

Syllabus

BEPP 207: Economics for the Next Hundred Years
Fall 2019

Mondays and Wednesdays, 9:00am-10:30am, SHDH 209

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Course Description and Objectives.

The objective of this course is to give an overview of some of the most important economic issues for the next 100 years.

In the last three hundred years, standard of living greatly increased (measured by income, leisure time, political freedom, health, freedom from violence). At the same time, wealth inequality has reached historically high levels in developed countries, and billions of people live in poverty in developing countries. There is evidence that progress may be sputtering because of the impact of automation and technological innovations on labor markets, stagnation of economic growth, reversals in democracy, developing countries left behind, and collateral damage to the environment. While it is hard to predict which of these issues will matter, we will discuss what is known, and new social science tools to address these issues.

For each issue, we will cover the popular debate, the latest research, and the most important theories. The course will go more in depth than coverage in the media. The research on each topic includes facts, data analysis, and theoretical models. We will cover these materials from first principles, so there are no prerequisites.

Course Schedule.

Date	Topic
Wednesday, August 28, 2019	Introduction
Monday, September 2, 2019	No lecture (labor day)
Wednesday, September 4, 2019	Economics of the last 1000 years

Monday, September 9, 2019	Inequality in developed countries
Wednesday, September 11, 2019	Artificial intelligence, automation, and the future of jobs
Monday, September 16, 2019	No lecture (instead we will have a Friday guest lecture)
Wednesday, September 18, 2019	Guest lecture: AI in Developing Countries, F. Abdenur, SLQ Consulting
Friday, September 20, 2019	Guest lecture: AI in Silicon Valley, A Peysakhovich, Facebook AI Research @ JMHH F36
Monday, September 23, 2019	Democracy and polarization
Wednesday, September 25, 2019	Big data and economics (TA guest lecture)
Monday, September 30, 2019	Student presentations
Wednesday, October 2, 2019	Guest lecture: Global warming (A. van Benthem, Wharton)
Monday, October 7, 2019	Student presentations
Wednesday, October 9, 2019	Guest lecture: Genoeconomics, J. Beauchamp, Univ. of Toronto
Monday, October 14, 2019	Student presentations
Wednesday, October 16, 2019	Student presentations

Grading.

Quizzes: 25%

Class Discussion participation: 20%

Group Presentation: 55%

- **Quizzes.** We will have short quizzes every other week. The quizzes will test you on assigned readings and on the content of previous lectures. You are allowed to drop your lowest quiz score. Quizzes are posted on Fridays and due on the following Friday 11:59PM. The quizzes are electronic and can be done on Canvas.
- **Participation.** Students are encouraged to participate in debates in class, and will be graded based on participation every lecture. We will also have discussion questions posted on Canvas prior to lecture. Participating in this discussion will also count towards the participation grade.
- **Group presentation.** The main deliverable of the course is a final group presentation. Groups have two options for the presentation. One option is to choose an important

topic that we did not cover in the lectures. The group will be responsible to summarize the public debate, most important facts, and state of the art research on the topic. Another choice is to give a more in-depth presentation of some topic or research study that was briefly covered in lecture.

- Every group has to write a one-page proposal of their final presentation by Monday September 16. The course staff will follow up with the group to help prepare the final presentation.

Rules.

- Electronic devices are not allowed in class.

Resources.

- For every lecture Canvas will have a folder with slides and notes posted prior to lecture, and a lecture video available.
- We will hold office hours to help you with preparing the presentation and the course content. Eduardo: Mondays 3-4:30pm @ Vance Hall 239. Jeremy: Wednesdays 3-4:00PM @ Vance Hall 347F.

Readings.

Every lecture has a required reading, which will be an article in the popular press. In addition, we will have non-required background readings. These will often be books or research papers. All of the readings are free and posted on Canvas (except for books).

1. Introduction

Required:

Steven Pinker, "Is the World Getting Better or Worse?", YouTube, 2018.

<https://www.youtube.com/watch?v=yCm9Ng0bbEQ>

Background:

Andrei Shleifer, "The Age of Milton Friedman" *Journal of Economic Literature*, 2009

McNeill et al., "The Human Web", 2003

Steven Pinker, "Enlightenment Now", 2018

2. Economics of the Last 1,000 Years

Required:

Robert Lucas, "The Industrial Revolution: Past and Future", *Minneapolis Fed Annual Report* 2004

Background:

Barro and Sala-i-Martin, "Economic Growth", 2004, chapters I and 1

Acemoglu and Robinson, "Why Nations Fail", 2012

3. Inequality in Developed Countries

Required:

Leonhardt, "America's Great Working Class Colleges", *New York Times*, 2017

Background:

Thomas Piketty, "Capital in the 21st Century", 2014

Acemoglu and Robinson, "The Rise and Decline of General Laws of Capitalism", 2014

Chetty et al., "The Fading American Dream: Trends in Absolute Income Mobility since 1940", 2016

Chetty et al., "Mobility Report Cards: The Role of Colleges in Intergenerational Mobility", 2017

Smith et al. "Capitalists in the 21st Century", 2018

4. Artificial Intelligence, Automation, and the Future of Jobs

Required:

Lewis-Kraus "The Great A.I. Awakening", *New York Times*, 2018

Background:

Brynjolfsson, Rock, and Syverson, "Artificial Intelligence and the Modern Productivity Paradox", 2017

Aghion, Jones, and Jones "Artificial Intelligence and Economic Growth", 2017

Acemoglu and Restrepo, "Artificial Intelligence, Automation and Work", 2018

5. Guest Lecture from Facebook AI Research

Required:

Metz, "A.I. Researchers Are Making More Than \$1 Million, Even at a Nonprofit", *New York Times*, 2018

7. Democratic Reversal and Polarization

Required:

Wells and Alpert, "In Facebook's Effort to Fight Fake News, Human Fact-Checkers Struggle to Keep Up", *Wall Street Journal*, 2018

Background:

McCarty, Nolan, Keith Poole, and Howard Rosenthal, "Polarized America"

Hunt Allcott and Matt Gentzkow, "Social Media and Fake News in the 2016 Election", *Journal of Economic Perspectives* 2017

Marianne Bertrand and Emir Kamenica, "Coming Apart? Cultural Differences in the United States over Time"

8. Big Data and Economics to Solve Social Problems

Required:

Esther Duflo "Social Experiments to Fight Poverty", *YouTube*, 2010

<https://www.youtube.com/watch?v=0zvrGiPkVcs>

Background:

Mullainathan and Spiess, "Machine Learning: An Applied Econometrics Approach", *Journal of Economic Perspectives*, 2017

Kleinberg et al. "Prediction Policy Problems", *American Economic Review Papers and Proceedings*, 2015

Susan Athey "Beyond Prediction: Using Big Data for Policy Problems", *Science* 2017