

The relative prosperity of America generally and New York in particular obligates us to understand the causes of inequality and poverty. Many of us do informally this every day on our way to work. This course looks more formally and rigorously at what causes high and rising inequality in the United States as well as falling poverty between nations (convergence). Not only is a new global middle class emerging, but on average developing nations in Latin America, Asia and Africa are growing faster than the rich OECD countries. This convergence in global living standards is partly due to the slowdown in OECD growth caused by the 2008 global financial crisis. Similarly, higher commodity prices due in part to the U.S. response to the financial crisis (quantitative easing) has contributed to faster growth in Africa and Latin America. Globalization appears to be a common denominator in these trends: contributing to the ever higher incomes of the top 1% in the U.S. for example, even as it lifts hundreds of millions of Asian workers out of poverty. In fact, progress in China has been so dramatic and sustained that many fear it will soon displace the U.S. as the dominant world economy (its total trade already exceeds that of the U.S. and the EU). The theme of this year's course is what rich nations and individuals who want to help can do to help the poor. *Almost exactly fifty years ago this month, President Johnson launched a "war on poverty" headed by Sargent Shriver who at one point promised to eliminate severe poverty in the U.S. by the year 2000. The international counterpart to the U.S. war are the eight "millennium development goals" (MDGs) adopted by 189 nations in September 2000. MDG 1 is to reduce severe 1990 \$1/day poverty by half by 2015 (that is, by next year!). While neither campaign against poverty has been entirely successful, yet substantial progress has been made. Perhaps more important, many have not waited for government to solve their problem, immigration, microfinance and social entrepreneurship such as Kiva are important examples of "bottom up" globalization and/or crowdsourcing solutions that largely bypass governments and international organizations. So what works and what doesn't, in terms of reducing poverty and inequality? This is the key question this course addresses, after a short digression into "grand theories" and the generally accepted measures of poverty, inequality and mobility. Of course, money isn't everything, so the quality of life and new literature on "happiness" are also discussed, as are the important changes the status of women and minorities globalization and the civil rights movement have brought.*

Course Requirements: Most readings and videos for this course are available via the course calendar. We will use a number of videos, let me know if you have trouble viewing videos or readings online: there are a number of options in this regard. Please check the [course calendar](#) frequently for updates and news related to the course. We do not have one text, instead we use the discussion and quiz review questions to focus our reading. There will be 4-5 quizzes previewing the midterm (both 20-25 points each) and the final exam (40 points). **An optional Paper or case study** (e.g. the Bronx, Appalachia or Ethiopia): **A short 4-6 page paper** from a pre-selected list of topics can be used to replace one missed quiz or raise your midterm grade. (1) 1-2 pages summarizing the lecture, film, book or article you attended/read/watched. (2) 1-2 pages section relating content to specific readings or lectures (annotated, be specific) from our course and required readings and (3) 1-2 pages summarizing your own views of on this lecture, book, film or article, is it worth reading/watching attending for other students? The reading/film/lecture should be pre-approved and not be required for the course. It is always best to send me a one paragraph summary of your topic so I can OK it in advance. Generally, the paper assignment is done after the midterm but before the last three weeks of the course (the Easter break more or less). **Office Hours:** Monday and Thursday 12:30 to 1:30pm and 4:00-5:00pm and Wednesday 9:30-10:30pm (or by appointment) or request a meeting by email mcLeod@fordham.edu. Gmail has an appointment program, but until it is working it always best to confirm by email and check for changes in office hours at www.fordham.edu/economics/mcleod/

Books (required) within the next two weeks, try to purchase paperback or eBook copy of the books marked *

*Deaton, Angus (2013). *The Great Escape: Health, Wealth, and the Origins of Inequality*. Princeton University Press. kindle \$10, hardcover \$20, [069115354X](#) excerpts, introduction, Chapter 2, chapter 7.

Dinh, (2013) [Tales from the Development Frontier](#).

Chang, Leslie (2009) *Factory girls*: [\(0385520182\)](#) Spiegel & Grau, NY (\$14 new paper, \$10 kindle)

*Abhijit Banerjee & Esther Duflo (2011) *Poor Economics*, Public Affairs, NY (\$11 paper, \$10 kindle) [069115354X](#)

Moyo, Dambasi (2009) *Dead Aid* Farrar, Straus and Giroux, [0374532125](#) (\$9 paper, \$8 kindle)

Collier, Paul (2008) *The Bottom Billion* Oxford University Press, [0195373383](#) (\$12 paper, \$10 kindle)

*Acemoglu, D., & Robinson, J. (2012). *Why nations fail: the origins of power, prosperity, and poverty*. Random House Digital or Crown Business, [excerpt/intro](#), paperback \$11, kindle \$11, ISBN [0307719227](#) paper.

