This seminar will examine the nature and extent of poverty in the U.S., its causes and consequences, and the antipoverty effects of existing and proposed government programs and policies. It will examine competing theories of poverty and a range of approaches to research on poverty. The types of questions to be addressed include the following:

What is poverty? Why is poverty so persistent? Why are poverty rates for minorities so high? Is there a culture of poverty? What are the interrelationships among poverty, family structure, inner city neighborhoods, education, labor market conditions, and public policies? Is poverty passed on from generation to generation? What theories drive research and policy about poverty? What are the implications of different approaches to studying poverty?

The course is divided into eight topics that will move us from more general issues to questions about more specific groups and trends.

**SHORT PAPER REQUIREMENT**

There are eight topic areas over 14 weeks. Students are required to write six short (2-4 typed pages) papers from among these eight topic areas. Each paper should cover a single week’s required readings. One paper must be on Topic 2 “Poverty Theories” and must review and assess the model of the underclass Wilson outlines in his book, *When Work Disappears*. One paper must be on Topic 4 “The Underground Economy” and address Venkatesh’s portrayal of the urban poor, in contrast to Wilson’s. One paper must address Topic 5 “Prisons and Work” and examine Western’s *Punishment and Inequality in America*. Papers are due on the days readings are required. No late papers will be accepted.

Many topic areas cover several issues, and students are asked to pick one issue to write on. For example, Topic 1 includes readings on several issues. If you wish to write on more than one issue—i.e., if you wish to do two separate papers on one topic’s set of readings, this is permissible. The second paper can count toward your total of six papers. The second paper can be turned in one week later than the first paper. These short papers must be informed by the required readings.

**RESEARCH PROPOSAL REQUIREMENT**

The main requirement for this course is a proposal which reviews the literature and proposes a research study on a poverty-related topic. Students considering writing their third-year papers,
prelim papers, or thesis in this area should use this proposal to explore a possible topic. Your goal is to design a proposal for a publishable paper. Thirty percent of your grade will be based on this proposal. The schedule for this proposal is as follows:

**TOMORROW:** Start thinking about possible topics. This can be the hardest part of your proposal. Make a list of 2 or 3 possibilities, discuss them with relevant faculty, make an appointment to see Professor Corcoran or Professor Lein if that would help, and do some background reading on each topic so you have some idea of what has been done. **Don’t settle on a topic until you have done some reading, have a question that research could help answer, and have some idea about how (what evidence) you might go about answering it.**

**October 4:** Email Professor Corcoran and Professor Lein a brief description of your proposed topic and research question. Hand in a hard copy version in class.

**October 10-14:** Make an appointment with Professor Corcoran or Professor Lein to discuss the topic.

**November 8:** Submit a revised research question, and a 5-15 page literature view of research in the area. This review should include a brief discussion of how answering your question will add to what is already known and a brief outline of kinds of evidence you will use to answer the question. Hand in a hard copy in class and email us an electronic copy.

**December 6:** Submit a 10-20 page proposal that includes: (1) a brief statement of problem, (2) a literature review showing how you will add to past research, (3) a brief explanation of the relationship of your work to current theories of poverty, and (4) a research plan. For example, if results of past studies disagree, you should suggest possible reasons for these discrepant results and show how your analysis might resolve this controversy.

**DISCUSSION REQUIREMENTS (ALL STUDENTS):**

This is a seminar, and all students are expected to **arrive on time, to have read the assigned articles prior to the session in which they will be discussed,** to attend class regularly, and to participate in class discussion. Students should be prepared to talk on the discussion questions at the end of each topic area. Each student will be asked in class to summarize a week’s readings and to critique particular readings at least once. **If students do not attend class regularly, their grades will automatically drop one-third of a letter grade. Thus, a B+ would become a B.**

**Laptop Policy:** No laptops allowed in class.

**Grading:** Grades will be based on the short papers (60 percent), class discussion (10 percent) and the final project (30 percent).

