ECONOMICS (DIV II)
Chair: Professor KENNETH KUTTNER


GENERAL INFORMATION
The primary objectives of the economics major are to develop an understanding of how individuals, organizations and societies meet their material needs. The introductory courses present the fundamental principles of economics at a level that is useful for understanding a wide range of social and policy issues. The core theory courses provide a more rigorous grounding in the tools used in analyzing individual choice, the functioning of markets, and the behavior of output, employment, and inflation. The econometrics course familiarizes students with the methods used to analyze economic data, and equip them with the tools necessary to critique and conduct empirical research. The electives draw on the skills developed in the introductory and core courses to gain a richer understanding of specific aspects of economic behavior and public policy.

The economics major and business careers. The analytical and critical thinking skills taught in economics classes are useful for many careers, including business. The major is not designed to provide pre-professional training in business or management, however. Students from a wide variety of majors, including the sciences and humanities, have gone on to successful business careers. We therefore advise those interested in business to acquire a broad exposure to the arts, social science, and natural sciences, and to major in a subject that engages their interest even if that subject is something other than economics.

Planning for a possible economics major. Given the hierarchical structure of the economics major, students considering the economics major should try to start with ECON 110 during their first year. Since ECON 255 requires a prior statistics course (preferably STAT 201 but STAT 101 is acceptable), prospective economics majors should complete the statistics requirement relatively early in their college careers. Students considering the economics major should avoid enrolling in STAT 202 and instead take ECON 255 or talk to a faculty member in the department for curricular advice. Since the 400-level electives typically require at least two of the intermediate core classes (ECON 251, 252, or 255), students are strongly encouraged to complete the core courses by the end of junior year. We prefer that the three intermediate core classes be taken at Williams so students planning on studying abroad as juniors should aim to complete these courses before departure if possible.

Preparation for graduate school. Graduate study in economics requires considerably more mathematical training than that necessary for the economics major. We advise students who are considering pursuing a Ph.D. to take at a minimum MATH 150 or 151, MATH 209, MATH 250, and MATH 350. We also advise students to consider electives such as ECON 451, 471, 472, or 475 that present advanced perspectives on contemporary economic theory or econometrics. As graduate schools look for evidence of research aptitude, we also encourage those interested in graduate school to pursue the Honors program.

MAJOR REQUIREMENTS
Except for those receiving AP, IB, or A-level credit (see below), nine courses are required for the economics major. These are:

Introductory Courses
- Economics 110 Principles of Microeconomics
- Economics 120 Principles of Macroeconomics. Prerequisite: ECON 110

Passing the quantitative studies exam or the equivalent is a prerequisite for both classes. Both are suitable for non-majors. Electives numbered 200-299 will require one or both as prerequisites.

Core Courses
- Economics 251 Price and Allocation Theory. Prerequisites: MATH 130 and ECON 110
- Economics 252 Macroeconomics. Prerequisites: MATH 130, ECON 110 and ECON 120
- Economics 255 Econometrics. Prerequisites: MATH 130 plus either STAT 101 or 201. The combination of STAT 201 and 346 will satisfy the ECON 255 major requirement, although not all upper-level electives and seminars accept STAT 201/346 as a prerequisite in lieu of ECON 255. POEC 253 may not substitute for ECON 255 in fulfilling the major requirements, although some electives may accept POEC 253 as a prerequisite in lieu of ECON 255.

The three core classes may be taken in any order. All of the 300- and 400-level electives will require at least one of the core classes, and many of the 400-level seminars require Econ 255.

Elective Courses
Students must complete at least four economics electives in addition to the introductory and core classes listed above. At least two must be advanced electives numbered 350 to 395. At least one must be a seminar numbered 450-480, and a second seminar may be taken in lieu of a 300-level elective. Enrollment preference for 400-level classes is given to those who have not already taken a seminar. Note that some of the advanced electives may have specific requirements beyond the core economics courses and MATH 130. Juniors and seniors majoring in Economics or Political Economy may, with the permission of the instructor, enroll in 500-level graduate courses given by the Center for Development Economics. These courses can substitute for advanced electives numbered 350-395, unless otherwise noted in the course description.
Credit for AP, IB and A-level Exams
The Econ 110 requirement will be waived for students who earned a 5 on the microeconomics AP exam, and the Econ 120 requirement will be waived for those who received a 5 on the macroeconomics AP exam. Students satisfying either criterion will receive major credit for the course and may complete the major with either eight or seven additional courses, depending on whether they place out of one or both introductory courses. These would include the introductory course for which no advanced placement was granted, the three core classes, and four electives.

Students who received an A on the A-level exam in economics or earned a 6 or 7 in the higher economics IB exam will receive credit for both Econ 110 and 120, and may complete the major with only seven additional courses. These would include the three core classes and four electives.

A score of 5 on the statistics AP exam, a 6 or a 7 on the statistics IB exam, or an A on the A-level statistics exam will satisfy the statistics prerequisites for ECON 255.

STUDY ABROAD AND TRANSFER CREDIT
Students may receive credit for college courses taken at other institutions, including those taken as part of a study abroad program. Most economics courses taken elsewhere will qualify for 200-level elective credit. Some may be able to count towards a specific departmental requirement, including the introductory or core courses, or qualify as a 300-level elective. In order to receive the appropriate credit, courses must be approved ahead of time by the Department’s Coordinator for Transfer/Study Abroad Credit. (The Department’s web site will indicate which faculty member is serving as the Coordinator.) You can find general study away guidelines for Economics here.

THE DEGREE WITH HONORS IN ECONOMICS
Graduating with Honors requires the completion of a substantial piece of independent research. Those with an economics GPA of at least 3.5 are encouraged to apply. In addition, because theses typically make use of empirical methods, those considering writing a thesis are strongly advised to complete Econ 255 before the end of junior year.

The honors program involves working closely with a faculty adviser on a subject related to the faculty member’s area of expertise. The first step in pursuing honors is therefore to develop a thesis proposal in consultation with a faculty adviser. The proposal is then submitted to the Department for approval.

The Department offers both a half-year and a full-year honors program:

- The half-year program entails enrolling in a one-semester seminar plus a WSP class. Students may either enroll in Econ 491 in the fall semester and Econ 30 during winter study, or they may take Econ 30 during winter study and Econ 492 in the spring. Proposals for a fall semester thesis are due in May of the junior year, while those doing a spring thesis will submit their proposals in December of the senior year. Those choosing the half-year option often base their projects on research that had been initiated in an advanced elective or a seminar, although this is not a requirement.
- The full-year program involves taking Econ 493 in the fall, Econ 31 during winter study, and Econ 494 in the spring. Proposals are due in May of the junior year.

Both programs require students to remain on campus during winter study.

Prospective honors students considering studying abroad during their junior year should plan to complete the core courses and at least one 300-level elective by the end of their sophomore year. They are also urged to begin their collaboration with their intended adviser prior to departure, and to consult with the Director of Research on the options for pursuing honors. (The Department’s web site will indicate which faculty member is serving as the Director of Research.) Further details on the two routes, the application procedure and deadlines are contained in memos sent to economics majors in the spring and fall semesters. The information is also available on the Department’s web site.

In addition to completing the research project, the College Bulletin states that in order to graduate with honors, students must take at least one course in addition to the minimum number required for the major. Students in the full-year program may substitute Econ 493 for an upper-level elective (excluding those numbered 400-490). Students enrolled in the half-year program may not substitute Econ 491 or 492 for one of their electives.

GRADUATE COURSES IN DEVELOPMENT ECONOMICS
Graduate courses given by the Center for Development Economics are open to undergraduates who have taken the prerequisites, although in most cases, permission of instructor is also required. Unless otherwise specified in the course description, these courses can substitute for electives numbered 350-395 in the major.

ECON 110(F,S) Principles of Microeconomics (Q)
This course is an introduction to the study of the forces of supply and demand that determine prices and the allocation of resources in markets for goods and services, markets for labor, and markets for natural resources. The focus is on how and why markets work, why they may fail to work, and the policy implications of both their successes and failures. The course focuses on developing the basic tools of microeconomic analysis and then applying those tools to topics of popular or policy interest such as minimum wage legislation, pollution control, competition policy, international trade policy, discrimination, tax policy, and the role of government in a market economy.
Class Format: lecture/discussion
ECON 111 Introduction to Economics and Its Applications (Q)
This course is intended for students who do not wish to major in economics but who would like to learn something about the discipline and to develop a greater understanding of the ways in which economics can be used to explain behavior and to inform policy. Our focus will be on providing some very basic tools of economic analysis and important institutional background regarding the US and international economies, and then using those tools and institutional knowledge to analyze current policy issues.
Class Format: lecture/discussion
Requirements/Evaluation: problem sets, several short papers, at least one quiz, and midterm and final exam
Prerequisites: open only to juniors and seniors who have not taken an ECON course
Enrollment Limit: 30
Expected Class Size: 30
Dept. Notes: ECON 111 cannot substitute for ECON 110 or ECON 120 as a prerequisite for admission to ECON 251 or ECON 252,
respectively
Distributional Requirements: Division 2, Quantitative/Formal Reasoning
Not Offered Academic Year 2017
LEC   Instructor: Ralph Bradburd

ECON 120(F,S) Principles of Macroeconomics (Q)
This course provides an introduction to the study of the aggregate national economy. It develops the basic theories of macroeconomics and applies them to topics of current interest. Issues to be explored include: the causes of inflation, unemployment, recessions, and depressions; the role of government fiscal and monetary policy in stabilizing the economy; the determinants of long-run economic growth; the long- and short-run effects of taxes, budget deficits, and other government policies on the national economy; the role of financial frictions in amplifying recessions; and the workings of exchange rates and international finance.
Class Format: lecture/discussion
Requirements/Evaluation: problem sets, short essays, midterm, final exam (Samson's section will have 2 one-hour exams and a final)
Prerequisites: ECON 110
Enrollment Limit: 40
Expected Class Size: 40
Distributional Requirements: Division 2, Quantitative/Formal Reasoning
Other Attributes: POEC Required Courses

Fall 2016
LEC Section: 01 TR 08:30 AM 09:45 AM   Instructor: Will Olney
ECON 203(F) Gender and Economics  
**Crosslistings:** ECON 203/WGSS 205  
**Primary Crosslisting**  
This course uses economic analysis to explore how gender differences can lead to differences in economic outcomes, in both households and the labor market. Questions to be covered include: How does the family function as an economic unit? How do individuals allocate time between the labor market and the household? How have changes in family structure affected women's employment, and vice-versa? What are possible explanations for gender differences in labor force participation, occupational choice, and earnings? What is the role of government in addressing gender issues in the home and the workplace? How successful are government policies that primarily affect women (e.g., comparable worth policies, AFDC/TANF, subsidization of child care)? The course will focus on the current experience of women in the United States, but will place these gender differences in a historical and cross-cultural context.  
**Class Format:** lecture/discussion  
**Requirements/Evaluation:** weekly discussion papers, two midterms, and a final paper and presentation  
**Prerequisites:** ECON 110  
**Enrollment Limit:** 25  
**Expected Class Size:** 25  
**Distributional Requirements:** Division 2  
**Other Attributes:** FYCR Open to First-Year Students, POEC U.S. Political Economy + Public Policy Course  

**Fall 2016**  
LEC Section: 01 MW 11:00 AM 12:15 PM Instructor: Lucie Schmidt

ECON 204(F) Economics of Developing Countries  
**Crosslistings:** ECON 204/ENVI 234  
**Primary Crosslisting**  
The leaders of poor countries almost universally proclaim "economic development" to be their eventual destination, but it is not easy to visualize the journey. Is rapid economic growth sufficient to generate development, or do governments need to pro-actively invest in health and education? When does globalization facilitate development? Is it true that corruption is major obstacle? Has the climate crisis upended our traditional models to the point where we need to rethink the notion of development? The class will introduce this set of issues, as analyzed by economists.  
**Class Format:** lecture/discussion  
**Requirements/Evaluation:** short essays, mid-term examination, 15-page final paper  
**Extra Info:** may not be taken on a pass/fail basis; not available for the fifth course option  
**Prerequisites:** one ECON class at Williams or prior course deemed equivalent by the Economics Department  
**Enrollment Preferences:** first-year and sophomore students  
**Enrollment Limit:** 25  
**Expected Class Size:** 25  
**Distributional Requirements:** Division 2  
**Other Attributes:** ENVI Environmental Policy, ENVP PE-A Group Electives, ENVP PTL-A Group Electives, ENVP SC-A Group Electives, GBST African Studies Electives, GBST Economic Development Studies Electives, POEC Comparative POEC/Public Policy Courses  

**Fall 2016**  
LEC Section: 01 TR 11:20 AM 12:35 PM Instructor: Anand Swamy

ECON 205(S) Public Economics  
This course examines the role of the government in a market economy. Three broad issues are considered: under what conditions is government intervention in the economy appropriate? When merited what is the most effective form of intervention? What effects do government policies have on incentives and behavior? After examining these questions from a theoretical perspective, the course will turn to analysis of particular government spending programs in the United States including Social Security, various types of publicly-provided insurance, spending on education, and public assistance for the poor. Finally we will study how the government raises revenue through taxation. We will discuss the principles that guide tax design and consider the effects of the tax code on behavior.
**Class Format:** lecture/discussion  
**Requirements/Evaluation:** problem sets, short writing assignments, midterm and final exam  
**Prerequisites:** ECON 110  
**Enrollment Limit:** 40  
**Expected Class Size:** 30  
**Distributional Requirements:** Division 2  
**Other Attributes:** PHLH Decision-Making by Institutions + Individuals, POEC U.S. Political Economy + Public Policy Course  

**Spring 2017**  
**LEC Section:** 01 MR 02:35 PM 03:50 PM  Instructor: Tara Watson  

**ECON 209(S) Labor Economics**  
Employment—finding it (or looking for but not finding it), its compensation, and the conditions under which it occurs—is a key concern for most residents of advanced economies throughout their adult lives. Work is the main source of income for the vast majority of working-age adults in these economies, and work-related issues and policies reliably top national policy agendas. Labor economics is the study of these issues—how the level and distribution of skills, wages, employment, and income are determined in the market for labor and how various policies affect this market and its outcomes. In this course we will apply the tools of microeconomics to analyze labor force participation, the allocation of time to market work, migration, labor demand, investment in human capital (education and on-the-job training), discrimination, unions and unemployment. We will also examine the impact of government programs and mandates such as employment-based tax credits, unemployment insurance, antipoverty programs, and minimum wages on the labor market. We will devote particular attention to topics of current U.S. policy interest, including immigration, income inequality, and education.  
**Class Format:** lecture/discussion  
**Requirements/Evaluation:** problem sets, short writing assignments, midterm and final exam  
**Prerequisites:** Econ 110  
**Enrollment Preferences:** Economics and Political Economy majors and sophomores  
**Enrollment Limit:** 40  
**Expected Class Size:** 30  
**Distributional Requirements:** Division 2  
**Other Attributes:** POEC U.S. Political Economy + Public Policy Course  

**Spring 2017**  
**LEC Section:** 01 TR 08:30 AM 09:45 AM  Instructor: Lara Shore-Sheppard  

**ECON 211 Gender in the Global Economy**  
**Crosslistings:** WGSS 211/ECON 211  
**Secondary Crosslisting**  
This course will present a feminist economic analysis of the global economy, and some of the urgent issues facing women in poor countries. The course will start by developing theoretical resources: these will include feminist critiques of economics theory, work on care labor and the shifting boundaries between markets, governments and households, theories of household bargaining, and discussions of intersectionality and difference. Then we will discuss a series of interlinked issues which may include the contradictory effects of structural adjustment and its successors; the informal sector and the ‘invisible assembly line’; the economics of sex work and global sex trafficking; microcredit; the economics of the HIV/AIDS pandemic. We will finish by looking at community-based activism, non-governmental organizations, and the possibilities for first-world/third-world alliances.  
**Class Format:** lecture/discussion  
**Requirements/Evaluation:** reaction papers, midterm exam, research paper; participation in class discussion will count for part of the grade  
**Extra Info:** additional requirements: two oral responses to seminar papers; two 2-page seminar response papers; one response to a peer’s final paper  
**Prerequisites:** none  
**Enrollment Preferences:** Women’s, Gender and Sexuality Studies majors  
**Enrollment Limit:** 30  
**Expected Class Size:** 20  
**Distributional Requirements:** Division 2  
**Other Attributes:** GBST Economic Development Studies Electives, POEC International Political Economy Courses, WGSS Racial Sexual + Cultural Diversity Courses  

**Not Offered Academic Year 2017**  
**SEM**  Instructor: Kiaran Honderich  

**ECON 213(S) Introduction to Environmental and Natural Resource Economics (Q)**  
**Crosslistings:** ECON 213/ENVI 213  
**Primary Crosslisting**  
We'll use economics to learn why we harm the environment and overuse natural resources, and what we can do about it. We'll talk about whether and how we can put a dollar value on nature and ecosystem services. We'll study cost benefit analysis, pollution in general, climate change, natural resources (like fisheries, forests, and fossil fuels), and energy. We will take an economic approach to global sustainability, and study the relationship between the environment and economic growth and trade.  
**Class Format:** lecture  
**Requirements/Evaluation:** problem sets, short essays, paper(s); exam(s) are possible
Prerequisites: ECON 110
Enrollment Preferences: sophomores if course is overenrolled
Enrollment Limit: 40
Expected Class Size: 30
Distributional Requirements: Division 2, Quantitative/Formal Reasoning
Other Attributes: ENVI Environmental Policy, ENVP PE-A Group Electives, ENVP PTL-A Group Electives, ENVP SC-A Group Electives, EVST Social Science/Policy, MAST Interdepartmental Electives, POEC Comparative POEC/Public Policy Courses

Spring 2017
LEC Section: 01 MW 11:00 AM 12:15 PM Instructor: Sarah Jacobson

ECON 215(S) Globalization
Crosslistings: ECON 215/GBST 315

Primary Crosslisting
This course will examine the causes and consequences of globalization. This includes studying topics such as trade, immigration, foreign direct investment, and offshoring. The impact of these forms of globalization on welfare, wages, employment, and inequality will be a focal point. Throughout we will rely on economic principles, models, and empirical tools to explain and examine these contentious issues.

