

Wealth and Social Inequality

New School for Social Research

Spring 2020

Mondays 13:55 – 15:45.

Classroom: 1132 (6 East 16th Street)

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Course Description

Wealth inequality has attracted great scholarly interest in the social sciences in recent years. Background to this (renewed) scholarly attention are the rising levels of wealth inequality over the last forty years in most countries and also the availability of more data. The privileges associated with high wealth and the social inequalities it expresses can be studied from very different perspectives. The seminar attempts to give an overview over recent and some historical debates on wealth inequality. It also aims at the identification of research gaps. Topics are the actual mapping of wealth inequality, mechanisms reproducing wealth inequality intergenerationally, the ways wealth is being used to influence political decisions, strategies of wealth preservation through financial and legal instruments, the role of philanthropy, normative debates on the justification of wealth inequality, and the subjective perception of wealth and privilege among the wealthy. The seminar will mostly be organized as a joint discussion of the assigned readings.

Participation in the seminar

All students will be expected to *read all of the required texts* on the syllabus and *take an active part in class discussions*. Based on the readings, each student is asked to upload to Canvas two discussion points emerging from the readings. The discussion points need to be uploaded on the day of the class, for the latest at 11am. Some of the points will be used to structure the discussion. Some sessions will start with a presentation by the instructor, others will immediately start with discussion of the readings.

Students taking the class for credits should also write *a final paper* of 7000 words. The deadline for the paper is **May 11**.

Any additional question can be directed to the TA of the course, Julián Gómez-Delgado, gomej372@newschool.edu

Course Evaluation

Participation/Discussion points	30%
Final Paper	70%

Academic Honesty and Integrity

Compromising your academic integrity may lead to serious consequences, including (but not limited to) one or more of the following: failure of the assignment, failure of the course, academic warning, disciplinary probation, suspension from the university, or dismissal from the university.

Students are responsible for understanding the University's policy on academic honesty and integrity and must make use of proper citations of sources for writing papers, creating, presenting, and performing their work, taking examinations, and doing research. It is the responsibility of students to learn the procedures specific to their discipline for correctly and appropriately differentiating their own work from that of others. The full text of the policy, including adjudication procedures, is found at <http://www.newschool.edu/policies/>

January 27

1. Introduction

February 3

2. Wealth and social inequality in the current political debate in the US

In this session we will read a number of recent newspaper articles, mostly from the New York Times. Based on the readings we will have a first broad discussion of the topic.

February 10

3. Wealth distribution and its development

Lisa Keister, 2014. "The One Percent", *Annual Review of Sociology* 40: 347-367.

Edward N. Wolf, 2016: "Household Wealth Trends in the United States, 1962 to 2013: What Happened over the Great Recession?" In: *The Russell Sage Foundation Journal of the Social Sciences* 2 (6): 24-43.

Thomas Piketty, 2014: *Capital in the Twenty-First Century*, Cambridge: Harvard University Press. Chapter 10: Inequality of Capital Ownership. P. 424-475. And Chapter 12: Global Inequality of Wealth in the Twenty-First Century. PP. 544-593.

Capgemini, 2019: *World Wealth Report 2019*. <https://worldwealthreport.com/wp-content/uploads/sites/7/2019/07/World-Wealth-Report-2019-1.pdf>

February 24

4. The Stratification of Wealth

M. Oliver and T. Shapiro (2006): *Black wealth / white wealth: a new perspective on racial inequality*. New York: Routledge. PP. 1-54.

Darrick Hamilton et al. 2019: The Color of Wealth in Miami.

<http://kirwaninstitute.osu.edu/wp-content/uploads/2019/02/The-Color-of-Wealth-in-Miami-Metro.pdf>

Killewald, Alexandra/Fabian T. Pfeffer/Jared N. Schachner, 2017: "Wealth Inequality and Accumulation", *Annual Review of Sociology* 43, 379-404.

Recommended:

Lisa Keister, 2000: *Wealth in America: Trends in Wealth Inequality*. Cambridge: Cambridge University Press. doi:10.1017/CBO9780511625503

Edward Wolff, 2017: *A Century of Wealth in America*. Cambridge: Harvard University Press.

March 2

5. The Wealthy: The Cultural Sociology of Privilege

Rachel Sherman, 2017: *Uneasy Street. The Anxieties of Affluence*. Princeton: Princeton University Press. Introduction, Chapter 1 and Conclusion (p. 1-57; 230-237).

Hanna Kuusela, 2018: "Learning to Own. Cross-Generational Meanings of Wealth and Class-Making in Wealthy Finnish Families". *Sociological Review*. Online first, published May 23th. <https://doi.org/10.1177/0038026118777698>

Bourdieu, Pierre 1987. "What Makes a Social Class? On The Theoretical and Practical Existence Of Groups." *Berkeley Journal of Sociology*, 32: 1-17.

Recommended

Gallo, Eileen and Jon Gallo. 2001. *Silver Spoon Kids*. Chicago: Contemporary Books.

