

ECON401 - Current Issues in American Economic Policy

Spring 2016

Dr. Erin Moody

****Note: This is not a finalized syllabus.**

Logistics

- E-mail: Moody@econ.umd.edu (Please use e-mail instead of ELMS messages.)
- Office Hours:
 - Tuesday/Thursday: 2:00-3:00pm
 - Friday: 11:00am-12:00pm
- Office: Tydings 3127B

Course Description

This course will examine current public policy issues from an economist's perspective. Using both theoretical and empirical tools, students will learn to think critically about issues related to taxes, welfare, health care, social security, and other current issues.

Website

<https://myelms.umd.edu>

Please make sure you are receiving notifications from ELMS and that you check the course website frequently. I will use ELMS as my primary means of communicating with you outside of class.

Textbook

There is no textbook for this course. We will be reading economic research to supplement the lecture material. All papers can be accessed electronically.

Prerequisites

Students must have completed ECON325, ECON326, and ECON321 (or equivalent courses) with grades of 'C-' or better in order to take ECON401.

Assignments

- **2 Literature Analyses**

- For each literature analysis, you will choose one of the topics we have covered in class and conduct an analysis of the economic literature on that topic. An example of a possible topic might be, "How does cash welfare affect labor market participation?" If you wish to examine a related literature that we did not cover in class, I encourage you to do this. However, please e-mail me your topic beforehand so I can make sure that it is not too far removed from the course material.

Your analysis should contain the following components:

- Contextual evidence needed to understand the topic. (For example, if your topic examines the impact of taxes on labor supply, and a paper examines the impact of a particular tax rate reduction, don't just say that tax rates dropped. Tell me exactly what the before and after tax rates were. Tell me the years in which they dropped. What was the motivation for lowering them? etc.)
 - An explanation of why empirical evidence is necessary in order to make informed policy decisions about this topic.
 - Problems with the empirical methods/Reasons we might be skeptical of the results.
 - A description of the methods and findings from at least **three** research papers. At least **two** papers must not have been covered in class.
 - Any policy recommendations you would make based on the evidence you've found.
- Logistics:
 - Your paper should be 3-6 pages, 1.5-spaced, 12pt font, 1-inch margins.
 - Cited research papers should come from economics journals and should be mostly recent research (1995 and later). Here is a link to a ranking of economics journals. I would prefer that most of your articles come from the list in Table 3. <http://research.stlouisfed.org/publications/review/09/05/Engemann.pdf> (Links to an external site.)

- Some articles may come from non-economics journals, though these items should primarily be from reputable sources. These sources may be working papers (not yet published), papers from think tanks, information from policy centers (www.taxpolicycenter.org for instance), etc.
 - Use in-text citations and include a separate reference page (in addition to the 3-6 pages). Use either APA or Chicago citation formatting.
 - Submit your analysis via ELMS. You do NOT need to bring a hard copy to class
- **Peer Review**
 - Following the submission of your first literature analysis, you will be assigned to a group of at least three other students. The students' literature analyses will be available to view on ELMS. Choose **one** analysis to review. Your review should include:
 - Some kind of header that identifies which paper you chose to review.
 - A brief restatement of the topic and the general findings from the analysis you read (no more than a paragraph or two).
 - A review of at least **two** additional papers (with proper citations) that were not covered in the analysis you read. These papers can either confirm the evidence in your classmate's analysis or refute it.
 - Any issues you think should have been addressed in the literature analysis.
 - A discussion of your policy recommendations. Do you agree with what your classmate recommended? Why or why not?
 - Logistics:
 - Your review should be 3-5 pages, 1.5-spaced, 12pt font, 1-inch margins.
 - Use in-text citations and include a separate reference page (in addition to the 3-5 pages). Use either APA or Chicago citation formatting.
 - Submit your analysis via ELMS. You do NOT need to bring a hard copy to class
- **6 Topic Analyses**
 - Two class period after the conclusion of each topic, a short topic review/analysis of the previous topic will be due. (For example, if we finish a topic on a Monday, the analysis is due on Friday.) You are required to turn in **six** analyses. If you turn in seven analyses, I will drop the lowest grade. If you turn in eight or more, I will grade the first seven submitted.
 - Each analysis should include:
 - An overview of the topic(s) covered: What are the main questions? What are the theoretical predictions?

