



CID 2021 Annual Report

■ We engage in foundational research on social inequality, train the next generation of inequality scholars, create new data, and help envision a more just world.

www.inequalitydynamics.umich.edu

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A Message From Fabian Pfeffer

■ Economic inequality in the U.S. has reached extreme levels, in particular in terms of wealth, and the pandemic has pulled away the curtain on many of the inequalities, injustices, and economic vulnerabilities in this country. There is hardly a more urgent time – and perhaps an even more promising historical moment – to bring social scientific research on inequality to the fore, not merely to document and trace the devastating levels and effects of inequality but also to inform a sustained dialogue around what a more just and equal country would look like.

Since its founding in 2019, the Stone Center for Inequality Dynamics (CID) has pursued these aims by striving to

- engage in foundational research on social inequality,
- train the next generation of inequality scholars,
- create new public data infrastructures to measure inequality, and
- help envision a more just world.

Especially during these difficult times, I believe that as social scientists we have the responsibility to lay the foundation for both the diagnosis and the solutions to the inequality crisis that we are experiencing. Within these pages, you'll find a taste of some of the new contributions and ideas we are contributing. From housing inequality, including issues of gentrification and displacement, to the transmission of wealth across generations, and building new data, our scholars are stepping up to the challenge.

CID's team of experts are among the best in their fields, and they are committed to solving big questions and problems. I can't wait to see what's ahead.



CID Team at a Glance

Since the challenges are multifold, CID has also expanded its capacity, nearly doubling in size within just a year. From an initial team of myself and our program manager, we now have:

4 FACULTY

2 STAFF

35 FACULTY AFFILIATES

19 GRADUATE STUDENT FELLOWS

3 POSTDOCTORAL AFFILIATES

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Fabian Pfeffer, Ph.D.
Director,
Stone Center for Inequality Dynamics

Meet our Faculty



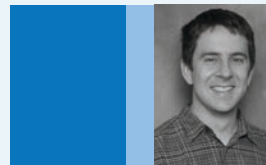
Joe LaBriola, Ph.D.
Research Assistant Professor



Sun Kyoung Lee, Ph.D.
Research Assistant Professor
Beginning September 1, 2022



Pablo Mitnik, Ph.D.
Assistant Research Scientist



Robert Manduca, Ph.D.
Assistant Professor, Sociology
WAM Project Member



Fabian Pfeffer, Ph.D.
CID Director



Jake Hays, Ph.D.
Postdoctoral Fellow



Meet our Staff



Nicole Bonomini
Engagement Manager



Melissa Bora
Program Manager



From Coast to Coast, CID Faculty Study and Respond to Housing Inequality

■ Understanding the ways housing affordability sustains and generates inequality



“The evidence suggests that there are these filtering down effects where building new housing lowers nearby housing prices and can actually slow down gentrification and displacement.”

In the United States, home ownership is one of the main ways in which Americans possess and accumulate wealth – particularly the middle class. But just how easy is it to purchase and afford your own home?

CID faculty member, urban sociologist and demographer Joe LaBriola, Ph.D., is focusing on this question. His research has shown that the answer varies widely depending on where you want to live, your race, and socioeconomic background.

Joe, who completed his postdoctoral role at the Population Studies and Training Center at Brown University this summer before joining CID, studies the role housing plays in generating and sustaining racial and social inequalities across the U.S. When he arrived in the San Francisco Bay Area to pursue his doctorate in sociology at the University of California, Berkeley in 2014, Joe saw firsthand the devastating effects of high housing demand and lack of supply.

“When I started graduate school, rental prices were already pretty crazy in the Bay

Area,” he said. “In the seven years I lived there, the problem just got worse and worse.”

Joe decided to focus his dissertation work on housing inequality in California, restrictions on housing supply, and the rising White-Black wealth gap.

His research uses survey and administrative data in novel ways to uncover some of the causes of population-level racial and socioeconomic inequalities in the U.S. He focuses on the role of housing in explaining racial wealth gaps by analyzing the role of local policies and processes that constrain the production of new housing, which then functions to concentrate wealth in the hands of incumbent, disproportionately White, homeowners.

“There is a bit of conventional wisdom that says building new housing in downtown Berkeley that is really nice is only going to attract more rich people to live in Berkeley without changing the price of existing housing, but the data don’t really support that,” Joe explained. “The evidence suggests



Image by King of Hearts / Wikimedia Commons / CC-BY-SA-3.0, CC BY-SA 3.0, <https://commons.wikimedia.org/w/index.php?curid=29097835>.

■ that there are these filtering down effects where building new housing lowers nearby housing prices and can actually slow down gentrification and displacement. These are all very hot-button issues across the U.S., particularly in the Bay Area.”

“There is a considerable amount of literature in urban planning, political science, and economics that connects housing supply to inequality. **Housing significantly impacts wealth inequality because a lot of homeowners experience wealth benefits from owning houses, and people who don’t own homes are finding it harder and harder to live both in the Bay Area and elsewhere.**”

While housing has been changing in San Francisco and the surrounding areas for decades, Joe said the issues have only gotten worse in the past decade. “The growth of the tech industry and the number of high-income workers looking to live in the Bay Area really pushed these properties to insane values,” he explained.

