

Syed Basher
Atkinson (Economics) – York University
Summer 2007

AK/ECON 4081 Research Seminar in Economics 3.0

Start date: May 08, 2007

Location: VH 3003, Tuesday 6-9pm.

Note: If you have a documented disability at York that you wish to have accommodated in this course, please see me immediately.

Office: VH 1091

E-mail: basher@econ.yorku.ca

Course website: <http://www.syedbasher.org/teaching/ECON4081.htm>

Tel: (416) 736-2100 ext. 77063

Office Hours: 4:30-6pm on Tuesday, or by appointment

Course description:

The objective of the course is to help students develop strong analytical, quantitative and communication skills through the pursuit of independent research. The subject of discussion will vary from class to class, which will enable students to become familiar with some of the major issues and research approaches in a number of areas of economics.

Evaluation:

Given the nature and objectives of a research seminar, there will be **no traditional exams** in this course. Instead, your performance in this course will be assessed based on the following components and their corresponding weights:

Research Paper: 40%

Presentation 1: 20%

Presentation 2: 20%

Participation and attendance: 20%

Please note that although research cooperation and the exchange of ideas are welcome and encouraged in general, you will be responsible for each of the above items individually. In other words, no group presentations or papers are allowed in this course. This is primarily due to two reasons. First, the class size is small and second, this will help maintain the highest possible level of objectivity of student evaluation as there will be no uncertainty about individual contributions to the final piece of work (which may arise in case of group projects).

Major Research Paper:

The first component of your research project will be a research proposal due in class on May 22, 2006. The proposal should be 1-2 pages long and should include a tentative bibliography. More information will be provided in class and on the course website. (**Note:** If you are an Arts Faculty Economics major, please identify yourself immediately since your proposal is due ASAP.)

You are required to submit the final version of an original research paper by Tuesday, July 31, 2007. **No extension under any circumstances!** The paper should be submitted both in hard copy and electronic format (via email). As a guideline, the paper should be 15-20 pages in length (double-spaced, font 11, excluding tables, graphs, appendices and references). The emphasis should be on content rather than the length of the paper. Bear in mind that the main attributes of excellence in research are originality of ideas, soundness of analysis, practical applications and academic honesty. These are the main categories based on which the quality of your research contribution will be assessed in this class as well.

In order to provide guidance and maintain continuity in your research effort, you will be required to submit at least one draft before you submit your final research paper. This will help you gain valuable feedback and positively affect the quality and efficiency of your research. Therefore, **draft deadline (July 10, 2007)** should be strictly observed.

Presentations:

Given the small class size you should expect to deliver 2 presentations during the term. For the first presentation, you should present a journal article published in a reputed economics journal. Below you will find a bibliography of papers to choose from for your first presentations. Please note that this list of topics and papers is suggested only as it reflects the instructor's areas of specialization and you may choose to present other papers as well. However, your choice is subject to approval by instructor to ensure a comparable level of effort is exerted in the preparation of the presentation.

For the second presentation, you should present your own research paper that you will be doing for the course. Notice that your second presentation is not based on your final work that you're required to submit, rather it is typically based on "work in progress". This way, it is expected that, you will get valuable feedbacks and directions for further improvements.

The dates for your presentations will be posted on the course web page. For an effective presentation it will be important to be organized and to communicate the research in a simple and clear format. It is advisable that you prepare some supporting material for presentations such as a PowerPoint file, handouts or transparencies for overhead projector presentation.

Participation and attendance:

For an active class discussion, **attendance and participation is a must!** Therefore, you are not allowed to miss any class at all! Avoid falling sick and/or engaged in other appointments!! If you must miss a class, your mark for participation/attendance will be reduced accordingly.

In order to be able to participate in class discussion during presentations, it is important that **you do the readings** in advance of each class. Passive attendance will not be assessed positively.

Bibliography:

Basic Macro Theory and Policy

Mankiw, N.G. (2001), Small menu costs and large business cycles: A macroeconomic model, *Quarterly Journal of Economics* 100, 529-38.

Mankiw, N.G. (2001), The inexorable and mysterious tradeoff between inflation and unemployment, *Economic Journal* 111, 45-61.

Lucas, R.E. (1973), Some international evidence on output-inflation tradeoffs, *American Economic Review* 63, 326-334.

