

Current Economic Issues in the United States

Econ 2367.02 MWF 3:00pm-3:55pm

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Course Introduction

The aim of this course is to help you understand different policy issues in the United States using the economic way of thinking. It will also help to develop your written and verbal communication skills. The course does this by applying economic principles, in an intuitive way, to contemporary economic policies in the United States.

Grading

Your final grade will be based upon performance on a policy paper (30%), op-ed paper (15%), Quizzes (20%), presentation (15%), and class participation (20%).

Grading Scale: A 100-93%; A- 92-90%; B+ 89-87%; B 86-83%; B- 82-80%; C+ 79-77%; C 76-73%; C- 72-70%; D+ 69-67%; D 66-63%; D- 62-60%; and F < 60%.

Required Books: NONE. However, numerous papers will be assigned throughout the semester. See tentative schedule below.

Recommended Book: Deirdre N. McCloskey, *Economical Writing*; 1st Edition is **Free** online:

<http://www.isr.umich.edu/src/mcrdc/Economical%20Writing.pdf>

Policy Paper

Using the concepts learned in this course, students will be required to write a policy paper on a policy issue of their choice. The paper should analyze the policy based on the policy's *stated goals* and judge it based on whether or not the policy achieves its goal. Thus, a good policy is one that achieves its stated goal, while a bad policy does not. The paper must include both economic reasoning and empirical evidence. The topic is wide open so students can pick a topic they are passionate about.

The paper must be a minimum of 6 pages doubled spaced with 12-pt Times New Roman font and 1-inch margins.

The topic of the policy paper must be submitted to the Carmen dropbox on September 11. The first and second rough drafts of the policy paper must be submitted to the Carmen dropbox on October 9 and November 6. The final draft of the policy paper will be **due December 2nd by 7pm**. It **must be turned in through the dropbox feature in the Carmen system**. Late papers will be marked down.

Op-ed Paper

This is a short, 1 to 3 page, version of your policy paper. It should be geared toward a more general audience, so those with little to no knowledge of economics will be able to understand its contents. This paper is meant to help students better communicate, to a broader audience, the ideas learned in this class. **It has the same due date, format requirements, and FINAL submission requirements as the policy paper.** There are no rough draft submission requirements for the op-ed paper.

I will go into greater detail of what I want from both the policy and op-ed papers later in the semester.

Quizzes

Each week, there will be a short quiz on the readings assigned for that week. You must be present and on time to take the quiz. There will be **no make-up** quizzes, but at the end of the semester the two lowest quiz grades will be dropped. The quizzes are designed to incentivize students to read the assigned materials.

Participation

Due to the nature of the course material, lectures will be discussion-based. Students should come to class having carefully read the assigned materials and participate in the class discussion. Attendance will not be taken, but since participation is required, attendance is recommended.

Student Presentations

Each student will give a short presentation on a news story about a government policy. The news story can be found in either a newspaper, such as the *New York Times* or *Wall Street Journal*, or a magazine, such as *The Economist*. The student will evaluate the economic content of the story and whether or not the article did a good job with its evaluation.

The presentation should be about 15-20 minutes long, and should not be longer than 25 minutes. The presentations will begin in the 4th week of the semester, and will occur during each Friday class until the 12th week, at which point they will begin occur more often. See the tentative schedule below for details.

Schedule and Readings

Note this is a tentative schedule. Dates in bold signify that there will be no class that day.

Week 1—August (W) 21 and August 23 (F)

Topic: Go through the syllabus and discuss course format. Review researching and writing a paper. Also, review valid forms of argument. Presentation date assignments.

Week 2—August (M) 26, August (W) 28, and August 30 (F)

Topic: Review of the principles of economics

Topic: Causality in the social sciences

Readings: Mankiw, "Ten Principles of Economics," Principles 1-8

http://www.cengage.com/resource_uploads/static_resources/0324168624/8413/Mankiw_TenPrinciple_Videos.html

Hazlitt, "Ch. 1: The Lesson"

http://www.fee.org/files/doclib/20121116_EconomicsInOneLesson.pdf

Ramsey and Schafer, "Drawing Statistical Conclusions," Sections 1.1-1.2

Gutting, "What Do Scientific Studies Show?,"

http://opinionator.blogs.nytimes.com/2013/04/25/what-do-scientific-studies-show/?_r=1

Week 3—September (M) 2, September (W) 5, and September 7 (F)

Topic: Inequality, poverty, and the middle class

Readings: Levy, "Distribution of Income,"

<http://www.econlib.org/library/Enc/DistributionofIncome.html>

Sawhill, "Poverty in America," <http://www.econlib.org/library/Enc/PovertyinAmerica.html>

Week 4—September (M) 9, September (W) 11, and September 13 (F)

Topic: Inequality, poverty, and the middle class

Presentations: 1 and 2

Nye, "Standards of Living and Modern Economic Growth,"

<http://www.econlib.org/library/Enc/StandardsofLivingandModernEconomicGrowth.html>

Readings: Lee, "Redistribution," <http://www.econlib.org/library/Enc/Redistribution.html>

Glaeser, "Inequality," <http://www.nber.org/papers/w11511.pdf>

SUBMIT TOPIC FOR POLICY PAPER AND OP-ED September 13 (W)

Week 5—September (M) 16, September (W) 18, and September 20 (F)

Topic: Human capital, signaling and the economic returns to schooling

Presentations: 3 and 4

Card, "The Causal Effect of Education on Earnings," Section 4,

http://davidcard.berkeley.edu/papers/causal_educ_earnings.pdf

Becker, "Human Capital," <http://www.econlib.org/library/Enc/HumanCapital.html>

Week 6—September (M) 23, September (W) 25, and September 27 (F)

