

JUNIO 23 – JULIO 2

Fechas: Junio 23 a Julio 2 (excepto el lunes junio 29 e incluye sábado junio 27)

Horario: 8 - 12 m.

This course examines the determinants of persistent group inequality, with particular emphasis on social segregation, racial profiling, and intergenerational transfers of human capital. We shall also discuss racial disparities in crime rates, racial identity, and the salience of racial markers. The methods used are those of applied microeconomic theory. Although the models apply to a variety of settings in which clearly identifiable groups exist, the main motivation comes from the historical experience of racial inequality in the United States.

Course Requirements

There will be a single research paper required of all students who take the course for credit. Class attendance and participation are essential.

Required Readings

1. Justice

Loury, Glenn C. (2002). *The Anatomy of Racial Inequality*, Chapters 1 and 4.

Roemer, John (1998). *Equality of Opportunity*, Chapters 1-4.

2. Separation

Schelling, Thomas C. (1978). *Micromotives and Macrobehavior*, Chapter 4.

Benabou, Roland (1993). "Workings of a City: Location, Education, and Production." *Quarterly Journal of Economics* 108: 619-652.

Sethi, Rajiv and Rohini Somanathan (2004) "Inequality and Segregation." *Journal of Political Economy* 112: 1296-1321.

Currarini, Sergio, Matthew Jackson and Paolo Pin (2009). "An Economic Model of Friendship: Homophily, Minorities and Segregation." *Econometrica*, forthcoming.

3. Reputation

Arrow, Kenneth J. (1973). "The Theory of Discrimination." In Ashenfelter and Rees, editors, *Discrimination in Labor Markets*.

Coate, Stephen and Glenn C. Loury (1993). "Will Affirmative Action Policies Eliminate Negative Stereotypes?" *American Economic Review* 83: 1220-1240.

Tirole, Jean (1996) "A Theory of Collective Reputation," *Review of Economic Studies* 63: 1-22.

Loury, Glenn C. (2002). *The Anatomy of Racial Inequality*, Chapter 2.

4. Persistence

Loury, Glenn C. (1977). "A Dynamic Theory of Racial Income Differences." In *Women, Minorities and Employment Discrimination*, edited by Phyllis Wallace and Annette LaMond.

Montgomery, James (1991). "Social Networks and Labor Market Outcomes: Toward an Economic Analysis." *American Economic Review* 81: 1408-18.

Dilip Mookherjee, Stefan Napel and Debraj Ray (2009). "Aspirations, Segregation, and Occupational Choice", *Journal of the European Economic Association*, forthcoming.

Bowles, Samuel, Glenn C. Loury and Rajiv Sethi (2009) "Group Inequality" Unpublished Manuscript, Barnard College, Columbia University.

5. Opportunity

Durlauf, Steven (1996). "Associational Redistribution: A Defense." *Politics and Society* 24: 391-410.

Roemer, John (1998). *Equality of Opportunity*, Chapter 14.

Fryer, Roland G. and Glenn C. Loury (2005). "Affirmative Action and its Mythology." *Journal of Economic Perspectives*.

Fryer, Roland G. and Glenn C. Loury (2007). "Valuing Identity: The Simple Economics of Affirmative Action." Unpublished manuscript, Brown University.

6. Incarceration

Loury, Glenn C. (2008). *Race, Incarceration and American Values*.

Loury, Glenn C. (2002). *The Anatomy of Racial Inequality*, Chapter 3.

O'Flaherty, Brendan and Rajiv Sethi (2008). "Racial Stereotypes and Robbery" *Journal of Economic Behavior and Organization*, 68: 511-524.

O'Flaherty, Brendan and Rajiv Sethi (2008). "Homicide in Black and White" Unpublished Manuscript, Columbia University.

7. Identity

Bernheim, Douglas (1994). "A Theory of Conformity." *Journal of Political Economy* 102: 841-77.

Austen-Smith, David and Roland Fryer (2005). "An Economic Analysis of "Acting White." *Quarterly Journal of Economics* 120: 551-583.

Fang, Hanming and Glenn C. Loury (2005). "Dysfunctional Identities Can Be Rational." *American Economic Review Papers and Proceedings* 95: 104-111.

Akerlof, George and Rachel Kranton (2005). "Identity and the Economics of Organizations." *Journal of Economic Perspectives* 19: 9-32.

8. Discourse

Glenn C. Loury (1994). "Self-Censorship in Public Discourse: A Theory of Political Correctness." *Rationality and Society* 6: 428-61.

Morris, Stephen (2001). "Political Correctness." *Journal of Political Economy* 109: 231-65.

Banerjee, Abhijit and Rohini Somanathan (2001). "A Simple Model of Voice." *Quarterly Journal Economics*. 116.

Sethi, Rajiv and Muhamet Yildiz (2008). "Public Disagreement." Unpublished Manuscript, IAS Princeton.

NOTA:

La nota definitiva se aproximará al múltiplo de 0.5 más cercano de acuerdo a la siguiente regla: 2.75 a 3.24 = 3.0; 3.25 a 3.74 = 3.5, etc.

El estudiante podrá retirar el curso, sin devolución, hasta un día hábil antes de la fecha de entrega del paper.