Blanchard, O. (2000), What do we know about Macroeconomics that Fisher and Wicksell did not?, *NBER Working Paper* No. w7550.

Symposium: The Natural Rate of Unemployment, various papers; *Journal of Economic Perspectives*, Vol. 11, No.1, Winter 1997, pp. 3-108.

Symposium: New Growth Theory, various papers; *Journal of Economic Perspectives*, Vol. 8, No. 1, Winter 1994, pp. 3-72.

Diebold, Francis (1998): "The Past, Present and Future of Macroeconomic Forecasting", *Journal of Economic Perspectives* Vol. 12, No. 2, pp. 175-192.

Political Economy

Barro, R. & D. Gordon (1983); "Rules, Discretion and Reputation in a Model of Monetary Policy", *Journal of Monetary Economics* Vol. 12, No.1, pp 101-121.

Baron, D. (1991): "Majoritarian Incentives, Pork Barrel Programs and Procedural Control", *American Journal of Political Science* Vol. 35, No. 1, pp. 57-90.

Giavazzi, F. Pagano, M. (1988); “The Advantage of Tying Ones Hands: EMS Discipline and Central Bank Credibility”, *European Economic Review* 32, pp. 1055-82.

Alesina, A. and Summers, L. (1993): “Central Bank Independence and Macroeconomic Performance”, *Journal of Money, Credit and Banking* Vol. 25, No. 2 (May 1993), pp. 151-162.

Svensson, L. (1996): “Optimal Inflation Targets, Conservative Central Banks and Linear Inflation Contracts”, *CEPR Discussion Paper* No. 1249.

Svensson, L. (1992): “An Interpretation of Recent Research on Exchange Rate Target Zones” *Journal of Economic Perspectives* Vol. 6 No. 4, pp. 119-144.

Alesina, A. & R. Perotti (1995): “The Political Economy of Budget Deficits”, *International Monetary Fund Staff Papers* Vol. 42, No.1, pp. 1-31.

Alesina, A. and Drazen A. (1991): “Why Are Stabilizations Delayed?”, *American Economic Review* 81, 5.

Fernandez, R. and Rodrik, D. (1991): “Resistance to Reform: Status Quo Bias in the Presence of Individual-Specific Uncertainty”, *American Economic Review* 81, 5.

Calmfors, L and J. Driffill (1988): “Bargaining Structure, Corporatism and Macroeconomic Performance”, *Economic Policy* 6.

Capital and Labour

Caballero, R. and M. Hammour (1998): “The Macroeconomics of Specificity”, *Journal of Political Economy*, August.

Lazear, E. (1990): “Job Security Provisions and Employment”, *Quarterly Journal of Economics* 105-3, pp. 699-726.

Nickell, S. (1997): “Unemployment and Labor Market Rigidities: Europe versus North America”, *Journal of Economic Perspectives* 11(3) pp. 44-74.

Siebert, H. (1997): “Labor Market Rigidities: At the Root of Unemployment in Europe”, *Journal of Economic Perspectives* 11(3) pp. 37-54.

Caballero, R. and M. Hammour (1996): “On the Timing and Efficiency of Creative Destruction”, *Quarterly Journal of Economics*, August.

Taylor, A. (1996): “International Capital In History”; *NBER Working Paper* No. 5743.

Bubbles, Bank Runs and Crises

Symposium: Bubbles – various papers, *Journal of Economic Perspectives*, Vol. 4, No. 2, Spring 1990.

Diamond, Douglas W. and Philip H. Dybvig (1983) “Bank Runs, Deposit Insurance, and Liquidity,” *Journal of Political Economy*, Vol. 91, No. 3, pp. 401-419.

Masson, P. R. (1998): “Monsoonal Effects, Spillovers and Jumps Between Multiple Equilibria”, *International Monetary Fund Working Paper* No. 98/142.

Lerrick, A. and A.H. Meltzer (2003): “Blueprint for an international lender of last resort,” *Journal of Monetary Economics* Vol. 50, No. 1, pp. 289-303.

Exchange and Competition

Symposia: The Firm and Its Boundaries, various papers; *Journal of Economic Perspectives* Vol. 12, No. 4, Autumn 1998, pp. 73-150.

