

LAMP-M 303: Business and Inequality

Professor Rebecca Spang (rlspang@indiana.edu)

(Fall 2020) Mondays 7:00-8:15 p.m., Morrison 007;

Wednesdays 7:00-8:15 p.m. via Zoom

Student Hours: Mondays, 4:00-5:00 p.m.

Course Description

The growth of the modern economy coincided with the emergence of liberty and equality as political and social ideals (c. 1750-present). The benefits of economic growth have not, however, been distributed equally. While business has contributed significantly to creating wealth and generating opportunities, it has not always done so in a uniform, just, or equitable fashion (as the fortunes made through the trans-Atlantic slave and sugar trades make evident). Over the past three decades, wealth inequality between countries has fallen somewhat (exemplified by growing middle classes in China, India, and South Korea). At the same time, wealth and income inequality within the United States, Canada, and Great Britain has greatly increased.

Is inequality good or bad for business? Should business leaders be doing more to promote an equitable sharing of the value their companies create? In this course, we examine the relationship between key economic processes, business practices, and patterns of equality and inequality.

Learning Outcomes

Students who successfully complete this course will be able to:

- describe trends in national and global inequality since 1945;
- employ quantitative and qualitative methods to measure and define different kinds of inequality;
- write critically and creatively about how business practices and decisions (in product design, marketing, hiring, promotion, etc.) may increase or decrease inequality;
- recognize and parse “greenwashing” and other marketing techniques common to “conscious” capitalism.

Participation, Professionalism, and Active Learning

At a minimum, students are expected to:

- prepare for class by reading and thinking about the assigned material in advance;
- take notes in class (in order to remember discussions, questions, action points);
- make proper use of technology (phones put away; laptops and iPads used for viewing course materials, taking notes, or doing information searches related to the course).

Books and Readings

There is no textbook for this class. Readings can be accessed via Canvas. If you are comfortable reading online, you do not need to print the assigned materials, but research shows you are more likely to remember what you have read if you take notes by hand. The best way to grapple with difficult (or dull) readings is to print them and read with a pencil in hand (so that you can underline key or confusing points, write comments in the margins, etc.).

This Syllabus is provisional and may change throughout the semester. If they differ, information found on the course Canvas site supersedes that provided here.

Course Requirements and Grading

Final grades will be calculated on the basis of:

- two on-line quizzes, 10% each = 20%.
- four short reports (1.5-2 pages) to be submitted in response to posted questions throughout the semester; each one counts 5% of your final grade (total value=20% of final grade). Reports are due at 6:45 p.m. on the day of class.
- one summary of a presentation given as part of the “Inequality by the Numbers” Workshop (Stone Center on Socio-Economic Inequality, CUNY), due Sept.18, 10%;
- final project preliminary report (2 pages), due November 22 (Sunday) at 11:59 p.m.,10%;
- final project presentation (5-6 minutes, 6-10 slides), to be recorded and uploaded to Canvas by December 4 (Friday) at 11:59, 10%;
- contribution to Canvas discussion-board conversations of at least four other presentations, week of December 7-11, 10%;
- final project write-up (5-6 pages), due December 16 (Wednesday) by 11:59 p.m., 20%.

Scale and Basic Criteria for Grades on Written Work

A (95) Shows that you understand the materials you have read (and, in the case of your final project, have shown energy and creativity in identifying a wide range of sources), have thought carefully about them, and have a coherent analysis to offer of them; supports answers with full and relevant examples; few or no errors of spelling, grammar, or punctuation.

B (85) Shows mostly correct understanding of concepts and offers reasonable evidence to support claims (in the case of the final project, has identified logical and essential sources but has not found anything surprising); may have some spelling, grammar, or punctuation errors.

C (75) Shows some understanding and offers at least minimal evidence in support of each point (in the case of the final project, makes good use of some but not all of the most essential sources); some spelling, grammar, or punctuation errors.

