

CARLETON UNIVERSITY
Department of Economics
Topics in Canadian Economic Policy

Instructor: Brian Glabb

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Office hours: Virtual Chats and Visual Meetings by Appointment

E-mail: brian.glabb@carleton.ca (or through CuLearn at www.carleton.ca/culearn)

Meeting times: 6:05 PM to 8:55 PM, Mondays & Wednesdays from July 2 to August 16, 2021.

Teaching Assistant(s): TBA

PREREQUISITE

The prerequisite for this course is ECON 1001 and 1002 or Econ 1000 or FYSM 1003. Students who believe they have taken a similar background course or courses from another university must provide appropriate documentation to the Department of Economics Undergraduate Administrator, Renee Lortie.

REQUIRED TEXTBOOK

Jacqueline Murray Brux, *Economic Issues and Policy*, Nelson, 6th edition, 2016 (ISBN-10:1285448774, ISBN-13:9781285448770).

Print copy can be purchased from Carleton Bookstore: Link to the CU bookstore website (<https://www.bkstr.com/carletonstore/shop/textbooks-and-course-materials>). The bookstore is offering free shipping on all print copies of textbooks.

COURSE DESCRIPTION

Topics in Canadian Economic Policy Course is designed to:

- Review the underlying economic concepts governing most of Canadian economic policy at the federal and provincial level;
- Review several of the most important policies and programs at the federal and provincial level where economic analysis is useful;
- Examine the political institutions and their incentive structures within which economic policy decisions are made;
- Maximize the interaction with experienced policy advisers on current economic policy issues and options; and
- Provide a forum for student led discussion and debate about current policy issues.

This course will examine the following major economic policy issues of the day:

1. Health Care in Canada
2. International Competitiveness
3. Global debt
4. Carbon Tax

In general, the ability to understand or to provide advice on economic policy is an “applied art”. It requires much more than simply knowledge of a few basic economic principles. In fact, it requires some knowledge of a wide variety of disciplines (from politics to accounting to science to psychology to sociology and some knowledge of history is important as well).

Course Outline ECON 3820 A Late Summer 2021

The course delivery will include both synchronous and asynchronous methods. Synchronous involves a real-time, online course where the instructor and students meet via web conferencing tools, at scheduled days and times. Instructors and students share information, ideas and learning experiences in a virtual course environment. Participation in synchronous courses requires students to have reliable, high-speed internet access, a computer (ideally with a webcam), and a headset with a microphone. The course will be delivered via BigBlueButton (BN) in a synchronous format. Please note that all synchronous components (lecture notes, tutorials, etc.) will be recorded and will be uploaded for student access.

The course will also utilize an asynchronous delivery method. An online course where the instructor and students share information, ideas, and learning experiences in a virtual course space. Asynchronous courses do not have live, scheduled meetings online. However, students are expected to remain up to date with the deadlines and due dates provided by the instructor. These courses require high-speed Internet access and a computer. The asynchronous delivery here will be fulfilled by accessing Brightspace for lecture notes, powerpoint slides and articles.

Classes will be on Mondays and Wednesdays from 6:05 to 9:00 PM. Students and instructors will be online at the same time in these synchronous classes since lectures, discussions, and presentations take place at the above specific hours. All students must be online at that exact time in order to participate in the class. As noted above this course has a live-attendance component but students are not required to have webcams.

It is essential that students attend the chat sessions/ lectures since material/readings will be discussed in the chat sessions. Class participation marks will be based on the group summaries of the required readings and the individual student's participation in the chat discussions/sessions. Working thoroughly through the questions in the textbook is a sensible strategy for students wanting to do well in this class. All problem sets, relevant course material, and announcements will be available on Brightspace under ECON 3820A.

For each issue, the course will examine how to bring economic theory to bear in developing sound policy including questions such as:

1. What the economic problem really is
2. What part of economic theory applies to it, if any
3. Current approaches of federal and provincial governments
4. Linkage(s) between those approaches and theory, if any
5. Policy improvements that might be possible, given economic theory
6. The potential impact of an aging population (i.e., baby-boomers) on the above economic policy issues.

Students are expected to present their views and comments supported by economic theory and applied approaches of government and business on a number of assigned class readings.

