



Boston University International Programs
London

Boston University British Programmes
Economic Policy – A British Perspective
CAS EC 364 (Core course)
Spring 2011

Instructor Information

A. Name	Parvin Alizadeh
B. Day and Time	Wednesdays and Thursdays, 1.15-5.15pm
C. Location	Bell room, Crofton, 14 Queens Gate, SW7 5JE
D. BU Telephone	020 7244 6255
E. Email	[REDACTED]
F. Webpage	www.bu-london.co.uk/academic/ec364
G. Office hours	By appointment

Overview

During the 1980s and 1990s, successive U.K. governments legislated and implemented a series of market-oriented reforms designed to stop the long-term economic decline in the United Kingdom relative to her major trading partners in industrialized countries.

This course provides a microeconomic analysis of these reforms with focus on aspects of privatization, trade performance, the UK relationship with the EU, the UK foreign aid policy and the UK income distribution. The economic analysis includes comparisons, where appropriate, with other European Union economies and the United States. The course examines the roles of the market and government in determining policy outcomes. The level of microeconomics in the course is intermediate and assumes you have completed an introductory one or two semester course in microeconomics.

On completion of the course, you should be able to integrate analytical and descriptive material to aid your understanding of the nature and causes of some key contemporary problems in modern advanced economies. In addition you will be familiar with the microeconomic policies used within the UK and have some knowledge of relevant source material.

Teaching Strategy

The course will be taught by the selective use of lectures and seminars. Lectures will identify the main points of each topic and provide an explanation of, and comment on the relevant analytical material. Seminars require you to have read the recommended material, enabling you to participate fully in class discussion.

Readings

Indicative bibliography

Griffiths, A and S. Wall (2007) *Applied Economics*, 11/e, Longman

Sawyer, M (ed) (2005) *The UK Economy*, 16/e, Oxford UP

[David Card](#), Richard Blundell and Richard B. Freeman (eds.2004) *Seeking a Premier Economy: The Economic Effects of British Economic Reforms, 1980-2000*, National Bureau of Economic Research Conference Report.

Balls, E et al (2004) *Microeconomic Reform in Britain: Delivering Opportunities for All*, HM Treasury/Palgrave Macmillan.

Floud, R and Johnson, P (2004) *The Cambridge Economic History of Modern Britain, Vol. 111 Structural Change and Growth 1939 – 2000*.

Barr, N (2004) *The Economics of the Welfare State*, 4/e, Oxford UP

Davies, H (2006) *The Chancellor's Tales: Managing the British Economy*, Polity Press

Grant, W (2002) *Economic Policy in Britain*

Rowthorn, R. and Coutts, K (2006.) ‘‘The UK in the World Economy’’, update of Rowthorn and Coutts (2004) prepared for meeting of the Council for Science and Technology, London http://www.econ.cam.ac.uk/faculty/coutts/Rowthorn_Coutts_2006.pdf

Cambridge Journal of Economics (2007) Volume 31, Number 6.

Rowthorn, R. and Coutts, K. (2006) ‘‘The UK in the World Economy’’, update of Rowthorn and Coutts (2004) prepared for meeting of the Council for Science and Technology, London http://www.econ.cam.ac.uk/faculty/coutts/Rowthorn_Coutts_2006.pdf

Collier, P (2008) *The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It*, Oxford University Press.

Easterly, W (2008) ‘Foreign Aid Goes Military’, *New York Review of Books*, Volume 55, Number 19, December 4.

Additional readings may be posted on the course webpage, <http://www.bu-london.co.uk/academic/ec364> (you must be logged in to view materials).

Useful web sites include:

www.hm-treasury.gov.uk (UK Treasury)

<http://www.berr.gov.uk/> (Dept. for Business, Enterprise and Regulatory Reform)

www.dft.gov.uk/ (Dept. for Transport)

www.doh.gov.uk (Dept. of Health)

<http://www.dwp.gov.uk/> (Dept. for Work and Pensions)

www.london.gov.uk (Greater London Authority)

<http://www.bankofengland.co.uk/> (Bank of England)

www.europa.eu.int (European Union)

www.ifs.org.uk (Institute for Fiscal Studies)

www.ippr.org.uk (Institute for Public Policy Research)

It is recommended that you read, on a regular basis, the Financial Times, the business sections of the broadsheet/compact press and weekly publications such as the Economist.

Additional reading for classroom discussion and/or assignments – newspaper articles, journal articles – will be distributed and copies placed in the Library.

Assignments and Grading

You are required to submit one 1500 word paper (40% of the total marks) and complete a two-hour, three-question examination (40% of the total marks). In addition to these two written pieces of work you are all expected to make a class presentation (20% of the total mark).

