

ECONOMICS 2D03 – Economic Issues  
Spring 2017 (May 1 – June 16)  
McMaster University Department of Economics

Instructor: Grant Gibson

Email: [gibsonga@mcmaster.ca](mailto:gibsonga@mcmaster.ca)

Office Location: KTH 728

Office Hours: Tues, Thursday 11:45-12:45pm, or by appointment

Lecture: Tuesday, Thursday 1:00-4:00

Classroom: BSB-119

Teaching Assistant: TBA

Email:

\* Note: Please contact the TA only if you have an issue with a grade on a written assignment or written portion of a midterm.

Course Description: This course is a study in modern economic issues. We will apply basic economic principles to answer questions that could be asked issues facing both Canadian society and the international community. Students will study models related to free trade, environmental pollutants, rent-seeking behaviour, economic growth, monetary and fiscal policy and their application to current problems. Studies will include the NAFTA & CUFTA, deficits, green vehicle subsidies and organ sales - among others.

Learning Goals: At the end of the course, students should be able to analyze a news article using introductory level economic principles. Students should also have a better understanding of some of the ways in which governments influence the economy, and ways they might address issues that remain unresolved. Students will be expected to have reasoned positions on economic issues presented in class.

Textbook/supplies: Custom Courseware including readings and some model solutions is available from the bookstore. You will also need any scientific calculator (the department standard is the Casio FX).

Assessments: Economics 2D03 will present models that we will apply to problems facing policymakers today. We will read newspaper and academic articles related to the issues we are studying. You will be expected to keep up with the readings and think critically about what you are reading.

There will be three written assignments for this course that will ask you to summarize and reflect on your readings. These assignments should be approximately two pages (double spaced) and convince me that you've read the articles in question and have come to a well reasoned position on the issue. You will also have three written statements that will be assigned during the term. These will be a short summary of a concept (measuring debt, measuring the economy, and population aging) due before the final exam. We will also have two midterms and a final exam intended to assess your understanding of the models that we study and your knowledge of the salient facts pertaining to the issues. These five assessments will contribute to your final grade as follows:

Written Statements (3) – 9%

Written Assignments (3) – 24%

Mid-term exams (2) – 33%

Final exam - 34%

Missed work policies can be found at:

<https://socialsciences.mcmaster.ca/current-students/academic-advising/procedures-forms-policies/student-absence-information>

### Exam Policy:

The mid-term and final exams will consist of solving and understanding models as well as some concepts from the readings that weren't part of the assignments. Tests will be held at the beginning of the class (May 18<sup>th</sup>, June 1<sup>st</sup>).

- In an attempt to be fair exams will start and end at the designated times. If you arrive late to the exam you will not get additional time to finish it.
- You must bring photo identification with you to the examination.
- Solutions to the multiple choice portion of the exam must be bubbled into the scantron in HB pencil only
- Solutions to any problem set portion must be done in pen if you want the option of having me re-grade portions of the exam.

### MSAF Policy

The MSAF is intended as an easy way for students to accommodate a single non-serious illness or issue during the term. MSAF may only be used once per term. Despite the guidance from the reporting tool, you do not need to contact me about missed work unless you MSAF assignment 3. The guidelines for MSAF are below:

- If you MSAF a midterm the weight will be distributed between the 3 written assignments and the other midterm. I will not transfer the weight to the final.
- If you MSAF assignment 1 or 2 the weight will be distributed to the other assignments. I will not transfer weight to the final.
- If you MSAF assignment 3, you will be given a short extension, you must contact me directly within 48 hours of submitting the MSAF.

I will not reply to MSAF emails other than assignment 3. It is safe to assume that I received them and will apply the reweighting as appropriate

### Class Schedule:

I intend to cover the topics in the order listed. The classes will begin with a description of the “economic issue” for that week including stylized facts and concerns. I will then present the economic method we might use to think about the issue and discuss the readings for that day.