Joe has turned his focus at CID to how the rise of housing prices affects the Black and White racial wealth gap.

“In a paper I’m still working on, I found that most of the growth in the size of the median White-Black wealth gap from 2013-2019 can be attributed to rising house prices,” he said.

For the American middle class, home equity accounts for two-thirds of their wealth – but there are large disparities in the amount of wealth held by American households, particularly by race.

“Before the pandemic, the median Black household held about 15% as much wealth as the median White household,” Joe explained. “While we don’t have data on how the pandemic affected racial disparities in household wealth, my research suggests that the post-pandemic boom in house prices likely disproportionately benefited White households, who have higher rates of homeownership and own more valuable homes on average.”

One project Joe said he is just starting on investigates how “rising housing prices might make parental wealth an increasingly important determinant of the transition to homeownership for first-time buyers.”

“Home ownership is associated with so many economic and wealth benefits,” he said. “Generally, owning a home is wealth-enhancing for U.S. households. Home owners participate more in civic life, they have greater roots in their communities – there are lots of reasons why homeownership is something people aspire to. It’s one of the top ways Americans accumulate wealth. So it’s concerning that it’s becoming increasingly difficult for many to transition from renting to owning.”



Read the full paper

<https://osf.io/preprints/socarxiv/rp3ed/>



More about Joe LaBriola

<https://www.joelabriola.com>

Country and City of Extremes

■ Understanding urban planning and segregation in New York City



“New York has an unthinkable amount of wealth in one place but at the same time, you see a really struggling population all within a five-minute walking distance.”

Did you know American cities are more segregated today than they were 100 years ago? Urban economist and new CID faculty member Sun Kyoung Lee, Ph.D., has spent the last several years studying archives and digitizing old records to track and understand various aspects of inequality during America’s urbanization.

Her primary research interests include the role of public policies in understanding inequality, urban and housing development, and building large-scale data infrastructures via record linkage. During her doctoral study, Lee won several grants from the National Science Foundation to investigate various aspects of inequality during America’s urbanization.

For example, her research investigates how the provision of urban transportation infrastructure in New York City facilitated racial segregation. In a recent working paper, Lee created a new panel dataset to show that the construction of the New York subway system in the early 1900s and zoning laws resulted in segregated neighborhoods. The dataset is derived from historical U.S.

federal population censuses from 1870 to 1940 and newly digitized real-estate sales transaction records. Over four years, Lee and her research team scanned, digitized, and linked more than two million real estate records spanning seven decades to create the dataset.

The paper was awarded the Best Paper Award by a Junior Scholar by the American Real Estate and Urban Economics Association (AREUEA) in June 2022.

The data highlight the links between policy and inequality at the neighborhood level. Divisions created by the subway system have endured for more than a century, with especially severe economic consequences for Black Americans.

“New York has an unthinkable amount of wealth in one place but at the same time, you see a really struggling population all within a five-minute walking distance,” Sun said. “The first thing that came to my mind was wondering if people are thinking about this inequality enough? What is a sustainable way to think about this?”



■ Lee said she plans to explore these issues and other social problems further.

“Justice and inequality have been a part of my life for as long as I can remember, even as a little girl, I would ask, ‘Is this just?’” Sun recalled. “And my parents thought it was interesting that I had such a gut reaction to unfairness and injustice.”

Lee arrived at CID in September 2022 after a postdoctoral period at the Economic Growth Center at Yale University as well as a two-week-research stay at the Center for Regional Economic Development (CRED) at the University of Bern, Switzerland this summer. She received her Ph.D. in Economics from Columbia University in 2019.

“I’m so excited to help CID push forward wealth and inequality research and to help expand the social sciences data infrastructure that truly reflects the fourth industrial revolution era we are living in. I chose to join CID as I felt confident that this is where I can pursue my passion for studying inequality and enhancing the data infrastructure for social sciences in an unparalleled way,” Sun said.



More about Sun Kyoung Lee

<https://sunkyounglee.com/>

Combining Social Sciences, Statistics, and Philosophy to Study Wealth and Income Inequality

■ Expanding opportunities by reducing wealth inequality



“People born in different social classes have very different opportunities, even if there is formal equality of opportunity and everyone is, in principle, allowed to compete for any position.”

Pablo A. Mitnik, Ph.D., joined the Stone Center for Inequality Dynamics (CID) as an Assistant Research Scientist in September 2021. His research focuses on intergenerational mobility, economic inequality, labor markets, and statistical methods. A large part of his recent work has aimed at improving the methodological approaches, statistical models, and data used to measure mobility and inequality of opportunity.