Class Format: lecture/discussion
Requirements/Evaluation: problem sets, a midterm, and a final exam
Prerequisites: ECON 110
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives, MAST Interdepartmental Electives, POEC International Political Economy Courses

Spring 2017
LEC Section: 01 TR 11:20 AM 12:35 PM Instructor: Will Olney

ECON 219T(F) Global Economic History (W)

Why did Western Europe—and not China, India, or the Middle East—first experience the Industrial Revolution? Why did Latin America fall behind in the 20th century, while Japan and eventually China boomed? What explains the historical success of the US economy? And why has African economic growth been relatively slow for so long? These and other questions will guide our exploration of global economic development over the past several millennia. We will draw on micro and macroeconomic theory to help explain and interpret the historical roots of the modern global economy. Our focus will be broadly comparative across space and time, with an emphasis on how institutions, resource endowments, culture, technology, and market developments help explain economic differences and change around the world. Throughout the course, we will draw on micro and macroeconomic theories and concepts to help explain and interpret the historical roots of modern global economy.

Class Format: tutorial; weekly one hour meetings in groups of two
Requirements/Evaluation: evaluation will be based on five 5- to 7-page papers, critiques of fellow students' papers, a longer revision of a paper, and engagement in discussion
Extra Info: may not be taken on a pass/fail basis, not available for the fifth course option
Prerequisites: ECON 110 and ECON 120 or equivalent courses subject to instructor approval
Enrollment Preferences: first-year students and sophomores intending to major in Economics and/or History
Enrollment Limit: 10
Expected Class Size: 10
Distributional Requirements: Division 2, Writing Intensive
Other Attributes: GBST Economic Development Studies Electives, POEC International Political Economy Courses

Fall 2016
TUT Section: T1 TBA Instructor: Steven Nafziger

ECON 220 American Economic History

This course examines the growth and development of the American economy from the colonial era to the modern period. The emphasis will be on the use of economic theory and quantitative evidence to explore key questions and themes in U.S. history. Topics may include some or all of the following: the development of colonial markets, the economic origins of the U.S. Constitution, immigration, agricultural innovation, industrialization, slavery, government regulation and policymaking, the Great Depression, the changing roles of women in the U.S. economy, post-World War II growth, the construction of the social safety net, and the place of the United States in the modern global economy. Comparisons will be made to European and non-European experiences when appropriate.

Class Format: lecture/seminar
Requirements/Evaluation: midterm, short problem sets, final, and a research paper
Prerequisites: ECON 110 and 120
Enrollment Limit: 35
Expected Class Size: 35
Distributional Requirements: Division 2
Other Attributes: POEC U.S. Political Economy + Public Policy Course
ECON 222 Economics of the Arts and Culture

What economic forces influence the creation, presentation, preservation and ownership of art and culture? Should support for the arts be provided through private patronage, private philanthropy, or public sector support? How does the mechanism of support for art affect the productivity and creativity of the artist? Does art make a good investment for an individual? How do art markets function and what determines the price of art? Why do some art museums and performing arts organizations require donations and public support and operate as non-profit enterprises, while other types of culture production and preservation operate as for-profit enterprise? What are the impacts on economic vitality and local economic development of cultural and arts organizations? When these impacts arise, how can (or should) they be used for public policy? This course will use the tools of economic analysis to present a framework for discussion and analysis of these and related questions.

Class Format: lecture/discussion
Requirements/Evaluation: midterm and final exam, two policy memoranda
Prerequisites: ECON 110
Enrollment Preferences: sophomores and juniors
Enrollment Limit: 35
Expected Class Size: 30
Distributional Requirements: Division 2
Other Attributes: POEC Comparative POEC/Public Policy Courses

ECON 225T Global Financial Crisis and African Economic Development (W)

Will the global financial crunch create a development crisis for Africa? Just two years ago the International Monetary Fund published the most optimistic growth projections for Africa in decades, predicting rapid growth driven by higher commodity prices, stronger agricultural output and the dividends of years of difficult economic reforms. Today, economic analysts are downgrading African growth forecasts in the face of growing poverty and macroeconomic challenges. Food prices have more than doubled in some countries—increasing hunger for the most vulnerable groups. Fuel costs—and subsidy policies in some countries—are creating macroeconomic imbalances, and the global financial crisis is depressing demand for Africa's exports. Private capital flows, which reached record levels until 2007, are expected to decline by $300-400 billion over the next two years, with bank lending falling, portfolio investment declining, and foreign direct investment decreasing. This triple-F crisis—food, fuel and financial—is posing renewed challenges to African leaders trying to tackle the imperatives of economic development and pro-poor and inclusive economic growth. This crisis is raising the costs of reforms in countries reliant on exports and international capital for growth. Successful strategies must combine policies more efficiently than ever—to balance the necessary reforms with initiatives that offset the costs for the most vulnerable. This tutorial will analyze critical questions posed by the emerging crisis: Which countries will be hit the hardest, and how deeply and for how long? Through which channels does the contagion affect national economies? And perhaps most importantly, what coordinated strategies can African nations develop in order to foster effective responses? This tutorial will explore how policy-makers in Africa are working to build successful inclusive growth strategies, with fiscal, monetary, industrial, trade and labor market policies reinforcing each other rather than working at cross purposes.

Class Format: tutorial, will meet weekly for one hour in groups of two
Requirements/Evaluation: evaluation will be based on five short papers and on the quality of the student's oral presentations and commentary on the work of his/her colleagues
Extra Info: may not be taken on a pass/fail basis
Prerequisites: ECON 252 (or concurrently) or permission of instructor
Enrollment Limit: 10
Expected Class Size: 10
Distributional Requirements: Division 2, Writing Intensive
Other Attributes: GBST African Studies Electives, GBST Economic Development Studies Electives, POEC Comparative POEC/Public Policy Courses

ECON 227T Acquiring Art: Selecting and Purchasing Objects For WCMA

Crosslistings: ARTH 327/ECON 227/ARTH 527
Secondary Crosslisting

How do museums acquire art? Factors considered in selecting objects include: the museum's existing collection, its mission, the availability of suitable objects, evaluation of the art historical importance of potential purchases, and the available budget. How can objects be identified and obtained at the most reasonable cost? How do auctions work and what strategies are best for purchasing works at auction? Is it more economical to purchase art at auction or to work with dealers or (for contemporary works) directly with artists? Do museums consider value in the same way as private collectors? What role does an object's history and condition play in the evaluation process? In this course students will work as teams to identify and propose objects for addition to the collection of the Williams College Museum of Art (WCMA). A significant budget will be made available for the acquisition. We will discuss approaches for identification, acquisition and evaluation of objects. Student teams will be responsible for identifying a set of objects that would make appropriate additions to the WCMA collection, and a strategy for acquiring one or more of those objects. Working with the advice of WCMA curatorial staff, one or more of these objects will be acquired using the agreed strategy, and the object will become part of the
WCMA permanent collection. Graduate students will participate in all aspects of the class but may be required to undertake different assignments.

Class Format: seminar

Requirements/Evaluation: three papers of 10-15 pages each and class participation; student teams will make proposals for objects; each student will be required to submit three papers, dealing with the objects, the likely cost, and the best strategy

Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option

Prerequisites: ECON 110 or permission of instructor

Enrollment Preferences: senior majors in Art History, Economics and Political Economy; graduate students will be admitted only by permission of instructors

Enrollment Limit: 20

Expected Class Size: 20

Distribution Notes: meets Division 1 requirement if registration is under ARTH; meets Division 2 requirement if registration is under ECON

Distributional Requirements: Division 1

Not Offered Academic Year 2017

SEM Instructor: Kevin Murphy

ECON 228T(S) Water as a Scarce Resource (W)

Crosslistings: ECON 228/ENVI 228

Primary Crosslisting

For a variety of reasons including environmental pollution, urbanization, changing agricultural techniques, resource mismanagement, and the consequences of climate change, water is becoming a scarce resource even in places where it was relatively plentiful in the past, and it is likely to become an increasingly scarce resource over the coming decades. In this course we will use basic economic models to consider policy issues relating to water: Is access to water a basic human right, and if so, what market and non-market mechanisms should play a role in water allocation? Does public ownership of water improve the way it is provided and used? Why do societies differ in their approaches to allocating water and are some systems better than others? What does it mean to have a property right to water? Could private property rights to water help address the water pollution problem? How can societies change their water-related property rights, regulations and social institutions when individuals have implicit or explicit rights to the institutional status quo? Who has the right to water that crosses international boundaries? How should societies allocate water across generations?

Class Format: tutorial, meeting with the instructor in pairs for an hour each week; a 5- to 7-page paper every other week (5 in all), prepare and present a written critique of their partners' papers in alternate weeks, and revise and re-write one of their five papers

Requirements/Evaluation: evaluation will be based on the quality of the papers and on the quality of the student's oral presentations and commentary on the work of his/her colleagues

Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option

Prerequisites: ECON 110 or equivalent

Enrollment Preferences: first-year students and sophomores intending to major in Economics and/or to major or concentrate in Environmental Policy or Environmental Science or Environmental Studies, and to students who are already major or concentrators in those subjects

Enrollment Limit: 10

Expected Class Size: 10

Distributional Requirements: Division 2, Writing Intensive

Other Attributes: AMST Space and Place Electives, ENVI Environmental Policy, ENVP PE-A Group Electives, ENVP PTL-A Group Electives, ENVP SC-A Group Electives, POEC Comparative POEC/Public Policy Courses

Spring 2017

TUT Section: T1 TBA Instructor: Ralph Bradburd

ECON 229 Law and Economics (Q)

This course applies the tools of microeconomic analysis to private (i.e., civil) law. This analysis has both positive and normative aspects. The positive aspects deal with how individuals respond to the incentives created by the legal system. Examples include: how intellectual property law encourages the creation of knowledge while simultaneously restricting the dissemination of intellectual property; how tort law motivates doctors to avoid malpractice suits; and how contract law facilitates agreements. The normative aspects of the analysis ask whether legal rules enhance economic efficiency (or, more broadly, social welfare). Examples include: what legal rules are most appropriate for mitigating pollution; ensuring safe driving, and guaranteeing workplace safety? The course will also cover the economics of legal systems; for example, what are the incentives for plaintiffs to initiate lawsuits and what role do lawyers play in determining outcomes. The course will also consider potential reforms of the legal system. In the 2014-15 academic year, the course will place more emphasis on intellectual property law as part of the campus-wide initiative, "The Book Unbound," associated with the opening of the new library.

Class Format: lecture/discussion

Requirements/Evaluation: evaluation will be based on class participation, problem sets, short papers based on actual court cases and possible legal reforms, a midterm exam, and a final exam

Prerequisites: ECON 110

Enrollment Preferences: Open; prefer a mix of student backgrounds

Enrollment Limit: 35

Expected Class Size: 25

Distributional Requirements: Division 2, Quantitative/Formal Reasoning
ECON 230 The Economics of Health and Health Care (W)
In recent years, the intersection between health and economics has increased in importance. The costs of health care have been rising, although more slowly in the past few years. A substantial fraction of the United States population lacks health insurance, with the implementation of the Affordable Care Act intended to remedy that problem. In the United States and around the world the rising elderly population is putting increasing pressure on health spending. Globally, the HIV/AIDS pandemic is causing severe economic hardship, and many people lack access to basic health care. More positively, advances in health care have widened the scope of possible treatments. Given the importance of good health for individual well-being, it is not surprising that health, health care and how to pay for it are sources of anxiety for individuals and policymakers worldwide. In this course we will analyze the economics of health by applying standard microeconomic techniques to the problems of health and health care markets. The course focuses on three broad issues: the inputs to health and the demand for health care, the structure and consequences of public and private health insurance, and the supply of health care. Special attention will be devoted to topics of current public policy, including the problems of rising costs and cost containment, health insurance reform, the changing nature of health care provision, changing public policies in the Medicare and Medicaid programs, hospital competition, and the determinants and consequences of technological change in medicine.

Class Format: lecture/discussion
Requirements/Evaluation: several short papers and a final research paper and presentation
Prerequisites: ECON 110
Enrollment Preferences: Economics majors, Political Economy majors, and Public Health concentrators
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2, Writing Intensive
Other Attributes: PHLH Decision-Making by Institutions + Individuals, POEC U.S. Political Economy + Public Policy Course, SCST Related Courses

Not Offered Academic Year 2017
LEC  Instructor: William Gentry

ECON 231 Financial Markets (Q)
Financial markets play an instrumental role in household saving decisions and the allocation of investment in the economy. This course surveys the economics of financial markets and institutions. Topics may include: models of stock and bond prices, portfolio choice, financial derivatives, hedging, financial market efficiency, foreign exchange, financial crises, and the potential for regulation of financial markets.

Class Format: lecture
Requirements/Evaluation: evaluation will be based on problem sets and exams, including a final exam
Extra Info: may not be taken on a pass/fail basis
Prerequisites: ECON 110, ECON 120 and MATH 130
Enrollment Preferences: lottery and balance in student interests
Enrollment Limit: 40
Expected Class Size: 30
Distributional Requirements: Division 2, Quantitative/Formal Reasoning

Not Offered Academic Year 2017
LEC

ECON 232(S) Financial Markets, Institutions and Policies (Q)
This course first explores the role of the financial system and financial markets, and how they interact with the economy. What does finance do? How are asset prices determined, and how are these prices related to interest rates? Are financial markets efficient, and what are the implications of their efficiency or lack thereof? How does the financial system help with the management of risks faced by society? Second, it analyzes the role of the central bank and the conduct of monetary policy. How do central banks set monetary policy and how do those policies affect the economy? How does monetary policy change when interest rates are (virtually) zero? Third, it studies the complexities associated with managing and regulating modern financial instruments and markets. Why are financial crises so common, and why has regulation not succeeded in preventing them?

Class Format: lecture
Requirements/Evaluation: problem sets, midterm, a debate and/or presentation, and a final exam
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: ECON 110 and ECON 120
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2, Quantitative/Formal Reasoning
Other Attributes: POEC Comparative POEC/Public Policy Courses

Spring 2017
ECON 233(F) Behavioral Economics and Public Policy

In many ways, the fields of psychology and economics both study the same phenomena: the incentives that influence our decision-making across different contexts. This course provides a survey of the ways in which these two fields intersect, i.e. behavioral economics. Topics include how individual responses to economic incentives can be influenced by heuristics, framing, social norms, and other cognitive or social incentives. Concurrently, the course will review how these concepts can be (or are already being) applied to firm strategy, development, and public policy contexts. These include the role of behavioral economics in programs geared towards reducing poverty, increasing environmental conservation, and encouraging education investment, among others. The course will also discuss whether and how we ought to judge which behaviors are socially desirable and worth encouraging through policy.

