

A Tale of Two Tails and the Middle, Too

Steven N. Durlauf, University of Wisconsin-Madison
James J. Heckman, University of Chicago

AEA Continuing Education Program
ASSA Course: Microeconomics of Life Course Inequality
San Francisco, CA, January 5-7, 2016

Overview

- 1 Persistent inequality and intergenerational mobility
- 2 Skills
 - a. The life cycle economics of skill formation; mechanisms and dynamics
 - b. Challenges in measuring skills
 - c. Policies for boosting skills
- 3 Group level determinants of inequality
 - a. Social interactions
 - b. Social structure
 - c. Discrimination and stigma
 - d. Segregation and social mobility
- 4 Normative implications and policy proposals

Plan of the Course

This course is divided into two complementary sets of lectures on multiple dimensions of inequality at a point in time, over time, within the life cycle, and across generations. Heckman will focus primarily on the role of skills: their pricing and the sources of skills (families, schools, and workplace-based training). He will also examine alternative policies to boost skills and their rewards. Durlauf will focus primarily on group-level determinants of inequality, including social interactions, neighborhood effects, social structure, discrimination and stigma, caste, and segregation and social mobility. He will also address policies motivated by the evidence. In the final lectures, Durlauf and Heckman will discuss the state of the scholarly literature and the policy debate and propose ways forward for a deeper understanding of inequality.