**AEM 2800 – Prof. Kyle**

**Fall 2017**

**Potential Topics for Presentation**

**Basic Macro Analysis of Our Current Situation**

Aug. 23 Lecture 1 - Review of the Basic Model and Current Situation in the US

Aug. 28 Lecture 2 - Voting on Topics

**Part II – Income Distribution and Wealth**

Aug. 30 Lecture 3 – How Can We Change the Distribution of Income? Should We Try?

**Part III – Issues About How Big the Government Should Be and Who Should Pay for It**

Sept. 6 Lecture 4 - Who Should Be Taxed and How Much?

Sept. 11 Lecture 5 - Debts and Deficits – How Big is Too Big?

Sept. 13 Lecture 6 - Social Security – What Is It and Should You Care?

**Part IV - Money, the Federal Reserve and Financial Panic**

Sept. 18 Lecture 7 - The Federal Reserve – How Much Money is Too Much?

Sept. 20 Lecture 8 - Crash! Financial Regulation Then and Now

**Part V - The World Economy and Our Place In It**

Sept. 27 Lecture 9 - Why Do Economists Love “Free Trade” So Much?

Sept. 27 Lecture 10 - Exchange Rates & the Balance of Payments – Is it Always Balanced?

Oct. 2 Lecture 11 - The European Crisis – The Difference Between Spain and Florida

**Part VI - More Issues**

Oct. 14 Lecture - 12 Obamacare - Is There a Better/Cheaper Way?

Oct. 11 Lecture - 13 Immigration and Economic Growth – Costs and Benefits of Migrants

**Below are readings related to each of these topics. If you choose one of these you will be expected to find new and recent readings to add to this**

**Part I Readings for the Basic Macro Model and Liquidity Trap**

**\***1. Mankiw *Macroeconomics* 8th Edition Ch. 10, 11 and 12

**\***2. <http://krugman.blogs.nytimes.com/2011/10/09/is-lmentary/?_r=0> Krugman explains our current situation using ISLM

<http://web.mit.edu/krugman/www/japtrap2.html> Krugman explains Japan’s long stagnation via ISLM

3. Ball and Mankiw “A Sticky Price Manifesto” NBER WP # 4677, 1996. <http://www.nber.org/papers/w4677>

**Part II - Income distribution readings**

1. Income and Poverty in the United States: 2014; Current Population Reports

Issued September 2015; P60-252; By Carmen DeNavas-Wal

<https://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-252.pdf>

**\***2. What is your US Income Percentile Ranking? Calculate where you are compared to the rest of us!

<http://finance.townhall.com/columnists/politicalcalculations/2013/09/29/what-is-your-us-income-percentile-ranking-n1712430/page/full>

**\***3. Gini Coefficient and Lorenz Curves - <https://en.wikipedia.org/wiki/Gini_coefficient>

[http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPA/0,,contentMDK:20238991~menuPK:492138~pagePK:148956~piPK:216618~theSitePK:430367,00.html](http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPA/0%2C%2CcontentMDK%3A20238991~menuPK%3A492138~pagePK%3A148956~piPK%3A216618~theSitePK%3A430367%2C00.html) What are Gini coeffs. And Lorenz curves?

4. Thomas Piketty and Emmanuel Saez, "Income Inequality in the United States, 1913-1998," Quarterly Journal of Economics, 118(1), 2003. Updated to 2008 at <http://emlab.berkeley.edu/users/saez>

5. Stiglitz, J *The Price of Inequality*, Norton 2012

**Part III**

**Taxation Readings**

**\***1. Should the top tax rate be 73%? Washington Post Nov 27 2012

<https://www.washingtonpost.com/news/wonk/wp/2012/11/27/should-the-top-tax-rate-be-73-percent/>

2. Mankiw et. al. “Optimal Taxation in Theory and Practice” NBER Working Paper 15071 June 2009

<http://www.nber.org/papers/w15071>

**\***3. Which country has the highest tax rate? By Ben Carter BBC News 25 February 2014

<http://www.bbc.com/news/magazine-26327114>

4. Growth Forecast Errors and Fiscal Multipliers Olivier Blanchard and Daniel Leigh – IMF Working Paper WP 13-1; January 2013 <http://www.imf.org/external/pubs/ft/wp/2013/wp1301.pdf>

**Social Security Readings**

1. [Social Security Reform](http://kyle.dyson.cornell.edu/1120%20Spring%202012/gao%20social%20security%20primer.pdf) – Answers to Key Questions – GAO – 05- 193SP May 2005 Read esp. pp. 1-18

**\***2. How the Democratic and GOP Platforms Clash Over Social Security Reform - Fiscal Times

<http://www.thefiscaltimes.com/2016/07/27/How-Democratic-and-GOP-Platform-Clash-Over-Social-Security-Reform>

**\***3. 5 Ways to Reform Social Security – US News and World Report Sept. 2011

<http://www.usnews.com/news/articles/2011/09/15/5-ways-to-reform-social-security>

4. Updating Social Security for the 21st Century: 12 Proposals You Should Know About – AARP Oct. 2015

[**http://www.aarp.org/work/social-security/info-05-2012/future-of-social-security-proposals.html**](http://www.aarp.org/work/social-security/info-05-2012/future-of-social-security-proposals.html)

5. Proposal Affecting Trust Fund Solvency – This is a laundry list of SS Administration estimates of the effects of every proposal out there on the solvency of the system.