EVALUATION

The basis for determining your term grade (out of 100) in this course is as follows:

Class Participation: Summaries of Journal Articles & Chat Discussions.....	10%
(Summaries of Journal Articles 6% and Chat Discussions /Sessions 4%)	
Quizzes.....	15%
Three Briefing Notes (10 marks each).....	30%
Individual Policy Term Paper (August 15 th)	45%

It is essential to participate in the online chat session lectures since material not included in the textbook will be discussed in these online sessional classes. Working thoroughly through the questions in the textbook is a sensible strategy for students wanting to do well in this class. All problem sets, relevant course material, and announcements will be available on Cu Learn under ECON 3820A.

SCHEDULED DATES FOR QUIZZES, BRIEFING NOTES AND FINAL POLICY PAPER

❖ Quizzes Due Dates:

- Quiz 1--- due date Sunday July 10th
- Quiz 2 ---due date Sunday July 24th
- Quiz 3 – -due date Sunday July 31st

❖ Briefing Notes Due Dates:

- Briefing Note #1 – July 11th
- Briefing Note #2 – July 25th
- Briefing Note #3 – August 1st
- Briefing Note #4 optional – August 8th

❖ Policy Term Paper due date: August 15th

ASSIGNMENTS & POLICY DISCUSSION TERM PAPER EVALUATION DETAILS

Briefing notes are to be submitted electronically as word files or PDF files by 11:59 PM of the aforementioned dates. A total of three briefing notes/assignments will be given and will be marked for credit. However, students have the option of doing a fourth briefing note to raise their grade. Students who miss a briefing note/an assignment or hand it in late will receive a grade of zero on that briefing note. Late briefing notes will not be accepted and will receive a grade of zero.

The Policy Term Paper is to be no more than six pages single space in length that provides an analytical assessment of a recommended policy position on one the four policy-topics covered in class/lectures.

The Policy Term Paper must be submitted electronically as word files or PDF files by 11:59 PM of the aforementioned dates. E-mail submissions or submissions to the departmental drop-box will not be accepted unless approved explicitly by the instructor in advance. The Policy Term Paper will not be accepted after the aforementioned due date; students submitting it late will receive a grade of zero on the term paper—no exceptions.

COMMUNICATION POLICY

CuLearn will be the primary vehicle for communicating with each other. I will post an information sheet that provides virtual office hours and cell numbers for the both the TA(s) and myself. We will use the Big Blue Button tool on CuLearn to conduct chat sessions for both the course lectures and discussions.

BRIGHTSPACE

The instructor will make announcements, post lecture notes, assignments, due dates, course reading lists, etc., on CuLearn. CuLearn is structured to allow you to complete the quizzes online via CuLearn. The quizzes will allow you to gauge your understanding of the economic issues and concepts studied in this course. Students are individually responsible for regularly checking CuLearn to ensure that they are up to date with any announcements and have access to posted documents.

ACADEMIC ACCOMMODATION

Carleton University is committed to providing access to the educational experience in order to promote academic accessibility for all individuals.

Academic accommodation refers to educational practices, systems and support mechanisms designed to accommodate diversity and difference. The purpose of accommodation is to enable students to perform the essential requirements of their academic programs. At no time does academic accommodation undermine or compromise the learning objectives that are established by the academic authorities of the University.

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning. CSAS offers academic assistance with online student success, course content, academic writing and skills development. For more details, visit the CSAS website (<https://carleton.ca/csas/>).

You may need special arrangements to meet your academic obligations during the term because of disability, pregnancy or religious obligations. Please review the course outline promptly and write to me with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. It takes time to review and consider each request individually, and to arrange for accommodations where appropriate. Please make sure you respect these timelines particularly for in-class tests, mid-terms and final exams, as well as any change in due dates for papers. You can visit the website to view the policies and to obtain more detailed information on academic accommodation at <https://students.carleton.ca/course-outline>.

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or pmc@carleton.ca for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first scheduled test or exam requiring accommodation (if applicable). For more details, visit the Paul Menton Centre website.

ACADEMIC INTEGRITY

Please be aware that plagiarism is a serious offence at Carleton and should be recognized and avoided. For further information on how to avoid plagiarism, please see “Pammett on Plagiarism and Paraphrasing” at www.carleton.ca/economics/courses/writing-preliminaries.

REQUIRED READINGS FROM ECONOMIC ISSUES & POLICY TEXT

Part I - Introduction to Economics, Scarcity, Public Goods and Spillovers	
Introduction	Chapter 1
Crime and Drugs	Chapter 2
The Environment	Chapter 3
Education	Chapter 4
Part II - The Economics of Social Issues	
Discrimination	Chapter 5
Health Care	Chapter 8
Part III – Global Poverty, Agriculture, and Trade	
International Trade	Chapter 12
Part IV – Efficiency and Stability Issues	
Market Power	Chapter 13
Unemployment and Inflation	Chapter 14
Government and Macroeconomic Policy	Chapter 15
Taxes, Borrowing, and the National Debt	Chapter 16
Part V – You and the World Around You	
Globally Free Markets for the Twenty-First Century?	Chapter 17

REQUIRED READINGS FROM ARTICLES & JOURNALS

Health Related Readings:

Pros and Cons of Universal Health Care in Canada

www.formosapost.com/pros-and-cons-of-universal...

