fading American Dream: Trends in Absolute Income Mobility since 1940</u>." National Bureau of Economic Research Working Paper No. 22910.

# February 21, 2019: READING WEEK (NO CLASS)

### February 28, 2019: Poverty – Conceptualization, Measurement, and Empirics

Reading:

Citro, Constance F. and Robert T. Michael. 1995. <u>Measuring Poverty: A New Approach</u>. Washington, DC: National Academy Press. Read Pp. 1-97.

Wimer, Christopher, Liana Fox, Irwin Garfinkel, Neeraj Kaushal, and Jane Waldfogel. 2016. "Progress on Poverty? New Estimates of Historical Trends using an Anchored Supplemental Poverty Measure." *Demography* 53:1207-1218.

Silver, Jim. 2014 <u>About Canada: Poverty</u>. Black Point, NS: Fernwood Publishing. Read Ch. 1-2.

Silver, Jim. 2016. *Solving Poverty: Innovative Strategies from Winnipeg's Inner City*. Black Point, NS: Fernwood Publishing. Read Ch. 1.

# March 7, 2019: Extreme Poverty in Modern Societies

Reading:

Edin, Kathryn J. and H. Luke Shaefer. 2015. <u>\$2.00 a Day: Living on Almost Nothing in America</u>. New York, NY: Houghton Mifflin.

# March 14, 2019: The Working Poor

Reading:

Newman, Katherine S. 1999. *No Shame in My Game: The Working Poor in the Inner City*. New York, NY: Russell Sage Foundation.

# March 21, 2019: Poverty and Housing Instability

Reading:

Desmond, Matthew. 2016. *Evicted: Poverty and Profit in the American City*. New York, NY: Crown.

# March 28, 2019: The Spatial Concentration of Poverty

# Reading:

- Wilson, William J. 1987. *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy*. Chicago, IL: University of Chicago Press. Read Ch. 1-3.
- Small, Mario Luis and Katherine Newman. 2001. "<u>Urban Poverty after The Truly Disadvantaged: The Rediscovery of the Family, the Neighborhood, and Culture.</u>" *Annual Review of Sociology* 27:23-45.
- Sharkey, Patrick and Jacob W. Faber. 2014. "Where, When, Why, and for Whom do Residential Contexts Matter? Moving Away from the Dichotomous Understanding of Neighborhood Effects." Annual Review of Sociology 40:559-579.
- Hajnal, Zoltan. 1995. "<u>The Nature of Concentrated Urban Poverty in Canada and the United States</u>." *Canadian Journal of Sociology* 20:497-528.

# April 4, 2019: Poverty and Public Policy

## Reading:

- Massey, Douglas and Nancy A. Denton. 1993. *American Apartheid: Segregation and the Making of the Underclass*. Cambridge: Harvard University Press. Read Ch. 2, 7.
- Bailey, Martha J. and Sheldon Danziger. 2013. <u>Legacies of the War on Poverty</u>. New York, NY: Russell Sage Foundation. Read Ch. 1-2, 6-8.
- Silver, Jim. 2016. *Solving Poverty: Innovative Strategies from Winnipeg's Inner City*. Black Point, NS: Fernwood Publishing. Read Ch. 5.