

## (In)equality

UGRA\_002440

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| Departments         | Department of Economics, Finance & Accounting   |
| Teaching Languages  | English   |
| ECTS                | 2   |
| Teacher responsible | Garcia Fuente Xabier - xabier.garcia1@esade.edu |

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### Course Goals

The rise of inequality in the last decades has led to intense socio-political debates and is at the heart of many of the short- and long-term challenges facing our societies, from trade policy and the introduction of AI to migratory movements and climate change. However, debates around the causes and consequences of inequality often resort to platitudes and lack analytical clarity.

The aim of this short course is to shed light on key topics on inequality:

\*What is inequality exactly? How can we measure it?

\*Why should societies care about inequality? What type of equality should societies aspire to (of income, wealth, opportunities, etc.)?

\*What are the main trends in the evolution of inequality in recent decades? How does our viewpoint change if we consider global inequality?

\*Is inequality caused by globalization and technological change? Or is it caused by political and institutional factors, such as fiscal and labor market policies?

\*What is the role of the welfare state in reducing inequality? What are the main social policies? What are their benefits and costs?

\*What are the links between economic and political inequality? Will inequality impact how countries address automation, political polarization and climate change?

The course will provide answers to these and many other questions. After completing it, students will be able to critically evaluate current debates around inequality and will have acquired the analytical skills to go deeper into them.

### Teaching methodology

The course consists of six lectures, on which we will go through the topics established in the Syllabus. Additionally, you will have to read some articles or news pieces about current events related to the contents of the course, and we will debate them in class. Evaluation has two main parts: there will be some multiple-choice quizzes about class contents and the assigned articles; and, in the last session, there will be a written examination.

## Description

### Course contribution to program

The course can complement more theoretically-oriented courses in the program. Many Economics models and assumptions are often neutral concerning their distributive consequences: who wins or loses after certain economic policies and changes come into effect. This course will add this distributional perspective and—both through class contents and additional readings—it will allow students to make connections between their knowledge of the economy and other pressing political and social issues.

## Bibliography

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- , Chancel, L. (2020). Unsustainable Inequalities: Social Justice and the Environment. Harvard University Press. (Book)
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## Content

| # | Topic  |
|---|--|
| 1 | Introduction. We will look at recent trends in the evolution of inequality and understand the theoretical and philosophical underpinnings of current debates. Why should we care about inequality? Inequality of what (outcomes v. opportunities, income v. wealth, global v. within country)?   |
| 2 | Economics. We will review the arguments and evidence on the economic causes of inequality, namely skill-biased technological change and international trade, as well as their relationship with education. How does automation and the introduction of AI affect workers with different skills? And what has been the impact of the acceleration of globalization and the rise of China? |
| 3 | Politics and institutions. We need more than economics to explain the rise in inequality. In this section, we will analyze the recent evolution of macroeconomic and labor market policies, taxation, “winner-take-all” markets, as well as changes in social and cultural norms around inequality.  |
| 4 | Redistribution. We will focus on how welfare states reduce inequality through social insurance programs, social assistance and the provision of health care. How do countries compare on their social policies? What is their impact on economic growth? What are the main challenges they face?   |
| 5 | Other topics. In the last section, we will analyze the relationship between inequality and other pressing current debates, such as intergenerational mobility, political polarization, health disparities and climate change.  |

## Assessment

| Tool | Assessment tool | Category | Weight % |
|------|-----------------|----------|----------|
|------|-----------------|----------|----------|

| Tool                                       | Assessment tool   | Category                  | Weight % |
|--|---|---------------------------|----------|
| In-class analysis and discussion of issues | Participation & attendance  | Retake and ordinary round | 10.00%   |
| Quizzes/tests                              | There will be 4 or 5 multiple choice quizzes throughout the course based on class materials or additional readings. | Retake and ordinary round | 50.00%   |
| Written and/or oral exams                  | Written examination.  | Retake and ordinary round | 40.00%   |

## PROGRAMS

BBA20-Bachelor of Business Administration (BBA) (Undergraduates: Business)  
BBA20 Year 1 (Optative)

BBA23-Bachelor of Business Administration (BBA) (Undergraduates: Business)  
BBA23 Year 1 (Optative)

DBAI23-Double Degree in Business Administration and Artificial Intelligence for Business (Undergraduates: Business)  
DBAI23 Year 1 (Optative)

GBL24-Double Degree in Business Administration and Global Governance, Economics and Legal Order (Undergraduates: Business)  
GBL24 Year 1 (Optative)