Some of these methodological contributions can be found in three articles published in *Sociological Methodology* and *Sociological Methods and Research*. His empirical research has relied widely on the Statistics of Income Mobility Panel, a dataset based on tax and other administrative data whose construction he has coordinated. Key results from this research have been reported in a *Sociological Science* article on family-income mobility in the U.S., a NBER-University of Chicago Press book chapter that compares inequality of opportunity for income in Denmark and the U.S., and a CID Discussion Paper on economic mobility in the U.S. showing that

the country has opted for mobility-reducing policies with respect to all main factors governing the mobility process. Results from other research on trends in class mobility in the U.S. he has conducted can be found in *The Annals of the American Academy of Political and Social Science*.

Pablo’s current projects focus on:

- wealth inequality and the transmission of wealth across generations,
- the role of gender and marriage in family-income mobility,
- the measurement of economic mobility in the U.S. with new censored regression and copula-based selection models,
- the transmission of income rank, or relative position, from parents to children,
- the formal modeling of the policy and institutional determinants of intergenerational mobility, and
- the methodological and conceptual foundations of research in mobility and inequality of opportunity.

■ “A philosophy student and teacher in a previous life,” Pablo said that mobility scholars should pay more attention to the theories of distributive justice developed by philosophers and some economists.

“I’m a radical egalitarian,” Pablo explained, “which doesn’t mean that I think we shouldn’t have any inequality.” Rather, “my position is that any economic inequality that may be traced back to inequality of opportunity (understood in a quite encompassing way) is unjustified, unless it is an inevitable byproduct of our commitment to other values we hold dear, for instance respecting cultural diversity and familial intimacy.”

Approaching Wealth Inequality Through the Lens of Distributive Justice

“People born in different social classes have very different opportunities, even if there is formal equality of opportunity and everyone is, in principle, allowed to compete for any position. For instance, when you are socialized in a certain way that makes studying hard or any behavior that helps you get richer much more likely, given that this can be traced back to your social background it is not really your doing, in a sense. Maybe you have achieved a lot, but to assess how much is due to your effort and how much is due to the lottery of birth we need to look at what you have done compared with other people born into similar circumstances. An influential family of distributive-justice theories argues that only then can we assess how great your effort has been and whether you deserve to have more than others,” he said.

“We should aspire to be part of a society in which where you are born doesn’t matter. Then, we would still have inequality but it would be normatively acceptable given that it is not the result of circumstances beyond people’s control, that’s the key argument.”

Pablo said the argument applies in many realms, including wealth inequality. “How much of this inequality can be traced down to where you are born is very important, and for this reason it is a central aspect of what we are trying to do at CID.”

Getting Closer to a Good Society by Reducing Wealth Inequality

In addition, “wealth inequality greatly shapes the nature of social and economic institutions and democracy itself,” Pablo explained. “The more wealth inequality there is, and the larger the role that wealth is allowed to play in the electoral process, the further we are likely to be from a good society. Therefore, it is crucial to understand how much wealth inequality there is, and from a normative perspective, how much inequality is acceptable and how much is not. And, of course, we need to ask: What can be done about it?”

Pablo is co-leading CID’s Wealth and Mobility Study (see page 11), building new datasets to examine wealth and income inequality and their transmission across generations, and studying the institutional determinants of wealth and income inequality and mobility.

He held several research positions at Stanford’s Center on Poverty and Inequality before joining CID. Pablo obtained his Ph.D. in Sociology at the University of Wisconsin-Madison (with a minor in Philosophy) and was a postdoctoral scholar at Stanford University.

Pablo’s Research Specializations:

- Intergenerational Mobility, Social Stratification
- Quantitative Methods, Methodology, Applied Statistics
- Economic Inequality, Labor Markets



More about Pablo A. Mitnik

<http://www-personal.umich.edu/~pmitnik/>

Building a New Wealth Data Infrastructure: The WAM Study

- An interdisciplinary team of CID researchers and research partners at the IRS will create proxy measures of wealth for all U.S. individuals and link them across generations.



A prototype of the Wealth & Mobility Study data explorer website. Please note this is not the final design.

The United States has the highest degree of wealth inequality in the developed world and yet its level of wealth inequality continues to rise. Who has wealth and how it's obtained is also marked by drastic ethnic and racial inequality. Wealth inequality has far-reaching effects on economic security as well as the opportunities of the next generation. Understanding exactly how wealth is

distributed and transmitted across generations has been challenged by gaps in our national data infrastructure. The Stone Center of Inequality Dynamics is working to change that in partnership with the Internal Revenue Service (IRS). The Wealth and Mobility (WAM) study is a project funded by a four-year grant from the Bill & Melinda Gates Foundation and generous support from the Stone Foundation.

The publicly-accessible WAM dataset will contain:

Wealth and income information for various U.S. locations (cities, counties, etc.), including measures of

1. Levels

2. Inequality

3. Segregation

4. Intergenerational Mobility

■ “We have a very limited understanding of geographic differences in the distribution and transmission of wealth within the U.S.,” explained Fabian Pfeffer, principal investigator on the project. “We’re working on a new dataset that will provide estimates of income and wealth levels, inequality, and mobility across different U.S. locations, which will allow other researchers, policymakers, and community members to assess the wealth situation of communities across the United States.”