<https://www.ssa.gov/oact/solvency/>

**Part IV**

**Readings for Money, the Federal Reserve and Financial Panics**

**\*** Mankiw Chapter 5 and 20

**\*** “What Caused the Financial Crisis?” Wall St. Journal Jan 27 2011

<http://www.wsj.com/articles/SB10001424052748704698004576104500524998280>

Blinder, Alan *Central Banking in Theory and Practice* MIT Press 1998

Solow, R and J Taylor *Inflation, Unemployment and Monetary Policy* MIT Press 1998

Mankiw Chapters 4 (Mostly review of stuff you should know from Econ 1120)

**Part V**

**Trade Openness, Trade Agreements and the TPP**

1. Aart Kraay and David Dollar “Growth is Good for the Poor” April 2001 World Bank <http://dx.doi.org/10.1596/1813-9450-2587>

2. Aart Kraay and David Dollar “Trade Growth and Poverty” June 2001, Simon Fraser Univ.

<http://www.sfu.ca/~akaraiva/e455/dollar-kraay.pdf>

3. NAVEED and SHABBIR: Trade Openness, FDI and Economic Growth

<https://www.jstor.org/stable/pdf/25825288.pdf?_=1470063485472>

**\*** 4. The Pros and Cons of the TPP Pact (a conservative view)

<http://www.dw.com/en/the-pros-and-cons-of-the-trans-pacific-partnership-pact/a-18597149>

**\*** 5. 5 Problems with the TPP (a liberal view)

<http://www.huffingtonpost.com/bob-burnett/trans-pacific-partnership_b_4479420.html>

**\*** 6. Where the candidates stand on TPP

<http://2016election.procon.org/view.answers.election.php?questionID=002052>

Other sources (not required) on the WTO and the Uruguay Round -

 <http://www.fao.org/docrep/004/w7814e/w7814e04.htm>

 <http://www.wto.org/english/thewto_e/whatis_e/tif_e/fact5_e.htm>

 <http://www.wto.org/english/tratop_e/agric_e/ag_intro01_intro_e.htm>

**Exchange Rates and the Balance of Payments**

1. The price of gold since the 13th century <http://www.measuringworth.com/gold/>

2. A Primer on Exchange Rates <http://cru.cahe.wsu.edu/CEPublications/EM041E/EM041E.pdf>

3. A Beginners Guide to Exchange Rates and Foreign Exchange Markets - <http://economics.about.com/cs/money/l/aa022703a.htm>

**\*** 4. The 12 Rules of Gold Buggery - <http://ritholtz.com/2013/04/the-10-rules-of-goldbuggery/>

**Readings on European Crisis**

**\*** 1. Revenge of the Optimum Currency Area, Paul Krugman NBER Macroeconomics Annual 2012 <http://www.nber.org/chapters/c12759.pdf>

**Part VI**

**Obamacare Readings**

**\***1. Obama on Obamacare’s Flaws: An Assessment NYT July 13, 2016

<http://www.nytimes.com/2016/07/29/upshot/helicopter-money-why-some-economists-are-talking-about-dropping-money-from-the-sky.html?ribbon-ad-idx=2&rref=upshot&module=ArrowsNav&contentCollection=The%20Upshot&action=click&region=FixedRight&pgtype=article>

2. Patient Protection and Affordable Care Act - Wikipedia

<https://en.wikipedia.org/wiki/Patient_Protection_and_Affordable_Care_Act>

3. What is the Difference Between Moral Hazard and Adverse Selection?

<http://www.investopedia.com/ask/answers/042415/what-difference-between-moral-hazard-and-adverse-selection.asp>

4. Key Facts About the Uninsured Population, Kaiser Family Foundation Oct. 2015

<http://kff.org/uninsured/fact-sheet/key-facts-about-the-uninsured-population/>

**Immigration Readings**

**\*** Greenstone & Looney “Ten Economic Facts About Immigration” Sept. 2010. Brookings Institution <https://www.brookings.edu/research/ten-economic-facts-about-immigration/>

Todaro Model Writeup - [Brief Numerical Example of Todaro Migration Model](http://faculty.washington.edu/danby/todaro/Todaro.htm)