Class Format: seminar
Requirements/Evaluation: 1-2 exams, 2-3 short papers or presentations, 2-3 problem sets, class discussions
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: ECON 110
Enrollment Preferences: potential social science majors
Enrollment Limit: 35
Expected Class Size: 30
Distributional Requirements: Division 2
Other Attributes: POEC Comparative POEC/Public Policy Courses

ECON 235 Urban Centers and Urban Systems (Q)

Cities, systems of cities, and the interactions between cities are the outcome of human decisions and reflect their social structure and desire for interaction. The form of these urban areas is determined by the choices made by the people who reside in, work in, and travel between cities. Economic forces influence and constrain these choices, and economic models of decision-making can help us to explain and predict the patterns that result. These models help us to comprehend the structure of urban areas. This course will introduce the ideas and some of the analytic tools that assist in understanding the economic foundations of urban centers and urban systems. Topics addressed in the course will include the determinants of land use, location of firms, choice of transportation mode, flows of capital investment into real estate, housing prices and housing availability and regulation of housing markets, movement of population from one city to another, and public policies designed to deal with urban problems.

Class Format: lecture/discussion
Requirements/Evaluation: two "policy memoranda" on assigned topics, midterm, and final exam
Prerequisites: ECON 110
Enrollment Limit: 40
Distributional Requirements: Division 2, Quantitative/Formal Reasoning
Other Attributes: AMST Space and Place Electives, GBST Economic Development Studies Electives, GBST Urbanizing World Electives, POEC Comparative POEC/Public Policy Courses

ECON 240T Colonialism and Underdevelopment in South Asia (D) (W)

British colonial rule in South Asia shaped economy and society in fundamental ways. As resistance to colonial rule emerged in the late nineteenth century, "nationalist" writers developed a critique of its economic impact via taxation, fiscal policy, trade, and many other policies. In their turn, supporters of British rule, "apologists," argued that British rule had laid the foundations of economic growth by securing property rights, enforcing contracts, and developing infrastructure. The debate between "nationalists" and "apologists" has never quite ended, but after the recent growth of the Indian economy it has lost some of its emotional charge. We will use this opportunity to not only examine the economic questions, but also how power and resistance have shaped the answers provided. Therefore, the course is part of the college's Exploring Diversity Initiative.

Class Format: tutorial
Requirements/Evaluation: papers
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: ECON 110
Enrollment Preferences: students with a prior class on South Asia
Enrollment Limit: 10
Expected Class Size: 10
Distributional Requirements: Division 2, Exploring Diversity, Writing Intensive
Other Attributes: AMST Space and Place Electives, GBST Economic Development Studies Electives

ECON 251(F,S) Price and Allocation Theory (Q)

A study of the determination of relative prices and their importance in shaping the allocation of resources and the distribution of income. Subjects include: behavior of households in a variety of settings, such as buying goods and services, saving, and labor supply; behavior
of firms in various kinds of markets; results of competitive and noncompetitive markets in goods, labor, land, and capital; market failure; government policies as sources of and responses to market failure; welfare criteria; limitations of mainstream analysis.

**Class Format:** lecture

**Requirements/Evaluation:** weekly problem sets, one or more quizzes, one or two midterms, one or two short essays, and a final exam

**Prerequisites:** ECON 110 and MATH 130 or its equivalent

**Enrollment Limit:** 30

**Expected Class Size:** 25

**Distributional Requirements:** Division 2, Quantitative/Formal Reasoning

**Fall 2016**

LEC Section: 01 MWF 08:30 AM 09:45 AM Instructor: Sarah Jacobson

LEC Section: 02 MW 11:00 AM 12:15 PM Instructor: Sarah Jacobson

LEC Section: 03 TR 11:20 AM 12:35 PM Instructor: Ashok Rai

LEC Section: 04 TF 01:10 PM 02:25 PM Instructor: Ashok Rai

**Spring 2017**

LEC Section: 01 MR 01:10 PM 02:25 PM Instructor: Stephen Sheppard

LEC Section: 02 MR 02:35 PM 03:50 PM Instructor: Stephen Sheppard

ECON 252(F,S) Macroeconomics (Q)

A study of aggregate economic activity: output, employment, inflation, and interest rates. The class will develop a theoretical framework for analyzing economic growth and business cycles. The theory will be used to evaluate policies designed to promote growth and stability, and to understand economic developments in the U.S. and abroad. Instructors may use elementary calculus in assigned readings, exams and lectures.

**Class Format:** lecture/discussion

**Requirements/Evaluation:** problem sets and/or written assignments, midterm(s), and a final exam

**Extra Info:** may not be taken on a pass/fail basis; not available for the fifth course option

**Prerequisites:** ECON 110 and 120 and MATH 130 or its equivalent

**Enrollment Limit:** 30

**Expected Class Size:** 25

**Distributional Requirements:** Division 2, Quantitative/Formal Reasoning

**Fall 2016**

LEC Section: 01 MW 11:00 AM 12:15 PM Instructor: Peter Montiel

LEC Section: 02 TF 01:10 PM 02:25 PM Instructor: Peter Pedroni

**Spring 2017**

LEC Section: 01 TR 08:30 AM 09:45 AM Instructor: Greg Phelan

LEC Section: 02 TR 09:55 AM 11:10 AM Instructor: Greg Phelan

LEC Section: 03 MW 11:00 AM 12:15 PM Instructor: Peter Montiel

ECON 255(F,S) Econometrics (Q)

An introduction to the theory and practice of applied quantitative economic analysis. This course familiarizes students with the strengths and weaknesses of the basic empirical methods used by economists to evaluate economic theory against economic data. Emphasizes both the statistical foundations of regression techniques and the practical application of those techniques in empirical research. Computer exercises will provide experience in using the empirical methods, but no previous computer experience is expected. Highly recommended for students considering graduate training in economics or public policy.

**Class Format:** lecture

**Requirements/Evaluation:** problem sets, two midterms, group presentations, and possible additional assignments

**Extra Info:** may not be taken on a pass/fail basis; not available for the fifth course option

**Prerequisites:** MATH 130 and STAT 101, or STAT 201 or equivalent, plus one course in ECON

**Enrollment Limit:** 30

**Expected Class Size:** 30

**Dept. Notes:** students may substitute the combination of STAT 201 and 346 for ECON 255

**Distributional Requirements:** Division 2, Quantitative/Formal Reasoning

**Other Attributes:** ENVP PE Theory/Methods Courses, ENVS Methods Courses, PHLH Statistics Courses, POEC Required Courses

**Fall 2016**

LEC Section: 01 MR 01:10 PM 02:25 PM Instructor: Matthew Gibson

LEC Section: 02 W 07:00 PM 09:40 PM Instructor: David Zimmerman
ECON 299(F) Economic Liberalism and Its Critics

Crosslistings: POEC 250/ECON 299/PSCI 238

Secondary Crosslisting

Economic liberalism holds that society is better off if people enjoy economic freedom. Its critics point to what they believe this position ignores or what it wrongly assumes, and hence, how it would make bad policy. This course explores the relationship between politics and economics by surveying influential works of political economy. Its first part examines major thinkers in relation to the historical development of capitalism in Western Europe and the United States: the classical liberalism of Adam Smith, Karl Marx's revolutionary socialism, and the reformist ideas of John Stuart Mill and John Maynard Keynes. The second part considers mid-20th-century writers who revise and critique economic liberalism from a variety of perspectives, including Friedrich Hayek, Milton Friedman, Ronald Coase, Arthur Okun, and Albert O. Hirschman. The third part surveys significant recent contributions relevant to the themes of the course, with applications to current public policy issues, including topics such as: power relations and autonomy in the workplace; asymmetric information and social insurance; economic inequality and distributive justice; equality of opportunity; the economics of health care; positional goods and the moral foundations of capitalism; intergenerational equity and climate change; economic nationalism and new trade theory; behavioral economics; finance and financial crises; and rent-seeking. The combination of the historical focus of the early part of the course with discussion of modern policy issues and debates in the latter part of the course permits you to appreciate the ongoing dialogue between classical and contemporary views of political economy.

Class Format: lecture/discussion

Requirements/Evaluation: eight essays of 650 words each, several short homework assignments, and a final exam
Prerequisites: ECON 110 and 120 or equivalent; PSCI 201, 202, 203, or 204 (may be taken concurrently with POEC 250); open to non-majors
Enrollment Preferences: Political Economy majors and sophomores intending a Political Economy major
Enrollment Limit: 35
Expected Class Size: 35
Dept. Notes: formerly POEC 301
Distributional Requirements: Division 2
Other Attributes: AMST Critical and Cultural Theory Electives, POEC Required Courses
Class Format: lecture/discussion
Requirements/Evaluation: midterm, participation in class discussion and debates, and a final research paper
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: for undergraduates, POEC 253 or ECON 255; undergraduate enrollment limited and requires instructor's permission
Enrollment Limit: 25
Expected Class Size: 20-25
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives, POEC Comparative POEC/Public Policy Courses

Spring 2017
LEC Section: 01 MWF 11:00 AM 12:15 PM Instructor: Gerard Caprio

ECON 356 Empirical Methods in Macroeconomics (Q)
Crosslistings: ECON 513/ECON 356
Secondary Crosslisting

Macroeconomics and related fields in international finance and development have evolved specialized empirical techniques, known generally as macroeconometrics, which are designed to meet the practical challenges that the data and the empirical questions pose in these fields. The course will introduce the theory and application of these techniques, and students will learn how to implement these techniques using real world data to address practical questions drawn from the fields of macro, international finance and development. Topics to which these techniques will be applied include business cycle analysis, sources of exchange rate volatility and determinants of long run economic growth. The course is also available to undergraduates with permission of the instructor. Undergraduates with strong math backgrounds may wish to enroll directly in Econ 471 in lieu of this course. However, those seeking a transition course may wish to enroll in this course prior to taking Econ 471.

Class Format: seminar
Requirements/Evaluation: short empirical projects, midterm, term paper
Prerequisites: ECON 252, ECON 255 or equivalent, and ECON 393 (ECON 360 may substitute for 393); not open to students who have taken ECON 471
Enrollment Preferences: Economics majors and CDE fellows
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2, Quantitative/Formal Reasoning
Not Offered Academic Year 2017
SEM Instructor: Peter Pedroni

ECON 357T(S) The Economics of Higher Education
This tutorial will utilize economic theory and econometric methods to understand a variety of issues pertaining to the economics of colleges and universities. In particular, we'll discuss the logic of non-profit enterprises, the financial structure of a college or university, competition in the market for higher education, policies impacting tuition and financial aid, the individual and societal returns from investments in higher education, and the distinctive features of academic labor markets. Particular attention will be paid to selective liberal arts colleges.

Class Format: tutorial; will meet weekly in groups of two
Requirements/Evaluation: evaluation will be based on six 5- to 7-page papers and on the quality of the student's oral presentations and commentary on the work of his/her colleagues
Extra Info: not available for the fifth course option
Prerequisites: ECON 251 and 255 or STAT 346 or permission of instructor
Enrollment Preferences: Economics majors
Enrollment Limit: 10
Expected Class Size: 10
Distributional Requirements: Division 2

Spring 2017
TUT Section: T1 Cancelled Instructor: David Zimmerman

ECON 358 International Trade
This class will examine the causes and consequences of globalization. We will cover the classic models of international trade and discuss the empirical relevance of these theories. Other global forces such as immigration, foreign direct investment, offshoring, trade policies, and trade agreements will also be examined. Throughout the course we will focus on the factors driving globalization as well as the welfare and distributional implications.

Class Format: lecture/discussion
Requirements/Evaluation: problems sets, short essays, midterm, and final
Prerequisites: ECON 251 and ECON 255
Enrollment Preferences: senior Economics majors
Enrollment Limit: 20
Expected Class Size: 20
Distributional Requirements: Division 2
Other Attributes: POEC International Political Economy Courses
ECON 359(S) Developing Country Macroeconomics II
Crosslistings: ECON 515/ECON 359

Secondary Crosslisting
Developing countries do not find it difficult to initiate rapid growth, but do find it difficult to sustain it. Growth spurts are often derailed by macroeconomic shocks. As developing countries become increasingly open to trade and financial interactions with the rest of the world, such shocks may become more frequent, and potentially more severe. This course examines the types of macroeconomic institutions and policy regimes that can help developing countries withstand such shocks and sustain economic growth. We will examine central bank independence, the design of monetary and exchange rate regimes, capital account regimes, and various types of fiscal policy institutions and policy regimes, including fiscal rules.

Class Format: lecture
Requirements/Evaluation: two midterms and a final project
Extra Info: not available for the fifth course option
Prerequisites: ECON 505; undergraduate enrollment limited and requires instructor's permission
Expected Class Size: 25-30
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives, POEC International Political Economy Courses

Spring 2017
SEM Section: 01 MWF 08:30 AM 09:45 AM Instructor: Peter Montiel

ECON 360 International Monetary Economics
This course studies the macroeconomic behavior of economies that trade both goods and assets with other economies: international financial transactions, especially the buying and selling of foreign money, the role of central banks and private speculators in determining exchange rates and interest rates, and the effects of international transactions on the overall performance of an open economy. Additional topics may include the "asset market approach" to exchange rate determination, the nature and purpose of certain international institutions, and important current events.

Class Format: lecture
Requirements/Evaluation: for first semester: two hour tests and a choice between a 10-page paper or a comprehensive final; requirements for second semester: two exams and a term paper
Prerequisites: ECON 251 and 252
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives, POEC International Political Economy Courses

ECON 361 Political Economy and Economic Development
Crosslistings: ECON 361/ECON 524

Primary Crosslisting
This course is intended as an introduction to the newly emerging field of political economy of institutions and development. Key questions of interest include how voters behave and how this affects policy and economic outcomes; the nature, evolution and economic implication of corruption, and how it can be controlled; and the economics of conflict. The goal of the course is both to provide students of a sense of the frontier research topics in political economy in developing countries and to introduce them to the methodologies used to investigate these topics.

Class Format: lecture/discussion
Requirements/Evaluation: problem sets, quizzes, presentation, final exam
Extra Info: may not be taken on a pass/fail basis
Prerequisites: ECON 110 and (ECON 255 or STAT 346) or permission of instructor
Enrollment Preferences: junior and senior majors
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2
Other Attributes: POEC Comparative POEC/Public Policy Courses

Not Offered Academic Year 2017
LEC

ECON 362(F) Global Competitive Strategies
This course maintains an IO perspective, acknowledging the centrality of large, multinational firms in determining the pattern and success of a nation's international economic activities (which include, but are not limited to, a wide range of licensing, trade, and diverse configurations of foreign direct investment activities, and their implications for employment, profitability, and social welfare at home and abroad.) In this sense, we depart from international economic approaches that focus foremost on the ways in which a country's factor endowments, domestic market characteristics, and government policies promote or impede such activities, although in
our treatment we do not neglect these factors, but treat them as constraints upon, or resources supporting, the optimizing behaviors of large firms. During and following a case-based module in which we learn and simulate the strategic decision processes used by executives of multinationals, we examine the actual trade and investment decisions of those firms, compare them to the predictions of international trade and multinational IO theories, and seek to explain divergences where they are identified. Throughout, competitive strategies of domestic and foreign rivals in markets around the world are explored. As well, the types and efficacy of various government policies in promoting the competitiveness of industries in regional and global markets — and how they are linked to recent work in growth theory — are examined. Further, substantial recent shifts in the nature of globalized economic activity, including the changing relative mobility and power of capital and labor, are examined. Finally, welfare propositions and policy ideas for addressing welfare impacts are advanced and discussed. Written cases, class participation, a mid-term exam, and a final paper or exam are expected.

