

Economics 309 – Economic Problems and Public Policies

Course: ECON 309 (Thursday 4:30 pm to 7:10 pm)

Term: Spring 2022

Location: Exploratory Hall (formerly Science and Tech II) L111

Instructor: Natalya Naumenko

Office Hours: by appointment

Email: nnaumenk@gmu.edu (Please include “309” in the subject line). On weekdays I check my email twice a day (at around noon and at around 5 pm). Please plan accordingly

Website: I will use Blackboard for all course-related materials

Course description

This class has two goals: first, to introduce you to the examples of the frontier economics research on topics dominating the public debate, and second, to provide space for communicating, debating, and presenting ideas. As MIT professor Patrick Winston put it, “your success in life will be determined largely by your ability to speak, your ability to write, and the quality of your ideas (in that order).” The class will, therefore, consist of two parts. During the first part, I will present papers and will talk about policy implications. **I will ask you to watch the video lecture, read these papers, and then to think about policy implications, and to submit a one-page reaction paper (see below).** Starting on Week 12, each student will **prepare and record a 40-minutes presentation** of one of the randomly assigned papers; we will have roughly four presentations per week.

Books

The course does not have a one specific textbook. I will post all reading materials on Blackboard.

Recommended but not required

These recent books present an interesting and inspiring overview of the economics profession and its impact on policies:

Binyamin Appelbaum (2019) “The Economists' Hour: False Prophets, Free Markets, and the Fracture of Society”

Abhijit V. Banerjee and Esther Duflo (2019) “Good Economics for Hard Times”

Steven Pinker (2018) “Enlightenment Now”

Nina Munk (2013) “The Idealist: Jeffrey Sachs and the Quest to End Poverty”

Grading

There are no exams in this class. Instead, weekly reaction papers, class participation, and a final presentation will be graded.

Reaction papers – 40%, Class participation – 20%, Final presentation – 40%

Reaction papers

Starting with Week 2 and until the student presentations, I will ask you to submit a one-page written reaction paper on the readings for each week **before the class start**. The reaction paper can focus on questions for discussion, personal reflection, ideas for new research or policy. When assigned readings are about recent empirical research (most readings in this class), the reaction paper should summarize 1) what data the authors use and 2) in plain English, what do they compare to what to find the results. Please submit your paper to Blackboard by 11 am each Thursday. Examples of exceptionally good reaction papers from the previous years will be posted on Blackboard.

Final presentation

Each student has to prepare a 40-minutes presentation of a randomly assigned paper on a topic related to economic policy. I will assign presentations after the fourth week. The presentation should answer the following: what question the authors ask, what data and methodology they use, and what answers they give – basically, you will need to explain to your peers what the paper is about. If you want to switch with someone, just let me know. If you are struggling with the assigned paper, let me know, we can find something else on the topic. If there's a specific topic you're passionate about and want to present, let me know, I will try to find a paper related to it.

Attendance

Class attendance is mandatory. If you need to miss a class, please let me know as soon as possible. You will be required to submit a 4-page overview of the readings for the missed class.

Schedule

Week 1 (January 27) – Overview and logistics of the course. Introduction

Paola Sapienza and Luigi Zingales (2013) “Economic Experts versus Average Americans,” American Economic Review: Papers & Proceedings

Esther Duflo (2017) “The Economist as Plumber,” American Economic Review: Papers & Proceedings

Week 2 (February 3) – Causal inference and how to read economic papers

Martin Ravallion (2001) “The mystery of the vanishing benefits: an introduction to impact evaluation,” The World Bank Economic Review

David A. Freedman (1991) “Statistical models and shoe leather,” Sociological Methodology

Week 3 (February 10) – Migration: facts and perception

Marco Tabellini (2020) “Gifts of the Immigrants, Woes of the Natives: Lessons from the Age of Mass Migration,” The Review of Economic Studies

Oscar Barrera, Sergei Guriev, Emeric Henry, Ekaterina Zhuravskaya (2020) “Facts, alternative facts, and fact checking in times of post-truth politics,” Journal of Public Economics

Week 4 (February 17) – Migration: why few people move

Emi Nakamura, József Sigurdsson, and Jón Steinsson (2019) “The Gift of Moving: Intergenerational Consequences of a Mobility Shock,” NBER Working Paper No. 22392