D (65) Shows minimal understanding and offers little to no evidence; may be difficult to follow because of spelling, grammar, or punctuation.

letter grades with a – or + are equivalent to 3 points either direction (i.e., a B+ is 88; an A-, 92).

Disabilities

I will do everything I can to make this course accessible to students with varying needs and those who require academic accommodation for a disability. If you require such support, please contact me as soon as possible by e-mail. University policy requires that you establish eligibility via the Office of Disability Services for Students in Wells Library (W-302); telephone: 855-7578; (<http://studentaffairs.indiana.edu/disability-services-students/index.shtml>) This Office will provide you with a memorandum specifying the academic modifications and accommodations to which you are entitled.

Deadlines for Written Work

Extensions beyond the due date will be granted in the case of serious illness, bereavement, or other grave personal circumstances. Students facing such circumstances should notify me as soon as possible. In general, late work will be marked down 1/3 of a letter grade for each day late (i.e., from a “B” to a “B-”). An assignment will be counted as a “day” late as soon as it misses the deadline (i.e., work due at 5:00 p.m. loses 1/3 of a grade if it is submitted at 5:05).

Policy on Academic Honesty

If you work on something, you want to get credit for it. That means you need to give others credit for the work they do as well. All work submitted must be your own and must not have been submitted for a grade in another class. Reproduction of others' words, ideas, or arguments without proper citation (plagiarism) **constitutes intellectual theft and will result in automatic failure of the course and a report being filed with the Dean's Office**. If you have questions or concerns about proper reference format, please e-mail me or speak with me after class or in student hours. I will be happy to help!

Policies on Classroom Behavior during the Novel Coronavirus (COVID-19) Pandemic

Any student who believes another person is threatening the health and safety of the class by not wearing a mask or not observing physical distancing requirements may leave the room without consequence.

The Student Responsibility Agreement that you signed requires you to take your temperature every morning and refrain from attending class if you have a temperature of 100.4F or higher, or if you have other symptoms of illness (including, but not limited to, cough, headache, nausea, loss of sense of smell and/or taste). Because of this Agreement, attendance will not be factored in determining your grade for this course. Attendance will however be taken to comply with accreditation requirements.

To allow contact tracing in the event you/we are exposed to COVID-19, you must sit in the same seat for the entire semester.

To return to campus during the pandemic, we all signed agreements acknowledging our responsibility for following public-health measures. We all agreed, in writing, to wear adequate face-masks covering nose and mouth in all IU buildings and to maintain at least 6 feet of physical distance between ourselves at all times. Both of these are requirements for this course. Therefore:

- If a student comes to class without an adequate mask (appropriately covering nose and mouth completely), they will be expected to don one immediately or leave the building. This violation will be reported to the Office of Student Conduct as academic misconduct (a violation of policies enunciated in this syllabus).
- If a student comes to class a second time without an adequate mask, the student's final grade for the course will be lowered by **at least an entire letter grade** (e.g., from a B to a C *or lower*) and that violation will be reported to the Office of Student Conduct. Three such reports from any combination of IU instructors or staff members will result in the student being summarily suspended from the university for the semester.
- If a student refuses to put on a mask or wear one appropriately after being asked to do, class will be immediately ended and the student will be reported to the Office of Student Conduct. The student will then be suspended from the university pursuant to IU's Summary Suspension Policy.
- There will obviously be no eating, drinking, or spitting in the classroom! If you need to sneeze, leave your mask on!

There will be no exceptions to any of these policies.

Provisional Schedule and Required Readings

(refer to Canvas for changes, updates, Zoom link; all required readings are either files available via Canvas or can be found online)

Introducing Inequality: What is it? How do we measure it?