The study launched in September 2021. An interdisciplinary team of CID researchers and research partners at the IRS will create proxy measures of wealth for all U.S. individuals and link them across generations. They will do so through direct, secure access to IRS tax records, combined with other large administrative data sources, such as residential real estate property records. Pfeffer and CID Research Scientist Pablo Mitnik are leading the effort but several other CID faculty and students are or will soon be engaged too, including Asher Dvir-Djerassi, Robert Manduca, Joe LaBriola, and Sun Kyoung Lee.

“Our study will provide new data on the geographic variation of wealth, wealth inequality, and wealth mobility to significantly expand our understanding of local variation in inequality and mobility, which so far has been mostly derived from income-based comparisons,” said Pfeffer.

To support a user-friendly presentation of data, the team is collaborating with data visualization experts to build an interactive online platform that will ensure broad access to the data for other researchers, decision-makers, and the public.

“The creation and analysis of intergenerationally linked U.S. tax data has revolutionized the study of income inequality and mobility,” added Mitnik. “We will build on this scientific breakthrough to expand our understanding of the differences between income and wealth.”

While most prior efforts to derive wealth measures from U.S. tax records have been focused on the very wealthy, this study also seeks to capture wealth across all levels.

Housing wealth is central to this task as it constitutes the main asset held by a large share of U.S. households. The resulting data will eventually help researchers address questions related to the geographic influences that are unique to wealth, such as local housing markets.

“We expect large variation in wealth across the U.S. and hope that our data prompt a broad set of researchers to investigate entirely new aspects of the geography of inequality in this country,” said Robert Manduca, assistant professor of sociology at U-M and study member.

2022-2024 WAM Scientific Advisory Board

- Bringing together leading social scientists and thought leaders, WAM Scientific Advisory Board Members serve a two-year term. The Board advises the project team on central scientific and strategic questions. It consists of five external board members, drawn from multiple disciplines across the country, and three members from the University of Michigan faculty.



Kerwin K. Charles, Ph.D.
Dean and Professor of
Economics, Policy &
Management, Yale University



Jonathan Massey, Ph.D.
Dean and Professor of
Architecture, University of
Michigan



Darrick Hamilton, Ph.D.
Professor of Economics and
Urban Policy, New School for
Social Research



Stephanie Moulton, Ph.D.
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Alexandra Killewald, Ph.D.
Professor of Sociology,
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Joel Slemrod, Ph.D.
Professor of Business Economics
and Public Policy & Economics,
University of Michigan



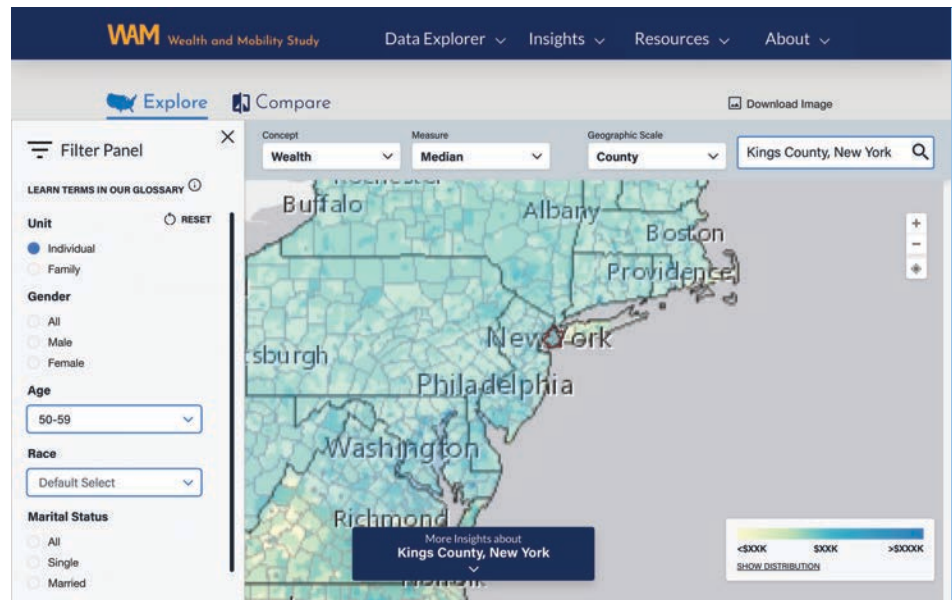
Maggie Levenstein, Ph.D.
Research Professor,
University of Michigan



Gabriel Zucman, Ph.D.
Associate Professor of
Economics, University of
California Berkeley

WAM Data Explorer

- In collaboration with a data visualization partner, the WAM team will produce an interactive website to share WAM's findings, utilizing data visualization, information graphics, data files, and interactive storytelling that will be accessible to a wide variety of audiences. The project is currently in the initial design phase.



A prototype of the Wealth & Mobility Study data explorer website. Please note this is not the final design.

