ECON 138: Economics of Discrimination

UC San Diego, Spring 2022 Instructor: Katherine Rittenhouse TA: Alyssa Brown

Course Content¹

In this course we will investigate differences in economic outcomes by race, gender, sexual orientation, and other personal characteristics. We will study economic theories of discrimination, empirical work testing those theories, and policies aimed at alleviating group-level differences in economic outcomes. This course is also designed to teach students to read and think critically about academic research, and to discuss controversial topics in a respectful, informed, and inclusive manner.

Class Schedule and Contact Information

Lecture: Tu Th 9:30-10:50am, HSS 1128A

Professor: Katherine Rittenhouse, <u>krittenh@ucsd.edu</u> Office hour: Tuesdays, 11am-12pm (Econ 117)

TA: Alyssa Brown, aab005@ucsd.edu

Office hour: Thursdays, 11am-12pm (Econ 117)

Your Grade

Assignment	% of Grade	Notes	
Writing	50%	Three writing assignments, worth 16.67% of your grade each.	
assignments		Writing assignments will test (a) your knowledge of the concepts covered in	
		class and (b) your ability to apply those concepts to new contexts.	
		Writing assignments will be made available on Friday at 9am, and due on	
		Wednesday by 10pm	
		Writing assignment 1: Available 04/15; Due 04/20	
		Writing assignment 2: Available 05/06; Due 05/11	
		Writing assignment 3: Available 05/27; Due 06/01	
		NOTE: If you need an extension due to a family/health crisis, please let us know as soon as possible (and provide any relevant documentation). We cannot grant extensions made <24hours to the deadline.	

¹ Thanks to Professors Kate Antonovics, Prashant Bharadwaj and Alyssa Brown for the original design of this course.

Final exam	25%	Oral exam, based on readings and class discussions. Oral exams will be 15 minute, in-person conversations between the student and instructor. Oral exams will be recorded to ensure consistency.	
Participation	15%	Be prepared to answer following questions about the required readings: For academic journal article (introduction only): - What is the research question? - What is the approach the authors take to answer this question? - What are the main results the authors find? For required news articles/short videos, I will ask you to summarize the main points.	
		Each class I will randomly choose students to answer these questions. Full credit will be given for reasonable attempts. That is, I do not care if you give the correct answer or not, but I DO care whether you have attempted to understand the reading. You are welcome to collaborate with your peers ahead of time to prepare for these questions.	
		Participation effort in other parts of class will only help (not hurt) your grade. NOTE: If you are unable to make it to class or were unable to complete the	
		readings, email me ahead of time and I will not call on you.	
Reflection surveys	10%	There will be 10 weekly reflection surveys. These will be short, and graded for completion: Full credit – a decent attempt made to thoughtfully answer all the questions Half credit – some attempt made to answer most of the questions No credit – Not submitted, or very little attempt made to consider the questions.	
		Reflection surveys will be made available after class on Thursdays, and due by Sunday 11:59pm.	

Administrative Issues

- (1) If you have a documented disability, please bring your documentation to me as soon as possible so that I can make suitable accommodations for you. If you believe that you have a disability and desire accommodation, please register with the Office for Students with Disabilities
- (2) Academic Integrity:

By enrolling in this course, you agree to:

- rely solely on your own work in connection with all assessments, problems, homework and assignments (unless collaboration is expressly permitted);
- complete all tests and assignments on your own, unless collaboration on an assignment is explicitly permitted;

- acknowledge any and all external sources used in your work;
- maintain only one user account;
- not let anyone else use my username and/or password;
- not engage in any activity that would dishonestly improve your results, or improve or hurt the results of others;
- not post answers to problems that are being used to assess learner performance.

Any student who violates UC San Diego's academic integrity policy will earn a failing grade for the course. In addition, the Council of Deans of Student Affairs will impose a disciplinary penalty.

Class Overview:

	Tuesday	Thursday	Notes
Week 1 03/28	Course Introduction / Econometrics catch up	How economists think about discrimination	
Week 2 04/04	Oaxaca decomposition / Profit maximization review	Models of discrimination I	
Week 3 04/11	Models of discrimination II	Models of discrimination III	WA 1 posted Fri 04/15
Week 4 04/18	Race & employment I	Race & employment I	WA 1 due Wed 04/20
Week 5 04/25	Gender I	Gender II	
Week 6 05/02	LGBT	Asian Americans	WA 2 posted Fri 05/06
Week 7 05/09	Affirmative Action I	Affirmative Action II	WA 2 due Wed 05/11
Week 8 05/16	Health	NO CLASS	
Week 9 05/23	Crime I: Racial profiling	Crime II: Police use of force	WA 3 posted Fri 05/27
Week 10 05/30	Crime III: Justice system	Discrimination in Academia and in Economics	WA 3 due Wed 06/01

Class Readings:

All readings marked with a * should be done prior to lecture. Readings without a * are not required, and will be covered in class. Note, for any required academic journal articles, you are only asked to read the introduction.