Date	Topic	Required Reading	Assignment Due?
8/24	Introduction		
8/26	Business and Inequality Now	“Recovery or Double-Dip Recession... 9 Charts,” <i>Fortune</i> (August 2020); “Much of America is Shut Out of Borrowing Binge,” <i>Bloomberg</i> (August 2020).	Short Report on the readings due at 6:45 (5%).
8/31	Inequality: Very Short History	No required reading, you may find it helpful to look at <i>Economy, Society, and Public Policy</i> (core-econ team), chapter 1 or Matthew Klein & Michael Pettis, <i>Trade Wars are Class Wars</i> (2020).	
9/2	A Dual Economy?	Lynn Parramore, “America is Regressing into a Developing Nation,” (April 20, 2017); Moss, Lazonick, Weitz, “Employment & Earnings of African Americans...” (July 2020).	Short Report on the readings due at 6:45 (5%).
9/7	By the Numbers	No required reading, but please look at http://www.hoosierdata.in.gov & http://www.stats.indiana.edu	
9/9	Measuring Inequality	Branko Milanovic, “Global Distribution of Income and its Political Meaning”; Drew Desilver, “The many ways to measure economic inequality,” Pew Research Center (Sept. 22 2015).	
9/14	Economic Indicators	Diane Coyle, <i>GDP: A Brief but Affectionate History</i> revised ed. (Princeton University Press, 2014), Intro and Chapter 6.	
9/16	Measuring Poverty	Angus Deaton, “Measuring Poverty,” in Banerjee, et.al., eds., <i>Understanding Poverty</i> (Oxford University Press, 2006); Gregory Acs, “A Better Measure of Inflation doesn’t mean Better Measure of Poverty,” <i>Urban Wire</i> (June 12, 2019).	
9/18		FRIDAY at 11:59 p.m. Assignment Due.	Summary of an “Inequality by the Numbers” talk (10%).

Consumers, Retail, and Inequality

9/21	The Great Chain of Buying	No required reading; you may want to look at: Robert Weems, <i>Desegregating the Dollar: African-American Consumerism in the 20C</i> (1998), Meg Jacobs, <i>Pocketbook Politics</i> (2004), or Tracey Deutsch, <i>Building a Housewife’s Paradise: Gender, Politics, and American Grocery Stores</i> (2010).	
9/23	Retail Inequality: Size and Gender Discussion;	NYC Dept of Consumer Affairs, “From Cradle to Cane: The Cost of Being a Female Consumer,” December 2015. Kathryn Anthony, “How Stores are Designed to Fat Shame,” <i>Fast Company</i> (March 15, 2017).	

	online	Amanda Mull, “Why Aren’t Fashion ‘Disruptors’ Serving Plus-Size Customers?” <i>Vox</i> (Dec. 20, 2017). Arianna Rebolini, “You can’t shop here,” <i>Esquire</i> (July 2017).	
9/28	B Corps and Social Entrepreneurship	Teresa Chahine, <i>Introduction to Social Entrepreneurship</i> (2016) or Roger I. Martin and Sally Osberg, <i>Getting Beyond Better</i> (2015).	
9/30	Conscious Capitalism?	John Mackey and Rajendra Sisodia, <i>Conscious Capitalism</i> (Harvard Business Review Press, 2014). Anand Giridharadas, <i>Winners Take All</i> (2018), pp. 1-8.	Short Report on the reading due at 6:45 p.m. (5%).

