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## The University of Jordan

### The American Economy

Course Number	2403704
Number of Credits	3
Providing Department	
Pre-requisites	
Section Number and Time	1 (Thu, 5:00PM – 8:00 PM)
Room Number	
Lecturer Name	Dr.Maen Nsour
Lecturer Email	<a href="mailto:maennsour@gmail.com">maennsour@gmail.com</a>
Lecturer Office Hours	TBA
Lecturer Office	TBA

#### Aims and Objectives:

This course is intended to provide students with an in-depth knowledge and understanding of the U.S. economy. The course will provide analysis of economic problems and major issues in the American economy and economic policy. It will start by providing historical background to the U.S economy, and then it will examine different areas of the U.S economic policy: Monetary and fiscal policy, tax policy, trade, energy, labor and education, poverty and welfare. Next, the course will give an overview of the American political economy, and finally it will discuss the current financial crisis, its causes and implications on the American economy.

#### Learning Outcomes:

Upon completing the course and having completed the essential readings and activities students should be able to:

- Understand the role of monetary policy and Federal Reserve in targeting inflation and influencing economic growth.
- Understand the roots of Great Depression and the recent financial crisis and the lessons learnt from them.

- Understand sources of U.S. economic growth in post-war era.
- Understand and analyse various policy areas of the U.S. economy.
- Understand the process of economic policy-making and the interactions of political and markets.
- Critically analyse case studies, as well as academic papers and news in the media on issues related to the U.S. economy.

### Learning and Teaching Methods:

The classes are designed to introduce students to key concepts and indicate the appropriate areas for further study and exploration; they provide an opportunity to students for discussion and clarification. Students are also invited to suggest further topics for discussion.

### Assessment:

Assessment Component	Weighting	Date
Assignments	10%	TBA
Contribution to Class Learning	15%	-
Mid-term Exam	25%	TBA
Final Exam	50%	TBA

The assignments may include writing essays, research papers or/and presentations, etc.

The exams contain short essay questions and cover all concepts and topics discussed in the course as shown in the course outline below.

In evaluating student contribution to class learning the following are important:

Positive contribution characteristics include:

- Professional and ethical behaviour at all times
- Constructive disagreement
- Good analysis supported by case facts or observation
- Relevance to previous contributions, i.e., the ability to listen
- Regard, respect and acknowledgment of other's contributions

Negative characteristics include:

- Arriving late to class
- Lack of involvement—silence, detachment or disinterest
- Leading discussion into unrelated topics
- Spending undue amount of time on minor points
- Long, rambling comments
- Being absent or unprepared

## **Readings:**

There will be no required text for this course, but for each lecture a selected number of key readings related to the discussed topics are identified.

### **Useful online resources:**

The National Bureau of Economic Research (<http://www.nber.org/>)

The American Economic Association (<http://www.aeaweb.org/>)

The Social Science Research Network (<http://www.ssrn.com/>)

The Congressional Research Service ([openocrs.com](http://openocrs.com))

It will not be possible to cover in detail all of the material in the lectures, so reading the selected resources is essential. However, attending lectures is strongly advised for properly understanding the course material.



Course Outline and Schedule:

Week		Date	Topics	Key Readings
1	22/9	<b>1. A Brief Economic History of the United States</b> <b>1.1 The Evolution of U.S. Economy</b>		<p>Friedman, M.J. (ed)(2009) 'The Evolution of U.S. Economy', in <i>Outline of the U.S. Economy</i>, United States Department of State, Washington D.C., pp. 10-47.</p> <p>Walton, G. &amp; Rockoff, H. (2010) 'Growth, Welfare and the American Economy', in <i>The History of American Economy</i>, 11<sup>th</sup> edition, South-Western Cengage Learning, USA, pp. 1-18</p> <p>Steinmo, S. (2010) 'The United States: Strong Nation – Weak State', in <i>The Evolution of Modern States: Sweden, Japan and The United States</i>, Cambridge University Press, New York, pp.148-206.</p>
2	29/9	<b>1.2 The Great Depression</b>		<p>Walton, G. &amp; Rockoff, H. (2010) 'The Great Depression', in <i>The History of American Economy</i>, 11<sup>th</sup> edition, South-Western Cengage Learning, USA, pp. 418-439.</p> <p>Romer, C. (1990) 'The Great Crash and the Onset of the Great Depression' <i>Quarterly Journal of Economics</i>, Vo. 105, pp. 597-624.</p> <p>Friedman, M. &amp; Schwartz, A. (1993) 'The Great Contraction', in <i>A Monetary History of the United States: 1867-1960</i>, Princeton University Press, Princeton, pp. 299-419.</p> <p>Romer, C. (1992) 'What Ended the Great Depression?' <i>Journal of Economic History</i>, Vol. 52. No. 4, pp. 757-784.</p>