Week 1

March 29: Class Introduction / Econometrics Catch-Up

- Syllabus
- Egap, "10 things to know about reading a regression table": topics 1-4
- Evans, "How to interpret regression coefficients"

March 31: How Economists Think About Discrimination

- * Sloane, Hurst and Black, "A Cross-Cohort Analysis of Human Capital Specialization and the College Gender Wage Gap" (up through page 4)
- * "Women are slowly pursuing more high-paying degrees, but the pay gap remains, says new research."
- Daly et al. "Disappointing Facts about the Black-White Wage Gap" FRBSF Economic Letters
- Chetty et al. Race and Economic Opportunity in the United States Executive Summary

Week 2

April 5: Oaxaca Decomposition / Profit Maximization Review

- * Exercise 1 try to fill out missing boxes before class using Econ 1 knowledge!
- "Measuring Discrimination Oaxaca decomp"
 https://www.youtube.com/watch?v=NQaA8OAlCag
- "Maximizing Profit Practice" https://www.youtube.com/watch?v=BQvtnjWZ0ig

April 7: Models of discrimination I (Preference-based discrimination overview)

- *Hjort, Jonas. "Ethnic divisions and production in firms." 2014. Quarterly Journal of Economics. (Read pages 1900 – 1903)
- Murphy, Kevin. "How Gary Becker Saw the Scourge of Discrimination." Chicago Booth Review, University of Chicago, 15 June 2015.

Week 3

April 12: Models of discrimination II (Statistical discrimination overview)

- *Bartos et al. "Attention Discrimination: Theory and Field Experiments with Monitoring Information Acquisition." American Economic Review. Read pages 1437-1440 (Up through "Later, we also discuss alternative explanations.")
- Moro, Andrea. "Statistical Discrimination." The New Palgrave Dictionary of Economics, Palgrave Macmillan, 2009.

April 14: Models of discrimination III

- * Bohren et al, "The Dynamics of Discrimination: Theory and Evidence." American Economic Review 2019, 109(10). Read pages 3395-3400, 3426-3427.
- * "Housing Segregation and Redlining in America: A Short History" https://www.youtube.com/watch?v=O5FBJyqfoLM
- Bohren et al, "Systemic Discrimination: Theory and Measurement" NBER Working Paper (2022). (pages 1-4)

Week 4

April 19: Race and employment I

- *Neal and Johnson. "The Role of Premarket Factors in Black-White Wage Differences."
 The Journal of Political Economy, vol. 104, no. 5, 1996. Read pages 869-871, 891-892.
- *Fryer et al. "Racial Disparities in Job Finding and Offered Wages." Journal of Law and Economics, University of Chicago Press, vol. 56(3). Read pages 633-637, 666-670.

April 21: Race and employment II

- * "Exposing Housing Discrimination", https://www.youtube.com/watch?v=rP7WBiqg8Dk
- * Bertrand and Mullainathan, "Are Emily and Greg More Employable Than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination." American Economic Review, Vol. 94 No. 4, 2004.
- Agan and Starr, "Ban the Box, Criminal Records, and Racial Discrimination: A Field Experiment." The Quarterly Journal of Economics (2018).

Week 5

April 26: Gender I

- * Klevin et al, "Children and Gender Inequality: Evidence from Denmark" American Economic Journal: Applied Economics (2019).
- * Gneezy et al, "Performance in Competitive Environments: Gender Differences." The Quarterly Journal of Economics, August 2003.

April 28: Gender II

- * Bursztyn et al. "'Acting Wife': Marriage Market Incentives and Labor Market Investments." American Economic Review, vol. 107, no. 11, 2017.
- * "Are men and women evaluated differently in the labor market?"
 https://www.youtube.com/watch?v=O2LcjoU6aAo
- Bertrand et al (2010). "Dynamics of the Gender Gap for Young Professionals in the Finance and Corporate Sectors". American Economic Journal: Applied Economics.

