University of Victoria

Faculty of Social Sciences
Department of Economics

The Canadian Economy—Problems and Policies
ECON 100 A01 (1.5 credits)

September 3, 2014 – December 3, 2014

Instructor:	**Alan Chaffe**
Office:	308
Office phone:	TBD
E-mail:	achaffe@uvic.ca
Office Hours:	Monday and Thursday: 10:00–11:00am; Tuesday: 5:30–6:30pm; or by appointment
Classroom:	David Strong Building C118
Class Times:	Tuesday: 6:30–9:20pm

About me:

I grew up in St. Catharines, Ontario, before I moved to Vancouver, British Columbia, to complete a Master of Arts (MA) in Economics from the University of British Columbia. Prior to moving to Vancouver, I graduated from Brock University with a Bachelor of Business Economics and Finance (BBE). I was initially enrolled in the Co-op Accounting Program at Brock University. However, after three work terms and several courses in Economics and Finance, I discovered my passion for economics. After completing my MA, I moved to Ottawa and worked as a Senior Economist for the Conference Board of Canada and later at Statistics Canada for seven years. I currently work as a Senior Economist for the Ministry of Social Development and Innovation with the Government of British Columbia and I recently completed a Master of Education in Leadership Studies (MEd) at the University of Victoria. My research has focused on labour markets, price indexation, and economic forecasting. I am also interested in research in the area of leadership and learning. I have published several research papers around themes related to consumer prices and trends in Canada's domestic environment. I have presented these research papers to various audiences including the United Nations International Working Group on Price Indices and at the Statistics Canada Socio-economic Conference. Outside of research and teaching, I am passionate about community development, growth, and learning. As a result, I have been actively involved in a number of community initiatives including the *No Community Left Behind* initiative in Ottawa. My love for travelling the world and experiencing different cultures also occupies my spare time.

Calendar description:

A discussion of some of the important issues in economic decision making in both private and public sectors of the Canadian economy with an introduction to the basic concepts of economic analysis.

Please note: This course is not open for credit to students registered in or with credit in ECON 103 or 104.

Course objective:

I have designed this course to provide students with a broad overview of economic theories and concepts. In this course, I will provide an introduction to basic microeconomic and macroeconomic theories, their application to economic decision making and policy analysis in both the private and public sectors, and optimization techniques. Topics will include demand, supply, cost analysis, market structure, pricing practices, the open economy, monetary and fiscal policy, and government regulation. I will make use of various case studies and 'in the news' events to illustrate the practical application of economic concepts and theories. The topics and course discussions will provide you with a better understanding of how the economy works and help you realize the power of economic theory in explaining the practical aspects of your everyday life.

Required course textbook:

There are a variety of textbooks that can provide students with an introduction to economics. The textbook that I have chosen for this course is listed below. I have chosen this textbook because I believe that it presents a well-rounded summary of the various economic concepts and theories in an understandable format. The textbook also presents a variety of 'real-life' practical examples that will help you work through the complexities of economic concepts and theories. I will make use of additional news articles and research papers to supplement this textbook in order to further enhance your practical understanding of economics.

Lovewell, M. (2012). *Understanding Economics: A Contemporary Perspective*, Sixth Edition. Toronto: McGraw-Hill Ryerson.

Learning outcomes:

By taking this course, you will be able to:

1. Describe and explain fundamental economic principles and theories;
2. Apply and relate subject matter material to current world events and use economic concepts and arguments to evaluate current economic issues;
3. Apply critical thinking and problem solving skills related to economic thought and reasoning;
4. Compile, present, manipulate, and effectively organize data;
5. Write clear and concise economic arguments; and
6. Extract key economic arguments from articles or a body of literature and prepare an economic research paper.

Course goals:

In addition to the learning outcomes, by taking this course you will have the opportunity to:

7. Practice your oral communication skills;
8. Enhance your written communication skills; and
9. Learn from your fellow colleagues (*i.e.*, classmates).

