**Econ 602: Individual Assignment (15% of grade)**

**Due by email (**[**ploungani@imf.org**](mailto:ploungani@imf.org)**) by 5 pm on Monday, December 5.**

**Notes:**

1. This is an individual assignment. You **can** discuss it with other students in the class but you **cannot** simply copy their work. If your answers turn out to be very close to that of other students, you will be penalized.
2. The final exam will require you to answer questions similar to this assignment, so if you simply rely on your friends to do this assignment you will be in trouble in the final – so take this assignment seriously and don’t just rely on your friends.
3. This is an open book assignment. You are free to consult any source but all sources must be acknowledged.

**Assignment**

1. The purpose of the assignment is to make sure that you understand and can apply the concepts that you have learnt in class.
2. **Pick a country that is of interest to you. It cannot be the United States or China.**
3. You should turn in a **PPT** and **EXCEL** file following the structure given below. The EXCEL file should have a ‘read me’ sheet explaining how the file is organized and what it contains.
4. Label all charts clearly. Each axis should be clearly labelled mentioning what is showing and what the units are (e.g. percent, percentage change)

For your chosen country:

1. Present some **facts and pictures** about your chosen country on *slide 1* of your PPT.
2. **Show a chart of real income over time.** Go as far back in time as you can find data.

This should be *slide 2* of the PPT and the data should be in the EXCEL file .

1. **Show a chart of real income per capita over time.** Go as far back in time as you can find data.

*Slide 3* of the PPT and all the data used to compute it should be in the EXCEL file.

1. **How would you describe the trends (or trends) in real income per capita?**

*Slides 4 and 5*. You can use charts and bullet points to describe the trends. Any computations should be given in the EXCEL file. All sources must be listed in the ‘notes’ part of the slide.

1. **What have been the main determinants of the trend (or trends) in real per income per capita in your chosen country?**

*Slides 6 to 9*. You can use charts and bullet points to present your evidence. Any computations should be given in the EXCEL file. All sources must be listed in the ‘notes’ part of the slide.

1. **How would you describe the business cycles or economic fluctuations (deviations from trend) in real income per capita?**

*Slides 10 and 11*. You can use charts and bullet points to describe the cycles. Any computations should be given in the EXCEL file. All sources must be listed in the ‘notes’ part of the slide.

1. **What did the government and the central bank do during the business cycles?**

*Slides 12 and 13*. You can use charts and bullet points to describe the cycles. Any computations should be given in the EXCEL file. All sources must be listed in the ‘notes’ part of the slide.

1. **Estimate Okun’s Law for your chosen country.**

*Slide 14*.

1. **Estimate Phillips Curve for your chosen country.**

*Slide 15*.

1. **‘Wild card’** slides.

The content of *slides 16-20* is up to you to decide. You can use the slides to present facts or analysis about your chosen country that is related to our course material. For example, you might discuss Taylor’s Rule for your country. Or you might look at the relationship between income and emissions.