Objective of the course:

- What can we learn from the analysis of poverty and from research on social exclusion in the OECD countries?
- What lessons do we have to learn from social policy in these nations? How transferable are those lessons to the U.S. context?

This six week course is organized in terms of the life course, focusing first on poverty and deprivation among the very young, proceeding to problems of youth and adolescents, then examining aspects of family formation and household structure, labor market participation, and other dimensions of adulthood. It concludes with an examination of poverty and deprivation among the elderly. Within each segment, the course explores what the policy choices different kinds of OECD countries (e.g. Nordic social democracies, liberal states, etc.) have made in dealing with these problems and how transferable (if at all) their successes might be in the U.S. context.

Course Requirements:

Students will read the required readings ahead of each lecture. They will write a weekly reflection papers: 4 of type A and 2 of type B at the week of their choosing.

Type A: 4 weekly reflection papers (one page max)

Type B: 2 longer reflection papers (4-5 pages) on a topic deriving from the readings of the week to answer questions that you will pose of the following type: (1) what are the patterns in the OECD countries with respect to the social problem you have chosen? (2) what are the policy remedies in use? (3) how well do they work? (4) to what extent are the best of these remedies exportable to other countries

Grading:  4 short reflection papers    25%
          2 graded papers:      50%
          Class participation: 25%
LECTURE OUTLINE

Lecture 1 (March 25) – Who are the poor? (KN)

B. What are the demographic characteristics of the poor in liberal democracies, social democracies, etc.?
C. Besides income poverty, what other aspects of deprivation are monitored in OECD countries? What does the term “social exclusion” mean and what does it capture that indices of income poverty or material deprivation do not? This is a big issue in the European context. What does it mean and why does it matter. Is this something we should pay attention to in the US.?
   - Unemployment (no participation in the labor force)
   - Political participation and civic engagement
   - The integration of ethnic minorities.
   - Geographic segregation
   - Non-economic deprivation
   - Groups that do not feel part of the overall community
   - Neighborhood effects
     - Segregation by race, ethnicity, nationality or income
     - Concentration by residence
   - Canada example: low income is not necessarily equivalent to low living standards (Daniyal Zuberi’s book on hotel workers) What effect does public housing policy have on households and children? Is there a necessary relationship between public housing and concentrated poor neighborhoods?

D. There is a lot of evidence to show that rising inequality has had a serious impact on health status in the US, with those at the bottom suffering greater levels of morbidity and early mortality than those higher up the ladder. The poor tend to live shorter lives, have a shorter span of healthy life, become obese in childhood and adolescence, and experience labor market interruption on account of their own poor health or that of a dependent relative (children or the elderly). Does Europe look the same? If not, what policies make a difference?
   - Who gets sick in Europe and what is the distribution of chronic disease?
   - How variable is nutritional status? Do the Europeans use food stamps? Why do we do that in the US and what impact does it have?
   - How effective is universal health care in dampening patterns of health inequality? (See the Whitehall study).
We see big racial differences in health in the US. Do European minorities also look worse? Or are there policies in place that dampen the differences?
E. Does poverty tend to replicate through the generations? What are the prospects for mobility out of poverty (or downward mobility) between generations in the US and the OECD?

**Required Readings:**


**Recommended background readings:**


**Lecture 2 (April 1) — Children in poverty. (AA)**

A. What is the incidence of child poverty in the OECD and what are the developmental consequences of living in low income households before the age of 5? How does this compare to the American situation?

B. What kinds of policies reduce the impact of income poverty on children in the OECD countries?
   - Universal child care, early childhood education & school readiness
   - Family allowances
   - Maternity/paternity leave and income replacement policies.
   - Child support enforcement
   - National health care or comprehensive health insurance
C. Do these policies “interrupt” the inter-generational transmission of poverty by equalizing resources or diminishing the role of the family in human capital accumulation?

Required Readings:


Recommended Readings


Lecture 3 (April 8) – Education and poverty (KN)

A. Educational segregation by income and by race is pretty standard fare in the US. Poor kids tend to go to school with other poor kids and this sets up an unequal educational experience. Poor kids in this country are saddled with more inexperienced teachers, who turn over at a faster rate, and are less qualified in terms of their own educational credentials.