Assessment summary:

Assignments (2 x 5%)	10%
Mini research paper & experiment	10%
Participation	10%
Midterm	30%
Final examination	40%

See course structure below for dues dates of assignments and the mini research paper and experiment, as well as the date for the midterm.

Undergraduate grading scale:

Passing Grades	Description
A+ A A-	**Exceptional**, **outstanding** and **excellent** performance. Normally achieved by a minimum of students. These grades indicate a student who is self-initiating, exceeds expectation and has an insightful grasp of the subject matter.
B+ B B-	**Very good**, **good** and **solid** performance. Normally achieved by the largest number of students. These grades indicate a good grasp of the subject matter or excellent grasp in one area balanced with satisfactory grasp in the other area.
C+ C	**Satisfactory**, or **minimally satisfactory**. These grades indicate a satisfactory performance and knowledge of the subject matter.
D	**Marginal** Performance. A student receiving this grade demonstrated a superficial grasp of the subject matter.
Failing Grades	**Description**
F	**Unsatisfactory** performance. Wrote final examination and completed course requirements; no supplemental.
N	**Did not** write examination or complete course requirements by the end of term or session; no supplemental.

Numerical score (%) and grade point value equivalencies:

	A+	A	A-	B+	B	B-	C+	C	D	F
Percentage	90-100	85-89	80-84	77-79	73-76	70-72	65-69	60-64	50-59	0-49
Grade Point	9	8	7	6	5	4	3	2	1	0

Assignments:

There will be two assignments over the course of the term, each worth 5% of your final grade. The assignments will allow you to demonstrate your understanding of the economic concepts and theories that you have learned. The main criteria for assessment that I will use will be technical accuracy and quality of presentation and exposition. Detailed marking sheets for each assignment will be distributed with the assignments. The assignments must be submitted in hard copy with a cover page that contains your signature. Assignments are to be submitted by 6:30pm on the due date in the drop-box located next to the Department of Economics main office on the second floor of the Business and Economics Building (BEC 360).

Mini research paper and experiment:

Over the course of the semester, you will participate in a Consumer Price Index (CPI) experiment. You will develop a simplified Consumer Price Index (CPI) of a particular consumer item of your choice. You will use your data to practice calculating inflation/deflation rates and to draw conclusions about the strengths and weaknesses of an index such as the CPI. Specifically, the experiment will give you a concrete example of how a price index such as the CPI actually measures inflation/deflation and the complexities of its computation. For the experiment, you will write a maximum three-page, *single spaced* summary (including graphs and tables) of your findings and understanding of the exercise. You will also present your results to your classmates. This experiment will help you understand how an economic indicator is developed in practice. The main criteria for assessment that I will use will be technical accuracy and quality of the written explanation of the experiment. A detailed marking sheet will be provided within the first two weeks of the course.

Participation:

I will evaluate your class participation using one-minute papers and participation in general discussions during lectures. A total of 11 one-minute papers will be given, and I will record your grade for 10. The one-minute papers are simple written responses no more than half a page in length. You can note an interesting idea from class, in the news, and/or pose a question or comment related to the course or class content. These papers <u>cannot</u> be made up at another time and must be completed in class. I encourage you to attend all classes so that you can get the most out of the lectures and achieve the best possible participation grade. Further, the one-minute papers will help you prepare for your midterm and final examinations, which constitute a large proportion of your final grade.

Midterm examination:

The midterm examination will cover themes one to three of the course (see course structure below) and will be held during class time. It will consist of a series of multiple-choice, short-answer, and several longer multi-part questions that will be similar in style and content to the questions on the assignments. The main criteria for assessment will be correct answers with partial credit based on evidence of thinking and learning. The midterm examination is scheduled for October 21st.