Class Format: lecture/discussion
Requirements/Evaluation: written cases; class participation; a mid-term exam; and a final paper or exam
Prerequisites: ECON 251
Enrollment Preferences: senior Economics majors
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives

Fall 2016
LEC Section: 01 M 07:00 PM 09:40 PM Instructor: Michael Fortunato

ECON 363 Money and Banking
This course first explores the role of the financial system and financial markets, and how they interact with the economy. What does finance do? How are asset prices determined, and how are these prices related to interest rates? Are financial markets efficient, and what are the implications of their efficiency or lack thereof? How does the financial system help with the management of risks faced by society? Second, it analyzes the role of the central bank and the conduct of monetary policy. How do central banks set monetary policy and how do those policies effect the economy? How does monetary policy change when interest rates are (virtually) zero? Third, it studies the complexities associated with managing and regulating modern financial instruments and markets. Why are financial crises so common, and why has regulation not succeeded in preventing them?

Class Format: lecture and discussion
Requirements/Evaluation: problem sets, midterm, a debate and/or presentation, and a final exam
Prerequisites: ECON 252
Enrollment Preferences: Economics majors
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2
Other Attributes: POEC Comparative POEC/Public Policy Courses

Not Offered Academic Year 2017
LEC Instructor: Kenneth Kuttner

ECON 364(F) Theory of Asset Pricing (Q)
What is the price of time? What is the price of risk? How do markets allocate resources across time and uncertain states of the world? This course theoretically studies how markets allocate scarce resource across time and when outcomes are risky. The "goods" in such markets are called "assets" and the prices of "assets" determine the cost of trading resources across time and across uncertain states of the world. We theoretically investigate how equilibrium determines the price of time, then asset price implications; then asset allocations and prices in the presence of risk; finally, implications for new assets.

Class Format: lecture
Requirements/Evaluation: problem sets and exams
Extra Info: may not be taken on a pass/fail basis
Prerequisites: ECON 251 or ECON 252; and ECON 255 or STAT 201
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2, Quantitative/Formal Reasoning

Fall 2016
LEC Section: 01 TR 08:30 AM 09:45 AM Instructor: Greg Phelan

ECON 366(S) International Trade and Development
Crosslistings: ECON 516/ECON 366
Secondary Crosslisting
This course will examine the causes and consequences of globalization and its implications for less-developed countries. We will study the classic models of international trade and discuss the empirical relevance of these theories. In addition, we will focus on other dimensions of globalization that are of particular importance to developing countries such as trade and education, emigration, brain drain, remittances, foreign direct investment, trade policies, infant industry protection, trade and growth, the resource course, and trade agreements.

Class Format: lecture/discussion
Requirements/Evaluation: problem sets, midterm, presentation, and final
Prerequisites: ECON 251 and ECON 255
Enrollment Preferences: undergraduate enrollment limited and requires instructor's permission
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives, POEC International Political Economy Courses

Spring 2017
SEM Section: 01 TR 08:30 AM 09:45 AM Instructor: Will Olney

ECON 372(S) Incentives and Development Policy
Crosslistings: ECON 521/ECON 372
Secondary Crosslisting

Why isn't the whole world developed? This course (and instructor) is of the opinion that the difficulty of getting incentives right is the key source of inefficiency. The course therefore studies how limited enforcement and asymmetric information constrain development, and about innovative development designs that attempt to overcome these constraints. The course readings will be a mix of field studies, empirical evidence and theoretical tools from game theory. Incentive and corruption problems in health, education, the regulation of banks and natural monopolies, privatization, budgeting, debt forgiveness, foreign aid, microfinance, climate treaties and ethnic violence will be studied using a unified framework. Note: this course was developed to address issues that arise in the countries represented at the CDE.

Class Format: seminar
Requirements/Evaluation: two hour-long tests and a final policy project
Extra Info: may not be taken on a pass/fail basis
Prerequisites: undergraduate enrollment limited and requires instructor's permission
Enrollment Preferences: intended for CDE Fellows
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2

Spring 2017
SEM Section: 01 TR 11:20 AM 12:35 PM Instructor: Ashok Rai

ECON 374T(S) Poverty and Public Policy (W)

Since 1965, the annual poverty rate in the United States has hovered between 10% and 15%, though far more than 15% of Americans experience poverty at some point in their lives. In this course, we will study public policies that, explicitly or implicitly, have as a goal improving the well-being of the poor in this country. These policies include safety net programs (Aid to Families with Dependent Children/Temporary Assistance to Needy Families, Supplemental Nutrition Assistance Program/Food Stamps, Medicaid/Children's Health Insurance Program, and housing assistance), education programs (Head Start and public primary and secondary education), and parts of the tax code (the Earned Income Tax Credit). We will explore the design and functioning of these programs, focusing on questions economists typically ask when evaluating public policy: Does the policy achieve its goals? Does the design of the policy lead to unintended effects (either good or bad)? Could it be redesigned to achieve its goals in a more cost-effective manner? Through in-depth study of these programs, students will learn how economists bring theoretical models and empirical evidence to bear on important questions of public policy.

Class Format: tutorial
Requirements/Evaluation: evaluation will be based on six 5- to 7-page papers and on the quality of the student's oral presentations and commentary on the work of his/her colleagues
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: POEC 253 or ECON 255 or STAT 346 or permission of instructor
Enrollment Preferences: Economics majors, Political Economy majors
Enrollment Limit: 10
Expected Class Size: 10
Distributional Requirements: Division 2, Writing Intensive
Other Attributes: JLST Interdepartmental Electives, POEC U.S. Political Economy + Public Policy Course

Spring 2017
TUT Section: T1 TBA Instructor: Lara Shore-Sheppard

ECON 377 Inspiration/Perspiration: The Economics of Innovation and Technological Change

From agriculture, to the steam engine, to modern biotechnology, technological change drives economic growth and rising living standards. Whether we are talking about great inventions or small tweaks, the tools of economics can help us understand how new technologies emerge, spread, and become obsolete. In this course, we will first take a microeconomic approach to examining the creation of new knowledge, the translation of ideas into practical applications, and the adoption of new technologies by producers and consumers. We will study the incentives that potential innovators face, how these are affected by patents and other forms of intellectual property rights, and how different market structures can influence the resulting trajectory of technological change and utilization. We will then confront the macroeconomic implications of innovation, and discuss how government policies can foster technological change and address its consequences. Throughout the course, we will explore historical and contemporary case studies of the creation, exploitation, and consequences of innovation.
The world today is marred by vast differences in the standard of living, with about a 30-fold difference in per-capita incomes between the poorest country and the most affluent. What explanations do long-run growth economists have to offer for these differences in levels of prosperity across nations? Are the explanations to be found in underlying differences between countries over the past few decades, the past few centuries, or the past few millennia? If contemporary differences in living standards have "deep" historically-rooted origins, what scope exists for policies to reduce global inequality today? Can we expect global inequality to be reduced gradually over time, through natural processes of economic development, or are they likely to persist unless action is taken to reduce them? This course will present a unified theory of economic growth for thinking about these and related questions. Examples of issues to be covered include: the Neoclassical growth model and its inefficacy for answering questions about development over long time horizons; Malthusian stagnation across societies during the pre-industrial stage of economic development; the importance of the so-called demographic transition and of human capital formation in the course of industrialization; the persistent influence of colonialism, slavery, and ethnic fragmentation in shaping the quality of contemporary politico-economic institutions; and the long-lasting effects of geography on comparative development, through its impact on the emergence of agriculture in early human societies and its influence in shaping the genetic composition of human populations across the globe.
composition, and the implications of these trends for the economy. The course demonstrates the application of microeconomic theory to
demographic behavior, including fertility, marriage, and migration. Students are introduced to basic techniques of demographic
measurement and mathematical demography. Selected topics include the economic consequences of population growth in developing
countries, the economics of fertility and female labor force participation, the effects of an older age structure on the social security
system, and the relationship between population growth and natural resources.

Class Format: lecture/discussion
Requirements/Evaluation: at least one exam, a research paper and a class presentation
Extra Info: may not be taken on a pass/fail basis
Prerequisites: ECON 251; POEC 253 or ECON 255 or permission of instructor
Enrollment Preferences: Economics majors
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2
Other Attributes: PHLH Social Determinants of Health, POEC Comparative POEC/Public Policy Courses

Not Offered Academic Year 2017
LEC Instructor: Lucie Schmidt

ECON 381(S) Global Health Policy Challenges (Q)
Poor health is both a cause and a consequence of poverty. It can trap individuals in poverty and reduce aggregate economic growth.
This course will be structured around major global health challenges, including maternal health, HIV/AIDS, tuberculosis, malaria,
diarrheal disease, nutritional deficiencies and obesity. For each topic, we will first examine the prevalence of the problem. Then, we will
turn to the evidence about the costs, benefits, and effectiveness of existing policy solutions. Finally, we will use this information to
debate policy alternatives and develop policy recommendations that take into account budgetary, political, and social constraints.

Class Format: lecture
Requirements/Evaluation: three policy memorandums, a midterm exam and a substantive research paper that includes some
analysis of existing data
Extra Info: may not be taken on a pass/fail basis
Prerequisites: ECON 251 and (POEC 253 or ECON 255 or STAT 346) or permission of instructor
Enrollment Preferences: seniors and juniors
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2, Quantitative/Formal Reasoning
Other Attributes: PHLH Decision-Making by Institutions + Individuals, POEC Comparative POEC/Public Policy Courses

Spring 2017
LEC Section: 01 MW 08:30 AM 09:45 AM Instructor: Susan Godlonton

ECON 383 Cities, Regions and the Economy
Cities and urbanization can have significant impacts on the economy. In many developed economies, a process of regional decline is
associated with older, industrial cities. In developing countries, the process of economic growth is generally associated with increasing
urbanization, with its increasing concentration of population and production, puts particular pressure on markets to allocate resources for provision of land, housing, transportation, labor and public goods. Urbanization can alter the productivity of land, labor, and capital in ways that can improve the welfare of residents and the performance of the broader economy. In this course we will
examine these conflicting economic forces and examine some recent research that contributes to our understanding of the difference
between regional growth and decline, and the role that the urban structure plays in these processes. We will examine the function of
land, housing, transportation, and labor markets in the urban context, and the scope for public policies to improve the performance of
the regional economy.

Class Format: lecture/discussion
Requirements/Evaluation: two midterms and a research paper
Prerequisites: ECON 251
Enrollment Preferences: seniors and juniors
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2
Other Attributes: AMST Space and Place Electives, ENVP PE-A Group Electives, ENVP SC-A Group Electives, GBST Urbanizing
World Electives, POEC U.S. Political Economy + Public Policy Course

Not Offered Academic Year 2017
LEC Instructor: Stephen Sheppard

ECON 384(S) Corporate Finance (Q)
This course analyzes the major financial decisions facing firms. While the course takes the perspective of a manager making decisions
about what investments to undertake and how to finance these projects, it will emphasize the underlying economic models that are
relevant for these decisions. Topics include capital budgeting, links between real and financial investments, capital structure choices,
dividend policy, and firm valuation. Additional topics may include issues in corporate risk management, corporate governance and
corporate restructuring, such as mergers and acquisitions.

Class Format: lecture/discussion
Requirements/Evaluation: class participation, problem sets, short quizzes, short projects such as case write ups, a midterm exam, a final exam and a group project
Prerequisites: ECON 251, 252, and some familiarity with statistics (e.g., ECON 255)
Enrollment Preferences: senior Economics majors
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2, Quantitative/Formal Reasoning

Spring 2017
LEC Section: 01 MWF 08:30 AM 09:45 AM Instructor: William Gentry

ECON 385(S) Games and Information (Q)
This course is a mathematical introduction to strategic thinking and its applications. Ideas such as Nash equilibrium, commitment, credibility, repeated games, incentives and signaling are discussed. Examples are drawn from economics, politics, history and everyday campus life.
Class Format: lecture/discussion
Requirements/Evaluation: exams, problem sets and a substantial final project that involves modeling a real world situation as a game
Extra Info: Students who have taken Math 335 cannot receive credit for this class may not be taken on a pass/fail basis
Prerequisites: ECON 251 and MATH 150, or permission of instructor
Enrollment Preferences: juniors and seniors
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2, Quantitative/Formal Reasoning

Spring 2017
LEC Section: 01 TF 01:10 PM 02:25 PM Instructor: Ashok Rai

ECON 386 Environmental and Natural Resource Policy (Q)
Crosslistings: ECON 386/ENVI 386/ECON 518
Primary Crosslisting
Economic activity often damages the environment significantly, especially in developing countries. Firms may clear-cut valuable forests, while consumers may drive high-pollution vehicles with little thought for the environmental consequences. Economists have proposed a variety of policy remedies, from pollution taxes to tradable permit schemes and restrictions on the quantity of pollution. This course first examines the relative merits of these policies from a theoretical perspective. When pollution damage is uncertain, is it better to use a pollution tax or a quantity restriction? Is it worse to set a pollution tax too high than to set it too low? It then proceeds to the practical issues that attend policy implementation, particularly where state capacity is limited. What is the best policy when inspectors can be threatened or bribed? When resource extraction is hard to monitor? Case studies will likely include policies aimed at deforestation, mineral ownership and extraction, particulate air pollution from industry and transportation, and carbon emissions from electricity generation. In evaluating policies we will think about both efficiency and the distribution of costs and benefits. (What if environmental regulation only benefits the wealthiest people in a country?) We will also examine the environmental consequences of policies aimed at other problems, like poverty and low education.
Class Format: seminar
Requirements/Evaluation: problem sets, paper, brief presentation, a midterm, and a final exam
Prerequisites: ECON 251, familiarity with statistics
Enrollment Preferences: senior Economic majors and CDE fellows
Enrollment Limit: 25
Expected Class Size: 20
Dept. Notes: this course satisfies the Environmental Policy requirement for the Environmental Policy major and the Environmental studies concentration
Distributional Requirements: Division 2, Quantitative/Formal Reasoning
Other Attributes: ENVI Environmental Policy, ENVP PTL Theory/Method Courses, ENVP PE-A Group Electives, ENVP PTL-A Group Electives, ENVP SC-A Group Electives, MAST Interdepartmental Electives, POEC Comparative POEC/Public Policy Courses

Not Offered Academic Year 2017
SEM

ECON 387(S) Economics of Climate Change (Q)
Crosslistings: ECON 387/ECON 522/ENVI 387
Primary Crosslisting
This course introduces the economic view of climate change, including both theory and empirical evidence. Given the substantial changes implied by the current stock of greenhouse gases (GHGs) in the atmosphere, we will begin by looking at impacts on agriculture, health, income, and migration in both wealthy and poor countries. Next we will study adaptation, including capital investments and behavioral changes, and insurance. We will examine the sources of climate change, especially electricity generation and transportation, and think about optimal policies. What is the socially optimal amount of climate change? (Probably not zero.) Why have countries had such a hard time agreeing on GHG emissions reductions, and how might we overcome such difficulties? In considering policy, we will employ not only theoretical predictions, but also the growing body of evidence from attempts to regulate GHGs. Examples include China's pilot cap-and-trade programs, the EU ETS, and the US Clean Power Plan. We will pay particular
attention to the economic policy of regulation and ways in which policy results have departed from theoretical predictions. Finally, we will discuss the limits of the economic approach to climate change, pointing out questions on which economic theory provides little guidance.

**Class Format:** lecture

**Requirements/Evaluation:** weekly problem sets, one or two midterms, final exam

**Prerequisites:** ECON 251, familiarity with statistics

**Enrollment Preferences:** senior Economic majors and CDE fellows

**Enrollment Limit:** 30

**Expected Class Size:** 25

**Distributional Requirements:** Division 2, Quantitative/Formal Reasoning

**Other Attributes:** ENVI Environmental Policy, ENVP PTL Theory/Method Courses, ENVP PE-A Group Electives, ENVP PTL-A Group Electives, ENVP SC-A Group Electives, MAST Interdepartmental Electives, POEC Comparative POEC/Public Policy Courses

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**Spring 2017**

**LEC Section:** 01  MR 02:35 PM 03:50 PM  Instructor: Matthew Gibson

**ECON 388 Urbanization and Development**

**Crosslistings:** ECON 388/ECON 517/ENVI 388

**Primary Crosslisting**

At current rates of growth, the combined population of urban areas in developing countries will double in the next 30 years. The land area devoted to urban use is expected to double even more quickly. The costs of providing housing and infrastructure to accommodate this growth are enormous, but the costs of failing to accommodate urban development may be even larger. The decisions made in response to these challenges will affect the economic performance of these countries and the health and welfare of the urban residents. By affecting global patterns of energy use, these decisions will have broader impacts on the entire planet. This course will focus on these challenges. What are the economic forces that drive the process of urbanization, and how does the level of urbanization affect economic development? How are policies towards housing, transportation, public finance and development affected by urbanization? What policy choices are available, and which are most likely to succeed in dealing with the challenges of urban growth?

