

Econ 400/Pubp 491 - American Economic Mobility Over Two Centuries

This course explores the evolution of economic inequality and mobility in the United States from the Civil War to modern times. We will evaluate different methods of measuring inequality and mobility and then use those measures to assess how major events, policy shifts and structural changes to the economy altered economic mobility for different groups. Particular attention will be given to how to econometrically identify causal relationships between these events and changes in mobility. The course will focus primarily on comparing differences in economic mobility over time across gender and across race. We will explore the impacts of such policy changes and events as the Great Migration, the High School Movement, passage of the 19th Amendment, and school desegregation on inequality and mobility.

Requirements

Students should have completed Econ 303 and either Econ 308 or Govt 301. This course will draw on both the theoretical modeling of individual and household behavior covered in Econ 303 and the econometric tools and empirical methodology covered in Econ 308 and Govt 301.

Grading

Grades for the class will be based based on class participation, three referee reports, a data project and a final project. Given the substantial final project, there will be no final exam for the course. The weights for the graded assignments are as follows:

Class Participation:	10%
Referee Reports:	15% each
Data Project:	15%
Final Project:	30%

Grades will be curved to conform to the typical grade distribution at William & Mary (see <http://goo.gl/Bv4Ck1> for statistics on grade distributions at William & Mary). The curve will be set at the end of the semester based on the class distribution of overall numerical scores. Each time graded material is returned you will be given the class distribution of numerical scores for the assignment and a guide to how those numerical scores would correspond to curved letter grades if the course curve were based solely on that assignment (in other words, the numerical cutoffs for an A, B, C, and so on). You have one week after graded material is returned to raise any issues about the grading.

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Econ 400, Spring 2018
Mon, Wed 3:30pm-4:50pm
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For the referee reports, data project and final project, late assignments will incur a grade penalty. Each report and project is graded on a 20 point scale. One point is deducted for each day the project is late. An assignment submitted late but within 24 hours of the due date will incur a one point deduction, an assignment submitted between 24 and 48 hours late will incur a two point deduction and so on.

Due dates for the assignments and projects are provided in the 'Key Dates' section of the syllabus below.

Readings

Readings for the course are posted on Blackboard either as pdf files or as links to online versions of the papers. Note that the links may require that you be on the William and Mary network. If you are off campus, you may need to access articles by logging in through the Swem Library website. For all of the required readings, I will post several questions on the course website to help guide your reading and stimulate class discussion. These questions are a good starting point for engaging the reading but should not be considered an exhaustive list of what you should retain from the readings. I will update you each class as to which readings will be covered in upcoming lectures.

When reading journal articles there are several things to keep in mind. I do not expect you to follow all of the technical details of the article. What you should focus on is identifying the following aspects of the article. What question is the author attempting to answer? Why is this an important question? What does previous research have to say about the question? What sort of evidence does the author rely on? Are there any drawbacks or limitations to this evidence? What conclusions does the author reach? What are the implications of these conclusions for larger economic questions?

Referee Reports

There are three graded referee reports. The purpose of these reports is to engage critically with the assigned journal articles. In your referee report you will summarize the main argument of a journal article and critically evaluate its strengths and weaknesses. Please refer to the handout 'Referee Report Guidelines' posted on Blackboard for complete details about the referee report. We will go over these details during the second week of class.

Data Project

For the data project, the class will work together to construct two historical datasets. The first will be created by linking individuals across census and death records to create an intergenerational sample of Hampton Roads residents. The final dataset will be similar to the datasets covered in Section 2 of the course (Quantifying Historical Mobility and Inequality), containing information on outcomes for individuals and their parents. These data will allow the class to directly estimate historical mobility rates in the Hampton Roads area.

The second dataset will track changes in property ownership and the covenants and zoning regulations restricting the use of those properties. These are the types of data relied on by several of the studies in Section 4 of the course (Racial Gaps in Opportunities and Outcomes). They will offer insight into the institutional constraints on mobility in the local area.

Each student will be responsible for a subset of the observations for each dataset. We will then combine each student's results into two master datasets for use by everyone in the class for the final project.

Final Project

The final project will utilize the data gathered by the class. You will be required to use one or both of the class-constructed datasets in conjunction with other historical evidence to assess changes in mobility in the Hampton Roads area over time. Your goal is to estimate a change in mobility using a mobility measure of your choosing and then formulate and empirically test a hypothesis relating to why that change occurred.

You will produce two final products: (1), a technical paper presenting your analysis and, (2), a policy memo describing your findings. The technical paper should be written for an audience of economists familiar with both econometrics and the economic mobility literature. It will identify where your study falls within the academic literature on mobility and provide detailed discussions of the dataset construction, your estimation strategy and your empirical results. The policy memo should be written for a general audience that includes government officials and nonprofit directors.

Key Dates

Below are the key dates for the graded assignments.

February 21, 2018	Referee report 1 due at 5pm
March 14, 2018	Referee report 2 due at 5pm
March 26, 2018	Data project due at 5pm
April 11, 2018	Referee report 3 due at 5pm
April 27, 2018	Final project due at 5pm

Honor Code

You are expected to follow the William & Mary Honor Code. If I discover any academic misconduct, I will initiate an Honor Council proceeding and recommend failure of the course. Be particularly careful to avoid plagiarism when working on your research project. This is one area where students can unknowingly commit serious honor code violations. It is very important that you cite all sources properly and fully acknowledge any help received. If you have any questions about how the Honor Code relates to this course, feel free to talk to me or refer to the Student Handbook and the William & Mary Honor Council's website.

Outline of Course

Below is the general outline we will follow for the course. For each general topic, there will be several readings posted on Blackboard. Complete details on these readings are provided in the reading list. I will update you at the beginning of each class as to where we are in the outline and which readings you should do for the upcoming lectures.

I. The Measurement of Modern Mobility and Inequality

- The American income and wealth distributions
- Equality of opportunity and equality of outcomes
- Measuring inequality
- Measuring intragenerational mobility
- Measuring intergenerational mobility
- Is modern America a land of opportunity?

II. Quantifying Historical Mobility and Inequality

- What can we measure with historical data?
- Who is represented in historical data?

- Trends in mobility over two centuries

III. Structural Change, Mobility and Inequality

- The Age of Mass Migration and the outcomes of migrants
- Technological change and the changing demand for skill
- The race between education and technology
- The China Shock: globalization and the US labor market
- Wage compression and dispersion over the Twentieth Century

IV. Racial Gaps in Opportunities and Outcomes

- Racial gaps in education, income and health in the modern United States
- The transition out of slavery
- The Great Migration
- Redlining and institutional barriers to mobility
- From Jim Crow to Brown v. Board of Education and beyond

V. Gender Gaps in Opportunities and Outcomes

- Unique issues with measuring female inequality and mobility over time
- The Industrious Revolution in American context
- The 19th Amendment and public vs private provision of health and education
- Marriage, matching and mobility
- The power of the pill
- Modern American female mobility and inequality in international context