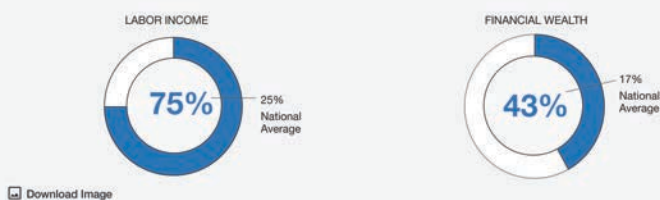
How do income and wealth differ by demographics?

The distribution of income and wealth varies according to gender and age.



What makes up income and wealth?

On average, XX% of income comes from labor income. XX% of wealth comes from financial wealth.



A prototype of the Wealth & Mobility Study data explorer website. Please note this is not the final design.

“Wealth As Control of the Future”

- The Stone Center for Inequality Dynamics Discussion Paper Series offers an opportunity to distribute ongoing work by affiliates of CID, providing our inequality scholars with an avenue to receive feedback on their papers prior to publication.

In early April 2022, Robert Manduca, Ph.D., published “Wealth as Control of the Future” in the CID Discussion Paper series.

Manduca sat down with CID to discuss his process and findings.



CID: What is your paper about?

Robert: “There is a lot of concern today, both among researchers and among the general public, about wealth and wealth inequality. And when most people think about wealth, in my experience, the image that comes to mind is a pile of gold coins sitting in a vault. You can

think about Scrooge McDuck, or Gringotts Bank in Harry Potter. That image brings with it certain connotations. Wealth is something that accumulates over time. It’s durable, long-lasting.

“Wealth is as much about the future as it is about the past.”

■ There's a great deal of truth to this perspective – one of the most important findings from recent research on wealth inequality has been to show that **the inequalities we see today, for instance in the Black-White wealth gap, can be traced directly back to events that happened generations ago**, often events that we now see as unjust, such as the practice of racial redlining. This connection between unjust events in the past and wealth in the present has been critical in building the case for government action to reduce wealth inequality.

But if you talk to people who work with wealth professionally – people like asset managers or accountants – they have a very different understanding of what wealth means. For them, wealth – and usually they're talking about specific assets, like stocks or bonds or real estate – is primarily seen as a legal right to some stream of income in the future. So if I own stock in a company, I'm entitled to a portion of its future profits in the form of dividends. And it's standard practice to interpret the price of the stock – the value of my asset, the amount of wealth it represents – as the sum total of those dividend payments, discounted to account for uncertainty and how long it will be until I receive them. The reason wealth has value, in this view, is because of these future payments. Rather than thinking about wealth as a pile of gold coins, then, the image here is a series of checks: having wealth means that you get a check in the mail each month, from now until forever, just for owning an asset. **Wealth is as much about the future as it is about the past.**

What I do in this paper is to describe the second viewpoint – I call it the “forward-looking” perspective on wealth – and then think through its implications for research on wealth inequality. I end up talking mainly about two implications. First, I believe

that the forward-looking perspective can help resolve debates about what types of assets ought to count as wealth – in particular whether things like defined benefit contributions, where my company pays me a certain amount every month after I retire – should be considered wealth alongside more typical assets like stocks or real estate. And second, the forward-looking view helps make sense of some initially counterintuitive patterns of wealth inequality across countries – helps understand why it might be that some countries that are otherwise economically egalitarian, like Sweden and Norway, have extremely high wealth inequality by standard measures.”



Read the full paper

<https://osf.io/preprints/socarxiv/yqj79/>



View the full Q&A

<https://www.inequalitydynamics.umich.edu/discussion-paper-series-wealth-control-future/>

About Robert

Robert Manduca (@robertmanduca) received his Ph.D. in sociology and public policy from Harvard University, and currently is an assistant professor of sociology at the University of Michigan. Robert has published more than a dozen scholarly articles on economic inequality. His work has been featured in the *New York Times*, *Washington Post*, *Boston Review*, and more. Robert is also the co-host of the podcast *Reviving Growth Keynesianism*, a project to explore the history of U.S. economic thought.

“Latina/o Postsecondary Education: Trends in Racial/Ethnic Education Gaps and the Role of Citizenship in Access to Higher Education”

- CID student affiliates Shauna Dyer and Giovanni Román-Torres published “Latina/o Postsecondary Education: Trends in Racial/Ethnic Education Gaps and the Role of Citizenship in Access to Higher Education” in CID’s discussion paper series last month.

They sat down with CID to discuss their inspiration and process.



CID: What is your paper about?

Shauna: “Our paper looks at trends in college graduation rates for White, Black, Latina/o men and women. We break apart what proportion of the Black-Latina/o and White-Latina/o bachelor’s degree gaps that exist can be explained by differences between enrolling in college and completing college once enrolled. **We found enrollment**

differences explain most of the bachelor-degree gaps.”

“The second part of the paper then looks at Latina/o immigration and citizenship, and we do the same thing. We break down Black-Latina/o and White-Latina/o enrollment differences by citizenship rates. What we found is that if Latina/os had the same citizenship rates as White men and women,

- White-Latina/os enrollment differences would decline by up to 70%. If Latinos had the same citizenship rates as Black men and women, they would have higher college enrollment rates than Black men and women.” “We know from law changes and other research that it has become harder for Latinos to become citizens in the U.S. over time, so citizenship has become more important as a barrier.