2. Macroeconomics			
3	6/10	<b>2.1 What the U.S Economy Produces and Economic Growth</b>	<p><u>Jones, C. (2002) 'Sources of US Economic Growth in a World of Ideas', <i>American Economic Review</i>, Vol. 92, No.1, pp.220-239.</u></p> <p><u>Jorgenson, D. (1988) 'Productivity and Postwar U.S. Economic Growth', <i>The Journal of Economic Perspectives</i>, Vol.2, No.4, pp.23-41.</u></p> <p><u>Walton, G. &amp;Rockoff, H. (2010) 'Manufacturing, Productivity and Labor', in <i>The History of American Economy</i>, 11<sup>th</sup> edition, South-Western Cengage Learning, USA, pp. 533-558.</u></p> <p><u>Maddison, A. (1995) <i>Monitoring the World Economy 1820–1992</i>. Paris Development Centre of the Organisation for Economic Co-Operation and Development, OECD Publishing.</u></p> <p><u>Friedman, M.J. (ed)(2009) 'What the U.S. Economy Produces', in <i>Outline of the U.S. Economy</i>, United States Department of State, Washington D.C., pp. 48-61.</u></p>
4	13/10	<b>2.2 U.S. Monetary Policy, Inflation and Business Cycles</b>	<p><u>Mishkin, F. &amp; Posen, A., <i>The Rationale for Inflation Targeting</i>. Economic Policy Review, Vol. 3, No. 3, pp.11-15</u></p> <p><u>Walton, G. &amp;Rockoff, H. (2010) 'Monetary Policy, Fiscal Policy, and the Business Cycle after World War II', in <i>The History of American Economy</i>, 11<sup>th</sup> edition, South-Western Cengage Learning, USA, pp. 510-532.</u></p> <p><u>Mankiw, G. (2002) 'U.S. Monetary Policy during the 1990s', in <i>American Economic Policy in the 1990s</i>, eds Frankel, J. &amp;Orszag, P., MIT Press, Massachusetts, pp. 19-56.</u></p>

5	20/10	<p><b>2.3 Fiscal Policy</b></p>	<p><u>Board of Governors of the Federal Reserve System (2011) 'Monetary Policy Report to the Congress, July 2011', the Federal Reserve, Washington D.C.</u></p> <p><u>Walton, G. &amp; Rockoff, H. (2010) 'Monetary Policy, Fiscal Policy, and the Business Cycle after World War II', in <i>The History of American Economy</i>, 11<sup>th</sup> edition, South-Western Cengage Learning, USA, pp. 510-532.</u></p> <p><u>Elmendorf, D., Liebman, J. &amp; Wilcox, D. (2002) 'Fiscal and Social Security Policy during the 1990s', in <i>American Economic Policy in the 1990s</i>, eds Frankel, J. &amp; Orszag, P., MIT Press, Massachusetts, pp. 61-138.</u></p> <p><u>Friedman, M. &amp; Heller, W. (1969), <i>Monetary vs. Fiscal Policy: A Dialogue</i>, W.W. Norton &amp; Company, New York.</u></p> <p><u>Boskin, M. (2008) 'Economic Perspectives on Federal Deficits and Debt', in <i>Fiscal Challenges: An Interdisciplinary Approach to Budget Policy</i>, eds Garrett, E., Graddy E. &amp; Jackson, H., Cambridge University Press, New York, pp. 141-184.</u></p>
6	27/10	<p><b>2.4 Tax Policy</b></p>	<p><u>Steuerle, E. (2002) 'Tax Policy from 1990 to 2001', in <i>American Economic Policy in the 1990s</i>, eds Frankel, J. &amp; Orszag, P., MIT Press, Massachusetts, pp. 139-190.</u></p> <p><u>Bank, S. (2010) <i>From Sword to Shield: The Transformation of the Corporate Income Tax, 1861 to Present</i>, Oxford University Press, New York, pp. ix-xxxi, 237-264.</u></p> <p><u>Feldstein, M. (2006) <i>The Effect of Taxes on Efficiency and Growth</i>, National Bureau of Economic Research, Working Paper 12201, Cambridge, USA.</u></p>

