Contemporary Economic Issues
Syllabus and Policies

Economics 465-900       Professor Thomas R. Saving
Spring 2014
MW 8:10-9:25
ALLN 1004

A. Office and Office Hours
Office: 3028 Allen, Bush Library Complex
Office Hours: Monday and Wednesday 10:00 AM - 12:00 PM.
or by appointment.
Office Phone: 845-7559
Email:  t-saving@tamu.edu
Website: http://econweb.tamu.edu/saving/courses.htm

B. Course Description
This course teaches students the application of microeconomic and macroeconomic analyses to
evaluate contemporary economic issues.

C. Prerequisites
You must have completed ECON 323 and ECON 410 prior to starting this course.

D. Learning Objectives
1. To be knowledgeable about current major policy issues.
2. To be able to think critically about major policy issues and their effect on economic growth.
3. To apply microeconomic and macroeconomic analysis to evaluate a current public policy.

E. Required Course Materials
Bonello, Frank J. and Isobel Lobo, Taking Sides: Clashing Views on Economic Issues, 15th

F. Grading

1. Composition of Course Grade

   Written Assignment- Proposal                      2%
   Written Assignment- Rough Draft                   3%
   Written Assignment- Final Written Paper          35%
   Final Exam                                       60%
This is a writing intensive course for economic majors. During the semester you will prepare a paper related to major current policy issue of your choice. I encourage you to meet with me during office hours to discuss the feasibility of your topic choice and allow me to provide feedback and suggestions on how to write about it. There are resources available to assist you in developing your writing skills. You should familiarize yourself with the University Writing Center, www.writingcenter.tamu.edu, and take advantage of the services it offers.

2. Grading Scale

90 – 100% = A
80 – 89% = B
70 – 79% = C
60 – 69% = D
< 60% = F

3. Graded Work

a. Written Proposal: this is a two-page outline proposing the research paper topic. This assignment must be submitted to me via email in Microsoft Word to me no later than Friday, February 7, 2014.

b. Rough Draft: this must follow the outline on the written proposal and must be between 2000 and 2200 words. I will provide written feedback about both your discussion of the topic and the technical aspects of your writing. You must submit this assignment to me via email in Microsoft Word by Friday, March 7, 2014.

Additionally, we will spend time during one class session after rough drafts are returned to peer-edit another student’s paper using a rubric I will provide. My hope is that during this time I can share some general insight about technical aspects of writing that could be improved upon in the rough drafts that I graded and that you will gain additional helpful feedback from your peers. Writing instruction will also occur periodically during class throughout the semester.

c. Final Written Paper: this must be between 2000 and 2200 words and I expect that you will have integrated my feedback on the rough draft into this final work. Again, please talk to me during office hours for assistance. You must submit this assignment to me via email in Microsoft Word no later than Friday, April 25, 2014.

Important Note: A failing paper grade means a failing course grade.

d. Final Exam: Friday May 2, 2014 – 10:00am-12:00pm, will be essay and cover all materials from class, the relevant parts of the text, and any assigned readings.
G. Plagarism

By accepting admission to Texas A & M University, a student assumes a commitment to comply with the Aggie Honor Code: “An Aggie does not lie, cheat, or steal nor tolerate those who do.” Compliance with this code includes the avoidance of plagiarism. As commonly defined, plagiarism is presenting as one’s own ideas, the work, writing, etc. that belongs to someone else. You are committing plagiarism if you copy the work of another person and/or let them submit it as your own, even if you have their permission. If the professor identifies plagiarism, then the issue will be forwarded to the Aggie Honors Council.

H. Cheating

A student caught cheating on an exam will be penalized severely. The penalty will be decided in consultation with the Head of the Department of Economics.

I. Americans with Disability Act (ADA) Policy Statement

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please contact Disabilities Services in Cain Hall Room B118, or call 845-1637. For additional information visit website at: http://disablity.tamu.edu.

Additionally, if you feel you are entitled to special accommodation due to a disability, please see me within the first two weeks of class.

J. Helpful Websites

These think tanks publish research papers on both domestic and international economic, political, environmental, and social issues. They represent a variety of stances on the economic issues covered in class.

1. CATO Institute – www.cato.org
3. The Heritage Foundation – www.heritage.org
K. Important Dates

1. Friday, February 7, 2014, email Written paper Proposal in Microsoft Word.
2. Friday, March 7, 2014, email Written paper Rough Draft in Microsoft Word.
3. Friday, April 25, 2014, email Written paper Final Draft in Microsoft Word.
4. Friday, May 2, 2014, 10:00am to Noon: Final Exam.
Course Outline

Part 1: The Economy and Financial crises: Text Issue 9, 14, 16

a. How did we get here and how do we move on?
b. What is the role of government in the economy?
c. Living with the burden of Sovereign Debt
   a. Europe
   b. United States

Part 2: Health Care Policy: Text Issues 5, 7, 8

a. The health care market in the United States – payers, incentives, insurance, tax policy
b. The Uninsured – Who are they and why are they uninsured?
c. The 2010 health care reform: The Affordable Care Act
d. Markets Anyone? – examples of health care markets with posted prices such as lasik surgery and cosmetic surgery and examples of markets that do not exist but could bring about more efficient outcomes like a market for organs.

Part 3: The Future of Medicare:

a. The program as envisioned by the Affordable Care Act
b. The program as estimated by the Actuaries at CMS and analysts at the Congressional Budget Office.
c. The potential for reform.

Part 4: Retirement and Social Security:

a. current state of program
b. implications for the future
c. potential reforms

Part 5: Environmental Policy:

a. Global Warming
b. Resource Allocation – property rights, endangered species
c. Air pollution controls – Why and How?


a. Why energy independence
b. Alternative energy production – wind, solar, ethanol
Part 7: The Economics of Government Control of Individual Behavior: Text Issues 1, 2, 3, 6, 10, 11, 19

a. Obesity
b. Executive Pay
c. Credit Cards
d. Income Inequality

Part 8: Markets and the Environment

a. The role of externalities
b. The contrast between economic and political decisions

Part 9: Inflation and Business Cycles

a. Government policy and inflation
b. The role of the Central Banks in past inflation
c. Federal Reserve policy and the economy

Part 10: Keeping the Jobs Home: Text Issues 12, 13, 17

a. The economics of trade
b. Where would we be if we had kept the jobs home?

REMINDER: FINAL EXAM: MAY 2, 2014 10:00AM - Noon