**Class Format:** lecture/discussion

**Requirements/Evaluation:** a midterm and a final exam, plus a paper that evaluates specific problems, policy alternatives, and provides some analysis of relevant data

**Prerequisites:** ECON 251 plus POEC 253, ECON 255, 502 or 503; undergraduate enrollment limited and requires instructor's permission

**Expected Class Size:** 20

**Distributional Requirements:** Division 2

**Other Attributes:** AMST Space and Place Electives, ENVI Environmental Policy, GBST Urbanizing World Electives, POEC Comparative POEC/Public Policy Courses

**Not Offered Academic Year 2017**

**LEC**  Instructor: Stephen Sheppard

**ECON 389(S) Tax Policy in Emerging Markets (Q)**

**Crosslistings:** ECON 514/ECON 389

**Secondary Crosslisting**

Taxes are half of what government does. So if you are interested in what government policy can do to promote efficiency, equity, and economic development, you should be interested in tax policy. Governments must raise tax revenue to finance critical public goods, address other market failures and distributional issues, and to avoid problems with debt and inflation. Taxes typically take up anywhere from ten to fifty percent of a country's income, they profoundly affect the incentives to undertake all varieties of economic activity, and the government expenditures that they finance have potentially large consequences for human welfare. So the stakes involved in improving tax policy are quite large. All of these issues are of great importance in emerging markets (developing and transition economies), but in these nations taxation is especially challenging because of serious problems with tax evasion and administration. This class provides an in-depth exploration of tax policy, with an emphasis on the challenges and issues most relevant in emerging markets. Topics addressed in this class include: how basic economic principles can be applied to help one think about the efficiency and equity consequences of tax policies; how personal income taxes, corporate income taxes, and value-added taxes are designed and administered and how they influence the economy; ideas for fundamental reforms of these taxes; theory and evidence in the debate over progressive taxes versus "flat" taxes; how various elements of tax design affect incentives to save and invest; how market failures and administrative problems may influence the optimality of different tax policies; the implications of global capital flows and corporate tax avoidance for the design of tax policy; tax holidays and other special tax incentives for investment; empirical evidence on the influence of taxes on economic growth, foreign direct investment, labor supply, and tax evasion; tax policy towards natural resources such as minerals and oil; case studies of efforts to reform tax administration and reduce tax evasion and corruption; taxes on land and property; taxes on imports and exports; presumptive taxation; and the informal economy and its implications for tax policy.

**Class Format:** seminar

**Requirements/Evaluation:** midterm exam, problem sets, two 7- to 10-page essays

**Prerequisites:** one public economics course or microeconomics course (ECON 504 or ECON 110), and one empirical methods course (POEC 253 or ECON 255, 502, or 503); students who have previously taken ECON 351 will not be enrolled

**Enrollment Preferences:** CDE students, but undergraduates with the prerequisites are welcome

**Enrollment Limit:** 19

**Expected Class Size:** 15-19

**Distributional Requirements:** Division 2, Quantitative/Formal Reasoning
ECON 390T Financial Crises: Causes and Cures (W)
Crosslistings: ECON 390/ECON 536

Financial crises have been with us for as long as banking has existed. Why are crises such a regular fixture of societies, and what can be done to prevent them, or at least reduce their cost? Topics examined include bubbles and swindles, especially when these spillover to the broader macroeconomy; the role of information in banking in normal times and in bank runs; boom-bust cycles in asset markets; international contagion; crisis resolution techniques; and the extensive history of attempts to improve regulation so as to reduce the frequency and cost of crises. Crises in developing and developed economies from the South Sea Bubble to the Euro Crisis will be examined, and the role of political economy factors in their run-up and resolution will be featured.

Class Format: tutorial
Requirements/Evaluation: students will write 5-6 papers during the term, and will prepare and deliver formal comments on 5-6 papers written by other students
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: ECON 252 and 255
Enrollment Preferences: Economics majors
Enrollment Limit: 10
Expected Class Size: 10
Distributional Requirements: Division 2, Writing Intensive
Other Attributes: POEC Comparative POEC/Public Policy Courses

ECON 391T Economic Analysis of Housing Markets (W)

Housing is one of the most basic of human needs and the housing market is one of the largest, most important and most heavily regulated markets in national economies around the world. At various times economists, policy makers and the general public have regarded the housing market as irrational and malfunctioning in a variety of ways. Why? In this tutorial we will explore and analyze the workings of the housing market. In what ways do housing markets differ from other markets? Why (and how often) do house price "bubbles" occur? How do mortgage markets function and influence housing markets in countries around the world? In what ways can housing and housing conditions serve as an indicator of quality of life? How do housing markets affect the sustainability of cities? These and other questions will be the focus of reading and discussion for the course.

Class Format: tutorial
Requirements/Evaluation: each student will write a paper every other week, and comment on his/her partner's work in the other weeks
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: ECON 251 and 255 or permission of instructor
Enrollment Preferences: Economics majors
Enrollment Limit: 10
Expected Class Size: 10
Distributional Requirements: Division 2, Writing Intensive

ECON 393 International Macroeconomics

This model based course examines the workings and interactions among national economies in the global arena and the implications for macroeconomic policy analysis. Topics include analysis of international financial asset markets, international capital flows and the transmission of business cycles internationally. A series of both factual and counterfactual case studies are developed in class and used to study the implications for central bank exchange rate policies, monetary policies, trade policies, currency and trade unions such as the EEC and NAFTA, and international policy coordination issues among the G7 and members of the International Monetary Fund more broadly.

Class Format: lecture/discussion
Requirements/Evaluation: two midterm exams and one final term paper focused on an international macro policy topic of the student's choice
Prerequisites: ECON 252
Enrollment Preferences: Economics majors, and particularly to those wishing to write an honors thesis in related areas of interest
Enrollment Limit: 20
Expected Class Size: 15
Distributional Requirements: Division 2
Other Attributes: POEC International Political Economy Courses

Not Offered Academic Year 2017
LEC Instructor: Peter Pedroni
ECON 394(F) European Economic History
Economic history directly informs our understanding of the process of economic development. With this in mind, this course will explore a series of questions related to the economic development of Europe from the early modern period until today. Why did modern economic growth first occur in Europe, and not in China or the Middle East? Why did the Industrial Revolution occur in Britain and not France? What was the role of colonialism in the acceleration of European growth? What explains the rise and fall of the Soviet economy? What are the causes and consequences of European economic integration since World War II? To answer these and other questions, we will investigate how institutional changes, the evolution of technology, aspects of globalization, and various forms of government intervention have impacted economic growth and living standards in European history, and how those developments have affected the rest of the world. Drawing on a wide variety of empirical and theoretical readings, the course will focus on how economic historians marshal evidence and construct arguments in ways that borrow from and contribute to other fields of economics.

Class Format: lecture/discussion
Requirements/Evaluation: class participation, reading responses, short assignments, and a final research paper
Prerequisites: ECON 251 or ECON 252 AND (ECON 255 or equivalent POEC 253 or STAT 346)
Enrollment Limit: 25
Expected Class Size: 25
Distributional Requirements: Division 2

Fall 2016
LEC Section: 01 Cancelled

ECON 397(F) Independent Study: Economics
Students are invited to apply to undertake independent study on subjects of their own choosing. Interested students should consult with a faculty member about designing an appropriate project well in advance of spring registration.

Class Format: independent study
Prerequisites: consent of an instructor and of the department chair
Dept. Notes: with permission of the department, an approved project may count as one of the two advanced electives required for the major
Distributional Requirements: Division 2

Fall 2016
IND Section: 01 TBA Instructor: Kenneth Kuttner

ECON 398(S) Independent Study: Economics
Students are invited to apply to undertake independent study on subjects of their own choosing. Interested students should consult with a faculty member about designing an appropriate project well in advance of spring registration.

Class Format: seminar
Prerequisites: consent of an instructor and of the department chair
Dept. Notes: with permission of the department, an approved project may count as one of the two advanced electives required for the major
Distributional Requirements: Division 2

Spring 2017
IND Section: 01 TBA Instructor: Kenneth Kuttner

ECON 451(F) Topics in Macroeconomics
This seminar explores some of the central topics in macroeconomics, including economic growth, saving and investment, business cycle fluctuations, monetary policy, and financial crises. The first part of the course focuses on long-run economic growth. Using economic theory and evidence, we will attempt to answer some of the most important questions in all of economics: Why are some countries poor and other countries rich? What can governments do to achieve faster and environmentally sustainable rates of growth? What are the growth consequences of sustained budget deficits? Understanding the behavior of the economy in the long run is one of the key tasks of macroeconomics. But as we have seen during the recent financial crisis, the short run matters as well. In the second part of the class, we will turn our attention to economic downturns and financial crises. Using historical work on past crises and the accumulating evidence on the current one, we will study a host of short-run topics, including financial markets, the effectiveness of fiscal and monetary policies, consumer expectations, asset prices, employment, and productivity. Because this is an advanced class in macroeconomics, we will approach these issues as practicing economists working with the best possible models and empirical techniques. Students will have an opportunity to apply these methods in a required end-of-term research paper.

Class Format: seminar
Requirements/Evaluation: midterm, final, class participation and research paper
Prerequisites: ECON 251, ECON 252, and (ECON 255 or STAT 346)
Enrollment Preferences: senior Economics majors
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2

Fall 2016
SEM Section: 01 Cancelled
ECON 453 Research in Labor Economics (Q)
The labor market plays a crucial role in people’s lives worldwide. In industrialized countries, most households contain at least one wage earner, and income from working represents the largest component of total income. Thus analyses of the labor market are fundamentally relevant to both public policy and private decision-making. This seminar will explore the structure and functioning of the labor market using theoretical and empirical tools. Topics to be covered include labor supply and demand, minimum wages, labor market effects of social insurance and welfare programs, the collective bargaining relationship, discrimination, human capital, immigration, wage distribution, and unemployment. As labor economics is an intensely empirical subfield, students will be expected to analyze data as well as study the empirical work of others.

Class Format: seminar
Requirements/Evaluation: a series of short papers and empirical exercises, constructive contributions to class discussion, class presentations, and a 15- to 20-page original empirical research paper (written in stages)
Extra Info: may not be taken on a pass/fail basis
Prerequisites: ECON 251 and ECON 255 or POEC 253
Enrollment Preferences: senior Economics majors
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2, Quantitative/Formal Reasoning
Other Attributes: POEC Comparative POEC/Public Policy Courses

Not Offered Academic Year 2017
SEM Instructor: Lara Shore-Sheppard

ECON 455 Research in Economic History
Historical approaches to understanding economic development and current economic policy issues are increasingly in vogue. This seminar will focus on how economic historians marshal evidence and utilize the empirical tools of economics to investigate questions of a historical nature that often have direct implications for modern society. Possible topics to be covered include the role of political change in economic development, trade and migration, education and human capital accumulation, technology and innovation policies, and the evolution and workings of domestic and global factor markets. Students will be expected to not only analyze recent scholarship in economic history, but they will also produce and present their own original research over the semester.

Class Format: seminar
Requirements/Evaluation: short reading responses and empirical exercises, constructive contributions to class discussion, class presentations, and a 15- to 20-page original research paper (written in stages)
Extra Info: may not be taken on a pass/fail basis
Prerequisites: ECON 251 and (ECON 255 or POEC 253 or STAT 346)
Enrollment Preferences: senior Economics majors
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2
Other Attributes: POEC Comparative POEC/Public Policy Courses

Not Offered Academic Year 2017
SEM Instructor: Steven Nafziger

ECON 456 Income Distribution
This course examines the distribution of income in the U.S., with emphasis on how it is affected by taxes, transfers, and other government programs. Questions to be addressed may include the following: How have wage inequality and the skill premium evolved over time? What factors explain a rising skill premium? How does income differ with race and gender? How is poverty measured, and what are the factors associated with living in poverty? How do government programs change the distribution of income? How much income mobility is there across generations? Students will become more critical readers of current economic literature, and will apply their skills in conducting empirical research.

Class Format: discussion/seminar
Requirements/Evaluation: short writing assignments, computer lab exercises, oral presentations, and a 15- to 20-page research paper including original empirical analysis (written in stages)
Extra Info: may not be taken on a pass/fail basis
Prerequisites: ECON 251 and 255 or equivalent
Enrollment Preferences: senior Economics majors
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2
Other Attributes: POEC U.S. Political Economy + Public Policy Course

Not Offered Academic Year 2017
SEM Instructor: Sara LaLumia

ECON 457(S) Public Economics Research Seminar
In this class, students will learn how to read, critically evaluate, and begin to produce empirical research on important and interesting public policy questions. Topics will be selected from across the spectrum of public economics issues and may vary from year to year. Examples of specific topics that may be covered include education, environmental policy, taxation, income inequality, anti-poverty
policy, health care policy, the economics of crime and corruption, and the implications of behavioral economics and psychology for public policy (we will typically only cover a subset of these topics). Applications will be drawn mostly from the United States but we will also consider some issues and evidence from other industrialized and developing countries. The course will especially emphasize the critical analysis of empirical evidence on public policy questions.  

Class Format: a mix of lecture, seminar discussion, and time in a computer lab learning to work with data and estimate econometric models.  

Requirements/Evaluation: a 15- to 20-page research paper (written in stages) that is a combination of a research proposal and an original empirical analysis of data, a series of short papers and empirical exercises, and regular constructive contributions to class discussion.  

Prerequisites: ECON 255, ECON 251, and ECON 120  
Enrollment Preferences: senior Economics majors  
Enrollment Limit: 19  
Expected Class Size: 19  

Dept. Notes: ideal preparation for seniors (or juniors, if offered in the spring) interested in writing an ECON thesis, or for students who want a taste of the kind of original empirical research one would do for a thesis without actually having to commit to a thesis.  

Distributional Requirements: Division 2  
Other Attributes: ENVP PE-A Group Electives, ENVP SC-A Group Electives, POEC U.S. Political Economy + Public Policy Course  

Spring 2017  
SEM Section: 01  TF 01:10 PM 02:25 PM  Instructor: Jon Bakija  

ECON 458T Economics of Risk  
Risk and uncertainty are pervasive features of economic decisions and outcomes. Individuals face risk about health status and future job prospects. For a firm, developing new products is risky; furthermore, once a product has been developed, the firm faces product liability risk if it turns out to be unsafe. Investment decisions—from managing a portfolio to starting a business—are also fraught with uncertainty. Some risks are environmental—both manmade problems and natural disasters; other risks include the possibility of terrorist attack and, more locally, issues of campus safety. This tutorial explores both the private market responses to risk (e.g., financial markets, insurance markets, private contracting, and precautionary investments and saving) and government policies towards risk (e.g., regulation, taxation, and the legal system). From a theoretical standpoint, the course will build on expected utility theory, diversification, options valuation, principal-agent models, contract theory, and cost-benefit analysis. We will apply these tools to a wide variety of economic issues such as the ones listed above. One goal of the course is to discover common themes across the disparate topics. Students will be expected to read and synthesize a variety of approaches to risk and uncertainty and apply them to various issues.  

Class Format: tutorial; students will meet with the instructor in pairs in each week.  

Requirements/Evaluation: each student will write a paper (or do a short project) every other week, and comment on his or her partner's work in the other weeks; the final two weeks will be reserved for applied projects of the student's choice.  

Extra Info: one of the papers during the term will be revised to reflect feedback from the instructor and the student's partner may not be taken on a pass/fail basis.  