Is this true in Europe as well?
What difference does it make if you are in an educational system that is highly centralized as is true in most of the OECD countries, versus a localized system like the kind we have in the US.

B. Who are the illiterate in these countries? Who drops out of school? Are there equivalents of the black/white test score gap in the OECD?

C. When we look at performance on high school aged exams in the OECD countries, what evidence is there that family income predicts performance?

D. What does the literature on immigrants in Europe have to say about educational stratification?

E. What policy differences matter? For example, in some European countries, the age at which children begin formal schooling is late and the examinations that determine their future come early. Hence, they have a short time to become acclimated before very consequential decisions transpire. In other countries, formal schooling comes earlier, the socialization period is therefore longer and the exam scores seem less influenced by immigrant status.

Required Readings


Recommended Background Readings


Lecture 4 (April 15) - Fragile families (AA)

A. Single parent households are at high risk for poverty in the US. Is that true in other countries and if not, why not?

B. Out of wedlock and teenage child bearing are roads to poverty in the US. How does this look in the OECD?
C. What policies are in place to address the problems of fragile families in the European context and how well do they work?
D. Cohabitating households are becoming the norm in the Nordic countries (far less so in the southern European countries).
   How durable are these relationships and what, if anything, is the relationship between these family forms and poverty?
   Do children’s outcomes look markedly different when they come from non-marital households?
   Does social policy make a difference (see Jaap Dronkers’ work which shows that in countries that have generous benefits for single parents, the test score gap among children from marital and non-marital households evaporates, while in those that are mean it is pronounced).
E. The marginality of men in poor households is a problem in the US brought on by labor market exclusion, incarceration, low wages, and the provision of public assistance to women.
   Is this the case elsewhere?
   What role do men play in poor households in Europe?
   How do non-custodial fathers maintain ties to their kids (financial, social, etc.), or do they bother?

**Required Readings:**


Patrick Heuveline, Jeffrey M. Timberlake and Frank F. Furstenberg “Shifting childrearing to Single mothers: results from 17 Western Countries”, *Population and Development Review* 29 (1): 47-71


**Recommended Readings**


**Lecture 5 (April 22) - Labor force participation (AA)**

A. The US has a large low wage workforce. Do the OECD countries have this as well and are the consequences of being part of it less burdensome (greater benefits or regulation of working conditions, etc.).
B. Unemployment and ‘out of the labor force’ groups. Who are they?
C. Income support for the persistently jobless (Welfare) How do these policies differ?
D. The EITC in the US and its OECD equivalents. What kinds of policies are in place to “reward” or subsidize low wages. How does this impact the position of employers/firms? Do EITC benefits subsidize low wage employment? Or would it be there anyway and these policies just make it possible to survive better.
E. Human capital deficiencies: Low skilled groups and school drop-outs.
F. The problems of fragile families in the US develop in the context of schooling and labor markets.

   How do the OECD countries do when it comes to keeping young people in school or providing them with training that equips them for the labor market?
   What is the state of the apprenticeship programs?
   How does the youth unemployment picture compare to the US? What is the relationship between extensive labor market protections and youth unemployment or temporary employment?

**Required Readings:**


Chapter 2: Employment protection regulation and labour market performance

**Recommended Readings**
Arguably, the history of social security is one of the few examples where the US has made major inroads in curing the problem of poverty. In the 1930s, to be old was almost a guarantee of being poor. Social security more or less ended that relationship and continues to be one of the most political popular and effective social policies we have.

A. Is there an old age poverty problem in the OECD countries? What proportion of the elderly is income poor? Materially deprived? What are the demographic characteristics of the elderly in poverty (widows, ethnic minorities, renters, etc.)?

B. What are the main policy instruments for supporting the retired in the OECD countries and how much do they depend on citizenship or work status during the prime labor force years?
   - Pensions (private and government) and social security
   - Shifting retirement age
   - Health Benefits.

C. The future of social security protections for the elderly. What will this look like in the OECD countries?
   - The limitations of the US system are sending older Americans back into the labor market as part time workers because while their social security benefits take them out of poverty, they don’t leave them very well off. Do we signs of this overseas?

D. Course conclusion: KN and AA
   - What are the lessons learned from the OECD experience? What are the politics that made it possible? What does the future hold for the European social model?

**Required Readings:**


**Recommended Readings**
