

Econ 10.4 Economics and the World Economy
Professor Marchesi - Fall 2018 - Project Writeups

The basics - Times New Roman, 12 font, double-spaced

Pick your country for Part 1 by end of day on Tuesday October 2nd

Part 1 – Due November 15th, at the start of class

For the first part of the project, you get to pick one country other than the US or your home country and submit a 2-page paper providing a summary of the state of the country's economy (e.g., information on GDP, GDP per capita, population, inequality, poverty rates) and an overview of the sources of poverty or sources of prosperity in this country (e.g., poor education and health systems, poor infrastructure, bad institutions or presence of natural resources, presence of an educated work force, presence of cheap labor, etc.). *I'd like you to compare and contrast the characteristics of your chosen country to the characteristics of the US.* I will provide you with sources for reliable and detailed information. You submit this paper individually.

- I. Examine your chosen country's growth and compare it to the US.
Please use the World Development Indicators webpage to answer the following questions:
 - a. What is the population of your country? What is its GDP per capita?
 - b. What is its poverty rate? Does it have an educated work force? Describe its education and health systems. (think about expenditure in these sectors)
 - c. Find data on real GDP per capita and graph real GDP per capita since 1970 (or the earliest year for which you can find information).
 - d. What has been the annual rate of growth of real GDP per capita in the last 10 years?
- II. Read the Human Capital Index brief for your country and the map provided on the website.
 - a. Discuss its overall performance based on final HCI value. Where does it rank? (Better than world average? Worse?)
 - b. Similarly, discuss the components of this indicator and how it compares to the U.S. and the countries in the neighboring region. (Are there discrepancies between boys and girls? How much schooling are they expected to achieve? And more)
- III. Examine your chosen country's trade profile and compare it to the US. *Please use the CIA World Factbook to answer the following questions:*
 - a. What are your country's main resources and what do they suggest about your country's possible comparative advantage?
 - b. What are your country's main exports (things they sell to others) and imports (things they buy from others)? Is it what you expected given your country's resources?

When you submit Part 1 you will also let me know who you are working with in your group, and your top three choices for countries in a note at the bottom of the last page.

Part 2 – Due December 17th at (12 noon)

The second part of the project asks you to get into groups of 3, choose one country (other than the US or home country) and submit a 2-page paper providing a description of 1 specific policy that the country is currently implementing please describe here what the problem is that this policy is trying to address/solve/mitigate; include a discussion of the expected effect of the policy you've chosen, if any (e.g., what are the short-run or long-run implications of this policy for this country or for other countries, why it may work, why it may not work). You submit one paper together as a group.

Types of policies to begin to look for

A trade policy, a fiscal policy, a monetary policy, or any other domestic or international economic policy that may be of interest and that you feel you understand such as providing free meals in schools, reducing energy subsidies, investing in mining companies abroad, etc.

In general, you can pick to discuss any policy you want. However, please make sure you discuss the economic implications of that policy.

- a. Describe the policy. Why may it work? Why may it not?
- b. What are the costs and benefits?
- c. Why should we care?
- d. What are some short-run or long-run effects this policy may have, based on what we've discussed in this class?

*This is not an exhaustive list, and you are expected to provide more analysis than these questions.

*Grades for projects will not be finalized until both parts are received in December.

Resources

CIA World Factbook

<https://www.cia.gov/library/publications/resources/the-world-factbook/>

World Development Indicators

<http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators>

World Bank – Human Capital Index (Use the brief's on your country)

<http://www.worldbank.org/en/publication/human-capital>