

**MASTER OF LIBERAL ARTS 60633**  
**The Role of Capital in the Domestic and International Economy**  
State of the Economy Paper

INTRODUCTION: To help your grade, you may complete the following writing assignment (in addition to the requirements of that course). This will count either as a test grade or extra points (see bottom of page 3). For your paper assignment, I want you to write a piece on the current state of the macroeconomy, either 1) in general, 2) with respect to a couple of key variables, or 3) as it matches (or does not match) the theoretical predictions of big macro diagram.

MANAGEMENT DETAILS: The paper is due on the last day of class (before the beginning of class). It should be typed, double-spaced, and five to ten pages in length (excluding the list of references and any graphs, charts, or tables you might include). Leave one inch margins all around and use 10 or 12 point font. Each version should have a cover page that includes your name. Please place your name nowhere other than this page. Also, please do not put your paper in a folder or binder. Simply staple it in the upper-left corner.

CITATIONS: I would expect that to write your paper you will need to rely heavily on outside sources (suggested sources appear later). Whenever you write something based on one of those sources, you must cite it. Do not use footnotes or endnotes to do so. The vast majority of economic journals use parenthetical references. With each citation you list the author's name, the year of publication of the cited work, and, if relevant, the page or pages you used: (Keynes 1936, p.6). You may use footnotes or endnotes in the paper, but not so much for references as for tangential comments. All of the works cited within the paper should be listed completely at the end of the paper (List of References).

In the list of references, use the following format for articles from journals or magazines:  
Author. "Title of Article." **Source**, volume and issue number, date, pages.

For instance:

Parcells, Bill. "Quarterbacks and Aging: The 'They Get Slower and Dumber' Fallacy." **International Journal of Geriatric Athletics**, vol.1, no.2, July 2003, pp.1-19.

For a book, use:

Author. **Title**. Place of publication: Publishing company, year.

For instance:

Bonds, Barry. **Over the Counter Steroid Use: A Handbook**. Dallas, Texas: Jose Canseco Press, 2002.

For an article from a book:

Author. "Title of Article." In Book, Place of publication: Publishing company, year, pages.

For instance:

Simpson, O.J. "When You Have Less Than \$10 million to Spend on Your Defense: The Average Citizen's Guide to Legal Hassles." In Donald Trump's **The View from Up Here**, Boston: Manor House Publications, 1993, pp.35-46.

For an online source, use:

Author. **Title**. Date of Internet publication. Date of access <URL>.

For instance:

Yoder, Brian. **Attacking the Person (ad hominem)**. No date given; accessed February 23, 2005  
<<http://www.goodart.org/attack.htm>>.

Arrange the List of References alphabetically by author. Where authors are unavailable (as in some magazine, newspaper, and online articles), alphabetize by the title of the article. If you are in doubt, ask me. Keep in mind that the goal of referencing is to provide sufficient information for another person

(including me!) to track down and read the works you used.

You must have at least five items in the list of references, all of which must be used (i.e., cited) somewhere in the text. See me if you have any questions.

**QUOTATIONS:** All information obtained from somewhere other than your own, personal brain must be referenced in the style mentioned above, but quotations are a special subset. Short quotations (up to three lines, or so) should just be within the main text, set off by quotation marks. Those quotations that are longer should be indented, single-spaced, and have no quotation marks.

**TOPIC:** As implied above, I want you to find information regarding the state of the economy today. If you are writing one of the “general” papers, be sure your discussion includes some mention of **each** of the following important macroeconomic variables:

- inflation
- unemployment
- GDP growth
- poverty
- national debt and the budget deficit
- trade deficit
- interest rates
- exchange rates

If you are writing a paper on a subset of the variables, be sure to check with me on the propriety of the topic. Likewise if you are doing a paper comparing our model to reality.

**SOURCES:** Many sources for your research exist, and your problem should be more one of sifting through the materials and deciding how to present it than finding it. For raw statistics, check out the following:

Bureau of Labor Statistics: <http://www.bls.gov/>

Economic Report of the President: <http://www.gpoaccess.gov/eop/>

Federal Reserve Bank of St. Louis: <http://www.stlouisfed.org/>

FRED Database: <http://research.stlouisfed.org/fred2/>

Nouriel Roubini's Page: [http://www.stern.nyu.edu/globalmacro/simple\\_content\\_frame.php](http://www.stern.nyu.edu/globalmacro/simple_content_frame.php)

That should give you a good start. Please check with me if you are not sure of the reputability of a source, particularly those from the internet.

**FORMAT: Do not simply write a book report!!!** Your paper should make an argument (“the economy looks to be in really bad shape,” “though interest rates are down, we will soon see a large rise,” or “our macro model seems to fit perfectly the events of the past five years”). With paper topics 1 or 2, if it makes it easier for you to focus pretend there is actually another economist at your place of employment, an idiotic jerk you really can't stand. Make sure that your report is more forceful and ends up being the one guiding company policy! Be professional, direct, concise, clear, convincing, and correct!

A typical pattern for a paper would be:

1. Introduction: Introduce issue to be discussed, make a thesis statement (remember that a thesis is a proposition that is maintained by an argument, not just a "subject"), tell how paper will be organized.
2. Body: Summarize the findings from the works you read. Be sure that this is done in an order that best serves your thesis. As you progress through the paper, be sure you emphasize

elements important to your thesis. Make sure you are mentioning these particular economic phenomena for a reason. Don't just list stuff. And don't assume the reader got your point--make sure they got it. Remember that for the first two paper topics, your readers are not economists.

3. Conclusion: By now, the reader should have gathered your point. But, your reader may be pretty stupid, so really drive it home here! **Tell how you proved your thesis.**

Readers will naturally look to your introduction and conclusion to get a quick sense of your paper. Know this when you are writing. And don't be afraid to give away the conclusion right away in the introduction--this is professional writing, not **CSI: Miami**. Giving away the conclusion makes the paper easier to read, and that is a plus. Think of yourself as a lawyer arguing a case (but not Lionel Hutz).

You are to work on your papers by yourself. However, you are permitted to use the Writing Center (in the Rickel Building). This is a free service (well, not really, since you are already paying for it), and is used by both students and professors. The staff is probably not well-acquainted with economic theory, but they sure know where commas should go and how to make a paper full of mindless drivel sound like a doctoral dissertation. No appointment is necessary, but I imagine they get busy at times. I encourage you to take advantage of this service.

EVALUATION CRITERIA:

| SUBSTANCE (10 points) | COHERENCE (8 points) | MECHANICS (7 points) |
|-----------------------|----------------------|----------------------|
| Thesis                | Organization         | Sentence structure   |
| Development           | Paragraphing         | Grammar              |
| Econ Logic            | Transitions          | Spelling             |
|                       |                      | Punctuation          |
| Points ____           | Points ____          | Points ____          |

TOTAL POINTS \_\_\_\_

This assignment can either replace a test grade or give you up to 4 points added to your course grade (4 for A, 3 for B, and so on), whichever works best for you.