Office hours: Tuesdays, 1-3 pm in 201-B New Jersey Hall, CAC (732-932-7794); or by appointment. Feel free to make an appointment for another time if regular office hours are not convenient. You can leave messages for me at 732-932-7794 or at the Economics Department at 732-932-7363. Office hours are an INTEGRAL part of the course! My e-mail address is mrk@rci.rutgers.edu.

Quizzes, exams and grades: Grades will be based on a midterm exam (35%), a final exam (35%), and two quizzes (15% each).

The quizzes: Four quizzes will be given during the semester; your best two quiz scores will be used in computing your course grade. Dates of quizzes will not be announced in advance. Anyone absent from a quiz will receive a score of zero for that quiz. There will be no makeups for any quiz. (In lieu of makeups, you get to drop your two lowest quiz scores.) Each quiz will be open-book/open-notes, consist of multiple-choice questions, and take no more than 30 minutes.

The exams: The midterm date will be announced in advance. The final exam will be given on Wednesday, Dec. 22, between 8-11 am. Review questions and answers will be distributed before each exam. Students who miss the midterm exam or the final exam are required to take a makeup exam. Also, students who take an exam but want to improve their grade may, at their option, take the makeup to that exam. In this case, your grade will be based on the better of the two exams (i.e., if the makeup score is higher than the original exam score, the makeup score will be used; otherwise, the original exam score will be used). (For students who take the exam but not the makeup, the original exam grade will count as the actual exam grade.) The midterm and final exams will (i) consist entirely of essay questions that will stress the ability to apply principles of economics developed in the readings and lectures; and (ii) be open-book/open-notes (so that memorization and rote learning will be deemphasized).

Readings: The required texts for the course are Kansas, The Wall Street Journal Complete Money & Investing Guidebook ("Kansas"), and Blumenthal, The Wall Street Journal Guide to Starting Your Financial Life ("Blumenthal"). Other readings for the course are given in the syllabus, below; virtually all of these readings will be available from the Library's Electronic Reserve. In addition to these readings, please contact the Internal Revenue Service and request certain documents (see the last page of this outline for details).

Student subscriptions: You should regularly read one or more publications in economics and business (e.g., The New York Times; The Wall Street Journal; Business Week; Fortune, The Economist; etc.). You can order some of these publications at steeply-discounted student rates; see the course website for details.

Website for the course: You can download the syllabus, lecture notes and other materials for this course by visiting the course website: http://econweb.rutgers.edu/killings. Check the website every Friday afternoon to get the reading assignment and lecture notes for the coming week.

Prerequisites: Econ. 203 (Intermediate Microeconomics) and Econ. 322 (Econometrics).

Helpful hints:
- The midterm and final exams (1) consist of essay questions, (2) are open-book/open-notes, (3) do NOT require memorization and (4) emphasize clear thinking and application of economic analysis to economic questions (including questions that may not have been discussed in lectures).
- Do the required readings BEFORE they are discussed in class — DON'T wait until exam time rolls around. (This is particularly important because the dates of quizzes will not be announced. You'll need to be prepared before you come to class!)
Helpful hints (continued):

- Read the text at least TWICE – the material is too complicated to grasp fully after only one reading.
- Above all, if you need help, DO ask questions in class and DO go to office hours (preferably, well before exam time). REMEMBER that your tuition will NOT be increased if you go to office hours!
- Remember that there will be no makeup for any quiz, and there will be no makeup exams. If you miss a quiz, you will receive a score of zero for that quiz. If you miss both an exam and the makeup to that exam, you will receive a score of zero for that exam.
- If you encounter problems of any kind – family problems, personal problems, academic problems, emotional problems, health problems, work-related problems, etc. – you should deal with them as soon as they arise by contacting your college dean, by contacting me, etc. Don't wait until the end of the semester to contact me – at that point, it will be much too late to do anything about them!

SYLLABUS FOR THE COURSE

As soon as possible, please contact the Internal Revenue Service and ask them to send you via the U.S. mail both (a) Publication 17, *Your Federal Income Tax*, and (b) the complete "tax packet" containing Form 1040 forms and instructions. You can do this by calling 1-800-829-3676.

Alternatively, go to the IRS website at http://www.irs.gov/formspubspage/0,,id=10768,00.html and select "Publ 17." (Add this to your cart, check out, and specify that it be sent to you via the mail). Then, go to the IRS website at http://www.irs.gov/formspubspage/0,,id=23106,00.html and request "Package 1040 Forms and Instructions." (Again, you will need to add this to your cart, go to checkout, and specify that this be sent to you via the mail.)

1. Introduction and some preliminaries

   Present value and discounting: A bit of basic math
   Blumenthal, pp. 1-37, 53-64

2. Learning

   Blumenthal, pp. 114-123
   Angrist, Dynarski, Kane, Pathak, and Walters, "Inputs and Impacts in Charter Schools: KIPP Lynn," American Economic Review 100(2) (May 2010), pp. 239-243
   Achen and Courant, "What Are Grades Made Of?" Journal of Economic Perspectives 23(3) (Summer 2009), pp. 77-92
   Bar, Kadiyali and Zussman, "Grade Information and Grade Inflation," Journal of Economic Perspectives 23(3) (Summer 2009), pp. 93-108

3. Consuming

   Blumenthal, pp. 111-113, 124-128, 161-212
3. **Consuming (continued)**


Abramitzky, Einav and Rigbi, "Is Hanukkah Responsive to Christmas?" Economic Journal 120(545) (June 2010), pp. 612-630

Simonsohn, "Weather to go to College," Economic Journal 120(543) (March 2010), pp. 270-280


4. **Working (or not)**

Blumenthal, pp. 65-69, 74-77, 100-102


Elias and Storrie, "Does Job Loss Shorten Life?" Journal of Human Resources 44(2) (Spring 2009), pp. 277-302


**midterm exam (covering Parts 1-4 above): week of November 8**

5. **Raising a family**


Stevenson and Wolfers, "Marriage and Divorce: Changes and Their Driving Forces," Journal of Economic Perspectives 21(2) (Spring 2007), pp. 27-52

Black, Sanders and Taylor, "The Economics of Gay and Lesbian Families," Journal of Economic Perspectives 21(2) (Spring 2007), pp. 53-70

6. **Paying taxes, receiving transfers**

Blumenthal, pp. 70-73, 103-110, 213-216

Internal Revenue Service, *Publication 17 and Form 1040 Package*


6. Paying taxes, receiving transfers (continued)

Shapiro and Slemrod, "Did the 2008 Tax Rebates Stimulate Spending?" American Economic Review 99(2) (May 2009), pp. 374-379
Bertrand and Morse, "What Do High-Interest Borrowers Do with Their Tax Rebates?" American Economic Review 99(2) (May 2009), pp. 418-423
Currie and Gahvari, "Transfers in Cash and In-Kind: Theory Meets the Data," Journal of Economic Literature 46(2) (June 2008), pp. 333-383

7. Staying healthy

Blumenthal, pp. 78-89
Gruber, "Covering the Uninsured in the United States," Journal of Economic Literature 46(3) (September 2008), pp. 571-606
Garber and Skinner, "Is American Health Care Uniquely Inefficient?" Journal of Economic Perspectives 22(4) (Fall 2008), pp. 27-50
Cebul, Rebitzer, Taylor, and Votruba, "Organizational Fragmentation and Care Quality in the U.S. Healthcare System," Journal of Economic Perspectives 22(4) (Fall 2008), pp. 93-114

8. Borrowing, saving, investing, and insuring

Kansas (entire book)

**final exam (covering ONLY Parts 5-8): Wednesday, December 22, between 8-11 am**