<b>Class</b>	<b>Content</b>	<b>Week</b>
<b>1</b>	Introduction, rhetoric & logic	May 2 <sup>nd</sup>
<b>2</b>	Inequality	May 4 <sup>th</sup>
<b>3</b>	Missing Markets / Written assignment 1	May 9 <sup>th</sup>
<b>4</b>	Patents & Trademarks	May 11 <sup>th</sup>
<b>5</b>	Population Aging	May 16 <sup>th</sup>
<b>6</b>	Midterm 1/Monetary Policy	May 18 <sup>th</sup>
<b>7</b>	Externalities/ Written assignment 2	May 23 <sup>rd</sup>
<b>8</b>	Fiscal Policy	May 25 <sup>th</sup>
<b>9</b>	Free trade - NAFTA	May 30 <sup>th</sup>
<b>10</b>	Midterm 2/Measuring GDP	June 1 <sup>st</sup>
<b>11</b>	Financial inclusion	June 6 <sup>th</sup>
<b>12</b>	Rent-Seeking	June 8 <sup>th</sup>
<b>13</b>	Review/ Last day/Written Assignment 3	June 13 <sup>th</sup>
<b>14</b>	Final examination	June 15 <sup>th</sup>

The courseware is broken up into the weeks as per the above. It begins with a reading guide and in some cases a model for review. You will be expected to come to class having read the articles so that the material is not completely foreign with the exception of the midterm weeks (the readings for these weeks should probably be done after the class)

Written Assignments:

There will be two written assignments that will ask you to comment/address an issue that we think about in class. The third will be on a separate issue that you will be expected to think about on your own and address in a written piece. The first two assignments will be due one week after they are assigned (May 16<sup>th</sup>, May30th). The third will be due the last day of regular class (June 13th).

A guide to the assignments can be found on Avenue to Learn. In addition, I will post a sample assignment (one from in term and one final) that you can use to see a "perfect" assignment.

The written assignments will be graded following a rubric. There are no "right" or "wrong" positions to take on the issues, but taking a stand without providing evidence/economic rationale for it will be penalized.

This is not an English course, but a non-trivial portion of the written assignment grade will concern the ability to effectively communicate your ideas in your writing (20/44 points). You will also be assessed on the quality of your argument and your understanding and applications of in class readings and other sources.

<b>Category</b>	<b>Level -1</b>	<b>Level-2</b>	<b>Level-3</b>	<b>Level-4</b>	<b>Weight</b>
<b>Position</b>	Student does not take a position on the issue	Student's position is unclear	Student takes a position on the issue	Student takes a position on the issue, relating arguments back to the position	/4
<b>Argument</b>	Student does not argue for a position	Student provides limited arguments (1)	Student provides several arguments supporting their position (2-3)	Student provides arguments supporting their position and addresses counterarguments (4+)	/15
<b>Economics</b>	Student fails to summarize the economic issue or use any models	Student coarsely summarizes the issue, but does not use economic models	Student summarizes the issue well, using economic concepts in their explanation	Student summarizes the issue providing new perspectives and uses economic models	/18
<b>Writing</b>	Student's writing is poor (>7 spelling/grammar errors)	Student's writing is fair (4-7 spelling/grammar errors)	Student's writing is good (<3 spelling errors)	Student's writing is very good (no spelling errors)	/5
<b>Presentation</b>	Document is difficult to read (handwritten/poor computer formatting)	Document is legible, but formatting is inconsistent	Formatting is sensible, but with several mistakes	Formatting is sensible	/2

The written assignments will also employ an originality checking software. Students will be expected to submit their work electronically to the dropbox so that it can be checked for academic dishonesty. Students who do not wish to have their work checked electronically must still submit a hard copy to the instructor. No penalty will be assigned to a student who does not submit to this originality analysis. All submitted work is subject to normal verification that standards of academic integrity have been upheld (e.g., on-line search, etc.). To see the Policy, please go to [www.mcmaster.ca/academicintegrity](http://www.mcmaster.ca/academicintegrity)

**Late assignments will be accepted up to 2 days after the due date. Assignments that are less than one day late will receive 75% of the earned points. Assignments that are between 1 and 2 days late will receive half the earned points.**

#### Disclaimers

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.

It is the policy of the Economics department that e-mails to the professor must originate from your official McMaster email address. I will not respond to emails from other domains.

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 behaviour 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, located at [www.mcmaster.ca/academicintegrity](http://www.mcmaster.ca/academicintegrity).

**\*Note\* I have ZERO tolerance for academic dishonesty**