For the paper you will be offered a choice of questions, with associated reading. The paper must be submitted by **Thursday 10 February 2011**. For the class presentation you will be also offered a choice of topics.

The final examination will be held on **Monday 14 February 2011**. Exam times and locations will be posted on the BU London website and in the Student Newsletter two weeks before exam dates.

Please refer to the Academic Handbook for detailed grading criteria, attendance requirements and policies on plagiarism:

<http://www.bu-london.co.uk/files/images/ACADEMICHANDBOOKSP111.pdf>

Teaching Schedule

Thursday 13 January

Lecture 1 An overview of the structural changes in the UK economy

Reading: Griffiths,A and S.Wall (2007) *Applied Economics*. Chapter 1, Changes in the UK economic structure, pp 1-26

Wednesday 19 January

Lecture 2 British Economic reforms since 1979

Readings: [David Card](#), Richard Blundell and Richard B. Freeman, editors(2004) *Seeking a Premier Economy* ,Chapter 2, “ The Economic Effects of British Economic Reforms, 1980-2000” , PP 1-9, ([bibliographic info](#)) ([download](#))

[David Card](#), Richard Blundell and Richard B. Freeman, editors (2004), Chapter 3, “What Have Two Decades of British Economic Reform Delivered?”PP 9-62 ([bibliographic info](#)) ([download](#))

Griffiths,A and S.Wall (2007) *Applied Economics*, Chapter 8, Privatization and deregulation, PP 138-165.

Thursday 20 & Wednesday 26 January

Lecture 3 & 4 UK trade performance

Readings: Griffiths,A and S.Wall (2007) *Applied Economics*, Chapter 27, UK trade performance, PP547-568.

Rowthorn, R. and Coutts, K. 2006. “The UK in the World Economy” update of Rowthorn and Coutts (2004) prepared for meeting of the Council for Science and Technology, London
http://www.econ.cam.ac.uk/faculty/coutts/Rowthorn_Coutts_2006.pdf.

Ken Coutts, Andrew Glyn and Bob Rowthorn (2007) “Structural change under New Labour”, *Cambridge Journal of Economics*, Volume 31, number 6, PP 845-862

Thursday 27 January & Wednesday 2 February

Lecture 5 & 6 UK and the EU

Readings: Griffiths,A and S.Wall (2007) *Applied Economics*, Chapter 29, The European Union PP585-613.

More articles will be given later on.

Thursday 3 February

Lecture 7 Evolution of the UK foreign aid policy

Readings: Department for International Development, "Quick Impact Projects: A Handbook for the Military," June 2006, at www.dfid.gov.uk/pubs/files/qip/booklet.pdf.

Collier. P (2008) *The Bottom Billion: Why the Poorest Countries Are Failing and What Can Be Done About It*, Oxford University Press.

Easterly W, “Foreign Aid Goes Military”, *New York Review of Books*, Volume 55, Number 19, December 4.

**** Contingency Class Date: Friday 4 February.** Students are obligated to keep this date free to attend class should any class dates need to be rescheduled.

Wednesday 9 February

Lecture 8 Income distribution

Readings: Griffiths,A and S.Wall (2007) *Applied Economics*, Chapter 14, Distribution of income and wealth, PP 258-274

Thursday 10 February

Lecture 9 Revision; Paper due.

**** Please note: students will have their first Internship Tutorial meeting on the day of their eighth or ninth (last) Core lecture, 9 or 10 February.**

In addition, all students must attend a Mandatory Internship Briefing that will not conflict with your exam on Monday 14 February at the Cine Lumiere, 17 Queensberry Place, London, SW7 2DT. You will be emailed with the time closer to the date.

Monday 14 February: Final Exam

Exam times and locations will be posted on the BU London website and in the Student Newsletter two weeks before exam dates.

Terms and Conditions

Attendance at all classes should be regarded as mandatory. Missing classes and/or persistent lateness may jeopardise your final grade. A register of attendance will be taken at the beginning of each session. Absence can be conveyed either by advising a senior member of staff in the Academic Affairs Office with a request that the information be passed on to me; or by emailing me at [REDACTED] and [REDACTED] prior to class. Leaving it to another class member to convey messages will not be acceptable. Appointments for interviews for internships should not conflict with attendance at classes. Students must check their email and the weekly Student Newsletter for field trip updates and reminders, if any are to be included.

Any student who is unable to attend a class, or take part in an assignment because of religious reasons, must give notice of the fact in advance. He/she will be required to make up for time lost. In this situation arrangements must be made with another student for class notes to be shared. Written papers must be delivered before agreed deadline, failure to hand in the paper will result in deducted marks.

Students wanting further information and advice on any aspect of the course should email me or see me at the end of class on Wednesdays and Thursdays.

Parvin Alizadeh
January 2011