

Economics and Policy Analysis II
PUAF U8216. Spring 2009
SIPA-Columbia University

Instructor:

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Office Hours (Sign-in):

Contact Information

Office: IAB 1309A
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T 5:30pm-7:30pm, R 1:00pm-3:00pm

Teaching Assistants:

- Laura Berman
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Program Assistants:

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Lehman Group Study Area.

Economics Tutors: (Tutoring take place in Lehman Group Study Area, if not agreed on a different location)

- Amir Eshraghi Azar Office Hours: R 4:00-6:00pm, F 6:00pm-9:00pm.
ae2227@columbia.edu and by appointment.
- Yi Zhang Office Hours: M 2:00pm-4:00pm, W 2:00pm-5:00pm.
yz2226@columbia.edu and by appointment.

Recitations: (Starting the second week of classes)

- Section B01a R 9:00am-10:50am IAB 418 (Nicolas)
- Section B01b R 4:10pm-6:00pm IAB 410 (Laura)
- Section R02a W 4:10pm-6:00pm IAB 405 (Nicolas)
- Section R02b F 9:00am-10:50am IAB 410 (Laura)

Courseworks: This class uses courseworks; Check the course page regularly at <https://courseworks.columbia.edu/> for updates. Notes, problem sets, solutions and readings will be posted there.

Discussion Board: If you have a question on any of the topics of the course, post a note on the discussion board of courseworks. One of the teaching team will reply.

Textbooks and Other Readings: There are two textbooks for this class: for the first part of the course we will keep using Besanko D. and R.R. Braeutigam (BB), *Microeconomics*, Wiley. For the second part of the course we will be using Mankiw N.G. *Macroeconomics*, Worth, available at the Columbia University bookstore.

Requirements: You must attend all classes and recitations, work on your problem sets, participate in a group project and take the midterm and final exam.

Problem Sets: There will be seven problem sets. If you like, you can work in a group (composed of no more than 4 students). If you work in a group, hand in only one problem set for each group. The problem set will be graded using the following scale: $\sqrt{+}$ for a nearly perfect problem set, $\sqrt{}$ for an assignment with few mistakes imprecisions, and $\sqrt{-}$ for an assignment with more than few mistakes.

Group Project: Students should form groups of 3/4 people maximum; the TA will assist those students who are unable to form their own group. Each group is responsible for finding an article from a general-interest newspaper or magazine for the calendar years 2008-2009, and writing a 3 page (maximum, including all charts and figures) economic analysis of the content of the article. The goal is to use the analytic tools acquired in this class to shed light on the issue being discussed.

Grading: The grade for the course is a weighted average of all four grades (the two exams, the problem sets and the group project). The weights are 40% for the final, 30% for the midterm, and 15% each for the problem sets and group project. Letter grades will be curved according to the overall performance of both sections. Failure to complete the final exam will result in a failing grade. Failure to complete the midterm or a problem set will lead to a zero being assigned to that evaluation. There are no make up exams or alternate dates. Failure to participate in a group project will lead to a full letter reduction in the grade.

Important Dates: The midterm will take place on Monday, March 9th in class. The group project is due on Monday, May 4th in class. The final exam will take place on Friday May 8th.

Outline of the course

- Topic 1. Inputs and Production Functions. (BB Chapter 6).
- Topic 2. Cost Minimization and Cost Curves (BB Chapters 7 and 8).
- Topic 3. Profit Maximization and Supply Function. (BB chapter 9).
- Topic 4. Monopoly. (BB chapters 11 and 12).
- Topic 5. Introduction to International Trade. Comparative Advantages (BB chapter 16).
- Topic 6. Introduction to Macroeconomics: Some data and National Income. (Mankiw, chapters 2 and 3).
- Topic 7. Money and Inflation (Mankiw, chapter 4).
- Topic 8. Open Economy. (Mankiw, chapter 5).
- Topic 9. Unemployment. (Mankiw, chapter 6).
- Topic 10. Economic Fluctuations. (Mankiw, chapter 9).
- Topic 11. Aggregate Demand. The IS-LM model (Mankiw, chapters 10 and 11).
- Topic 12. Stabilization Policy. (Mankiw, chapter 14).
- Topic 13. Government Debt. (Mankiw, chapter 15).
- Topic 14. Money Supply and Money Demand. (Mankiw, chapter 18).
- Topic 15. The 2008 Crisis and Current Events.