DESCRIPTION

This seminar will address a series of economic policy issues which have given rise to sharp debate among economists and policy-makers. The seminar will be organized in an interactive format, with strong emphasis on classroom discussion and on the use of the world-wide web to facilitate communication among all participants. The seminar will operate a CTools website, identified as ECON 395 002.

After two initial class sessions devoted to introductory and background issues, we will devote five class sessions to each of five policy issues. The time schedule is as follows:

Sept 6, 8: INTRODUCTORY AND BACKGROUND ISSUES

Sept 13, 15, 20, 22, 27: 1. THE U.S. SOCIAL SECURITY SYSTEM

Sept. 29; Oct 4, 6, 11, 13: 2. CHILD LABOR AND INTERNATIONAL TRADE

Oct 20, 25, 27; Nov 1, 3: 3. THE LIVING WAGE

Nov 8, 10, 15, 17, 22: 4. MARKET-BASED CHOICE IN EDUCATION

Nov. 29; Dec 1, 6, 8, 13: 5. AFFIRMATIVE ACTION IN HIGHER EDUCATION

Each of the five policy issues will be framed in terms of the assertion of a proposition, with which one may agree or disagree. The propositions are as follows:

1. The US should restructure the social security system so that people can direct a substantial part of their social security payments into personally-managed investment accounts.

2. The US should use trade sanctions to punish foreign exporters who save on production costs by employing child labor.

3. Cities should require that businesses they contract with (or give benefits to) pay workers a “living wage” well above the national minimum wage.

4. The US public school system should be transformed into a market-based system in which people choose among competing autonomous schools, with each child getting a publicly-financed stipend to pay for schooling.

5. Race-based affirmative action in admissions to higher educational institutions should be abolished.
READING LIST

Readings are listed below by topic. The starred readings are essential (and material from them may appear on the short quizzes). The readings numbered 0 address relevant basic theory; the rest of the readings focus on policy issues. All starred readings are included in the course-pack, which can be purchased in two parts at Dollar Bill Copying, 611 Church. Unstarred readings are recommended especially for those who participate in the classroom debate or write a paper on the topic at issue; they can also be the subject of a report to the class on our CTools website. The unstarred readings will either be on reserve at UGLI or available on the web. Note: additional recommended readings will be announced from time to time at the CTools website.

INTRODUCTORY AND BACKGROUND ISSUES


I. THE U.S. SOCIAL SECURITY SYSTEM

*0. Neva Goodwin, Thomas Weisskopf et al., introduction to "Markets, Politics and the State" and “Markets vs. Politics as Mechanisms of Popular Control” (course-pack I, pp. 7-10).


7. Articles on social security made available by the Center on Budget and Policy Priorities on the http://www.cbpp.org/pubs/socsec.htm

8. Articles on social security made available by the Economic Policy Institute on the web at http://www.epi.org/content.cfm/issueguide_socialsecurity
II. CHILD LABOR AND INTERNATIONAL TRADE


III. THE LIVING WAGE

*0. Neva Goodwin, Thomas Weisskopf et al., introduction to "Limitations of Pareto Optimality as a Criterion of Welfare” and “The Issue of Distributional Fairness or Equity” (course-pack I, pp. 15-18).


6. Articles on the living wage and on the minimum wage made available by the Economic Policy Institute on the web at http://www.epi.org/content.cfm/issueguides_livingwage_livingwage & http://www.epi.org/content.cfm/issueguides_minwage_minwage


### IV. MARKET-BASED CHOICE IN EDUCATION


V. AFFIRMATIVE ACTION IN HIGHER EDUCATION