Prerequisites: ECON 251, 252, and 255  
Enrollment Preferences: senior Economics majors  
Enrollment Limit: 10  
Expected Class Size: 10  

Distributional Requirements: Division 2  

Not Offered Academic Year 2017  
TUT  Instructor: William Gentry  

ECON 459 Economics of Institutions (Q) (W)  
Why are some countries so rich and others so poor? Typical answers to this question have emphasized proximate causes like factor accumulation (i.e., growth in a nation's physical and human capital endowments), technological progress, and demographic change. The institutional approach to this question, however, emphasizes the role of sociopolitical and cultural factors, broadly defined, as a fundamental determinant of its economic prosperity. The central idea is that the added-value of economic activities to society at large is primarily conditioned by the social arrangements within which these activities occur. Specifically, these social arrangements invariably generate a structure of private incentives, which can either promote behavior that is conducive to economic development or lead to the pursuit of private gain at the expense of the common good. As such, the key to economic development in this view is the establishment of a suitable set of institutions and structures of governance in society. This course will survey the rapidly expanding literature on the topic of institutions and economic development, with an emphasis on the latest empirical evidence that has come to bear in the context of both historical and contemporary societies. The purpose of the course will be to expose students to the core ideas and empirical tools employed at the frontier of research in this area of inquiry. The readings will primarily comprise published journal articles and unpublished working papers, and students should expect to apply concepts from across all the core courses in economics.  

Class Format: seminar.  

Requirements/Evaluation: one 10-page midterm paper and one 15-page final research paper (both involving applied econometric work); extensive class participation.  

Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option.  

Prerequisites: ECON 251, ECON 252 and (either ECON 255 or STAT 346) or permission of instructor.  
Enrollment Preferences: senior Economics majors  
Enrollment Limit: 19  
Expected Class Size: 19  

Distributional Requirements: Division 2, Quantitative/Formal Reasoning, Writing Intensive
**ECON 460 Economic Development of China**

**Crosslistings:** ECON 460/ASST 460

**Primary Crosslisting**

This course is an introduction to the economic development of China in the post-1978 period. It seeks to provide an overview of the process by which China grew from an economic backwater to the second largest economy in the world, with a particular focus on rural development and the growing gap between rural and urban incomes; human capital and education; and health and gender in the Chinese context. In addition, the course has the goal of familiarizing students with current economics research on Chinese topics and enabling them to be informed consumers of this research.

**Class Format:** seminar

**Requirements/Evaluation:** in-class quizzes, literature critique, individual project comprising a presentation and final paper

**Extra Info:** may not be taken on a pass/fail basis

**Prerequisites:** ECON 251 and 255

**Enrollment Preferences:** senior Economics majors

**Enrollment Limit:** 19

**Expected Class Size:** 19

**Distributional Requirements:** Division 2

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**ECON 461 Computable General Equilibrium (CGE) Modeling**

**Crosslistings:** ECON 461/ECON 526

**Primary Crosslisting**

The Computable General Equilibrium (CGE) model is an important tool for applied policy work. CGE models are the primary tool for many government organizations when evaluating policy alternatives and are also used extensively by various NGO's when deciding aid and policy recommendations. The great advantage of these models is that they capture the general equilibrium feedback effects of policy proposals on various sectors of the economy. This is of great importance to applied work, as this allows the identification of the winners and losers from potential policies. The class will begin with a general overview of CGE models. This overview will be rigorous and mathematical. This course will use the free programming packages GAMS and MPSGE to implement various CGE models using real world data. While no previous computer experience is required, some familiarity with Excel is recommended. During the latter part of the course, students will create a CGE model for a country of their choice and conduct policy experiments using their model. Interested students could continue this project as a potential thesis topic.

**Class Format:** lecture/discussion

**Requirements/Evaluation:** evaluation will be based on problem sets, two midterms, final project and presentation

**Prerequisites:** MATH 150 and ECON 251

**Enrollment Preferences:** senior Economics majors and CDE fellows

**Enrollment Limit:** 19

**Expected Class Size:** 19

**Distributional Requirements:** Division 2

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**ECON 463(S) Financial History (W)**

What can we learn from financial history to understand the successes and failures of finance today, and how finance and politics interact? This course opens with a brief survey of some of the major characteristics, issues, and challenges of financial systems today, and then examines earlier experience with these phenomena. Topics to be examined include: the role of finance in economic development historically, including in the financial revolutions from Northern Italy, the Netherlands, Britain and the US; the relationship between finance and government, and the extent to which it has changed over time; the lessons from early asset bubbles for modern financial systems; the effect of institutions (laws, norms, and culture) and political systems in shaping the impact of finance, as illustrated by comparisons between Mexico and the U.S., among other cases; and lessons from U.S. financial history for policies today. The course also examines the tools that were developed in earlier epochs to deal with different risks, evaluates their efficacy, and considers lessons for modern financial regulation.

**Class Format:** seminar

**Requirements/Evaluation:** evaluation will consist either of 6 short papers or 3 short papers and one longer research paper (student choice), at least one oral presentation, and contributions to class discussions

**Extra Info:** may not be taken on a pass/fail basis

**Prerequisites:** ECON 251, ECON 252, and (ECON 255 or STAT 346)

**Enrollment Preferences:** senior Economics majors

**Enrollment Limit:** 19

**Expected Class Size:** 19

**Distributional Requirements:** Division 2, Writing Intensive

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Spring 2017
ECON 465(F) Pollution and the Labor Market
If your home town has polluted air, does that reduce your wage? Do you work less? Are you less likely to finish high school? These are specific versions of an important general question: how does pollution affect labor market outcomes? The answer matters for individual decisions (where to live) and government policies (air pollution regulations). This seminar begins from theories of optimizing worker behavior in the presence of pollution. Building on this foundation we will critically evaluate new empirical research into the impacts of pollution on human capital, labor supply, and productivity. We will also study the impact of pollution regulations on wages and employment. Included papers will cover both developed and developing countries.

Class Format: seminar
Requirements/Evaluation: class discussion, presentation of reading, 15- to 20-page empirical paper (written in stages) and accompanying short presentation
Extra Info: not available for the fifth course option
Prerequisites: ECON 251 and ECON 255
Enrollment Preferences: Economics majors, seniority
Enrollment Limit: 15
Expected Class Size: 15
Dept. Notes: STAT 201/346 acceptable in place of ECON 255 prerequisite with instructor permission
Distributional Requirements: Division 2
Other Attributes: ENVI Environmental Policy, ENVP PTL Theory/Method Courses, ENVP PE-A Group Electives, ENVP PTL-A Group Electives, PHLH Decision-Making by Institutions + Individuals, POEC Comparative POEC/Public Policy Courses

ECON 467T Development Successes (W)
Although living standards in most of the world's poor countries have increasingly fallen behind those of the rich industrial countries, a relatively small number of countries that were quite poor in the middle of the last century have achieved dramatic improvements in their incomes since then. These development successes include countries such as Japan, the four dragons (Hong Kong, Korea, Singapore, and Taiwan), the MIT economies (Malaysia, Indonesia, and Thailand), the Asian giants of China and India, as well as non-Asian economies as diverse as Botswana, Chile, and Turkey. This tutorial will explore why these countries have apparently succeeded where many other poor countries have failed. A particular focus of the course will be on extracting insights from the experiences of these success cases about the broad development strategies that have been advocated over the past 50 years by scholars as well as by the international financial institutions.

Class Format: tutorial
Requirements/Evaluation: students will write five papers during the term, and will prepare and deliver formal comments on five papers written by other students
Extra Info: may not be taken on a pass/fail basis
Prerequisites: ECON 204 or 501
Enrollment Preferences: senior Economics majors
Enrollment Limit: 10
Expected Class Size: 10
Dept. Notes: need permission of the instructor for this class
Distributional Requirements: Division 2, Writing Intensive
Other Attributes: GBST Economic Development Studies Electives

ECON 468 Your Money or Your Life: Health Disparities in the United States
A 25-year-old man living in a high-income household can expect to live 10 years longer than his low-income counterpart. There are also stark differences in mortality and health by education, employment status, race, immigrant status, region, and gender. This course will explore many of the potential explanations for health disparities, including access to insurance and health care, health behaviors, stress, environmental exposure, and intergenerational transmission of health. We will emphasize causal inference and focus on assessing the quality of evidence. We will also investigate how government policies contribute to or ameliorate health disparities in the U.S.

Class Format: seminar, including frequent small group meetings, a computer lab, and a poverty simulation
Requirements/Evaluation: evaluation includes class discussion, oral presentations, 4-6 short response papers, two 5-page critiques of published articles, and one 15-page original empirical research paper
Prerequisites: ECON 251 and ECON 255 or equivalent, or permission of instructor
Enrollment Preferences: senior Economics majors
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2
Other Attributes: PHLH Decision-Making by Institutions + Individuals, PHLH Social Determinants of Health, POEC U.S. Political Economy + Public Policy Course
ECON 470(S) The Indian Economy: Development and Social Justice (D)
The Indian economy has grown rapidly in the last two decades, but poverty has declined relatively slowly. Is this the persistence of long-standing historical disadvantages such as those faced by Scheduled Castes and Tribes? Does this reflect failures in policy, in areas such as trade or labor law? Or is the quality of governance, especially the level of corruption, primarily to blame? We will use the traditional theoretical and quantitative methods of an economist to consider these questions, and, consistent with the goals of the Exploring Diversity Initiative, consider how they are shaped by power, privilege, and the social location of the narrator.

Class Format: seminar
Requirements/Evaluation: five short response papers (5 pages), and empirical research project
Prerequisites: ECON 251 and 255, or equivalent, or permission of instructor
Enrollment Preferences: junior and senior majors
Enrollment Limit: 19
Expected Class Size: 15
Distributional Requirements: Division 2, Exploring Diversity
Other Attributes: JLST Interdepartmental Electives, POEC Comparative POEC/Public Policy Courses

ECON 471(F) Topics in Advanced Econometrics (Q)
The course uses both a practical and conceptual/theory based approach, with emphasis on methods of structural identification of dynamics in VARs and cointegration analysis, both in conventional time series and panel time series which contain spatial dimensions. The course is Well suited for students considering empirically oriented honors theses in fields that employ these techniques, such as macro, finance, growth, trade and development. It is also well suited for students majoring in economics, statistics or mathematics who simply wish to expand their econometrics training and understanding to a more advanced level, or wish to pursue an econ honors thesis in econometrics.

Class Format: seminar
Requirements/Evaluation: periodic homework assignments, midterm exam, term paper
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: ECON 252 and ECON 255 (or equivalent)
Enrollment Preferences: students with strong math backgrounds, and to students intending to write an honors thesis
Enrollment Limit: 10
Expected Class Size: 10
Distributional Requirements: Division 2, Quantitative/Formal Reasoning

ECON 472(F) Macroeconomic Instability and Financial Markets (Q)
This advanced course in macroeconomics and financial theory attempts to explain the role and the importance of the financial system in the global economy. The course will provide an understanding of why there is financial intermediation, how financial markets differ from other markets, and the equilibrium consequences of financial activities. Rather than separating off the financial world from the rest of the economy, we will study financial equilibrium as a critical element of economic equilibrium. An important topic in the course will be studying how financial market imperfections amplify and propagate shocks to the aggregate economy. The course may cover the following topics: the determination of asset prices in general equilibrium; consequences of limited asset markets for economic efficiency; theoretical foundations of financial contracts and justifications for the existence of financial intermediaries; the roles of financial frictions in magnifying aggregate fluctuations and creating persistence and instability; the role of leverage and financial innovation in fueling financial crises.

Class Format: seminar
Requirements/Evaluation: evaluation will be based on problem sets, exams, and potentially student presentations
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: ECON 251 and ECON 252
Enrollment Preferences: Economics majors
Enrollment Limit: 19
Expected Class Size: 15
Distributional Requirements: Division 2, Quantitative/Formal Reasoning

ECON 473 Microfinance (D) (Q)
Crosslistings: ECON 473/ECON 520
Primary Crosslisting
Unequal access to finance (loans, savings, insurance) contributes to the persistence of poverty in developing countries. We review evidence that the entrepreneurial poor lack access to loans, and discuss how repayments can be enforced even when borrowers do not
have collateral. We discuss how recent innovations in micro-insurance can reduce vulnerability. We will study the role of governments and donors in equalizing financial access through subsidies or targeting. Finally, we shall explore how microfinance can empower women within the household. Readings include current empirical and theoretical research in development economics. This course is an EDI course because it critically analyzes how microfinance interventions can reduce inequality both within and across households.

**Class Format:** seminar  
**Requirements/Evaluation:** evaluation will be based on a midterm, a series of short papers and a longer final paper  
**Extra Info:** may not be taken on a pass/fail basis  
**Prerequisites:** ECON 251 and ECON 255  
**Enrollment Preferences:** senior Economics majors  
**Enrollment Limit:** 19  
**Expected Class Size:** 19  
**Distributional Requirements:** Division 2, Exploring Diversity, Quantitative/Formal Reasoning

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**ECON 475 Advanced Microeconomic Theory (Q)**  
The course will cover classical topics in voting, resource allocation, matching, bargaining and time permitting, basic elements of auction design. It will discuss important models and fundamental results in the area. Formal arguments and proofs will be an integral part of the course. The course will be useful for those planning to attend graduate school in economics. It will also be appropriate for students with a basic mathematical background and an interest in economic theory.  
**Class Format:** lecture  
**Requirements/Evaluation:** problem sets, paper, midterm, and a final exam  
**Extra Info:** may not be taken on a pass/fail basis; not available for the fifth course option  
**Prerequisites:** MATH 150 or equivalent  
**Enrollment Preferences:** senior Economics majors  
**Enrollment Limit:** 19  
**Expected Class Size:** 19  
**Distributional Requirements:** Division 2, Quantitative/Formal Reasoning

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**Not Offered Academic Year 2017**  
**SEM**  
Instructor: Ashok Rai

**ECON 476(F) Behavioral Economic Theory and Methods**  
Behavioral economics emphasizes that economic models should account for the psychological plausibility of its assumptions and consequences. This course will review the ways in which prominent behavioral economics models of decision-making differ from classical models found in standard microeconomics textbooks, including how these differences add to our understanding of the psychological processes that underlie economics. The material will also introduce the many methods that behavioral economists use in order to empirically verify these models, including laboratory experiments, biological measures (e.g. fMRI), field experiments, and observational data. Class discussions will cover applications of these behavioral models to many disparate contexts such as consumer marketing, public sector policy, asset markets, and managerial decision-making. Students will be expected to analyze academic papers that are appropriate for advanced undergraduate economics students.  
**Class Format:** seminar  
**Requirements/Evaluation:** an original research paper, multiple short writing assignments, oral presentation(s), class participation  
**Extra Info:** may not be taken on a pass/fail basis; not available for the fifth course option  
**Prerequisites:** ECON 251 and (ECON 255 or STAT 346)  
**Enrollment Preferences:** Economics majors, Economics and Psychology double majors, seniority  
**Enrollment Limit:** 19  
**Expected Class Size:** 19  
**Distributional Requirements:** Division 2

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**Fall 2016**  
**SEM Section:** 01 MR 01:10 PM 02:25 PM  
Instructor: Matthew Chao

**ECON 477(S) Economics of Environmental Behavior (Q)**  
**Crosslistings:** ECON 477/ENVI 376  
**Primary Crosslisting**  
A community maintains a fishery; a firm decides whether to get a green certification; you choose to fly home or stay here for spring break: behaviors of people and firms determine our impact on the environment. We'll use economics to model environmental behavior and to consider how policies can help or hurt the environment. Topics we'll study include: voluntary conservation, social norms and nudges, firm responses to mandatory and voluntary programs, and boycotts and divestment.  
**Class Format:** seminar  
**Requirements/Evaluation:** short essays and empirical exercises, class participation, oral presentation(s), and a final original research paper using an experiment, existing data, or theory  
**Extra Info:** may not be taken on a pass/fail basis  
**Prerequisites:** ECON 251 and (ECON 255 or STAT 346)  
**Enrollment Preferences:** senior Economics majors  
**Enrollment Limit:** 19
Expected Class Size: 15
Distributional Requirements: Division 2, Quantitative/Formal Reasoning
Other Attributes: ENVI Environmental Policy, ENVP PTL Theory/Method Courses, ENVP PE-A Group Electives, ENVP PTL-A Group Electives, ENVP SC-A Group Electives, POEC Comparative POEC/Public Policy Courses