The paper is a decomposition analysis that used data from a 70-year period from the U.S. Census. It’s a descriptive finding, but it’s still really useful because that is a huge indicator of where inequalities lie.”

CID: Why was it important to you to study this?

Giovanni: “For me, it’s important because my entire dissertation is focused on these topics. On a personal level, both because I am Latino and my parents are immigrants. I also went through the educational system here when I wasn’t aware of these issues.

It wasn’t until college – through the mentorship of professors at community college – that I became more interested in issues affecting Latinos. Whether it’s labor, immigration, education – they’re all tied together one way or another.”

“My main focus was on education – it’s shifted now, but Shauna and I were both taking a class together and we had discussed my research interest in education.”

“On the professional side, I was and still am very interested in describing and finding out what the sources of these inequalities are that I care about – one of them being education. **What we discovered through our paper, and what we hope to continue working on together, is that citizenship status plays an enormous role in what we care about, such as education.**”

Shauna: “I think, similar to Gio, it starts from a personal place for me. Coming from a disadvantaged background, I enrolled in college, dropped out, and did not finish until I was 30. Similar to Gio, I had no idea that there were reasons that explained why I struggled so much to finish college. I got into graduate school and was really interested in promoting intergenerational mobility – what are the barriers to getting a college education? I knew about the issues of first generation students and students that grew up in poverty – these issues are really relevant to me. I wanted to expand that view, and it really showed me how important racial inequality is.”

“Gio and I are native Californians – even though I’m not Latina, it’s such a large portion of the population in California that it is near and dear to my heart. This is a population that I want to see succeed. One of the other motivations is that we both believe there is so little work done on Latinos in comparison to White and Black populations – it’s mind boggling. It’s mind boggling that our paper hasn’t been done before.”

About Shauna

Shauna Dyer is a Ph.D. candidate in sociology at the University of Michigan. She studies educational and employment inequalities. Her research focuses on inequalities in employment and postsecondary education across gender and racialized/ethnic groups. Her work centers on three strands of research: 1) Job Quality, defined as employer-provided benefits and scheduling option, 2) Racialized/Ethnic Inequality, specifically Latina/o inequality, in the United States, and 3) Intergenerational Persistence via educational attainment.

■ CID: What remaining questions should be addressed by future research on this topic?

Shauna: “We need to do comparisons between Asian immigrants and Latino immigrants. We have to approach it really carefully because of the whole model minority stereotype that’s specific to Asians. They are the model minority – the ‘good’ minorities because they work white-collar jobs.”

Giovanni: “Exactly, because according to this stereotype, they are hard working and not lazy like Latinos. None of these stereotypes are true, but they have been leveraged historically and even today to explain why certain groups are disadvantaged. The reality is more complicated and sourced in generations of exclusion.”

“This first paper was motivated by the gender gap and that’s one thing we don’t address – we touch on it – but it is something that could be done within the gender gap between these groups and within these groups (Latinos).”

“At some point, I would also like to focus on ‘the Vanishing Latino college student’ – focusing on Latinos specifically. Both among Whites and Blacks, it has been shown that women are receiving more college degrees than men. The same is true for Latinos, as we show in our paper. **The remaining question is why.**”

About Giovanni

Giovanni Román-Torres is a Ph.D. candidate in sociology at U-M and predoctoral trainee at the Population Studies Center within the Institute for Social Research. His research engages broadly with issues of social mobility, stratification, immigration, and spatial inequality, with a particular interest in Latina/os in the United States. His primary research projects employ mixed-methods to study historical changes in recent Latina/o immigrant destinations across the United States, the relationship between Latina/o immigration replenishment and the spatial assimilation of Latina/os in the U.S. South, and how Latina/o immigrants establish a sense of belonging in geographies that are historically Black and White (e.g., the U.S. South). Other research that he is currently engaged in investigates the effects of mobility on individual outcomes, historical trends in the gender gap in college completion among Latina/os in the U.S. and estimating the historical naturalization rates of immigrants in the U.S.



Read the full paper

<https://osf.io/preprints/socarxiv/sq7dk/>

Inequality Scholar Spotlight

■ Scholars studying inequality often analyze socio-economic gaps by geography, gender, age, or race and the policies devised to address them. Political sociologist [Luciana de Souza Leão, Ph.D.](#), assistant professor of sociology in the College of Literature, Science, and the Arts at the University of Michigan and faculty affiliate at the Stone Center for Inequality Dynamics, goes beyond documenting such inequalities and political solutions: she studies how our understanding of success and failure in combating inequality changes and how it depends on the interaction between politics, knowledge production, and measurement practices.

Dr. de Souza Leão works to understand how official knowledge, power structures, race, and other factors impact inequality, often employing a comparative lens to understand these complex, interwoven issues. She stresses the importance of political contexts and institutional legacies to ensure success in analyzing inequality in a specific setting.



