



**Boston University Study Abroad
London**

**Boston University Study Abroad London
Economic Policy – A British Perspective
CAS EC 364 (*Core course*)
Spring 2013**

Instructor Information

A. Name

Professor Parvin Alizadeh

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.

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 14th February 2013**. For the class presentation you will be also offered a choice of topics.

The final examination will be held on **Monday 18th February 2013**. 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 and policies on plagiarism: <http://www.bu.edu/london/current-semester>

Attendance Policy

Classes

All Boston University London Programme students are expected to attend each and every class session, tutorial, and field trip in order to fulfill the required course contact hours and receive course credit. Any student that has been absent from two class sessions (whether authorised or unauthorised) will need to meet with the Directors to discuss their continued participation on the programme.

Authorised Absence:

Students who expect to be absent from any class should notify a member of Academic Affairs and complete an Authorized Absence Approval Form 10 working days in advance of the class date (except in the case of absence due to illness, for which students should submit the Authorised Absence Approval Form with the required doctor's note as soon as possible). **Please note: Submitting an Authorised Absence Approval Form does not guarantee an authorized absence**

Students may apply for an authorised absence only under the following circumstances:

- Illness, supported by a local London doctor's note (submitted with Authorised Absence Approval Form).
- Important placement event that clashes with a class (verified by internship supervisor)
- Special circumstances which have been approved by the Directors (see note below).

The Directors will only in the most extreme cases (for example, death in close family) allow students to leave the programme early or for a significant break.

Unauthorised Absence:

Any student to miss a class due to an unauthorised absence will receive a **4% grade penalty** to their final grade for the course whose class was missed. This grade penalty will be applied by the Academic Affairs office to the final grade at the end of the course. As stated above, any student that has missed two classes will need to meet with the Directors to discuss their participation on the programme as excessive absences may result in a 'Fail' in the class and therefore expulsion from the programme.

Teaching Schedule

Thursday 17th January

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

Reading: Griffiths,A and S.Wall (2011) *Applied Economics*. Chapter 1, Changes in the economic structure.

Wednesday 23rd 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 (2011) *Applied Economics*, Chapter 8, Privatization and deregulation.

Thursday 24th January

Lecture 3 UK trade performance

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.

<http://www.bis.gov.uk/assets/biscore/international-trade-investment-and-development/docs/u/11-720-uk-trade-performance.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

Wednesday 30th January

Lecture 4 Income Distribution

Readings: Griffiths,A and S.Wall (2011) *Applied Economics*, Chapter13, Distribution of income and wealth.

Thursday 31st January

Lecture 5 UK and the EU(1)

Readings: Griffiths,A and S.Wall (2011) *Applied Economics*, Chapter 27, The European Union .

Readings

Indicative bibliography

Griffiths, A and S. Wall (2011) *Applied Economics*, 12/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

Carmen M. Reinhart (Author), Kenneth Rogoff (Author), This Time Is Different: Eight Centuries of Financial Folly

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.

<http://www.bis.gov.uk/assets/biscore/international-trade-investment-and-development/docs/u/11-720-uk-trade-performance.pdf>

Additional readings may be posted on the course webpage, <https://lms.bu.edu> (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.

Terms and Conditions

Students must check their email and the weekly Student Newsletter for field trip updates and reminders, if any are to be included.

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 2013