Week 6

May 3: LGBT

- * "Why Supreme Court's LGBTQ employment discrimination ruling marks a 'milestone'."
 https://www.youtube.com/watch?v=Fxh epZ3d60
- * Aksoy, Carpenter and Frank, "Sexual orientation and earnings: New Evidence from the United Kingdom." 2018. ILR Review.
- Burn and Martell, "Gender Typicality and Sexual Minority Labor Market Differentials."
 University of Liverpool Management School Working Paper in Economics #202018, June 2020.
- Tilcsik, "Pride and Prejudice: Employment Discrimination against Openly Gay Men in the United States." American Journal of Sociology, Vol. 117, No. 2 (September 2011).
- Campbell, Travis and Lee Badgett, M. V. and Brennan, Everest, "Beyond the Gender Binary: Transgender Labor Force Status in the United States 2014-2017", Working Paper, February 12, 2021.

May 5: Asian Americans

- * Park, "I'm done being your model minority." The New York Times, March 2022
- * Hilger, "Upward Mobility and Discrimination: The Case of Asian Americans." Working Paper, March 2017.
- * Hong and Bromwich, "Asian-Americans are being attacked. Why are hate crime charges so rare?" The New York Times, March 2021.
- Lu and Sheng, "From Fear to Hate: How A Pandemic Sparks Racial Animus in the United States." 21st Century China Center Research Paper, July 2020.
- Chin, "Long-Run Labor Market Effects of Japanese American Internment during World War II on Working-Age Male Internees." Journal of Labor Economics 23:3 (2005).

Week 7

May 10: Affirmative Action I

- * "White Students' Unfair Advantage in Admissions." NYT Opinions, 2017.
- * Arcidiacono and Lovenheim, "Affirmative Action and the Quality-Fit Trade-off." Journal of Economic Literature 2016, 54(1).

May 12: Affirmative Action II

- * Antonovics and Backes. 2014. "The effect of banning affirmative action on college admissions policies and student quality." Journal of Human Resources 49 (2).
- * Bleemer, "Affirmative Action, Mismatch, and Economic Mobility after California's Proposition 209." Quarterly Journal of Economics 2022.

Week 8

May 17: Health

- *Alsan and Wanamaker, "Tuskegee and the Health of Black Men." The Quarterly Journal of Economics (2018).
- *Alsan, Garrick and Graziani, "Does Diversity Matter for Health? Experimental Evidence from Oakland." American Economic Review (2019)
- Hoffman, Trawalter, Axt and Oliver. "Racial bias in pain assessment and treatment recommendations, and false beliefs about biological differences between blacks and whites." Proceedings of the National Academy of Sciences, 113(16), 4296-4301.

May 19: NO CLASS

Week 9

May 24: Crime I

- * Antonovics and Knight. 2009. "A New Look at Racial Profiling: Evidence from the Boston Police Department". Review of Economics and Statistics 91:1.
- * Goncalves and Mello, "A Few Bad Apples? Racial Bias in Policing." Conditionally accepted at American Economic Review, June 2020.
- * "San Diego Law Enforcement Searches Blacks More, Finds Contraband on Them Less."
 Voice of San Diego, December 2019.

May 26: Crime II

- * Fryer, "An Empirical Analysis of Racial Differences in Police Use of Force." Journal of Political Economy, 2019, vol. 127, no. 3.
- * Hoekstra and Sloan, "Does Race Matter for Police Use of Force? Evidence from 911 Calls." NBER Working Paper 26774, February 2020.
- Ang, D. (2021). The effects of police violence on inner-city students. *The Quarterly Journal of Economics*, 136(1), 115-168.

Week 10

May 30: Crime III

- *Arnold, Dobbie and Yang, "Racial Bias in Bail Decisions" Quarterly Journal of Economics,
 2018.
- "Smoking-gun evidence emerges for racial bias in American courts." The Economist, January 2020.

June 2: Discrimination in academia and the field of economics

- *Sarsons, Heather. 2017. "Recognition for Group Work: Gender Differences in Academia." *American Economic Review*, 107 (5): 141-45.
- *Antecol Bedard and Stearns, "Equal but Inequitable: Who Benefits from Gender-Neutral Tenure Clock Stopping Policies?" American Economic Review 2018.
- Wu, "Gendered Language on the Economics Job Market Rumors Forum." AEA Papers and Proceedings 2018.