

Economics 309 – Economic Problems and Public Policies

Course: ECON 309 (Tuesday and Thursday 12 pm to 1:15 pm)

Term: Spring 2024

Location: Planetary Hall 124

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 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. In the first part, I will present papers and discuss policy implications. I will ask you to write three short written assignments on the questions related to class discussions. Starting on Week 13, each student will prepare a 30-minute presentation of one of the randomly assigned papers, and we will have two or three presentations per class with a subsequent discussion.

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, written assignments, class participation, and a final presentation will be graded.

Written assignments – 40%, Class participation – 20%, Final presentation – 40%

Written assignments

There are three written assignments on the topics discussed in class. Each assignment is relatively short and is related to the papers discussed in class. They will be graded for clarity, understanding of the class material, and originality.

Final presentation

Each student has to prepare a 30-minute presentation of a randomly assigned paper or book on a topic related to economic policy. I will assign presentations after the seventh 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 (preliminary and subject to change)

Week 1 – Overview and logistics of the course. Introduction. Causal inference and how to read economic papers

Tuesday, Jan 16: 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

Thursday, Jan 18 (PLEASE LOOK THROUGH THESE TWO PAPERS BEFORE THE CLASS): 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 2 – Migration: facts and perception

Tuesday, Jan 23: Marco Tabellini (2020) "Gifts of the Immigrants, Woes of the Natives: Lessons from the Age of Mass Migration," The Review of Economic Studies

Thursday, Jan 25: 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 3 – Migration: why few people move

Tuesday, Jan 30: Emi Nakamura, Jósef Sigurdsson, and Jón Steinsson (2019) “The Gift of Moving: Intergenerational Consequences of a Mobility Shock,” NBER Working Paper No. 22392

Thursday, Feb 1: 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 4 – Globalization: gains

Tuesday, Feb 6: Core Economics Chapter 18 “The nation and the world economy,” including all subchapters! <https://core-econ.org/the-economy/book/text/18.html>

Martin Ravallion (2018) “Inequality and Globalization: A Review Essay”, *Journal of Economic Literature*

Thursday, Feb 8: Paul Krugman (2009) “The Increasing Returns Revolution in Trade and Geography”, *American Economic Review*

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

By the end of Week 4 (Sunday, Feb 11, midnight) 1st written assignment is due

Week 5 – Globalization: losses

Tuesday, Feb 13: Topalova (2010) “Factor immobility and regional impacts of trade liberalization”

Thursday, Feb 15: 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 6 – Race, ethnic, and gender discrimination

Tuesday, Feb 20: 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

Thursday, Feb 22: Amanda Agan and Sonja Starr (2018) “Ban the Box, Criminal Records, and Racial Discrimination: A Field Experiment”, *The Quarterly Journal of Economics*

Week 7 – Race, ethnic, and gender discrimination

Tuesday, Feb 27: Dylan Glover, Amanda Pallais, and William Pariente (2017) “Discrimination as a Self-Fulfilling Prophecy: Evidence from French Grocery Stores”, The Quarterly Journal of Economics

Thursday, Feb 29: Ellora Derenoncourt (2018) “Can you move to opportunity? Evidence from the Great Migration”, working paper

By the end of Week 7 (Sunday, Mar 3) papers/books for student presentations will be assigned

Week 8 (Mar 5, Mar 7) – Spring break, no classes

By the end of Week 8 (Sunday, Mar 10, midnight) 2nd written assignment is due

Week 9 – President Trump

Tuesday, Mar 12: Pauline Grosjean, Federico Masera, Hasin Yousaf (2020) “Whistle the Racist Dogs: Campaigns and Police Stops,” working paper

Thursday, Mar 14: Benjamin Feigenberg (2020) “Fenced Out: The Impact of Border Construction on US-Mexico Migration,” American Economic Journal: Applied Economics

Week 10 – Coronavirus

Tuesday, Mar 19: 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

Thursday, Mar 21: Leonardo Bursztyn, Aakaash Rao, Christopher Roth, and David Yanagizawa-Drott (2022) "Opinions as Facts," working paper

Week 11 – Automation

Tuesday, Mar 26: Acemoglu, Daron, and Pascual Restrepo (2019) "Automation and New Tasks: How Technology Displaces and Reinstates Labor," Journal of Economic Perspectives

Acemoglu, Daron and Restrepo, Pascual (2020) "Robots and Jobs: Evidence from US Labor Markets," Journal of Political Economy

Thursday, Mar 28: Atack, Jeremy, Robert A. Margo, and Paul W. Rhode (2019) "Automation of Manufacturing in the Late Nineteenth Century: The Hand and Machine Labor Study," Journal of Economic Perspectives

Week 12 – Opioid epidemics in the US

Tuesday, Apr 2: Alpert Abby E., William N. Evans, Ethan M.J. Lieber, and David Powell (2019) "Origins of the Opioid Crisis and its Enduring Impacts", working paper

Thursday, Apr 4: Charles Kerwin Kofi, Erik Hurst, and Mariel Schwartz (2019) "The Transformation of Manufacturing and the Decline in US Employment," NBER Macroeconomics Annual 2018

By the end of Week 12 (Sunday, Apr 7, midnight) 3rd written assignment is due

By the end of Week 12 (Sunday, Apr 7, midnight) presentation slides are due

Weeks 13 (Apr 16, 18) – STUDENT PRESENTATIONS

Week 14 (Apr 16, 18) – STUDENT PRESENTATIONS

Weeks 15 (Apr 23, 25) – 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