Final examination:

The final examination will cover the content of the entire course with a greater emphasis on themes four to six (see course structure below). Similar to the midterm examination, the final examination will consist of a series of multiple-choice, short-answer, and several longer multi-part questions that will be similar in style and content to the questions on the assignments. The main criteria for assessment will be correct answers with partial credit based on evidence of thinking and learning. The date of the final examination will be set by the registrar's office and will be held sometime between December 8th-22nd.

Learning and assessment alignment:

Learning outcome & course goal	Assignment #1	Midterm exam	Assignment #2	Mini research paper & experiment	Participation	Final exam
1	X	X	X	X	X	X
2	X	X	X	X	X	X
3	X	X	X	X	X	X
4	X		X	X		
5	X	X	X	X		X
6	X		X	X		
7				X	X	
8	X	X	X	X		X
9	X		X	X	X	

Technology requirements:

You will have to register to have access to the course Moodle/Course Spaces (http://coursespaces.uvic.ca/) site, as I will be posting all course materials to this site. Moodle/Course Spaces is an e-learning platform that will allow us to interact and collaborate over the course of the semester. If you need help setting up your Moodle/Course Spaces account you can find detailed instructions on how to set-up your account and navigate the site at: elearning.uvic.ca/moodle/students. Please also feel free to ask me if you need further help. The earlier you register for Moodle/Course Spaces the better, as I will regularly post relevant resources and course material to this site.

Course experience survey (CES)

The university has recently changed to an online survey format for course evaluations. I value your feedback on this course. Towards the end of the term, as in all other courses, you will have the opportunity to complete an anonymous survey regarding your learning experience (CES). The survey is vital to providing feedback to me regarding the course and my teaching, as well as to help the Department of Economics improve the overall program for students in the future. The survey is accessed *via* MyPage and can be done on your laptop, tablet, or mobile device. I will remind you and provide you with more detailed information closer to the time that it is to be completed, but please be thinking about this important activity during the course.

Course policies:

- The best way for you to learn the material and succeed in this course is to (i) attend each class having read the material for that lecture, (ii) actively participate in the class by taking part in classroom discussion and activities, (iii) study and review the material in the textbook, (iv) complete all assignments and experiments, (v) study the posted solutions for assignments and the midterm examination, and (vi) ask questions in class, after class during office hours, by e-mail, through Moodle/Course Spaces, or by arranging a meeting with me outside of office hours.
- You will want to acquire a calculator for this course, as it will help you answer questions on your assignments and midterm and final examinations. *Note: I do not allow programmable calculators*.
- I will post additional required readings on the course Moodle/Course Spaces site. You should thus visit this site regularly to stay up-to-date.
- I encourage you to post questions regarding course material to the Moodle/Course Spaces site to initiate discussion.
- To fully benefit from the course, I encourage you to actively participate in lectures. Active participation in the class involves participating in classroom discussions and activities, asking questions, and taking notes on pertinent material. Doing so will help you achieve greater success in the course.
- In fairness to your fellow classmates who submit their work on time, I will deduct 10% per day for late assignments for a maximum of three days. After three days, I will not accept the assignment unless you provide a formal doctor's note. The three-day maximum will allow me to provide feedback and post assignment solutions in a timely manner.
- If you miss the midterm examination, you are required to provide a doctor's note. I will set a new date for students who miss the midterm examination and have a doctor's note.
- There will be some mathematical calculations in this course. Do not be scared off, we will work through such calculations together. The University does have a Math and Stats Assistant Centre to help students. For further information on this service please visit: www.math.uvic.ca.
- I take cheating, plagiarism, and other forms of academic misconduct very seriously. You are permitted and encouraged to work in groups for all assignments, but you are required to submit original work. Original work is one not received from others, copied, nor based on the work of others. For further information on the University's plagiarism policy please visit: http://www.uvic.ca/library/research/citation/plagiarism/index.php.
- Academic integrity requires commitment to the values of honesty, trust, fairness, respect, and responsibility. Students are expected to observe the same standards of scholarly integrity as their academic and professional counterparts. A student who is found to have engaged in unethical academic behaviour, including the practices described in the Policy on Academic Integrity (http://web.uvic.ca/calendar2014-09/FACS/UnIn/UARe/PoAcI.html) in the University Calendar, is subject to consequence by the University.
- I expect you to embrace a learning community that respects diversity and promotes a positive, inclusive, and safe space for all students. We are all here to learn and should have equal opportunities to do so.
- The University is an equal opportunity university. Students with diverse learning styles and needs are welcome in this course. If you encounter barriers to academic goals that may require academic accommodations, please feel free to approach me and register with the Resource Centre for Students with a Disability (RCSD) as soon as possible. The RCSD staff are available by appointment to assess specific needs, provide referrals, and arrange appropriate accommodations. For further information on the wonderful services provided by the Centre please visit: www.uvic.ca/services/rcsd/. The sooner you let us know your needs the quicker we can assist you in achieving your learning goals in this course.