Gharad Bryan, Shyamal Chowdhury, and Ahmed Mushfiq Mobarak (2014) “Underinvestment in a Profitable Technology: The Case of Seasonal Migration in Bangladesh,” *Econometrica*

Peter Ganong and Daniel Shoag (2017) “Why has regional income convergence in the U.S. declined?”, *Journal of Urban Economics*

Week 5 (February 24) – Globalization: gains, preliminary readings (may change)

Core Economics Chapter 18 “The nation and the world economy,” including all subchapters!
<https://core-econ.org/the-economy/book/text/18.html>

Arnaud Costinot and Andrés Rodríguez-Clare (2018) “The US Gains from Trade: Valuation Using the Demand for Foreign Factor Services”, *Journal of Economic Perspectives*

Réka Juhász (2018) “Temporary protection and technology adoption: Evidence from the Napoleonic Blocade”, *American Economic Review*

Week 6 (March 3) – Globalization: losses

Topalova (2010) "Factor immobility and regional impacts of trade liberalization"

David H. Autor, David Dorn, Gordon H. Hanson (2013) “The China Syndrome: Local Labor Market Effects of Import Competition in the United States”

Benjamin Hyman (2018) “Can Displaced Labor Be Retrained? Evidence from Quasi-Random Assignment to Trade Adjustment Assistance”, SSRN working paper No. 3155386

Week 7 (March 10) – Race, ethnic, and gender stereotypes

Raj Chetty, Nathaniel Hendren, Maggie R. Jones, Sonya R. Porter (2019) “Race and Economic Opportunity in the United States: An Intergenerational Perspective”, NBER Working Paper No. 24441

Amanda Agan and Sonja Starr (2018) “Ban the Box, Criminal Records, and Racial Discrimination: A Field Experiment”, *The Quarterly Journal of Economics*

Week 8 (March 17) – Spring break, no class

Week 9 (March 24) – Race, ethnic, and gender stereotypes: polarization and segregation

Dylan Glover, Amanda Pallais, and William Pariente (2017) “Discrimination as a Self-Fulfilling Prophecy: Evidence from French Grocery Stores”, *The Quarterly Journal of Economics*

Ellora Derenoncourt (2018) “Can you move to opportunity? Evidence from the Great Migration”, working paper

Week 10 (March 31) – President Trump

Pauline Grosjean, Federico Masera, Hasin Yousaf (2020) “Whistle the Racist Dogs: Campaigns and Police Stops,” working paper

Benjamin Feigenberg (2020) “Fenced Out: The Impact of Border Construction on US-Mexico Migration,” American Economic Journal: Applied Economics

Week 11 (April 7) – Coronavirus, preliminary readings (may change)

Raj Chetty, John N. Friedman, Nathaniel Hendren, Michael Stepner, and the Opportunity Insights Team (2020) “The Economic Impacts of COVID-19: Evidence from a New Public Database Built Using Private Sector Data,” working paper

Week 12 (April 14) – Populism, preliminary (may change)

TBA

Week 13 (April 21) – Opioid epidemics in the US, preliminary (may change)

TBA

Weeks 14 (April 28) – Automation and Robots, preliminary (may change)

TBA

Weeks 15 (May 5) – STUDENT PRESENTATIONS

Academic Ethics

Cheating hurts the best students – they cannot distinguish themselves from the cheaters. Please note that you are at an Honor Code university. You are expected to conduct yourself in a manner that is consistent with the learning mission of the University. All forms of academic dishonesty are strictly forbidden. This includes but is not limited to the following: communicating with other students during exams; unapproved references to books, notes or “cheat sheets” during exams; and plagiarism –representing another person’s work as your own. You should be aware that plagiarism is often easy to recognize. For further information on academic ethics, please consult the student handbook.

Disability accommodations

Disability Services at George Mason University is committed to upholding the letter and spirit of the laws that ensure equal treatment of people with disabilities. Under the administration of University Life, Disability Services implements and coordinates reasonable accommodations and disability-related services that afford equal access to university programs and activities. Students can begin the registration process with Disability Services at any time during their enrollment at George Mason University. If you are seeking accommodations, please visit <http://ds.gmu.edu/> for detailed information about the Disability Services registration process. Disability Services is located in Student Union Building I (SUB I), Suite 2500. Email: ods@gmu.edu | Phone: (703) 993-2474

Potential topics for student presentations:

Automation and robots

Climate change

Education

Inequality

Populism

Race

Terrorism

Women in the labor market