**Grading of Class Participation:** Listening is as important as speaking in class participation. Regular class attendance is necessary to achieve full credit for class participation. Each student will be asked to summarize a required reading once during the term and to criticize a required reading at least once during the term. Students who are more comfortable listening than talking can receive full credit for class participation.
Readings

Required readings are marked with an *. All required readings on a topic area should have been read on the day lectures on that topic begin. Most required papers/articles are available from the web. Required articles not available on the web have either been put on reserve in the 3120 Weill Hall, or in the online course pack at: http://www.ctools.umich.edu

Six paperback books are required for the course:


Interesting Web Sites

Administration for Children and Families: http://www.acf.dhhs.gov
Asst. Secy. of HHS for Planning and Eval.: http://aspe.os.dhhs.gov
Census Bureau: http://www.census.gov
Center on Budget and Policy Priorities: http://www.cbpp.org
Center for Law and Social Policy: http://www.clasp.org
Children’s Defense Fund: http://www.childrensdefense.org
Future of Children http://www.futureofchildren.com
Heritage Foundation: http://www.heritage.org
Institute for Research on Poverty: http://www.ssc.wisc.edu/irp
Joint Center for Poverty Research http://www.jcpr.org
Manpower Demonstration Research Corporation: http://www.mdrc.org
National Poverty Center: http://www.npc.umich.edu
Urban Institute: http://www.urban.org
PEW Research Center http://people-press.org
**TOPIC 1. THE MEASURE OF POVERTY, SHORT-RUN VS. LONG-RUN POVERTY, WHO IS POOR, TRENDS IN POVERTY AND INEQUALITY, AND TRENDS IN WAGES AND EMPLOYMENT (SEPTEMBER 6, 13, 20 AND 27)**

**Part I. Concepts and Measures of Poverty (Sept. 6)**

Definitions of poverty/economic disadvantage embody assumptions about what is necessary to insure full participation in a society. These assumptions guide the design of public policies—tax policies, education policies, labor policies, anti-poverty policies. Measures of poverty are used to set criteria for program eligibility (e.g., Food Stamps) and to monitor the effectiveness of anti-poverty interventions. The U.S. measure of poverty is an absolute measure based on family size that is updated annually for inflation. Europeans have a broader conception of economic disadvantage which encompasses social exclusion on multiple dimensions. When analysts compare poverty rates across countries they typically use a relative income-based measure of poverty—e.g., incomes less than half the national median income. Measures of poverty also reflect beliefs about why people are poor and the ramifications of poverty.

  [http://www.brookings.edu/~/media/Files/rc/papers/2008/12_poverty_measurement_blank/12_poverty_measurement_blank.pdf](http://www.brookings.edu/~/media/Files/rc/papers/2008/12_poverty_measurement_blank/12_poverty_measurement_blank.pdf)


**Part II: Living Wages (Sept. 13)**

Over the last two decades, there has been considerable debate over the nature of a living wage, its relationship to the poverty line, and what counts as material hardship. The concept of a “living wage” has been debated and has motivated political action.


PART III: A RISING TIDE NO LONGER LIFTS ALL BOATS: TRENDS IN ECONOMIC GROWTH, ECONOMIC INEQUALITY, POVERTY, AND THE GREAT RECESSION (SEPT. 20 AND SEPT. 27)

In the Post-War Boom, a rising tide lifted all boats. From 1949-1972, real incomes doubled for all income groups; income inequality narrowed a bit; and poverty rates dropped. Since the 1980’s, the benefits of economic growth are not equally shared; income inequality has grown; and the poverty rate has remained above its 1973 low point. In the Great Recession, poverty rates rose sharply, and unemployment rates dropped sharply for unskilled workers. In the late 1990s welfare reform was instituted and family trajectories of welfare use changed. There is little evidence, however, of any long-term change in poverty rates or in access to long-term employment.


DISCUSSION QUESTIONS – TOPIC 1

1. Can “a rising tide lift all boats?” Does economic growth always reduce poverty? Has the relationship between growth and poverty changed in recent decades? (Danziger, Goldin and Katz)

2. How is the Orshansky measure of poverty constructed? Discuss one, some, or all of the following criticisms of the measure: taxes should be subtracted out; geographic areas vary in living costs; work expenses should be included; the measure should be a relative one; in-kind transfers should be included; it should be updated for changes in consumption patterns; leisure time should be given some weight; out-of-pocket health care expenditures should be included; position in the life cycle is important. How would
you design an improved measure? Would changing the poverty measure affect the demographic profile of the poor? (Blank and Greenberg)

3. There is considerable disagreement over how one should appropriately measure poverty. Two proposed alternatives include: (1) widening the concept to social exclusion and using multiple indicators; or (2) keeping an absolute measure but changing what counts as resources (income), how poverty thresholds (needs) are defined, and/or how inflation is adjusted for. Discuss the pros and cons of using one of these alternatives rather then the current poverty measure. (Haveman)

4. Social inclusiveness measures focus on the moral and ethical responsibility of government while absolute measures focus on the economic safety net. Which method is preferable? Explain your reasoning. (Haveman).