- As do I, the University has a strong commitment to student learning, as well as social, personal, and ethical development. As such, the University offers a wide range of personal, learning, career counseling services (*e.g.*, depression, self-esteem, loss and grief support, stress, anxiety, speaking publicly, thinking critically, making and using notes, and career advice) and resources to students. Please visit: www.coun.uvic.ca for further information.
- There is no such thing as a stupid question! All questions are welcomed in and out of the class. You should make use of my office hours and are free to set up appointments with me for individual or group sessions in order to ask questions, review course material, or to speak about research topics. If you find that you are struggling with the course material, please see me as early as possible so that we can work to resolve this. I am here to work with you and to help you succeed.
- The University does set out other course policies that we are required to follow, and these can be found at: http://www.uvic.ca/science/math-statistics/undergraduate/course-policies/index.php/23-course-policies/675-important-course-policy-information.
- The Department of Economics also sets course policies that we must follow, and these can be found at: http://www.uvic.ca/socialsciences/economics/undergraduate/home/courses/course-policies.php.
- In the first class we will develop community standards (*i.e.*, classroom etiquette) for our learning environment (community-learning standards). You should uphold these community-learning standards and the requirements stated above. I will ask you to sign a course agreement indicating that you agree with and understand the course requirements and community learning standards. This course agreement should be submitted at the start of the second class, and I will also sign it.

Ready, set…let's go:

I will be relying heavily on current and recent economic events to teach you the theories and concepts of economics and how the subject is important in your life. Together, we will discover the topics and as we proceed, I will make use of various videos, case studies, and news stories relevant to the topics. I will update the course outline with this material as we move through the course.

If you do not learn a lot about economics, or do not find this course interesting or enjoyable, then I am not doing my job. I love teaching economics, and I consider it my responsibility to help you succeed. As we move together as an organic learning community, we must work together. If you have questions in lecture, ask them. If you see media stories or find videos related to the course material, please send them to me so that they can be shared. If you have suggestions for improving the course, please let me know. As in any university course, what you get out of this course will depend on what you put into it. Together, let's create a community-learning environment where we all succeed!

"There is no such thing as a free lunch" (Milton Friedman).

"In the long-run, we are all dead" (John Maynard Keynes).

The most obvious things are often right there, but you don't think about them because you've narrowed your vision" (Steven Levitt).

"The difficulty lies not so much in developing new ideas as in escaping from old ones" (John Maynard Keynes).

"Data, I think, is one of the most powerful mechanisms for telling stories. I take a huge pile of data and I try to get it to tell stories" (Steven Levitt).