Spring 2017
SEM Section: 01 MWF 08:30 AM 09:45 AM Instructor: Sarah Jacobson

ECON 491(F) Honors Seminar: Economics
This course is a research seminar for candidates for honors in economics. Each candidate prepares an honors thesis. Candidates will meet as a group to discuss problems common to all of them (such as empirical methods, data sources, and theoretical approaches) and each one will report on his/her work at various stages for criticism by the group as a whole. Some work is required during the preceding semester.
Class Format: independent study
Prerequisites: admission by the department; required for honors in Economics unless a student writes a year-long thesis
Distributional Requirements: Division 2

Fall 2016
HON Section: 01 TBA Instructor: Kenneth Kuttner

ECON 492(S) Honors Seminar: Economics
This course is a research seminar for candidates for honors in economics. Each candidate prepares an honors thesis. Candidates will meet as a group to discuss problems common to all of them (such as empirical methods, data sources, and theoretical approaches) and each one will report on his/her work at various stages for criticism by the group as a whole. Some work is required during the preceding semester.
Class Format: independent study
Prerequisites: admission by the department; required for honors in Economics unless a student writes a year-long thesis
Distributional Requirements: Division 2

Spring 2017
HON Section: 01 TBA Instructor: Kenneth Kuttner

ECON 493(F) Honors Thesis: Economics
A year-long research project for those honors candidates admitted to this route to honors.
Class Format: independent study
Extra Info: this is part of a full-year thesis (493-494)
Prerequisites: admission by the department in the spring of the junior year
Distributional Requirements: Division 2

Fall 2016
HON Section: 01 TBA Instructor: Kenneth Kuttner

ECON 494(S) Honors Thesis: Economics
A year-long research project for those honors candidates admitted to this route to honors.
Class Format: independent study
Extra Info: this is part of a full-year thesis (493-494)
Prerequisites: admission by the department in the spring of the junior year
Distributional Requirements: Division 2

Spring 2017
HON Section: 01 TBA Instructor: Kenneth Kuttner

ECON 501(F) Economic Growth and Development
This course introduces some of the major theories and ideas about economic growth and development. Motivated by a number of stylized facts from cross-country data, we will begin by posing a series of questions: Why are some countries rich and others poor? Why have some countries grown at high rates over extended periods of time, while others have experienced little or no growth? Do all economies face comparable challenges to achieving sustained economic growth? Will poor countries catch up to rich countries or are they doomed to stagnate in a poverty trap? To answer these "big" questions, we will explore the underlying mechanisms of economic growth. What role is played by savings and investment (i.e., the accumulation of physical capital)? What is the influence of population growth? How important are investments in human capital (i.e., education and population health)? How important are technological differences across countries? How much significance should we ascribe to differences across countries in geographical characteristics? How much should we ascribe to differences in the quality of institutions? For each question, we will explore different theoretical and empirical strategies developed by economists to answer the question, ranging from formal models to historical and anecdotal evidence to cross-country growth and development regressions. We will evaluate the usefulness of the different approaches to each question for informing development-promoting and poverty-alleviation policies, and we will also discuss the reasons why so many important questions about economic growth continue to remain difficult to answer.
Class Format: lecture/discussion
Requirements/Evaluation: problem sets, one midterm exam, and a final exam
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: ECON 251, ECON 252, and (either ECON 255 or STAT 346); undergraduate enrollment limited and requires instructor's permission
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives, POEC Comparative POEC/Public Policy Courses

Fall 2016
SEM Section: 01 TF 02:35 PM 03:50 PM Instructor: Quamrul Ashraf

ECON 502(F) Statistics/Econometrics
This course focuses on basic methods of bringing economic theory and data together to provide empirical guidance for policy formulation, including use of computers in econometric analysis. This course covers techniques of econometric analysis using a moderate level of mathematical exposition.
Class Format: lecture/discussion
Requirements/Evaluation: problem sets, midterm and final exam
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: admission depends on previous background in statistics and mathematics
Enrollment Preferences: limited to CDE students
Distributional Requirements: Division 2

Fall 2016
SEM Section: 01 TR 09:55 AM 11:10 AM Instructor: Lara Shore-Sheppard

ECON 503(F) Statistics/Econometrics: Advanced Section
The course introduces students to the statistical methods used by economists, including those studying policy questions. The focus is on applications. Students will also work with Stata, a software widely used by economists.
Class Format: lecture/discussion
Requirements/Evaluation: problem sets, midterm exam, and a final
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: admission depends on previous background in statistics and mathematics
Enrollment Preferences: limited to CDE students
Expected Class Size: 15
Distributional Requirements: Division 2

Fall 2016
SEM Section: 01 TR 08:30 AM 09:45 AM Instructor: Anand Swamy

ECON 504(F) Public Economics in Developing Countries
This class is about microeconomic and empirical analysis of government expenditure programs in developing and transitional countries. It provides tools for understanding the effects of government policies, as well as a useful conceptual framework for analyzing normative questions such as "what role should government play in the economy" and "what is a good policy?" The course begins by considering the efficiency of market economies, and rationales for government intervention in the market, such as public goods, externalities, information-based market failures, imperfect competition, and equity. We also consider ways that human behavior might deviate from perfect rationality, and what that might imply for policy. Along the way, we apply these concepts to various examples of policy issues, including, among other things, the environment, education, health, infrastructure, security, social insurance, and aid to the poor. We then turn to the general question of how to make the government work better, addressing questions such as the following. When is it better to have the government own and produce things, and when is it better to privatize? What are the incentives of politicians and government employees, and how does the design of political and budgetary institutions affect the degree to which they serve the public interest? How should responsibilities be divided up between the central government and local governments, and what are the advantages and disadvantages of "decentralization?" What can be done to improve the delivery of basic services? For example, how might one address problems of corruption and absenteeism? Throughout the course, we consider examples of empirical research, and to facilitate this, we will occasionally introduce econometric tools that are particularly useful for microeconomic policy evaluation.
Class Format: lecture/discussion
Requirements/Evaluation: problem sets, one 10-page paper, a midterm, and a final exam
Prerequisites: ECON 110; in addition, an empirical methods course (POEC 253, ECON 255, 502 or 503, or STAT 346) must be taken before or concurrently with this class; undergraduate enrollment limited and requires instructor's permission
Enrollment Limit: 35
Expected Class Size: 30-35
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives, PHLH Decision-Making by Institutions + Individuals, POEC Comparative POEC/Public Policy Courses

Fall 2016
SEM Section: 01 MWF 11:00 AM 12:15 PM Instructor: Jon Bakija

ECON 505(F) Developing Country Macroeconomics
The macroeconomic structures of developing countries tend to be very different from those in high-income countries, and their macroeconomic policy environments also differ in important ways from those in rich countries. This course is intended to introduce
students to a set of models that is particularly suitable for analyzing macroeconomic performance in developing countries, as well as to some analytical tools that help us understand why such countries have often experienced a variety of macroeconomic crises, including sovereign debt, currency, and banking crises.

Class Format: lecture
Requirements/Evaluation: two hour tests and a comprehensive final exam
Extra Info: not available for the fifth course option
Prerequisites: ECON 251 and 252; undergraduate enrollment limited and requires instructor's permission
Expected Class Size: 25-30
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives, POEC Comparative POEC/Public Policy Courses

Fall 2016
LEC Section: 01 MWF 08:30 AM 09:45 AM Instructor: Peter Montiel

ECON 506(F) Fundamentals of Developing Country Macroeconomics
This is a practically oriented course in macroeconomic theory and policy. It begins with a review of core concepts and definitions. It then discusses the contributions of households and firms to aggregate production and spending. Next is an introduction to monetary and fiscal policy. It goes on to develop a complete macro model, which is then used to discuss some of the monetary, fiscal and exchange rate policy issues faced by developing and emerging market economies. The class is offered as an alternative to Econ 505 for those not intending to specialize in macroeconomics. Consequently, it does not qualify as a prerequisite for Econ 515.

Class Format: lecture
Requirements/Evaluation: two hour tests and a comprehensive final exam
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: none; enrollment limited to CDE students
Enrollment Limit: none
Expected Class Size: 10
Distributional Requirements: Division 2

Fall 2016
LEC Section: 01 TR 11:20 AM 12:35 PM Instructor: Kenneth Kuttner

ECON 510(S) Financial Development and Regulation
Crosslistings: ECON 510/ECON 352
Primary Crosslisting
This course focuses on the financial system and its role in economic development. The first part explores the functions of finance, how it contributes to growth, and reviews different models of financial sector development and their influence on how governments viewed the sector. It will examine experiences with financial sector repression and subsequent liberalization, and investigate the causes and impact of financial crises. Then it will study how to make finance effective and how to prevent or minimize crises, analyzing government's role as regulator, supervisor, standard setter, contract enforcer, and owner. In this final part, attention will be devoted to the role of institutions (laws, norms, culture) and incentives in financial sector development.

Class Format: lecture/discussion
Requirements/Evaluation: midterm, participation in class discussion and debates, and a final research paper
Extra Info: may not be taken on a pass/fail basis; not available for the fifth course option
Prerequisites: for undergraduates, POEC 253 or ECON 255; undergraduate enrollment limited and requires instructor's permission
Enrollment Limit: 25
Expected Class Size: 20-25
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives, POEC Comparative POEC/Public Policy Courses

Spring 2017
LEC Section: 01 MWF 11:00 AM 12:15 PM Instructor: Gerard Caprio

ECON 511 Institutions and Governance
Over the last two decades economists have become increasingly aware of the importance of the "social infrastructure" at various levels of economic activity: capable and honest government officials must be available to formulate and implement policies, markets must be supported by suitable institutional frameworks, property rights must be secure, and contracts reliably enforced. Even the structure of the household, the smallest institution analyzed by economists, has been shown to have an important influence on economic development. This course will survey the growing literature on institutions and governance.

Class Format: lecture and discussion
Requirements/Evaluation: evaluation will be based on several short assignments, and a longer final paper
Prerequisites: at least one among POEC 253, ECON 255, 502, 503, or STAT 346; requires permission of instructor; students who have previously taken ECON 459 will not be enrolled
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives, POEC Comparative POEC/Public Policy Courses

ECON 513 Empirical Methods in Macroeconomics (Q)
Crosslistings: ECON 513/ECON 356

Primary Crosslisting

Macroeconomics and related fields in international finance and development have evolved specialized empirical techniques, known generally as macroeconometrics, which are designed to meet the practical challenges that the data and the empirical questions pose in these fields. The course will introduce the theory and application of these techniques, and students will learn how to implement these techniques using real world data to address practical questions drawn from the fields of macro, international finance and development. Topics to which these techniques will be applied include business cycle analysis, sources of exchange rate volatility and determinants of long run economic growth. The course is also available to undergraduates with permission of the instructor. Undergraduates with strong math backgrounds may wish to enroll directly in Econ 471 in lieu of this course. However, those seeking a transition course may wish to enroll in this course prior to taking Econ 471.

Class Format: seminar

Requirements/Evaluation: short empirical projects, midterm, term paper
Prerequisites: ECON 252, ECON 255 or equivalent, and ECON 393 (ECON 360 may substitute for 393); not open to students who have taken ECON 471
Enrollment Preferences: Economics majors and CDE fellows
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2, Quantitative/Formal Reasoning

Not Offered Academic Year 2017
SEM Instructor: Peter Pedroni

ECON 514(S) Tax Policy in Emerging Markets (Q)

Crosslistings: ECON 514/ECON 389

Primary Crosslisting

Taxes are half of what government does. So if you are interested in what government policy can do to promote efficiency, equity, and economic development, you should be interested in tax policy. Governments must raise tax revenue to finance critical public goods, address other market failures and distributional issues, and to avoid problems with debt and inflation. Taxes typically take up anywhere from ten to fifty percent of a country's income, they profoundly affect the incentives to undertake all varieties of economic activity, and the government expenditures that they finance have potentially large consequences for human welfare. So the stakes involved in improving tax policy are quite large. All of these issues are of great importance in emerging markets (developing and transition economies), but in these nations taxation is especially challenging because of serious problems with tax evasion and administration. This class provides an in-depth exploration of tax policy, with an emphasis on the challenges and issues most relevant in emerging markets. Topics addressed in this class include: how basic economic principles can be applied to help one think about the efficiency and equity consequences of tax policies; how personal income taxes, corporate income taxes, and value-added taxes are designed and administered and how they influence the economy; ideas for fundamental reforms of these taxes; theory and evidence in the debate over progressive taxes versus "flat" taxes; how various elements of tax design affect incentives to save and invest; how market failures and administrative problems may influence the optimality of different tax policies; the implications of global capital flows and corporate tax avoidance for the design of tax policy; tax holidays and other special tax incentives for investment; empirical evidence on the influence of taxes on economic growth, foreign direct investment, labor supply, and tax evasion; tax policy towards natural resources such as minerals and oil; case studies of efforts to reform tax administration and reduce tax evasion and corruption; taxes on land and property; taxes on imports and exports; presumptive taxation; and the informal economy and its implications for tax policy.

Class Format: seminar

Requirements/Evaluation: midterm exam, problem sets, two 7- to 10-page essays
Prerequisites: one public economics course or microeconomics course (ECON 504 or ECON 110), and one empirical methods course (POEC 253 or ECON 255, 502, or 503); students who have previously taken ECON 351 will not be enrolled
Enrollment Preferences: CDE students, but undergraduates with the prerequisites are welcome
Enrollment Limit: 19
Expected Class Size: 15-19
Distributional Requirements: Division 2, Quantitative/Formal Reasoning
Other Attributes: POEC Comparative POEC/Public Policy Courses, POEC International Political Economy Courses

Spring 2017
SEM Section: 01 TR 09:55 AM 11:10 AM Instructor: Jon Bakija

ECON 515(S) Developing Country Macroeconomics II

Crosslistings: ECON 515/ECON 359

Primary Crosslisting

Developing countries do not find it difficult to initiate rapid growth, but do find it difficult to sustain it. Growth spurts are often derailed by macroeconomic shocks. As developing countries become increasingly open to trade and financial interactions with the rest of the world, such shocks may become more frequent, and potentially more severe. This course examines the types of macroeconomic institutions and policy regimes that can help developing countries withstand such shocks and sustain economic growth. We will examine central bank independence, the design of monetary and exchange rate regimes, capital account regimes, and various types of fiscal policy institutions and policy regimes, including fiscal rules.

Class Format: lecture

Requirements/Evaluation: two midterms and a final project

Extra Info: not available for the fifth course option

Prerequisites: ECON 505; undergraduate enrollment limited and requires instructor's permission
Expected Class Size: 25-30
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives, POEC International Political Economy Courses

Spring 2017
SEM Section: 01 MWF 08:30 AM 09:45 AM Instructor: Peter Montiel

ECON 516(S) International Trade and Development
Crosslistings: ECON 516/ECON 366

Primary Crosslisting
This course will examine the causes and consequences of globalization and its implications for less-developed countries. We will study the classic models of international trade and discuss the empirical relevance of these theories. In addition, we will focus on other dimensions of globalization that are of particular importance to developing countries such as trade and education, emigration, brain drain, remittances, foreign direct investment, trade policies, infant industry protection, trade and growth, the resource curse, and trade agreements.

Class Format: lecture/discussion
Requirements/Evaluation: problem sets, midterm, presentation, and final
Prerequisites: ECON 251 and ECON 255
Enrollment Preferences: undergraduate enrollment limited and requires instructor's permission
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2
Other Attributes: GBST Economic Development Studies Electives, POEC International Political Economy Courses

Spring 2017
SEM Section: 01 TR 08:30 AM 09:45 AM Instructor: Will Olney

ECON 517 Urbanization and Development
Crosslistings: ECON 388/ECON 517/ENVI 388

Secondary Crosslisting
At current rates of growth, the combined population of urban areas in developing countries will double in the next 30 years. The land area devoted to urban use is expected to double even more quickly. The costs of providing housing and infrastructure to accommodate this growth are enormous, but the costs of failing to accommodate urban development may be even larger. The decisions made in response to these challenges will affect the economic performance of these countries and the health and welfare of the urban residents. By affecting global patterns of energy use, these decisions will have broader impacts on the entire planet. This course will focus on these challenges. What are the economic forces that drive the process of urbanization, and how does the level of urbanization affect economic development? How are policies towards housing, transportation, public finance and development affected by urbanization? What policy choices are available, and which are most likely to succeed in dealing with the challenges of urban growth?