"I look at distinct inequality mechanisms, and I ask, 'what power discrepancies allow this mechanism to stay that way? Which groups are benefiting from this and which are not?'"

How do governments design, implement, and evaluate social policies?

The dynamics of power are what drive Luciana's main interest in state politics. "One of the big ways inequality and power connect is through the state," she said. "Politics shape the way inequalities look and are also one of the key determinants explaining patterns of inequality. Who is in power? Who has been in power? With what social consequences?"

By looking specifically at social policies, Dr. de Souza Leão is able to critically understand how states shape inequality. She analyzes

how those in power justify their decisions and their policies designed to address social inequalities.

Most of her research focus has been on Latin American countries – primarily Mexico and Brazil. Dr. de Souza Leão has studied how conditional cash transfer programs (CCTs) shape poverty outcomes in these two countries. She is also currently involved in other collaborative projects about the politics of CCTs in Colombia and South Africa, investigating the impacts of these anti-poverty efforts in shaping racial and gender income inequalities.



■ Inequality dynamics always include a political dynamic

The United States has approached cash transfer programs and welfare support differently from most Latin American countries. Broadly speaking, cash transfer programs are non-contributory government transfers that are only made to persons who meet certain targeting criteria, such as being below official poverty thresholds.

“Brazil and Mexico were the first two countries in the world to implement conditional cash transfer programs,” Dr. de Souza Leão explained. “In these programs, the policy idea is to give people money, while also giving them an incentive to invest in their own human capital.”

Welfare programs in the U.S. are commonly referred to as “workfare” because you have to work in order to receive the payments. Instead, in Brazil and Mexico, CCTs make sure children go to school and are sent to health clinics when they are sick. As such, they display a different understanding of who deserves to receive cash transfers, and why.

Brazil and Mexico’s CCT programs, respectively Bolsa Familia and Progresa-Oportunidades, revolutionized how Latin American countries combated poverty and offered social support.

“For the first time, the state gave money to poor families directly and required parents to send their kids to school. Brazil and Mexico started experimenting with their programs in 1995. By 2017, 67 countries had implemented a similar program, and it has since impacted one billion people,” Dr. de Souza Leão said. “I study something that impacts a large part of the world and that really is successful in reducing poverty, as confirmed by the vast, interdisciplinary scholarship on CCTs.”

“When these countries started implementing these programs, they didn’t know if they would be good enough,” she explained. “So governments had to generate data and knowledge about them and their impact on poverty. I study the politics of evaluating this type of program to determine what works and what doesn’t, and how it affects the design and implementation of the program.”

“These programs typically reach 40% of the population in Brazil and Mexico,” Dr. de Souza Leão said. “They are huge programs. I am currently working on a book that tells the story of how policymakers created the political viability of ‘simply’ giving money to the poor, and how their initial strategies of legitimation still shape these policies 25 years after implementation.”

About Luciana

Before receiving her Ph.D. from Columbia University in 2019, Dr. de Souza Leão received a B.A. in Economics from Puc-Rio and a M.A. in Sociology and Anthropology from the Federal University of Rio de Janeiro, where she studied different dynamics associated to racial and political inequalities in Brazil.

■ The crucial component of policy knowledge when giving money to low-income families

Dr. de Souza Leão argues that policy knowledge is an important part of the politics of giving money to the poor. “The knowledge categories that are used in the moment of the formulation of the program are crucial in order to maintain their narrative of success and to determine how long that program lasts in the long run,” she said. “Giving money to the poor is always controversial, so how did these states create a positive narrative around the programs? What were their main challenges? What are the consequences of different narratives around them? These play a critical part.”

Dr. de Souza Leão has written a [paper](#) (forthcoming in the *American Journal of Sociology*) that explains how policymakers face specific challenges to legitimate their cash-transfer programs and make their programs more acceptable to domestic and international audiences. “There were factors in the institutional arena, and many conflicting expert viewpoints in play,” Luciana said. “It’s not just about the formal politics in government.”



Read the full article

[https://www.inequalitydynamics.
umich.edu/luciana-de-souza-leao/](https://www.inequalitydynamics.umich.edu/luciana-de-souza-leao/)



Inequality Scholar Spotlight

■ In the fight against inequality: Robert Manduca



Why is San Francisco so much richer than Detroit? What are the trends in upward mobility and why are they changing? What are the economic consequences of living in one part of the United States versus another?

These are the sorts of questions that Robert Manduca, Ph.D., has dedicated his career to studying.

An assistant professor of sociology in the College of Literature, Science, and the Arts (LSA) at the University of Michigan and faculty affiliate at the Stone Center for Inequality Dynamics (CID), Manduca studies interregional inequality in the U.S., asking why some cities and regions are more economically prosperous than others and how local economic conditions impact residents' lives.

His research focus is split between projects on urban and regional inequality in the United States and projects on economic inequality more broadly.

To answer the first set of questions, Robert has focused on two types of processes that could be contributing to growing interregional inequality – income sorting and the changing

shape of income distribution.