The Pros and Cons of A Single-Payer Health Care System

www.firstquotehealth.com/health-insurance-news/...

US vs. Canadian Healthcare: What Are the Differences? | AIMS ...

www.aimseducation.edu/blog/us-vs-canadian...

Canadian Healthcare System Overview - formosapost.com

www.formosapost.com/canadian-healthcare-system

Differences Between Universal Health Care and Private Insurance

www.formosapost.com/differences-between...

<http://business.financialpost.com/opinion/health-cares-future-is-endlessly-higher-taxes-unless-we-try-this-one-thing>

* Health Care in Canada, Canadian Institute for Health Information, Statistics Canada, 2002, www.cihi.ca.

*National Post, Canada's health-care wait times get failing grade in survey of 11 industrialized countries, February 17, 2017.

*Financial Times, This report just shredded every myth claiming Canadian Medicare is superior — or fair, Peter Lee Crowley, July 25, 2017: <http://business.financialpost.com/opinion/this-report-just-shredded-every-myth-claiming-canadian-medicare-is-superior-or-fair/wcm/a20d3a41-7666-45bf-a761-cf8256f00353>.

*Building on Values, The Future of Health Care in Canada, Roy J. Romanow, Q.C., Commissioner, Final Report, November 2002 www.cbc.ca/healthcare/final_report.pdf

* Conference Board of Canada, *Future Costs of Health Care in Canada, 2000 to 2020 – Balancing affordability and sustainability*, Glenn Brimacombe, Pedro Antunes and Jane McIntyre.

International Competitiveness – Education Related Readings:

<https://www.nytimes.com/2015/03/08/upshot/true-reform-in-higher-education-when-online-degrees-are-seen-as-icial.html?src=me&module=Ribbon&version=origin®ion=Header&action=click&contentCollection=Most%20Emailed&pgtype=article&abt=0002&abg=0>
http://www.nytimes.com/2015/04/01/upshot/why-more-education-wont-fix-economic-inequality.html?em_pos=small&emc=edit_up_20150403&nl=upshot&nid=63361377&ref=headline&abt=0002&abg=0
<http://www.nextnewdeal.net/rortybomb/one-where-larry-summers-demolished-robots-and-skills-arguments>

International Competitiveness/Productivity Growth Related Readings:

<http://www.csls.ca/events/cea2018/sharpe.pdf>
https://www.nytimes.com/2016/04/29/upshot/why-is-productivity-so-weak-three-theories.html?_r=0
<http://www.nytimes.com/2016/02/21/magazine/are-we-doomed-to-slow-growth.html>
<http://larrysummers.com/2016/02/17/the-age-of-secular-stagnation/>
<http://www.budget.gc.ca/aceg-ccce/home-accueil-en.html>
<http://news.nationalpost.com/news/canada/canadian-politics/canada-has-failed-at-innovation-for-100-years-can-the-trudeau-government-change-that>
<http://business.financialpost.com/fp-comment/governments-cant-find-the-secret-sauce-of-silicon-valley>

Debt Related Readings:

**Principles of Macroeconomics Fifth Canadian Edition*, Greg Mankiw, Kneebone, & McKenzie, Pages 447-451.

*Sovereign Doubts, *The Economist*, September 28, 2013.

*Sovereign Debt in Advanced Economies: Overview and Issues for Congress” by Rebecca M. Nelson (Analyst in International Trade and Finance, January 31, 2013

*Ottawa Doing Well, But Provinces in Trouble, Budget Watchdog Says, Julian Beltrame, *The Globe and Mail*, September 2013.

*2012 Fiscal Sustainability Report, Parliamentary Budget Office, September 27th, 2012, http://www.pbo-dpb.gc.ca/web/default/files/files/files/FSR_2012.pdf.