Symposia: Network Externalities, various papers; *Journal of Economic Perspectives* Vol. 8, No. 2, Spring 1994, pp. 93-150.

Vickers (1995), “Concepts of Competition”, *Oxford Economic Papers* Vol. 47, Iss. 1, pp. 1-23.

Nickell (1996): “Competition and Corporate Performance” *Journal of Political Economy* 104, pp. 724-746.

Harrison, A. (1994): “Productivity, Imperfect Competition and Trade Reform”, *Journal of International Economics* 36.

Flam, H. (1992): “Product Markets and 1992: Full Integration; Large Gains, *Journal of Economic Perspectives*, Fall.

Markusen, J. (1995): “The Boundaries of Multinational Enterprises and the Theory of International Trade”, *Journal of Economic Perspectives*, Spring.

Neary, J.P. (1988): “Tariffs, Quotas and Voluntary Export Restraints”, *Canadian Journal of Economics* 21, pp. 714-735.

Anderson, J.E. and J.P. Neary (1996): “A New Approach to Evaluating Trade Policy”, *Review of Economic Studies*, 63, 107-125.

Harris, R. (1985): “Why Voluntary Export Restraints are ‘Voluntary’”, *Canadian Journal of Economics*, 18, pp. 799-805.

Leahy, D. and J.P. Neary (1999): "R&D Spillovers and the Case for Industrial Policy in Open Economies", *Oxford Economic Papers*.

Harris, R. (1991): Symposium-The Canada-U.S. FTA: "Economic Impact and Transition Effects", *Journal of Policy Modeling*, 13, 3.

Wellisch, D. and Walz, U. (1998): "Why do rich countries prefer free trade over free migration? The role of the modern welfare state", *European Economic Review* 42, pp. 1595-1612.

Bhagwati, J. Greenaway, D. and Panagariya, A. (1998): "Trading Preferentially: Theory and Policy", *The Economic Journal* 108, pp. 1128-1148.

King, Philip and Sharmila King eds. "International Economics and International Economic Policy: A Reader", 4th edition, McGraw-Hill Irwin, 2005. (various papers)

Other Topics:

Symposia: Distribution of World Income, various papers; *Journal of Economic Perspectives* Vol. 11, No. 3, Summer 1997, pp. 3-36.

Symposia: Globalization in Perspective, various papers; *Journal of Economic Perspectives* Vol. 12, No. 4, Autumn 1998, pp. 3-72.

Symposia: Transition from Socialism, various papers; *Journal of Economic Perspectives* Vol. 10, No. 2, Spring 1996, pp. 25-103.

Sachs, Jeffrey (1996): "Reforms in Eastern Europe and the Former Soviet Union in Light of the East Asian Experience", *NBER Working Paper* No. w5404.

Symposia: Democracy and Development, various papers; *Journal of Economic Perspectives* Vol. 7, No. 3, Summer 1993, pp. 45-86.

Symposia: Health Economics, various papers; *Journal of Economic Perspectives* Vol. 6, No. 3, Summer 1992.

Grossman, G. and Krueger, A. "Economic Growth and the Environment," *The Quarterly Journal of Economics* Vol. 110, No. 2 (May 1995), pp. 354-377.

Ekins, P.; Folke, C. and Constanza, R. "Trade, Environment and Development: The Issues in Perspective," *Ecological Economics* 1994(9), pp. 1-12.

Important Dates/Instructions:

1. Email me the topic (with complete reference) of the journal article for your first presentation by Friday, May 11, 2007.
2. Research proposal is due on Tuesday, May 22, 2007.
3. In the second lecture, May 15, 2007, I will discuss on “how effectively to use library resources for research in economics.” Don’t miss the class!
4. The first presentation will be based on alphabetic order (**ascending**) of students’ name, while the second presentation will be based on alphabetic order (**descending**) of students’ name.
5. Possible dates for all the presentations will be posted online, check the course web page regularly!
6. Again, do not miss any class, and participate, participate, & participate!

For rules and procedures on academic honesty and integrity, please visit

- Students should review the York Academic Honesty policy for themselves at: <http://www.yorku.ca/secretariat/legislation/senate/acadhone.htm>
- Students might also wish to review the interactive on-line Tutorial for students on academic integrity, at: http://www.yorku.ca/tutorial/academic_integrity/