Class Format: lecture/discussion
Requirements/Evaluation: a midterm and a final exam, plus a paper that evaluates specific problems, policy alternatives, and provides some analysis of relevant data
Prerequisites: ECON 251 plus POEC 253, ECON 255, 502 or 503; undergraduate enrollment limited and requires instructor's permission
Expected Class Size: 20
Distributional Requirements: Division 2
Other Attributes: AMST Space and Place Electives, ENVI Environmental Policy, GBST Urbanizing World Electives, POEC Comparative POEC/Public Policy Courses

Not Offered Academic Year 2017
LEC Instructor: Stephen Sheppard

ECON 518 Environmental and Natural Resource Policy (Q)
Crosslistings: ECON 386/ENVI 386/ECON 518

Secondary Crosslisting
Economic activity often damages the environment significantly, especially in developing countries. Firms may clear-cut valuable forests, while consumers may drive high-pollution vehicles with little thought for the environmental consequences. Economists have proposed a variety of policy remedies, from pollution taxes to tradable permit schemes and restrictions on the quantity of pollution. This course first examines the relative merits of these policies from a theoretical perspective. When pollution damage is uncertain, is it better to use a pollution tax or a quantity restriction? Is it worse to set a pollution tax too high than to set it too low? It then proceeds to the practical issues that attend policy implementation, particularly where state capacity is limited. What is the best policy when inspectors can be threatened or bribed? When resource extraction is hard to monitor? Case studies will likely include policies aimed at deforestation, mineral ownership and extraction, particulate air pollution from industry and transportation, and carbon emissions from electricity generation. In evaluating policies we will think about both efficiency and the distribution of costs and benefits. (What if environmental regulation only benefits the wealthiest people in a country?) We will also examine the environmental consequences of policies aimed at other problems, like poverty and low education.

Class Format: seminar
Requirements/Evaluation: problem sets, paper, brief presentation, a midterm, and a final exam
Prerequisites: ECON 251, familiarity with statistics
Enrollment Preferences: senior Economic majors and CDE fellows
Enrollment Limit: 25
Expected Class Size: 20

Dept. Notes: this course satisfies the Environmental Policy requirement for the Environmental Policy major and the Environmental studies concentration
Distributional Requirements: Division 2, Quantitative/Formal Reasoning
Other Attributes: ENVI Environmental Policy, ENVP PTL Theory/Method Courses, ENVP PE-A Group Electives, ENVP PTL-A Group Electives, ENVP SC-A Group Electives, MAST Interdepartmental Electives, POEC Comparative POEC/Public Policy Courses

Not Offered Academic Year 2017

SEM

ECON 519 Population Economics
Crosslistings: ECON 380/ECON 519
Secondary Crosslisting
This course is an introduction to the economic analysis of demographic behavior and the economic consequences of demographic change. An important aim is to familiarize students with historical and contemporary trends in fertility, mortality, migration, and family composition, and the implications of these trends for the economy. The course demonstrates the application of microeconomic theory to demographic behavior, including fertility, marriage, and migration. Students are introduced to basic techniques of demographic measurement and mathematical demography. Selected topics include the economic consequences of population growth in developing countries, the economics of fertility and female labor force participation, the effects of an older age structure on the social security system, and the relationship between population growth and natural resources.
Class Format: lecture/discussion
Requirements/Evaluation: at least one exam, a research paper and a class presentation
Extra Info: may not be taken on a pass/fail basis
Prerequisites: ECON 251; POEC 253 or ECON 255 or permission of instructor
Enrollment Preferences: Economics majors
Enrollment Limit: 25
Expected Class Size: 25

Not Offered Academic Year 2017
LEC Instructor: Lucie Schmidt

ECON 520 Microfinance (D) (Q)
Crosslistings: ECON 473/ECON 520
Secondary Crosslisting
Unequal access to finance (loans, savings, insurance) contributes to the persistence of poverty in developing countries. We review evidence that the entrepreneurial poor lack access to loans, and discuss how repayments can be enforced even when borrowers do not have collateral. We discuss how recent innovations in micro-insurance can reduce vulnerability. We will study the role of governments and donors in equalizing financial access through subsidies or targeting. Finally, we shall explore how microfinance can empower women within the household. Readings include current empirical and theoretical research in development economics. This course is an EDI course because it critically analyzes how microfinance interventions can reduce inequality both within and across households.
Class Format: seminar
Requirements/Evaluation: will be based on a midterm, a series of short papers and a longer final paper
Extra Info: may not be taken on a pass/fail basis
Prerequisites: ECON 251 and ECON 255
Enrollment Preferences: senior Economics majors
Enrollment Limit: 19
Expected Class Size: 19
Distributional Requirements: Division 2, Exploring Diversity, Quantitative/Formal Reasoning

Not Offered Academic Year 2017
SEM Instructor: Ashok Rai

ECON 521(S) Incentives and Development Policy
Crosslistings: ECON 521/ECON 372
Primary Crosslisting
Why isn't the whole world developed? This course (and instructor) is of the opinion that the difficulty of getting incentives right is the key source of inefficiency. The course therefore studies how limited enforcement and asymmetric information constrain development, and about innovative development designs that attempt to overcome these constraints. The course readings will be a mix of field studies, empirical evidence and theoretical tools from game theory, incentive and corruption problems in health, education, the regulation of banks and natural monopolies, privatization, budgeting, debt forgiveness, foreign aid, microfinance, climate treaties and ethnic violence will be studied using a unified framework. Note: this course was developed to address issues that arise in the countries represented at the CDE.
Class Format: seminar
Requirements/Evaluation: two hour-long tests and a final policy project
**Extra Info:** may not be taken on a pass/fail basis  
**Prerequisites:** undergraduate enrollment limited and requires instructor's permission  
**Enrollment Preferences:** intended for CDE Fellows  
**Enrollment Limit:** 19  
**Expected Class Size:** 19  
**Distributional Requirements:** Division 2

**Spring 2017**  
**SEM Section:** 01 TR 11:20 AM 12:35 PM  
**Instructor:** Ashok Rai

**ECON 522(S) Economics of Climate Change (Q)**  
**Crosslistings:** ECON 387/ECON 522/ENVI 387  
**Secondary Crosslisting**  
This course introduces the economic view of climate change, including both theory and empirical evidence. Given the substantial changes implied by the current stock of greenhouse gases (GHGs) in the atmosphere, we will begin by looking at impacts on agriculture, health, income, and migration in both wealthy and poor countries. Next we will study adaptation, including capital investments and behavioral changes, and insurance. We will examine the sources of climate change, especially electricity generation and transportation, and think about optimal policies. What is the socially optimal amount of climate change? (Probably not zero.) Why have countries had such a hard time agreeing on GHG emissions reductions, and how might we overcome such difficulties? In considering policy, we will employ not only theoretical predictions, but also the growing body of evidence from attempts to regulate GHGs. Examples include China's pilot cap-and-trade programs, the EU ETS, and the US Clean Power Plan. We will pay particular attention to the political economy of regulation and ways in which policy results have departed from theoretical predictions. Finally, we will discuss the limits of the economic approach to climate change, pointing out questions on which economic theory provides little guidance.  
**Class Format:** lecture  
**Requirements/Evaluation:** weekly problem sets, one or two midterms, final exam  
**Prerequisites:** ECON 251, familiarity with statistics  
**Enrollment Preferences:** senior Economic majors and CDE fellows  
**Enrollment Limit:** 30  
**Expected Class Size:** 25  
**Distributional Requirements:** Division 2, Quantitative/Formal Reasoning  
**Other Attributes:** ENVI Environmental Policy, ENVP PTL Theory/Method Courses, ENVP PE-A Group Electives, ENVP PTL-A Group Electives, ENVP SC-A Group Electives, MAST Interdepartmental Electives, POEC Comparative POEC/Public Policy Courses

**Spring 2017**  
**LEC Section:** 01 MR 02:35 PM 03:50 PM  
**Instructor:** Matthew Gibson

**ECON 523(S) Program Evaluation for International Development (Q)**  
**Crosslistings:** ECON 523/ECON 379  
**Primary Crosslisting**  
Development organizations face strict competition for scarce resources. Both public and private organizations are under increasing pressure to use rigorous program evaluation in order to justify funding for their programs and to design more effective programs. This course is an introduction to evaluation methodology and the tools available to development practitioners, drawing on examples from developing countries. It will cover a wide range of evaluation techniques and discuss the advantages and disadvantages of each. The course is a mix of applied econometrics and practical applications covering implementation, analysis, and interpretation. You will learn to be a critical reader of evaluations, and to develop your own plan to evaluate an existing program of your choice.  
**Class Format:** seminar  
**Requirements/Evaluation:** problem sets, midterm exam and one 7- to 10-page essay  
**Extra Info:** may not be taken on a pass/fail basis  
**Prerequisites:** one public economics course or microeconomics course (ECON 504 or ECON 110), and one empirical methods course (POEC 253 or ECON 255, 502, or 503)  
**Enrollment Preferences:** CDE Students, but undergraduates with the prerequisites are welcome  
**Enrollment Limit:** 20  
**Expected Class Size:** 20  
**Distributional Requirements:** Division 2, Quantitative/Formal Reasoning  
**Other Attributes:** PHLH Methods in Public Health

**Spring 2017**  
**SEM Section:** 01 MR 01:10 PM 02:25 PM  
**Instructor:** Susan Godlonton

**ECON 524 Political Economy and Economic Development**  
**Crosslistings:** ECON 361/ECON 524  
**Secondary Crosslisting**  
This course is intended as an introduction to the newly emerging field of political economy of institutions and development. Key questions of interest include how voters behave and how this affects policy and economic outcomes; the nature, evolution and economic implication of corruption, and how it can be controlled; and the economics of conflict. The goal of the course is both to provide students of a sense of the frontier research topics in political economy in developing countries and to introduce them to the methodologies used to investigate these topics.
**ECON 526 Computable General Equilibrium (CGE) Modeling**

**Crosslistings:** ECON 461/ECON 526

**Secondary Crosslisting**
The Computable General Equilibrium (CGE) model is an important tool for applied policy work. CGE models are the primary tool for many government organizations when evaluating policy alternatives and are also used extensively by various NGO's when deciding aid and policy recommendations. The great advantage of these models is that they capture the general equilibrium feedback effects of policy proposals on various sectors of the economy. This is of great importance to applied work, as this allows the identification of the winners and losers from potential policies. The class will begin with a general overview of CGE models. This overview will be rigorous and mathematical. This course will use the free programming packages GAMS and MPSGE to implement various CGE models using real world data. While no previous computer experience is required, some familiarity with Excel is recommended. During the latter part of the course, students will create a CGE model for a country of their choice and conduct policy experiments using their model. Interested students could continue this project as a potential thesis topic.

**Class Format:** lecture/discussion
**Requirements/Evaluation:** evaluation will be based on problem sets, two midterms, final project and presentation
**Prerequisites:** MATH 150 and ECON 251
**Enrollment Preferences:** senior Economics majors and CDE fellows
**Enrollment Limit:** 19
**Expected Class Size:** 19
**Distributional Requirements:** Division 2

**Not Offered Academic Year 2017**
LEC Instructor: Michael Rolleigh
and implementation of effective interventions, assessing program choice, affordability, targeting, incentives and other issues. The third part will analyze the role of social safety nets in supporting economic growth strategies, drawing on international lessons of experience.

**Class Format:** tutorial

**Requirements/Evaluation:** students will write five papers during the term, and will prepare and deliver formal comments on five papers written by other students

**Extra Info:** may not be taken on a pass/fail basis; not available for the fifth course option

**Enrollment Limit:** 10

**Expected Class Size:** 10

**Distributional Requirements:** Division 2

**Other Attributes:** POEC Comparative POEC/Public Policy Courses

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**Spring 2017**

TUT Section: T1 TBA Instructor: Michael Samson

**ECON 534T(S) Long Term Fiscal Challenges**

This tutorial will address the conceptual and theoretical issues that confront policy makers when they face policy challenges that are likely to emerge only over the medium- to long-term and that have important budgetary implications. It will explore the strategies and approaches that a number of countries have attempted to develop to bring the long-term into their current policy and budgetary planning processes. Students will be exposed to different long-term challenges that have important budgetary implications, including aging populations, health care, climate change, energy and infrastructure, and water. The course will consider the specific policy challenges that arise for each and the ways in which different countries are addressing them.

**Class Format:** tutorial

**Requirements/Evaluation:** students will write five papers during the term, and will prepare and deliver formal comments on five papers written by other students

**Extra Info:** may not be taken on a pass/fail basis; not available for the fifth course option

**Prerequisites:** permission of instructor for undergraduates

**Enrollment Preferences:** CDE students and undergraduates with permission of the instructor

**Enrollment Limit:** 10

**Expected Class Size:** 10

**Distributional Requirements:** Division 2

**Other Attributes:** POEC Comparative POEC/Public Policy Courses

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**Spring 2017**

TUT Section: T1 TBA Instructor: Peter Heller

**ECON 535T(S) International Financial Institutions**

This tutorial will explore the role of official international financial institutions in the global economic and financial system, their relations with members, proposals for how they might be reformed, and issues that they face. The focus will be principally on the International Monetary Fund, and to a lesser extent the World Bank, the Bank for International Settlements and Financial Stability Board. Topics and readings will focus on such issues as: the roles and governance reform of the IMF and World Bank; lessons from their performance in international crises; initiatives of the Fund and Bank; the global adjustment process; financial system stability; governance reform; lending programs; the management of international reserves; and provision of advice to members. Participants will meet in pairs with the faculty member. Each week, one student will prepare a policy paper and submit the paper to the professor and to the other student in advance of the meeting. During the meeting, the student who has written the paper will present an argument, evidence, and conclusions. The other student will provide a critique of the paper based on concepts and evidence from the readings and his own research and experience. The professor will participate in the discussion after each participant has presented and ask questions that highlight or illustrate critical points.

**Class Format:** tutorial

**Requirements/Evaluation:** each participant will write and present 5 or 6 policy papers and a like number of critiques

**Extra Info:** may not be taken on a pass/fail basis; not available for the fifth course option

**Prerequisites:** intended for CDE Fellows; undergraduate enrollment limited, and only with permission of instructor

**Enrollment Limit:** 10

**Expected Class Size:** 10

**Distributional Requirements:** Division 2

**Other Attributes:** GBST Economic Development Studies Electives, POEC International Political Economy Courses

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**Spring 2017**

TUT Section: T1 TBA Instructor: Nancy Birdsall

**ECON 536T Financial Crises: Causes and Cures (W)**

**Crosslistings:** ECON 390/ECON 536

**Secondary Crosslisting**

Financial crises have been with us for as long as banking has existed. Why are crises such a regular fixture of societies, and what can be done to prevent them, or at least reduce their cost? Topics examined include bubbles and swindles, especially when these spillover to the broader macroeconomy; the role of information in banking in normal times and in bank runs; boom-bust cycles in asset markets; international contagion; crisis resolution techniques; and the extensive history of attempts to improve regulation so as to reduce the frequency and cost of crises. Crises in developing and developed economies from the South Sea Bubble to the Euro Crisis will be examined, and the role of political economy factors in their run-up and resolution will be featured.
**Class Format:** tutorial  
**Requirements/Evaluation:** students will write 5-6 papers during the term, and will prepare and deliver formal comments on 5-6 papers written by other students  
**Extra Info:** may not be taken on a pass/fail basis; not available for the fifth course option  
**Prerequisites:** ECON 252 and 255  
**Enrollment Preferences:** Economics majors  
**Enrollment Limit:** 10  
**Expected Class Size:** 10  
**Distributional Requirements:** Division 2, Writing Intensive  
**Other Attributes:** POEC Comparative POEC/Public Policy Courses

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*Not Offered Academic Year 2017*

TUT Instructor: Gerard Caprio

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**ECON 540(S) Research Studies**  
In this course, each Fellow carries out an individual research study on a topic in which he or she has particular interest, usually related to one of the three seminars. The approach and results of the study are reported in a major paper. Research studies are analytical rather than descriptive and in nearly all cases include quantitative analyses. Often the topic is a specific policy problem in a Fellow's own country.  
**Class Format:** research  
**Distributional Requirements:** Division 2

*Spring 2017*  
IND Section: 01 TBA Instructor: Kenneth Kuttner