Classes will be held in [TBD] from 11:07am to 12:00pm every Monday, Wednesday, and Friday, except for those dates indicated on the lecture calendar.

Sections will be held once a week, at times to be arranged.

Prerequisite: Economics 1010a or 1011a, API-101, or permission of one of the instructors. The course also assumes macroeconomics at the level of 1010b or 1011b.

Grades will be determined as follows:
• a midterm exam given in class on October 19 -- 25 percent
• two four-page memos due at the beginning of class on October 24 and November 30 -- 25 percent
• a final exam given in December -- 50 percent
• Paper Option: Students have the option of writing a 20-25 page research paper (due on December 5 in lieu of the two four-page memos. The paper will count for 25 percent of the grade. Students who choose this option can count Economics 1420 as one of the courses that fulfill the economics department writing requirement.

Discussion and the exchange of ideas are essential to academic work. For assignments in this course, you are encouraged to consult with your classmates on the choice of paper topics and to share sources. You may find it useful to discuss your chosen topic with your peers, particularly if you are working on the same topic as a classmate. However, you should ensure that any written work you submit for evaluation is the result of your own research and writing and that it reflects your own approach to the topic. You must also adhere to standard citation practices in this discipline and properly cite any books, articles, websites, lectures, etc. that have helped you with your work. If you received any help with your writing (feedback on drafts, etc), you must also acknowledge this assistance.

The course website can be accessed at https://canvas.harvard.edu/courses/9571

The final exam is tentatively scheduled for TBD
<table>
<thead>
<tr>
<th>Day</th>
<th>Date</th>
<th>Topic</th>
<th>Speaker</th>
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<tbody>
<tr>
<td>W</td>
<td>Aug. 31</td>
<td>Introduction (Feldstein)</td>
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<tr>
<td>F</td>
<td>Sep. 2</td>
<td>Where are we? How did we get here? What next? (Feldstein)</td>
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<tr>
<td>M</td>
<td>Sep. 5</td>
<td>No Class (Labor Day)</td>
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<tr>
<td>W</td>
<td>Sep. 7</td>
<td>National Savings and U.S. Fiscal Policy (Liebman)</td>
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<tr>
<td>F</td>
<td>Sep. 9</td>
<td>Preventing and Responding to Financial Crises (Summers)</td>
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<td>M</td>
<td>Sep. 12</td>
<td>Growth, Productivity, and Distribution (Feldstein)</td>
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<tr>
<td>W</td>
<td>Sep. 14</td>
<td>Keynesian Economics: Retreat and Return (Feldstein)</td>
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<tr>
<td>F</td>
<td>Sep. 16</td>
<td>Budget Deficits and Surpluses (Liebman)</td>
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<td>M</td>
<td>Sep. 19</td>
<td>Monetary Policy: Business Cycles and Inflation (Feldstein)</td>
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<tr>
<td>W</td>
<td>Sep. 21</td>
<td>Monetary Policy: Business Cycles and Inflation (Feldstein)</td>
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<tr>
<td>F</td>
<td>Sep. 23</td>
<td>Monetary Policy: Business Cycles and Inflation (Feldstein)</td>
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<tr>
<td>M</td>
<td>Sep. 26</td>
<td>Fixing the Budget Deficit (Feldstein)</td>
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<tr>
<td>W</td>
<td>Sep. 28</td>
<td>Tax Policy (Feldstein)</td>
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<tr>
<td>F</td>
<td>Sep. 30</td>
<td>Fundamental Tax Reform (Liebman)</td>
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<td>M</td>
<td>Oct. 3</td>
<td>No Class (Rosh Hashanah)</td>
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<tr>
<td>W</td>
<td>Oct. 5</td>
<td>Tax Policy (Feldstein)</td>
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<td>F</td>
<td>Oct. 7</td>
<td>Tax Policy (Feldstein)</td>
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<tr>
<td>M</td>
<td>Oct. 10</td>
<td>No Class (Columbus Day)</td>
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<tr>
<td>W</td>
<td>Oct. 12</td>
<td>No Class (Yom Kippur)</td>
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<tr>
<td>F</td>
<td>Oct. 14</td>
<td>Energy and Climate Change (Liebman)</td>
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<tr>
<td>M</td>
<td>Oct. 17</td>
<td>Budget and Tax Discussion (Feldstein and Liebman)</td>
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<tr>
<td>W</td>
<td>Oct. 19</td>
<td>Midterm</td>
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<tr>
<td>F</td>
<td>Oct. 21</td>
<td>Disability Insurance and Unemployment Insurance (Liebman)</td>
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<tr>
<td>M</td>
<td>Oct. 24</td>
<td>Health Care Policy (Baicker)</td>
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<tr>
<td>W</td>
<td>Oct. 26</td>
<td>Health Care Policy (Baicker)</td>
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<td>F</td>
<td>Oct. 28</td>
<td>Health Care Policy (Liebman)</td>
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<tr>
<td>M</td>
<td>Oct. 31</td>
<td>Social Security Reform (Feldstein)</td>
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<tr>
<td>W</td>
<td>Nov. 2</td>
<td>Social Security Reform (Feldstein)</td>
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<td>F</td>
<td>Nov. 4</td>
<td>Trade Imbalances and the Dollar (Feldstein)</td>
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<tr>
<td>M</td>
<td>Nov. 7</td>
<td>Trade Imbalances and the Dollar (Feldstein)</td>
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<tr>
<td>W</td>
<td>Nov. 9</td>
<td>Trade Policy (Summers)</td>
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<td>F</td>
<td>Nov. 11</td>
<td>The Economics of National Security (Feldstein)</td>
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<td>M</td>
<td>Nov. 14</td>
<td>Economic Policy Discussion (Liebman and Summers)</td>
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<td>W</td>
<td>Nov. 16</td>
<td>Inequality and Equitable Growth (Liebman)</td>
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</table>
F Nov. 18        Transfer Programs and Welfare Policy (Liebman)
M   Nov. 21  Globalization and Economic Policy (Summers)
W   Nov. 23  No Class (Thanksgiving)
F   Nov. 25  No Class (Thanksgiving)
M   Nov. 28  Technological Change and Job Creation (Summers)
W   Nov. 30  Where We Go from Here (Feldstein)
F   Dec. 2   No Class