Carbon Tax/Cap and Trade Related Readings:

<https://www.nytimes.com/2015/06/07/opinion/the-case-for-a-carbon-tax.html>
<http://business.financialpost.com/fp-comment/ross-mckitrick-how-politicians-wrecked-the-case-for-carbon-taxes>
<http://business.financialpost.com/fp-comment/matthew-lau-why-the-right-price-for-carbon-is-probably-zero-dollars>
http://www.auditor.on.ca/en/content/annualreports/arreports/en16/2016AR_v1_en_web.pdf
<http://business.financialpost.com/fp-comment/ross-mckitrick-turns-out-ontarios-painful-coal-phase-out-didnt-help-pollution-and-queens-park-even-knew-it-wouldnt>
<http://business.financialpost.com/opinion/al-gore-cant-deny-that-his-climate-crusade-involves-great-suffering/wcm/437f1ecb-cde9-41fc-abc7-a2484a1eaa00>
<http://www.auditor.on.ca/en/content/downloads/Perspectives%20on%20Climate%20Change%20Action%20in%20Canada%20English.pdf>

OTHER USEFUL REFERENCES

Health Related Topics

- Robert H. Blank & Viola Burau, Comparative Health Policy- Third Edition *Chapters 1 & 3 are Relevant.*
- Senate Standing Committee on Social Affairs, Science and Technology (Michael Kirby Response to the Romanow Report www.parl.gc.ca)
- Health Care in Canada 2012: A Focus on Wait Times – Canadian Institute for Health Information
- Health Care in Canada 2011: A Focus on Seniors and Aging – Canadian Institute for Health Information
- Maslove, “National Goals and the Federal Role in Health Care,” National Forum on Health, 1998
- Mintz, Jack. *The 2007 Tax Competitiveness Report: A Call for Comprehensive Tax Reform.* (September 2007)
- North American Energy data:
<http://www.pi.energy.gov/pdf/library/NorthAmericaEnergyPictureII.pdf>
- Browning and Zupan. (2006) *Microeconomics: Theory with Applications*, Ninth Edition. Wiley: 13-9-0-471-67943-1
- Brander, James, Government Policy toward Business, Fourth edition, Wiley & Sons, 2006.
- Wilson, James Q., Bureaucracy- What Government Agencies Do and Why they Do It, Basic Books, 2000.
- Canada’s war on healthcare economics, Brett Belchetz, National Post, July 8, 2014.

International Competitiveness - Immigration & Brain Drain

- Migration Policy Debates: Is Migration Good for The Economy? Jean-Christophe Dumont & Thomas Liebig, OECD, May 2014.
- Improving Canada’s Immigration Policy, Charles M. Beach, Alan G. Green, & Christopher Worswick, C.D. Howe Institute, September 23, 2009.
- Living with the low Canadian Brain-Drain Dollar (Part 2), Jack M. Mintz, The Financial Post, Jan 13, 2016.
- Why Canada Needs a Flood of New Immigrants, Joe Friesen, The Globe and Mail, Jan 10, 2013.
- Growing Poverty Among Canadian Immigrants Could Explode: Study, Douglas Todd, The Vancouver Sun, June 28, 2013.

International Competitiveness- Education

- Adding the Ways, We're Falling Behind in Education, Paul Wells, MacLean's, October 10, 2013.
- OECD Education GPS: Canada Student Performance (PISA 2012), <http://gpseducation.oecd.org/CountryProfile?primaryCountry=CAN&treshold=10&topic=PI>.
- Why Are Finland's Schools So Successful? LynNell Hancock, Smithsonian Magazine, September 2011.
- How to Reform Education? Start with School Choice. Paul W. Bennett, The Globe and Mail, December 13, 2013.
- Thomas L. Friedman, *The World is Flat*. 2005. –Chapter 7 might be useful.
- Public Schools: Make Them Private. Milton Friedman, The Washington Post, March 18, 1995.
- The Impact of Rising Tuition Fees on Ontario Families. Erika Shaker & David MacDonald, Canadian Institute for Policy Alternatives, August 31, 2011.
- Canada's Students Slipping in Math and Science, OECD Finds. CBC, December 4, 2013.

Debt Related Readings

- Global Effects of Debt – As reviewed by Experts, 2012
- Paul Martin, "The Canadian Experience in Reducing Budget Deficits and Debt," Paper for the Federal Reserve Bank of Kansas City for a Symposium on "Budget Deficits and Debt: Issues and Options, 1995, www.kc.frb.org/publicat/sympos/1995/pdf/s95marti.pdf
- Tax Reform: www.cdhowe.org/pdf/commentary_254.pdf
- Fiscal Capacity and Provincial Budgets: www.fin.gov.bc.ca/archive/budget00/reports/bgt2000_report_g.htm