- A description of what empirical research is trying to determine. (Are the theoretical predictions ambiguous? Are we trying to find out the magnitude of an effect?)
- A short review of what research has determined thus far and what we still want to discover.
- Each paper should be 2-3 pages, 1.5-spaced, 12-pt font.

- **Discussion Lead**

- At the beginning of each new topic, two students will begin the topic with a presentation and discussion that gives an overview of the issues to be discussed. Students can either present as a team or separately, but you will want to coordinate in some way to determine what material each of you will cover. Please use the following suggested structure. (Where appropriate, you may want to move around some items, but the general format should help make a cohesive presentation. If you are presenting separately, each student may follow this structure individually.)
 - Opening Summary: You will begin the discussion by summarizing the main issues of the topic. What is the main issue? Why is it controversial?
 - Background:
 - What is the current public policy on this issue? (For instance, if you are discussing the impact of income taxes on labor supply, what are current income tax rates?)
 - What policies have existed in the past? (Continuing the previous example, what were income tax rates in past years?)
 - If applicable, what policies have been proposed for the future?
 - **Please provide the class with a handout** (no more than one page) that lists the main topics you will discuss and other pertinent information.
 - Further Discussion:
 - What does economic theory predict about the impact of your particular policy?
 - What other policy recommendations could be made?
- You will also be allowed to include short video clips or any other visual aids of your choice during your lead if you choose.
- During your discussion, you will pose at least 3 questions designed to foster conversation among your classmates about the readings. **Meaningful, intellectual**

conversations require guidance, facilitation and encouragement. Therefore, you must be prepared to support the conversation as it unfolds. More importantly, you must be prepared to elicit/prompt meaningful conversation if there is none. For example, if you ask a question and no one answers say “Well, have any of you had any personal experience with X?”; or “One example I can think of is Y” In other words, have answers to your own questions. This should help spark conversation.

- NOTE: You should use visual aids (e.g., video clips, graphs, pictures) to help get the conversation going or illustrate your point (sometimes this works great to get a conversation started).
- Each student should be responsible for approximately 20-25 minutes of class time.

Grading

- Literature Analysis 1 - 20%
- Literature Analysis 2 - 20%
- Peer Review - 15%
- Topic Analyses - 25%
- Discussion Lead - 15%
- Participation/Engagement - 5%

There will be no extra credit available in this course.

Grades will be assigned as follows:

A : 93.0 and above

A- : 90.0 - 92.9

B: 80.0 - 89.9 (+/- determined at the end of the term)

C: 70.0 - 79.9 (+/- determined at the end of the term)

D: 60.0 - 69.9

F: below 60.0

NOTE: These cutoffs may be changed slightly depending on overall class performance. However, I will not adjust the standards upward, only downward (i.e. If you have a score of 92%, you will receive at least an 'A-'. You *may* receive an A.)

My Policies

- **Late assignments without a University-approved excuse face a penalty of 10 percentage points for every day that the assignment is late.**
- All writing assignments will be submitted via ELMS. Please do not e-mail me your assignments.

University Policies

- Students are bound by the Code of Academic integrity at the University of Maryland, College Park. The University of Maryland, College Park has a nationally recognized Code of Academic Integrity, administered by the Student Honor Council. This Code sets standards for academic integrity at Maryland for all undergraduate and graduate students. As a student you are responsible for upholding these standards for this course. It is very important for you to be aware of the consequences of cheating, fabrication, facilitation, and plagiarism. For more information on the Code of Academic Integrity or the Student Honor Council, please visit <http://www.shc.umd.edu>. Violations of this code will be reported. Penalties include, but are not limited to: 1) a score of zero on the assignment the student is caught cheating on; 2) a failing grade for the course.
- I will abide by the university policy regarding students with learning disabilities who need special examination procedures (extended time on online tests and final). Those students need to notify me and provide the appropriate documentation as soon as possible and at least three days before the date for the first exam.

Course Calendar

****Note that this modified calendar includes only the material for the sustainability portion of the course.****

Sustainability

Objectives:

- Explore sustainable solutions to global warming and climate change.
- Examine economic methods for measuring the value of ecosystem preservation and restoration.
- Employ a “systems thinking” approach to economic policy.

Readings:

- “Why Bother?” – Michael Pollan
- “What’s Eating America?” – Michael Pollan
- “A Meat Eater’s Guide to Climate Change” – Environmental Working Group
- “The Pringles Problem: Processed Foods and the Planet” – Anne Lappe

- “The Rich Get Richer, The Poor Go Hungry” – Sharon Astyk and Aaron Newton