5. What is the relationship between welfare use and departures on the one hand, and poverty on the other? (Lein and Schexnayder).

6. What evidence about the nature of poverty and its relationship to other factors is provided by different research approaches? (Lein and Schexnayder).

**TOPIC 2. POVERTY THEORIES (OCT. 4 AND 11)**

*All students must write a short paper which discusses and evaluates Wilson’s model.*

**Part I. Early Cultural Models (Oct. 4)**

It has been argued that the poor (or a subgroup of the poor) differ from mainstream society in some crucial psychological sense. The poor have a distinct, separate culture and this culture keeps them mired in poverty. Further, this culture tends to perpetuate itself both within and across generations.


Presentation: Kerri Nicoll – Understanding Participation (and Nonparticipation) in Public Anti-Poverty Programs.

**Part II. Models of the Underclass–Wilson’s “Social Isolation Theory” (Oct. 11)**


*W.J. Wilson, 2009* More Than Just Race.
**Discussion Questions: Topic 2**

1. How is the culture of poverty supported and not supported by evidence we have reviewed this far?

2. Read, review and evaluate the model of inner city poverty outlined in Wilson’s book. Pay particular attention to the roles played by job opportunities, work, black middle class migration, industrial structure, community structure and organization, discrimination, and culture. What does this model imply for poverty policy?

3. What is the role Wilson assigns to discrimination in his model? Are Wilson’s arguments about discrimination well supported by his evidence and reasoning? Explain.

**Topic 3. Street Culture and Decent Culture, Has Work Disappeared from the Inner City? Who is Working in the Inner-City? (Oct. 25 and Nov. 1)**


K. Newman. 2006. Chutes and Ladders, Ch 1, 3, pp 5-54, 84-116 (Ctools)

Presentation: Amanda Tillotson – Lessons Lost: Policy Agendas and the Iteration of Racial Inequality

Suggested Readings for Presentation:


DISCUSSION QUESTIONS: TOPIC 3

1. How consistent are Anderson’s model of “street” and decent cultures and John Turner’s story with Wilson’s model? Does Turner lack job skills and a work ethic? Can he negotiate with public officials – judges and patrol officers? Does he support his children? Is Turner caught between the “street” and the “decent” cultures? Are Turner’s options limited by discrimination – either in his interactions with the courts or with colleagues at work? Explain.

2. Discuss No Shame in My Game. Evaluate Wilson’s arguments about work in inner cities in light of Newman’s data. How, if at all, might you change or expand Wilson’s model to deal with the Newman findings?

3. Is Newman too “romantic” in her portrayals of Burger Barn workers?

4. How much upward mobility is there among low-wage workers? Evaluate Newman’s (Chutes and Ladders) evidence on this issue. What, if any does Newman identity as key paths to mobility?

TOPIC 4. THE UNDERGROUND ECONOMY (NOV. 8)

All students must write a short paper on Off the Books.

Residents in Venkatesh’s very poor inner-city neighborhood employ a variety of strategies – both licit and illicit – to “get by”. There are distinct understandings about dispute resolution and distinct reciprocal networks of support. But this support may come at a cost.


DISCUSSION QUESTIONS: TOPIC 4

1. Wilson describes the inner-city poor as socially isolated. Is that true of the community Venkatesh portrays? If yes, explain how Venkatesh’s evidence shows social isolation. If no, explain how his evidence shows connections and networks.

2. Wilson describes the inner-city as disorganized and as having few social mechanisms. Are Venkatesh’s portrayals of dispute settlement and grievance processes consistent with Wilson’s model of “social isolation”?

3. One resident uses a “fish tank” metaphor. What was meant by this?

4. Describe patterns of connection, helping, and reciprocity in Venkatesh’s book. What are the strengths of these? What are the weaknesses?