Anu Kantola and Hanna Kuusela, 2018: "Wealth Elite Moralities: Wealthy Entrepreneurs' Moral Boundaries." *Sociology*. Online first, published May 17th. <https://doi.org/10.1177/0038038518768175>

March 9

6. The Political Power of Wealth

Jeffrey Winters and Benjamin Page, 2009: "Oligarchy in the United States?", *Perspectives on Politics* 7: 731-751.

Jacob Hacker and Paul Pierson, 2019: "Plutocrats with Pitchforks: The Distinctive Politics of Right-Wing Populism in the United States," (unpublished paper).

Martin Gilens and Benjamin Page, 2014: Testing theories of American politics: Elites, interest groups, and average citizens *Perspectives on politics* 12 (3), 564-581.

Charles Lindblom, 1982. "The Market as Prison". *The Journal of Politics* 44 (2): 324-36.

Talcott Parsons, 1968: "The Distribution of Power in American Society." (pp. 60-88) In: G. William Domhoff and Hoyt B. Ballard (eds.): *C. Wright Mills and The Power Elite*. Boston: Beacon Press.

Recommended

C. Wright Mills, 1956: *The Power Elite*. New York: Oxford University Press. Chapter 1, p. 3-29.

Robert Dahl, 1958: "A Critique of the Ruling Elite Model." *American Political Science Review* 52: 463-69

Robert Dahl, 1961: *Who Governs?: Democracy and Power in an American City*. New Haven: Yale University Press.

G. William Domhoff, 2013: *Who Rules America?* Boston: McGraw-Hill.

Mark Mizruchi, 2017: "The Power Elite in Historical Context: A Reevaluation of Mills's thesis, then and now." *Theory and Society* 46, 95-116.

Steven Lukes, 1974: *Power: A Radical View*. New York: Macmillan Press.

Lary Bartels, 2008: *Unequal Democracy. The Political Economy of the New Gilded Age*. Princeton: Princeton University Press.

Jacob Hacker and Paul Pierson, 2010: "Winner-Take-All Politics: Public Policy, Political Organization, and the Precipitous Rise of Top Incomes in the United States." *Politics and Society* 38, 152-204.

Christopher Leonard, 2019: *Kochland: The Secret History of Koch Industries and Corporate Power in America*. New York: Simon & Schuster.

Alexander Hertel-Fernandez, Theda Skocpol and Jason Sclar, 2018: "When Political Mega-Donors Join Forces: How the Koch Network and the Democracy Alliance Influence Organized US Politics on the Right and the Left." *Studies in American Political Development*, 32: 127-165.

March 23

7. Attitudes towards inequality

Benjamin Page, Larry Bartels and Jason Seawright, 2013: "Democracy and the Policy Preferences of Wealthy Americans," *Perspectives on Politics*, 11: 51-73.

Ian Shapiro, 2001: "Why the Poor Don't Soak the Rich?," *Daedalus* 131, 118-128.

Larry Bartels, 2005: "Homer Gets a Tax Cut: Inequality and Public Policy in the American Mind." *Perspectives on Politics* 3, no. 1 (2005): 15-31.

Recommended

Benjamin Page, Lawrence Jacobs, 2013: *Class War? What Americans Really Think about Economic Inequality*. Chicago: The University of Chicago Press.

March 30

8. Norms of Equality and Institutions

Shamus Khan, 2011: *Privilege: The Making of an Adolescent Elite at St. Paul's School*. Princeton: Princeton University Press. Introduction and chapter 1, p. 1-40.

Accominotti, Fabien/Shamus R. Khan/Adam Storer, 2018: "How Cultural Capital Emerged in Gilded Age America: Musical Purification and Cross-Class Inclusion at the New York Philharmonic," *American Journal of Sociology* 123, 1743-1783.

Jonathan Mijs, 2019: "The Paradox of Inequality: Income Inequality and Belief in Meritocracy Go Hand in Hand," *Socio-Economic Review*, mwy051, <https://doi.org/10.1093/ser/mwy051>

Recommended

David Markovits, 2019: *The Meritocracy Trap: How America's Foundational Myth Feed Inequality, Dismantles the Middle Class, and Devours the Elite*. New York: Penguin Press.

April 6

9. Bequest and Inheritance

Pfeffer, Fabian T., and Alexandra Killewald. 2018. "Generations of Advantage: Multigenerational Correlations in Family Wealth." *Social Forces*, 96 (4):1411-42.

Jens Beckert, 2008: *Inherited Wealth*. Princeton: Princeton University Press. Chapter 2, pp. 21-82.

John Cunliffe, Guido Erreygers, and Andrew Reeve, 2012: "The debates about inherited wealth and its taxation: an introductory essay." In: John Cunliffe/Guido Erreygers (Eds.), *Inherited Wealth, Justice and Equality*. London and New York: Routledge.

Gordon Tullock, 1971. "Inheritance Justified.", *Journal of Law and Economics* 14: 465-474.

Michael Gilding, 2005: "Families and Fortunes: Accumulation, Management Succession and Inheritance in Wealthy Families", *Journal of Sociology*, 41(1), 29-45.

