ECON BC3063x (01) Senior Seminar: “Financial Instability and Economic Performance”

Instructor: Rajiv Sethi, M 6:10-8:00pm

Prerequisites: Permission of the Instructor and completion of all courses (except the senior requirement) required for the economics track, political economy track, or economics and mathematics majors. Exceptions to these prerequisites may be granted by the chair of the department only.

This seminar examines the contemporary financial system and the determinants of systemic risk. Topics explored include the following: shadow banking, loan origination, securitization, liquidity, leverage, maturity transformation, interbank linkages, adverse selection, information racing, and algorithmic trading. These topics will be discussed both in relation to the recent financial crisis and earlier historical episodes.

ECON BC3063x (02) Senior Seminar: “Financial Instability and Economic Performance”

Instructor: Rajiv Sethi, W 2:10-4:00pm

Prerequisites: Permission of the Instructor and completion of all courses (except the senior requirement) required for the economics track, political economy track, or economics and mathematics majors. Exceptions to these prerequisites may be granted by the chair of the department only.

This seminar examines the contemporary financial system and the determinants of systemic risk. Topics explored include the following: shadow banking, loan origination, securitization, liquidity, leverage, maturity transformation, interbank linkages, adverse selection, information racing, and algorithmic trading. These topics will be discussed both in relation to the recent financial crisis and earlier historical episodes.
Spring 2015 Senior Seminar Descriptions

ECON BC3063y (01) Senior Seminar: “Institutional Foundations of Economic Development”

Instructor: Ashley Timmer, Hours TBA

Prerequisites: Permission of the Instructor and completion of all courses (except the senior requirement) required for the economics track, political economy track, or economics and mathematics majors. Exceptions to these prerequisites may be granted by the chair of the department only.

This seminar on Economic Development moves beyond the canonical neoclassical framework of economic growth and development and to explore the historical, political, and institutional environments that have created the current divergence of economic outcomes globally. Douglas North defined institutions as the “…humanly devised constraints that shape human interaction.” This seminar explores how those choices—how we organize ourselves socially, economically, and politically—have important implications for our economic success. This richer understanding of the institutional framework helps point us to paths for successful economic development and structural transformation. Each week, we will explore key economic dimensions of development using behavioral, experimental, political-economy, and “new institutional” approaches. Themes will include such topics as political cohesion and governance, corruption, risk and vulnerability, social capital, ethnic networks, other-regarding behavior, inequality, and food security.

Course requirements include weekly class participation, leading seminar discussions, and an original research paper on a topic in development, due at the end of the semester. Throughout the semester, there will be structured assignments to help students develop their ideas and build a research strategy, in preparation for the final paper.

ECON BC3063y (02) Senior Seminar: “Economics, Culture and Happiness”

Instructor: Sonia Pereira, Hours TBA

Prerequisites: Permission of the Instructor and completion of all courses (except the senior requirement) required for the economics track, political economy track, or economics and mathematics majors. Exceptions to these prerequisites may be granted by the chair of the department only.

Benjamin Franklin once said, “Money has never made man happy yet, nor will it, there is nothing in its nature to produce happiness. The more of it one has the more one wants.” But ask anyone whether more money would make them happier and most likely their answer will be yes! Well, it turns out that recent research agrees with both views! In this course we look for answers to the following questions: What is the relationship between economic wellbeing and happiness both at the individual and at the societal levels? Can happiness be measured? If so, how? What variables explain variations in happiness across individuals and across countries? And how can one become happier? Which cultural frameworks promote economic growth and which ones promote happiness? Should economic policy focus on maximizing happiness? If so, what policies could achieve increased happiness? We start with a brief history of the economic and philosophical thought on the concepts of happiness and utility. We discuss the link between culture and philosophical views on happiness. We then study the recent empirical economic literature on happiness including measures and methods used and main findings. We also look at contributions from other fields of study: psychology, neuroscience and medical. Finally, we also ask which cultural dimensions contribute to economic growth and which ones contribute to happiness.

Assignments include short written assignments, in-class presentations and a longer term paper. The assignments are designed to allow students to explore new answers to some of the questions studied, to ask new questions, and to reflect on their own personal views and assumptions about the pursuit and attainment of happiness. Students will be introduced to mindfulness and self-inquiry exercises from the happiness literature. In their term paper students will be encouraged to do hands-on data work, either by resorting to existing databases or through interviewing, though this is not a requirement and papers can also be theoretical.
ECON BC3063y (03) Senior Seminar: “Child Health, Behavior, and Learning”
Instructor: Randall Reback, Hours TBA
Prerequisites: Permission of the Instructor and completion of all courses (except the senior requirement) required for the economics track, political economy track, or economics and mathematics majors. Exceptions to these prerequisites may be granted by the chair of the department only.

This seminar examines the relationship between physical health, mental health, and learning during childhood. Each week, we will discuss two readings on a given theme. The course is divided into four units: (1) The Economic Returns to Health and to Education, (2) The Effects of Childhood Health on Education and of Schooling on Health, (3) Intergenerational Transmission of these Effects (for example, the impact of maternal health on child education), and (4) School-site Policy Interventions Addressing Children’s Physical Health, Mental Health, or Self-Regulatory Skills. During the first class meeting, students will choose to specialize in one of these four areas. They will then facilitate class discussions during the week of their topic. During the second class meeting, students will choose to take either a local or international focus for their topic area: choosing either New York City or a specific foreign country. Students will write a research paper related to that topic area. The course culminates with students’ in-class presentations of their research findings.