In any teaching environment, for students to be able to invest energy in learning, they must feel included, so I detail my commitment to diversity, equity, inclusion, and belonging in a separate statement available at chaseabram.com.

The first task in teaching economics is to show students that economic problems are everywhere in their lives. In deciding to attend college, they are investing in human capital. In choosing a romantic partner, they are participating in an assortative matching market with search frictions. When choosing whether to take out a fixed or adjustable rate mortgage, they are implicitly revealing risk attitudes and beliefs about the future path of interest rates. Once students have the basic understanding that every decision they make entails costs and benefits, they see economics everywhere.

The above economic lens is only useful so far as it helps us solve problems, however. Thus, the second task in teaching economics is to show students how to think like an economist. In their own lives, this means helping students identify the marginal costs and marginal benefits they face. For example, in the case of attending college (so solving a human capital investment problem), it does not matter if a student has already attended two years if the benefits from finishing the degree (perhaps higher lifetime earnings) are less than the costs (tuition, stress, immediate earnings from working). The more exciting element of thinking like an economist, however, is recognizing that incentives matter for everyone, and so can help explain why we observe aggregate patterns, as discussed extensively by Schelling (2006), and in the classic POW camp example of Radford (1945).

To effectively communicate, lectures must be interactive. One way to ensure the students interact is to provide multiple opportunities in each class for problem-solving. When I taught a mathematical methods course to incoming PhD students, the structure was to provide a concept (e.g. the definition of Jordan Normal Form), an easy example problem (e.g find the Jordan decomposition of matrix A), a harder problem using the concept, which the students worked through (e.g. calculate A^{100}), and sometimes an additional challenge problem (e.g. here is the definition of a matrix exponential, now find $\exp(A)$). I found this approach of instructional scaffolding kept students engaged with the material, and the gradual buildup of difficulty for each concept helped them to feel comfortable attacking harder problems.

Outside of the classroom, it is equally important that students are assigned work with a clear pedagogical purpose. The advantage outside assignments have over classroom instruction is that time is less constrained, and this allows students to achieve two ends. First, the work provides a review of classroom material, and allows students to solidify their understanding of the core concepts. I appreciate Nancy Stokey's take on this point: "It's in the fingers". What she means is that the only way for students to truly understand a concept is to work through it themselves. The second end is extending ideas beyond the coverage in the classroom, which helps students to see how we build upon and improve economic ideas. An example is illustrative: in a course discussing firm dynamics and growth, an early lesson will need to cover the span-of-control model of Lucas (1978). One homework question could ask students to explore what happens when the TFP distribution becomes more dispersed, which serves to review the model mechanisms. A second question might ask how the model equilibrium changes if firms face size-dependent taxes, as in Garicano, Lelarge, and Van Reenen (2016), which reveals the practical usefulness of the model in the context of a real-world policy.

One area of pedagogy increasingly deserves special attention: computation. Modern

economists are comfortable not only with the mathematics required to model increasingly complex environments, but also with the numerical methods required to solve such models. Therefore, I believe an essential part of an economics education for graduate students and advanced undergraduates includes advice for how to use computers to solve models, and assignments that require students to use a computer. A core reason why I emphasize computation of models is pragmatic: misunderstanding an equilibrium concept will lead to useless code, but a student able to compute an equilibrium must understand the underlying equations. Along these lines, I once designed a homework assignment in which students had to translate Bellman equations into code to solve an incomplete markets model of consumption and savings a la Aiyagari (1994). In order to solve the model, the students had to understand the equilibrium conditions, then search for the stationary equilibrium numerically via tatonnement.

I am prepared and look forward to teaching a variety of courses, including everything from principles of economics up to advanced seminars, but I now detail a few specific courses I am most excited about designing and teaching in the future. As an undergraduate, I was inspired to study macroeconomics by an intermediate course taught by Eric Leeper, so I am hopeful I will someday teach a similar course. His course began with a standard two-period consumption and savings model, then introduced fiscal policy, followed by monetary policy. A core idea of the course was that fiscal and monetary policy interact, and that changes in either type of policy affected the scope of the other type of policy. The course also connected the material to current events, such as proposed tax policies. In building my own course, I will want to additionally focus on the distributional implications of monetary and fiscal policy interactions, so students can see how economic policy impacts inequality.

Another class I have in mind is to cover theories and evidence on job dynamics and monopsony in labor markets. We would start with a competitive labor market as a benchmark. We would then cover static monopsony models where workers have heterogeneous preferences across firms, as reviewed in Azar and Marinescu (2024), and how policies such as a minimum wage will affect both efficiency and inequality. We would then turn to dynamic monopsony models such as the wage-posting framework of Burdett and Mortensen (1998) and the sequential auction framework of Postel–Vinay and Robin (2002), and compare their predictions for job and earnings dynamics of workers with what we observe empirically. In the final portion of the course, we would consider how firm dynamics impact hiring decisions, as discussed by Bilal et al. (2022).

A third course I have hopes for someday teaching is in the field of spatial economics. I had the privilege of taking Esteban Rossi-Hansberg's field course on this topic, in which we discussed a different paper each week. Each paper showed how the spatial distribution of economic activity is important for understanding macroeconomic aggregates. In teaching a similar course, I would start with the basic motivation that economic activity is unequally distributed across space, and that we want to understand why. We would then explore the concept of spatial equilibrium a la Roback (1982), and show how this idea may be applied across regions, or even within cities to understand urban patterns such as in Brueckner et al. (1987). After these general ideas are clarified, we can then turn to thinking about how fundamental differences across space affect labor markets, the choice of plant location by firms, and even migration responses to climate changes. The course would end with a discussion on the role of policy in spatial environments, for example in correcting agglomeration externalities,

along the lines of Fajgelbaum and Gaubert (2020).

References

Aiyagari, S Rao (1994). "Uninsured idiosyncratic risk and aggregate saving". In: *The Quarterly Journal of Economics* 109.3, pp. 659–684.

Azar, José and Ioana Marinescu (2024). "Monopsony power in the labor market: From theory to policy". In: *Annual Review of Economics* 16.1, pp. 491–518.

Bilal, Adrien et al. (2022). "Firm and worker dynamics in a frictional labor market". In: *Econometrica* 90.4, pp. 1425–1462.

Brueckner, Jan K et al. (1987). "The structure of urban equilibria: A unified treatment of the Muth-Mills model". In: *Handbook of regional and urban economics* 2.20, pp. 821–845.

Burdett, Kenneth and Dale Mortensen (1998). "Wage differentials, employer size, and unemployment". In: *International Economic Review*, pp. 257–273.

Fajgelbaum, Pablo D and Cecile Gaubert (2020). "Optimal spatial policies, geography, and sorting". In: *The Quarterly Journal of Economics* 135.2, pp. 959–1036.

Garicano, Luis, Claire Lelarge, and John Van Reenen (2016). "Firm size distortions and the productivity distribution: Evidence from France". In: *American Economic Review* 106.11, pp. 3439–3479.

Lucas, Robert (1978). "On the size distribution of business firms". In: *The Bell Journal of Economics*, pp. 508–523.

Postel–Vinay, Fabien and Jean-Marc Robin (2002). "Equilibrium wage dispersion with worker and employer heterogeneity". In: *Econometrica* 70.6, pp. 2295–2350.

Radford, Robert A (1945). "The economic organisation of a POW camp". In: *Economica* 12.48, pp. 189–201.

Roback, Jennifer (1982). "Wages, rents, and the quality of life". In: *Journal of political Economy* 90.6, pp. 1257–1278.

Schelling, Thomas C (2006). *Micromotives and macrobehavior*. WW Norton & Company.