Recommended:

Thomas Piketty, 2014: *Capital in the Twenty-First Century*. Cambridge: Harvard University Press. Chapter 11: Merit and inheritance in the long run, pp. 476-543.

Guido Erreygers and John Cunliffe (eds.), 2012: *Inherited Wealth, Justice and Equality*. London and New York: Routledge.

April 13

10. Estate Taxation

Jens Beckert, 2008: *Inherited Wealth*. Princeton: Princeton University Press. Chapter 5, pp. 167-274.

Michael Graetz and Ian Shapiro, 2006: *Death by a Thousand Cuts: The Fight over Taxing Inherited Wealth*. Princeton: Princeton University Press.

Kenneth Scheve and David Stasavage, 2012: "Democracy, War, and Wealth: Lessons from Two Centuries of Inheritance Taxation," *The American Political Science Review*, 106: 81-102.

Recommended:

Anne L. Alstott, 2007: "Equal Opportunity and Inheritance Taxation," *Harvard Law Review* 121, 470–542.

William H. Gates Jr. and Chuck Collins. 2003. *Wealth and Our Commonwealth: Why America Should Tax Accumulated Fortunes*. Boston: Beacon Press.

Ann Mumford, 2007: "Inheritance in Socio-Political Context: The Case for Reviving the Sociological Discourse of Inheritance Tax Law," *Journal of Law & Society* 34, 567-593.

April 20

11. Keeping it: Mechanisms of Wealth Protection

Allison Anna Tait, 2019: "The Law of High-Wealth Exceptionalism." *Alabama Law Review* 71, no pagination.

Brooke Harrington, 2016: *Capital Without Borders: Wealth Managers and the One Percent*, Boston: Harvard University Press. Chapter 4, p.123-192.

Gabriel Zucman, 2015: *The Hidden Wealth of Nations: The Scourge of Tax Havens*. Chicago: University Of Chicago Press. Chapter 2, p. 34-55.

Recommended

Pistor, Katharina, 2019: *The Code of Capital. How the Law Creates Wealth and Inequality*. Princeton: Princeton University Press.

April 27

12. The Societal Power of Wealth: Philanthropy

Andrew Carnegie, 1989. "The Gospel of Wealth", pp. 797-826, In: Joseph Frazier Wall: *Andrew Carnegie*. Pittsburgh and London: University of Pittsburgh Press.

Video: Davos Annual Meeting 2008 - Bill Gates (30 minutes). <https://www.youtube.com/watch?v=Ql-Mtlx31e8>

Rob Reich, 2013: "What are Foundations For? Philanthropic Institutions are Plutocratic by Nature. Can they be justified in a democracy?", *Boston Review*, March 1.

David Callahan, 2018: *The Givers: Money, Power, and Philanthropy in a New Gilded Age*. New York: Vintage Books. Chapter 10, p. 235-260.

Anand Giridharadas, 2018: *Winners Take All: The Elite Charade of Changing the World*. New York: Knopf. Chapter 6, p.154-200.

Chuck Collins, Helen Flannery and Josh Hoxie, 2018: *Gilded Giving 2018: Top-Heavy Philanthropy and its Risks to the Independent Sector*, Institute for Policy Studies.

Recommended

Rob Reich, 2018: *Just Giving: Why Philanthropy Is Failing Democracy and How It Can Do Better*. Princeton: Princeton University Press.

Linsay MacGoey, 2015: *No Such Thing as a Free Gift: The Gates Foundation and the Price of Philanthropy*. London and New York: Verso.

May 4

13. Leveling Wealth Inequalities

Walter Scheidel, 2018: *The Great Leveler. Violence and the History of Inequality from the Stone Age to the Twenty-First Century*. Princeton, Princeton University Press. Chapter 14 and 16, p.389-401; p.424-444.

Orestes Brownson, 1840. "The Laboring Classes.", *The Boston Quarterly Review*, July. Available in <http://orestesbrownson.org/158.html>

Alstott, Anne L., 2013. "Stakeholder Society." *International Encyclopedia Of Civil Society* (Helmut K. Anheier and Stefan Toepler eds. Available at SSRN: <https://ssrn.com/abstract=2365063>

Chuck Collins, Darrick Hamilton, Dedrick Asante-Muhammad, Josh Hoxie, 2019: *Ten solutions to bridge the racial wealth divide*. <https://inequality.org/wp-content/uploads/2019/04/Ten-Solutions-to-Bridge-the-Racial-Wealth-Divide-FINAL-.pdf>

Recommended

Guido Erreygers, 1997. "Views on Inheritance in the History of Economic Thought.", pp. 16-53, In: Guido Erreygers and Toon Vandervelde (Eds.): *Is Inheritance Legitimate? Ethical and Economic Aspects of Wealth Transfer*. Berlin and Heidelberg: Springer.

Bruce Ackerman and Anne Alstott. 1999. *The Stakeholder Society*. New Haven: Yale University Press.

May11

14. Final discussion

Sighard Neckel, 2019: "The Refeudalization of Modern Capitalism", *Journal of Sociology*, June 26, p.1-15. <https://doi.org/10.1177/1440783319857904>