5. Residents develop a number of survival strategies. Describe. Do these strategies inhibit individual mobility? If yes, how?
**TOPIC 5. PRISONS AND WORK (NOV. 15 AND NOV. 22)**

*All students must write a short paper on Punishment and Inequality in America.*

Starting in 1980, incarceration rates have soared in the U.S. In 2008, more than one in every 100 adults and one in every nine black men ages 20-34 were behind bars. The U.S. incarceration rate in 1993 was 5 to 10 times higher than those in Western European countries and the black U.S. incarceration rate was 20 times higher than European incarceration rates. Over 30 percent of black men born in the late 1960’s who had a high school diploma or less had been incarcerated by 1999.


* Bruce Western. 2006. Punishment and Inequality in America, Chapters 1, 4, and 5, pages 11-33, 85-130.


**DISCUSSION QUESTIONS: TOPIC 5**

1. **How have incarceration rates changed? Which groups have been most affected by these changes? How have these changes affected measured inequality? What factors does Western (2006) cite as accounting for trends in incarceration?**

2. **What does Western mean when he says that the prison boom has led us to underestimate racial inequalities in employment and earnings? Is his reasoning and evidence convincing? Why or why not?**

3. **What are the consequences of incarceration for men’s long-run employment and earnings? Discuss and assess Western’s and Raphael’s arguments and evidence on this issue.**

4. **What are the economic forces and political beliefs that have led to current incarceration rates?**
**TOPIC 6. THE POLARIZATION OF JOB OPPORTUNITIES (NOV. 29)**

Since the late 1980’s, employment growth has been concentrated in high-skill, high-wage jobs and low-skill, low-wage jobs and middle skill jobs have been disappearing.


**DISCUSSION QUESTIONS: TOPIC 6**

1. What four factors does Autor claim account for the polarization of job opportunities? Which does he claim is most important? What evidence and reasoning does he offer to support these claims? Are his evidence and reasoning persuasive? Why or why not?

2. Educational attainment has risen steadily in past decades. Yet Autor and Goldin & Katz recommend increasing the number of college graduates. Why? Explain their reasoning and evidence.

**TOPIC 7. THE CONTENT AND STRUCTURE OF LOW WAGE WORK (DEC. 6)**

For decades, the structure and protections around low wage work have changed to allow employers more flexibility in deploying workers and to control labor costs. These changes have implications for the income and schedules for low-wage workers in particular.


* Video: The Workers ([http://mirlyn.lib.umich.edu/Record/005633064](http://mirlyn.lib.umich.edu/Record/005633064))

**DISCUSSION QUESTIONS: TOPIC 7**

1. What aspects of work account for irregularities in workers’ income and family life? What economic forces drive this reconfiguration of work?

2. In what respects do the conditions of day laborers resemble those of other non-standard workers? What economic forces drive the structure of labor around day labor?
**Topic 8. Why Don’t Low-Income Women Marry and Who Would They Marry?**

(Dec. 13)

Over an individual’s lifetime, his or her family alters constantly. Individuals leave home, marry, separate, bear children, move in with relatives—each of these events can alter the family’s economic well-being...especially for women and children. Family structure is strongly related to child poverty.

In 2006, 26.6 percent of all white non-Hispanic births were out-of wedlock, 49.9 percent of all Hispanic births were out-of-wedlock and 70.7 percent of non-Hispanic African American births were out of wedlock. Six out of ten long-term poor children live in single mother homes. Many blame the growth in single parents as the cause of increased poverty, welfare dependence, crime and drug use. Why don’t women postpone child-bearing until after they marry? Who are the fathers of their children?


**Discussion Questions: Topic 8**

1. Why do low income women put motherhood before marriage? Do you find Edin and Kefalas’ analyses convincing? What are the implications of their findings for marriage promotion policies?

2. Growing up poor is associated with economic hardships during childhood and has a strong negative association with children’s economic life chances. One reason children are poor is that their parents choose not to marry or to not stay married. Should the children bear the costs of this decision or should society intervene? If society could intervene, how might it do so? (DeLeire and Lopoo 2010, *The Economist*).

3. Who are the fathers of low-income children, and what interventions might count with them?