

ECON 2D03 Course Outline

COURSE INFORMATION

Session Offered	Fall 2019	
Course Name	Economic Issues	
Course Code	ECON 2D03	
Course Calendar Description	Applications of economics to important public issues, from a general interest perspective. Since topics vary from year to year, interested students should consult the Economics Department for further details.	
Instructor	Misara Elgammal	Email: elgamm@mcmaster.ca Lectures: Monday: 3:30 – 4:20 PM Tuesday: 4:30 – 5:20 PM Thursday: 3:30 – 4:20 PM KTH B135

COURSE SPECIFICS

Course Description	This course covers economic issues and policies related to the United States and Canada. We will begin with an overview of the role and size of the public sector then touch base on the fundamentals of welfare economics and the theoretical tools of public finance. We will then move on to public expenditure theory and in practice; health care, education, redistribution of income, social security and other topics. This will be followed by taxation in theory and in practice.	
Course Materials	Lecture Notes (<i>Posted on Avenue</i>)	
Reference Texts	J. Stiglitz, J.K. Rosengard, Economics of the Public Sector, 4 th edition, Norton, 2015. J. Gruber, Public Finance and Public Policies, 3rd edition, Worth Publishers, 2009. H. Rosen, J. Wen, T. Snoddon, B. Dahlby, R. Smith, Public Finance in Canada, 3rd edition, McGraw-Hill, 2008. D. Besanko, R.R. Braeutigam, Microeconomics, 4 th edition, Wiley, 2010	
Prerequisite(s)	ECON 1B03 and ECON 1BB3 (or ARTSSCI 2E03)	

COURSE EVALUATION - OVERVIEW

	WEIGHT
Discussion Board (<i>group</i>)	15%
Term Paper (<i>group</i>)	10%
Presentation of Term Paper (<i>group</i>)	10%
Term Test 1	15%
Term Test 2	15%
Final Exam	35%
TOTAL	100%

COURSE EVALUATION - DETAILS	
Discussion Boards (15%)	
<p>a) Share an Article (5%) – Post Article by Thursday, Oct. 3rd at 11:59 PM on the Discussion Board</p> <p>Each group is responsible for sharing <u>one</u> article (pdf form) on a specific economic program. The group is required to post the article by starting a new thread on the discussion forum. The title of the thread should be the same as the title of the article.</p> <p>b) Article Commentary (10%) – Due by Thursday, Nov. 21st at 11:59 PM on the Discussion Board</p> <p>Groups are required to read and comment on <u>Five</u> of the posted articles. Comments should support or oppose the issue in no more than 4 – 5 sentences.</p> <p>The group member who is posting the Article or Commentaries must include all group names (No Std. #s).</p>	
Term Paper (10%)	
<p>Term Paper – Due on Nov. 25th at 3:30 PM via Email to Instructor</p> <p>Groups are required to write a term paper on a specific government program run by federal, state, provincial and/or local government. Instructor approval is required for all topics.</p>	
Presentation of Term Paper (10%)	
<p>Presentation – Will run from Nov. 25th to Dec. 3rd (for Five classes)</p> <p>Groups are required to present the topic for their term paper to the class. The order of presentations will be on a voluntary basis. If no group agrees to volunteer, a draw will be made.</p>	
Term Tests (30%): Test 1 (15%) and Test 2 (15%)	
<p>Term Test 1 – Tuesday, Oct. 8th and Thursday Oct. 10th on Topics Week 1 to Week 4</p> <p>Term Test 2 – Tuesday, Nov. 12th and Thursday Nov. 14th on Topics Week 5 to Week 9</p> <p>Please note that there are no deferred term test examinations in this course. If, for any reason a student misses any portion of the term test (s), that portion will be applied to the cumulative final examination.</p>	
Final Exam (35%)	
<p>The 2.5-hour final exam is <u>Cumulative</u> and will be written during the scheduled examination period.</p>	
Term Test/Final Exam Aids:	
<p>Term Tests and Final Exam are closed book and closed notes.</p> <p>Calculators allowed: Casio FX-991 MS or MS Plus (McMaster Standard)</p>	
SUB TOPIC(S)	
<p>Week 1 Sept. 3rd</p>	<p>Course Introduction</p> <ul style="list-style-type: none"> • Course Outline Review <p>Role and Size of the Public Sector</p> <ul style="list-style-type: none"> • Defining Public Sector Responsibilities
<p>Week 2 Sept. 9th</p>	<p>Role and Size of the Public Sector</p> <ul style="list-style-type: none"> • Measuring Public Sector Size <p>Fundamentals of Welfare Economics</p> <ul style="list-style-type: none"> • Theoretical Tools of Public Finance