Books on U.S. Poverty:

Bailey, M. J., Sheldon Danziger, (eds.). (2013). *Legacies of the War on Poverty*. Russell Sage Foundation, \$39 hardcover and \$32 kindle (don't buy this book yet) [087154007X](#)

Murray, Charles *Coming Apart*, Crown Forum, NY, (\$9 paper, \$9 kindle) [030745343X](#)

Haskins, R. and Isabel Sawhill (2009) *Creating an opportunity Society*, Brookings, Wash DC [0815703228](#)

Recommended (some required reading)

Naill Ferguson, 2011, Civilization: the West and the Rest, \$12 kindle. \$10 paper (audio book) [0143122061](#)

Ananya Roy (2010) Poverty Capital Routledge, [978-0-415-87673-5](#)

Collier, Paul (2010) The Plundered Planet, Oxford Univ Press, [199752893](#) (\$11 paper, \$10 Kindle)

Kristof, Nicholas and Sheryl WuDunn (2011) Half the Sky, Vintage, [0307387097](#) (\$11 paper)

Sachs, Jeffrey (2005) [The End of Poverty](#) Penguin Press, NY ([0143036580](#)) \$6 used, \$12 new

Sen, Amartya (2002) [Development and Freedom](#) (Anchor paperback– [0385720270](#))

Karlan & Appel (2011) More than good intentions, Plume [452297567](#) (\$11 paper)

Spring 2014 Topics Outline (see www.fordham.edu/economics/mcleod and the course calendar for readings)

Week 1: Jan 13th & 16th introduction and overview: A the U.S. War on Poverty “celebrates” its 50th anniversary and the UN MDGs 2015 deadline nears we assess the promises of foreign aid and means tested assistance programs (even as we extend the safety net to include healthcare, slowly). The aid debate: Bangladesh, Malawi and Ethiopia. Measuring poverty and mobility and knowledge: Global poverty and inequality trends: absolute vs. relative poverty success and failure in Africa, Asia and Latin America’s emerging middle class, the rise of the BRICS.

Week 2: Jan 20th & 23rd (no class Monday, Presidents day) The Foreign Aid Debate, Give us the Money.

Week 3: Jan 27th Meta theories global poverty: Naill Ferguson’s 10 killer Apps (Civilization Chapter 2)

Week 4: Feb 3rd and 6th Poverty and Inequality Measures, see class handouts.

Week 5: Feb 10th & 13th: The Great Escape: Asia, China and East Asia Flying Geese, Garment Factories

Week 6: Feb 18th (Tu follows M schedule) & 20th The Great Escape II: Poverty in Africa and India:

Malnutrition and hunger

Week 7: Feb 18th (Tues but Monday Schedule)

Week 8: Feb 20th – 27th (midterm week) Poverty in Latin America, conditional Cash Transfers,

Week 9: March 3 & 7th Bottom up Globalization: migration and Microfinance

March 11th: Case studies revisited: Ethiopia, Malawi, Bangladesh and Peru..

March 13th Midterm covers global poverty lectures and readings.

March 17-23rd Spring Break

Week 10: March 24th and 27th The U.S. War on poverty, inequality in the U.S. Measures and trends

Week 1: April 10th & 13st Poverty in the United States and Europe Fragile families, coming apart

Week 10: April 24th & 27th Welfare reform, immigration and globalization during the the 1990s: the “golden years” for U.S. growth and urban poverty decline.

Week 11: March 31 and April 2nd The Great Gatesby Curve: poverty, mobility and education in a Global Economy, the west vs. the rest....

Week 12: April 8th and 11th Crossing Boundries: race, class, gender and nationality

April 17th to 21st Easter Recess

Week 13: April 22nd and 25th (Tuesday w/ Monday schedule) The Bronx, NYC community development

April 29th : Globalization and U.S. Poverty: trade vs. Aid revisited

May 1st: Last day of Classes

Final exams May 6th -13th Final Exams

Lectures and Discussion Questions: please see the [class calendar](#) for Lecture and Discussion questions due on turn in questions due January 22nd if possible Friday (we will do the Ethiopia Question 1.1 in class Thursday January 16th)

Course Calendar: <http://class.povertylectures.com/ECON3240Spring2014Calendar.pdf>