“The geographic distribution of people could be changing, such that more people at higher rungs of the income distribution are concentrated in one set of cities, while more people on the lower rungs are concentrated in a different set,” he explained. “This process of income sorting, which has been the focus of most research on regional divergence, could result from the movement of individual people or changes in which kinds of jobs are found where. Alternately, the shape of the income distribution itself could change, altering the earnings that people on different rungs take home without changing where they live.”

In order to determine whether regional divergence in the U.S. is due to sorting or inequality, he has run a series of complex simulations based on U.S. Census data.

“When I run these simulations, it turns out that sorting by itself only accounts for about 23% of the divergence we’ve seen, while rising inequality at the national level accounts for about 54%,” he said. “So it’s perhaps more accurate to think of the growing disparities between regions of the country as resulting from one national trend – rising income inequality – than from a collection of place-specific factors.”



Read the full article

<https://www.inequalitydynamics.umich.edu/robert-manduca/>

Forging Connections: Visiting Scholar Andrea Pietrolucci

■ CID engages with researchers from all over the world, such as visiting scholar Andrea Pietrolucci, who joined CID from March-May 2022.



Andrea visited from the University of Trento, Italy where he is in the doctoral program pursuing his Ph.D. in sociology and social research.

“My supervisor, Marco Albertini, knows Fabian, and is familiar with his work, so he mentioned that it was a possibility to make a visit here,” Andrea explained.

“Wealth inequality is my main area of study, and for me, CID was the best place in the world to really focus on this topic,” he noted. “The University of Michigan is a prestigious institution, and I was lucky that my supervisor had this link with Fabian.”

In his time at U-M, Andrea has continued to research the role of parental wealth in enhancing children’s educational and occupational opportunities. Andrea said he was drawn to U-M in particular for the rich datasets available here, including the Panel Study of Income Dynamics (PSID). During his stay, Andrea was able to produce some of the empirical results that form

part of his dissertation project and that underline the important role of wealth in the intergenerational transmission of inequality.

“I loved my time in Ann Arbor,” said Andrea. CID’s writing retreats and monthly lab meetings have been two of his favorite parts of the experience: “The writing retreats were a really different way of engaging in research, with everyone working together while pursuing different objectives,” he said. “Being able to talk through questions, get feedback, and also see what everyone was working on was so helpful. It was also really wonderful to work with different people as a group, especially after the isolation of the pandemic.”

In his months in Ann Arbor, Andrea was able to attend several monthly lab meetings as well. “I like the lab meeting because it allows us to present work in progress,” he said. It is more common to receive feedback on a more polished paper or project, and CID’s model allows community members to receive feedback and comments on a research question that’s often still being formed.

“The environment and climate is so helpful and welcoming, it really makes a difference in the collaborations and relationships I’ve been able to experience and build,” he said.

More about Andrea Pietrolucci



<https://webapps.unitn.it/du/it/Persona/PER0206458/Didattica>

Next Steps: CID Video

■ Who we are and where we are going. Our new introductory video is ready!



ENGAGE

"When you build an organization dedicated to the study of inequality dynamics, of course, you want to spend a bit of time thinking through potential inequality dynamics within that space."

- Fabian Pfeffer

CREATE

"I'm working right now on a project with the CID which involves using some real estate data, and I got access through the CID. That is going to be useful both in my work and also for the broader goals of the CID."

- Nishaad Rao



TRAIN

"I have found the mentorship within CID to be one of the most helpful and amazing parts of being a part of the center. My peers... have really good advice and really good ways of framing how I should be thinking about going through graduate school."

- Catalina Anampa Castro

ENVISION

"I think CID is going places... it's a place to watch."

- Christopher Quarles



Watch the video

<https://myumi.ch/29J4J>

Looking Ahead to Next Year

- CID has new ventures and offerings planned for next year. CID also recently expanded its footprint at the Institute for Social Research and has a new office suite with additional seating areas, standing desks, a new conference room, and more.

Building International Partnerships

CID has a new partnership with the University of Turku through the INVEST (Inequalities, Interventions, and a New Welfare State) program. Funded by the Finnish Institute for Health and Welfare, INVEST aims to foster international collaborations and provide access to Finnish register data through funded research visits. The research fields covered by the INVEST initiative are sociology, economics, social work, social policy, psychology, child psychiatry, statistics, and epidemiology.

Student fellow Sadiyah Malcolm, who is pursuing her Ph.D. in Sociology, is traveling to Finland this year for a visiting research position through the INVEST program.



Plans for 2022-2023

Over the next year, CID will host:

- New skill labs – topics may include data visualization, public relations, website building, public speaking, and more
- CID Open House – tour the collaboration studio and newly expanded office suite
- Writing retreats for faculty – look for new engagement opportunities for faculty and the U-M research community, such as writing retreats, social dinners, and more
- New speaker series – CID will host new presentations and speakers including researchers from our campus community and inequality experts from around the world



Latest news & events at CID

<https://www.inequalitydynamics.umich.edu/events-news/>



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