Week 3 Sept. 16 th	Fundamentals of Welfare Economics <ul style="list-style-type: none"> Market Efficiency Budget Analysis and Deficit Financing
Week 4 Sept. 23 rd	Fundamentals of Welfare Economics <ul style="list-style-type: none"> Externalities
Week 5 Sept. 30 th	Shared Articles due on Thursday Oct. 3rd at 11:59 PM Public Expenditure Theory <ul style="list-style-type: none"> Political Economy Fiscal Federalism
Week 6 Oct. 7 th	Term Test 1 In-Class on Tuesday Oct. 8th and Thursday Oct. 10th Topics: Week 1 to Week 4 (Up to and Including Externalities) <i>Review on Monday</i>
<i>Midterm Recess Oct. 14th to Oct. 18th</i>	
Week 7 Oct. 21 st	Public Expenditure in Practice <ul style="list-style-type: none"> Education Healthcare
Week 8 Oct. 28 th	Public Expenditure in Practice <ul style="list-style-type: none"> Social Insurance Social Security and Canada Pension Plan
Week 9 Nov. 4 th	Public Expenditure in Practice <ul style="list-style-type: none"> Unemployment Insurance, Disability Insurance and Worker's Compensation Welfare Programs and Redistribution of Income
Week 10 Nov. 11 th	Term Test 2 In-Class on Tuesday Nov. 12th and Thursday Nov. 14th Topics: Week 5 to Week 9 (All Topics related to Public Expenditure in Practice) <i>Review on Monday</i>
Week 11 Nov. 18 th	Article Commentary due on Thursday Nov. 21st at 11:59 PM Taxation in Theory and Practice <ul style="list-style-type: none"> Introduction to Taxation Equity Implications of Taxation: Tax Incidence Tax Inefficiencies and their Implications for Optimal Taxation
Week 12 Week 13 Nov. 25 th - Dec.4 th	Term Paper due on Monday, Nov. 25th at 3:30 PM and In-Class Group Presentations: Nov. 25th – Dec. 4th
Classes End – Tuesday, Dec. 4 th 2019 Final examination period: Thursday, Dec. 6 th to Thursday, Dec. 19 th All examinations must be written during the scheduled examination period.	
UNIVERSITY POLICIES	
Academic Integrity Statement	
You are expected to exhibit honesty and use ethical behavior in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity.	
Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behavior can result in serious consequences, e.g. the grade of zero on an	

assignment, loss of credit with a notation on the transcript (notation reads: “Grade of F assigned for academic dishonesty”), and/or suspension or expulsion from the university.

It is your responsibility to understand what constitutes academic dishonesty. For information on the various types of academic dishonesty please refer to the Academic Integrity Policy.

The following illustrates only three forms of academic dishonesty:

1. Plagiarism, e.g. the submission of work that is not one’s own or for which credit has been obtained.
2. Improper collaboration in group work.
3. Copying or using unauthorized aids in tests and examinations.

Academic Accommodation of Students with Disabilities

Students who require academic accommodation must contact Student Accessibility Services (SAS) to make arrangements. Academic accommodations must be arranged before classes or academic work begins, and for each term of study. Student Accessibility Services can be contacted by phone 905-525-9140 ext. 28652 or e-mail sas@mcmaster.ca. For further information, consult McMaster University’s Policy for Academic Accommodation of Students with Disabilities.

Academic Accommodation for Religious, Indigenous and Spiritual Observances

Students who require academic accommodation due to an Observance must submit a RISO form to their Faculty office, electronically or in person, normally within ten working days from the beginning of each term in which they are anticipating a need for Accommodation. For further information, consult McMaster University’s Policy on Academic Accommodation for Religious, Indigenous and Spiritual Observances.

Faculty of Social Sciences E-mail Communication Policy

Effective September 1, 2010, it is the policy of the Faculty of Social Sciences that all e-mail communication sent from students to instructors (including TAs), and from students to staff, must originate from the student’s own McMaster University e-mail account. This policy protects confidentiality and confirms the identity of the student. It is the student’s responsibility to ensure that communication is sent to the university from a McMaster account. If an instructor becomes aware that a communication has come from an alternate address, the instructor may not reply at his or her discretion.

Course Modification

The instructor and university reserve the right to modify elements of the course during the term. The university may change the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check his/her McMaster email and course websites weekly during the term and to note any changes.

Avenue to Learn

Students should be aware that, when they access the electronic components of this course, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in this course will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.