Reading Period: December 5 – 9
Final Exam:

READING LIST

*Introduction: Where are we? How did we get here? What next? (August 31, September 2)*

Martin Feldstein, “The U.S. Economy is in Good Shape,” WSJ Feb 21, 2016


E. Benmelech et al “The Real Effect of Liquidity During the Financial Crisis,” NBER Working Paper 22148 (Summary in NBER Digest July 2016)


Economic Report of the President 2016, Chapter 7, discusses the role of the Council of Economic Advisers and includes recollections from several former CEA chairmen. The Feldstein recollection is included in the 1420 readings.

National Savings and U.S. Fiscal Policy (September 7)


Alan Greenspan, “Remarks at the European Banking Congress,” November 19, 2004

Preventing and Responding to Financial Crises (September 9)


**Growth, Productivity, and Distribution (September 12)**


Byrne et al  “Does the US have a Productivity Slowdown or a Measurement Problem?” Brookings Papers on Economic Activity, Spring 2016.


Bruce Meyer, “CPS Overestimates the Poverty Rate,” NBER WP 21676, summarized in NBER Digest February 2016.


**Keynesian Economics: Retreat and Return (September 14)**


Budget Deficits and Surpluses (September 16 and 23)

Martin Feldstein, [Title TBD], Project Syndicate July 2016.


Congressional Budget Office, The 2016 Long-term Budget Outlook, Chapter 1. See Also Infographic.


Additional optional resources:


Monetary Policy: Business Cycles and Inflation (September 19, 21)


Martin Feldstein, “Ending the Inflation Target Fixation,” WSJ, May 2017

Martin Feldstein, “Where the Fed will be when the next downturn occurs,” WSJ, July 5, 2016


Martin Feldstein, "Unconventional Monetary Policy: Comment on John C. Williams."


Monetary Policy and Financial Stability (September 23)


Martin Feldstein “A Federal Reserve Oblivious to its Effects on Financial Markets,” WSJ 1/13/16


**Tax Policy (September 28, October 5 and 7)**


Additional optional resource:


**Fundamental Tax Reform (September 30)**

**Energy and Climate Change (October 14)**


**Disability and Unemployment Insurance (October 21)**


**Health Care Policy (October 24, 26, and 28)**


Katherine Baicker and Amitabh Chandra, “Myths and Misconceptions About Health Insurance,” *Health Affairs*. Vol. 27, no. 6, w533-w543, October 21, 2008.


Kaiser Family Foundation, “Summary of New Health Reform Law,”


Lisa Dubay, Sharon Long, and Emily Lawton.  Will Health Insurance Lead to Job Loss?

Additional optional resources:

Kaiser Family Foundation, “Primer on Medicare.”

Kaiser Family Foundation, “Primer on Medicaid.”

**Social Security Reform (October 31, November 2)**


Douglas Elmendorf, Jeffrey Liebman, and David Wilcox, “Fiscal Policy and Social Security Policy During the 1990s,” in *American Economic Policy in the 1990s*, Jeffrey Frankel and Peter Orszag, editors, 2002, pp 80-106 and 121-125. (A pdf will be provided for those who do not have access to the NBER’s working paper series.)

Jeffrey Liebman, “Redistribution in the Current U.S. Social Security System,” in *Distributional Aspects of Social Security and Social Security Reform*, Editors Martin Feldstein and Jeffrey Liebman, 2002, pp. 11-41. (A pdf will be provided for those who do not have access to the NBER’s working paper series.)


**Trade Imbalances and the Dollar (November 4 and 7)**


**Trade Policy (November 9)**


**The Economics of National Security (November 11)**


*Additional optional resource:*


**Inequality and Equitable Growth (November 16)**


Transfer Programs and Welfare Policy (November 18)


Globalization and Economic Policy (November 21)


Calla Wiemer, “Don't Revalue the Yuan Yet,” Wall Street Journal Online, January 7,
**Technological Change and Job Creation (November 28)**

Keynes, John. 1930. "Economic Possibilities for our Grandchildren"