Topic: Human capital, signaling and the economic returns to schooling

Presentations: 5 and 6

Weiss, "Human Capital vs. Signaling Explanations of Wages,"

<http://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.9.4.133>

Oreopoulos and Salvanes, "Priceless: The Nonpecuniary Benefits of Schooling,"

<http://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.25.1.159>

Week 7—September (M) 30, October (W) 2, and October 4 (F)

Topic: Trade, technology, and immigration

Presentations: 7 and 8

Readings: Blinder, "Free Trade," <http://www.econlib.org/library/Enc/FreeTrade.html>

Kling, "International Trade," <http://www.econlib.org/library/Enc/InternationalTrade.html>

Krugman, "What Do Undergrads Need To Know About Trade?,"

<https://wiki.umn.edu/pub/Polisciresources/InternationalRelationsTexts/0.pdf>

Boudreaux, "Free Trade and Globalization: More than "Just Stuff,""

<http://www.econlib.org/library/Columns/y2010/Boudreauxglobalization.html>

Week 8—October (M) 7, October (W) 9, and October 11 (F)

Topic: Trade, technology, and immigration

Presentations: 9 and 10

Readings: Cox and Alm, "Creative Destruction,"

<http://www.econlib.org/library/Enc/CreativeDestruction.html>

Krugman, "Technology's Revenge,"

<http://www.pkarchive.org/economy/TechnologyRevenge.html>

Borjas, "Immigration," <http://www.econlib.org/library/Enc/Immigration.html>

SUBMIT 1ST ROUGH DRAFT OF POLICY PAPER October 9 (W)

Week 9—October (M) 14, October (W) 16, and October 18 (F)

Topic: Taxes and Spending

Presentations: 11 and 12

Readings: Minarik, "Taxation," <http://www.econlib.org/library/Enc/Taxation.html>

Reynolds, "Marginal Tax Rates," <http://www.econlib.org/library/Enc/MarginalTaxRates.html>

Slemrod, "Progressive Taxes," <http://www.econlib.org/library/Enc1/ProgressiveTaxes.html>

Week 10—October (M) 21, October (W) 23, and October 25 (F)

Topic: Taxes and Spending

Presentations: 13 and 14

Readings: Ehrbar, "Consumption Tax,"

<http://www.econlib.org/library/Enc/ConsumptionTax.html>

Norton, "Corporate Taxation," <http://www.econlib.org/library/Enc/CorporateTaxation.html>

Kotlikoff, "Fiscal Sustainability," <http://www.econlib.org/library/Enc/FiscalSustainability.html>

Seater, "Government Debt and Deficits,"

<http://www.econlib.org/library/Enc/GovernmentDebtandDeficits.html>

Week 11—October (M) 28, October (W) 30, and November 1 (F)

Topic: Prohibition

Presentations: 15 and 16

Readings:

Week 12—November (M) 4, November (W) 6, and November 8 (F)

Topic: Financial markets and personal finance

Presentations: 17, 18, and 19

Readings:

SUBMIT 2ND ROUGH DRAFT OF POLICY PAPER November 6 (W)

Week 13—November (M) 11, November (W) 13, and November 15 (F)
Presentations: 20, 21 22, 23, 24, and 25

Week 14—November (M) 18, November (W) 20, and November 22 (F)
Presentations: 26, 27, 28, 29, 30, and 31

*Week 15—November (M) 25, **November (W) 27, and November 29 (F)***
Presentations: 32 and 33

Week 16—December (M) 2
Presentations: 34 and 35

SUBMIT FINAL POLICY PAPER AND OP-ED

General Education Objectives: Writing and Communication: Level Two

Students will become skilled in written communication and expression, reading, critical thinking, oral expression and visual expression. Expected learning outcomes include:

- Through critical analysis, discussion, and writing, students will demonstrate the ability to read carefully and express ideas effectively.
- Students will apply written, oral, and visual communication skills and conventions of academic discourse to the challenges of a specific discipline.
- Students will access and use information critically and analytically.

This course accomplishes these objectives by presenting students with multiple viewpoints which students then analyze in written and oral formats.

General Education Objectives: Social Science: Organization and Politics

Students understand the systematic study of human behavior and cognition; the structure of human societies, cultures, and institutions; and the processes by which individuals, groups, and societies interact, communicate, and use human, natural, and economic resources.

- Students understand the theories and methods of social scientific inquiry as they apply to the study of organizations and politics.
- Students understand the formation and durability of political, economic, and social organizing principles and their differences and similarities across contexts.
- Students comprehend and assess the nature and values of organizations and politics and their importance in social problem solving and policy making.

Academic Misconduct

The Ohio State University's Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: Any activity that tends to compromise the academic integrity of the University, or subvert the educational process. Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and the fabrication of research results. Ignorance of the University's Code of Student Conduct is never considered an excuse for academic misconduct, so I recommend that you review the Code of Student Conduct and the sections dealing with academic misconduct. Here is a link to it: <http://studentaffairs.osu.edu/csc/> . If I suspect that a student has committed academic misconduct in this course, I am obligated by University Rules to report my suspicions to the Committee on Academic Misconduct.

Students with Disabilities

Students with disabilities that have been certified by the Office for Disability Services will be appropriately accommodated, and should inform the instructor as soon as possible of their needs. The Office for Disability Services is located in 150 Pomerene Hall, 1760 Neil Avenue; telephone 292-3307, TDD 292-0901; <http://www.ods.ohio-state.edu/>.

Taking Care of Yourself

A recent American College Health Survey found stress, sleep problems, anxiety, depression, interpersonal concerns, death of a significant other, and alcohol use among the top ten health impediments to academic performance. Students experiencing personal problems or situational crises during the quarter are encouraged to contact the OSU Counseling and Consultation Services (614-292-5766) for assistance, support and advocacy. This service is free and confidential.