Workplace Inequalities: From Organized Labor to the Gig Economy

10/5	Big Business, Big Labor	No required reading, but see Erik Loomis, <i>A History of America in Ten Strikes</i> (2018), Thomas Philippon, <i>The Great Reversal: How America Gave up on Free Markets</i> (2019), Zephyr Teachout, <i>Break ‘Em Up...</i> (2020).	
10/7	Monopoly, Monopsony	Roger L. Martin, “The High Price of Efficiency,” <i>Harvard Business Review</i> (2019); Kate Bahn & Mark Stelzner, “How Racial and Gendered Pay Discrimination Persist in the USA under Monopsony” (2020);	
10/12		No in-person class. Some time today, take the online quiz.	Quiz (10%).
10/14	Diversity & Inclusion?	Frank Dobbin and Alexandra Kalev, “Why Doesn’t Diversity Training Work?” <i>Anthropology NOW</i> 10 (2018), 48-55. Erin Dowell and Marlette Jackson, “Woke-Washing Won’t Cut It,” <i>HBR</i> (July 27, 2020). Susan J. Fowler, “Reflecting on One Very, Very Strange Year at Uber” (Feb. 19, 2017; on her blog).	
10/19	Annual Reports and SEC filings	Introduction to Final Project assignment. Each of you needs to select a different company on which to work.	Select company for final project.
10/21	Sharing Economy or Bad Gig	Uber annual report (10-K) filed with the SEC, March 2, 2020.	Short Report on the reading due at 6:45 p.m. (5%).

Final Project (total 50% of final grade; 10%, 2-page preliminary report; 10%, presentation; 10%, contributions to discussion-board conversations about others’ presentations; 20%, 5-6 page final write-up): Select a Fortune 500 company as the basis of your project.* It would be good if you each picked a different company. In your project, you will of course want to introduce the company and briefly describe the kind of business it does, but your focus must be on: 1) the inequalities that company is directly addressing (for their self-presentation on this and other corporate responsibility issues, see the firm’s glossy Annual Reports and any available communication to stockholders, as well as their yearly 10-K filed with the SEC); and 2) inequalities the company might be perpetuating or exacerbating (intentionally or otherwise). Firms are of course less likely to advertise the latter! To identify them, you will have to look at press coverage and “read between the lines” of company publications, etc. * You may *not* do Apple, Google, McDonalds, Southwest Airlines, Starbucks, WalMart, or Whole Foods.

10/26	Unequal Housing	No required reading but see Keeanga-Yamahtta Taylor, <i>Race for Profit... Black Home Ownership</i> (2019), Richard Roth-	
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		stein, <i>The Color of Law</i> (2017), or Kenneth Jackson, <i>Crabgrass Frontier: Suburbanization of the US</i> (1985)	
10/28	Environmental Inequality	“Historical Injustice... Ecological Implications of Residential Segregation in Indianapolis” (indianalegalarchive.com)	
11/2	Money of the Poor	No required reading, see Anne Fleming, <i>City of Debtors: A Century of Fringe Financing</i> (2018), Mehrsa Baradaran, <i>The Color of Money</i> (2017).	
11/4	Money and Banking	Mehrsa Baradaran, <i>How the Other Half Banks</i> (Harvard University Press, 2015), Introduction and her “A Bad Check for Black America,” <i>Boston Review</i> Nov. 9, 2017.	

11/9	Financialization and Offshore Wealth	No required reading, see Ann Pettifor, <i>The Production of Money</i> (2016) and Gabriel Zucman, <i>The Hidden Wealth of Nations</i> (2017).	
11/11	Shareholders or Stakeholders?	Rana Foroohar, “We’re All Bankers Now,” chapter 5 of her <i>Makers and Takers</i> (2016).	Short Report on the Reading due at 6:45 p.m. (5%).
11/16		No in-person class. Some time today, take the second quiz.	Quiz, 10%.
11/18	What Can Business Do?	Readings from recent media.	
11/22	Final Project – First Report	Assignment DUE at 11:59 p.m. SUNDAY.	Preliminary Report on Final Project (10%).

Happy Thanksgiving Break!

11/30, 12/2	Final Projects	Individual meetings to discuss final projects	
12/4	Final Projects	Recorded presentation due (6 minutes, 6-12 slides) 11:59 p.m. FRIDAY.	Presentation (10%).
12/7, 12/9	Final Project	You must contribute meaningfully to discussion of at least 4 presentations other than your own (and respond to comments on yours).	Online Discussions (10%).
12/16	Final Project	Write Up: 5-6 pages (standard margins, 11-12 point).	20%