Tentative course structure:

THEME	Class	Activities and Readings[1,2,3]	Assessments
1. The Economic Problem	September 9	Introduction and course overview; and Chapter 1 (UE): The Economic Problem	Mini research experiment and paper distributed
2. Households (demand)	September 16	Chapter 2 (UE): Demand and Supply	
	September 23	Chapter 3 (UE): Competitive Dynamics; and Applications of Demand and Supply (H1)	
3. Firms (supply, costs of production, market structure)	September 30	Chapter 4 (UE): Costs of Production	Assignment #1 distributed
	October 7	Chapter 5 (UE): Perfect Competition; and Monopolies (First half of H2)	
	October 14	Chapter 6 (UE): Monopoly and Imperfect Competition; Monopolies and Oligopolies (second half of H2); and midterm examination review	Assignment #1 due by 6:30pm in drop box
	October 21	-	Midterm examination
4. Government and Economic Indicators (economic welfare, economic measures, fiscal policy)	October 28	Review of midterm results; Chapter 8 (UE): Measures of Economic Activity; and Spillover and Income Inequality (H3)	
	November 4	Chapter 9 (UE) Inflation and Unemployment; Unemployment and Consumer Price Index (H4); and Check-in on mini research paper and presentation	
	November 11	Reading break	
	November 18	Chapter 11 (UE): Fiscal Policy; and Economic Growth (H5)	Assignment #2 distributed
5. Financial Market and Economic Indicators (monetary policy, money, economic measures)	November 25	Chapter 12 (UE): Money; Chapter 13:(UE): Monetary Policy; and Bank of Canada Handout (H6)	
6. Global Economy	December 2	Chapter 14: The Foreign Sector and Chapter 15: Foreign Trade (if time permits); Presentations of research paper and experiment; and exam review	Mini research paper and experiment; and Assignment #2 due in drop box by 6:30pm
-	TBA	Exam	Date of final exam to be announced by the registrar's office and to be held sometime between December 8–22.

1. UE: Course textbook (Understanding Economics: A Contemporary Perspective, Sixth Edition by Mark Lovewell); H#: Handouts located on course Moodle/Course Spaces site.
2. We will not cover every section of each chapter. The specific sections covered will be noted on the slides posted on our Moodle/Course Spaces site.
3. In addition to the course textbook and handouts, I will make use of other current "in the news" information on a regular basis to supplement the economic concepts and theories discussed.

Supplementary resources:

There is a wide array of materials available for this class. The following serve as examples of other materials you can access.

Books:

- Capital in the twenty-first century, by Thomas Piketty, 2014
- The price of inequality: How today's divided society endangers our future, by Joseph E. Stiglitz, 2012
- Fault lines: How hidden factures still threaten the world economy, by Raghuram G. Rajan, 2010
- Freakonomics: A rogue economist explains the hidden side of everything, by Steven D. Levitt & Stephen J. Dubner, 2010
- Outliers: The story of success, by Malcolm Gladwell, 2008
- Naked economics—Undressing the dismal science, by Charles Wheelan, 2003

Newspapers:

- The Economist (http://www.economist.com)
- BBC economic section (http://www.bbc.co.uk/news/business/economy/)
- The Financial Times (http://www.ft.com/home/us)
- The Globe and Mail economic section (http://www.theglobeandmail.com/report-on-business/economy/)
- Huffington Post (http://www.huffingtonpost.com/news/economy/)

Blogs and other Internet resources:

- The Daily, Statistics Canada (http://www.statcan.gc.ca/dai-quo/)
- The Bank of Canada (http://www.bankofcanada.ca/)
- Freakonomics blog (http://freakonomics.com/blog/)
- TED talks on economics (http://www.ted.com/topics/economics)
- Bloomberg (http://www.bloomberg.com)
- Malcolm Gladwell's Blog (http://gladwell.com)
- Freakonomics podcast (http://freakonomics.com/radio/freakonomics-radio-podcast-archive/)
- Movies for Economists (http://www.moviesforecon.com/table.htm)
- Democracy Now! (http://www.democracynow.org)
- Nation of Change (http://www.nationofchange.org)
- Econbrowser: An Analysis of current economic conditions and policy (http://econbrowser.com)
- The Conference Board of Canada (http://www.conferenceboard.ca)
- C.D. Howe Institute (http://www.cdhowe.org)
- Asia Pacific Foundation of Canada (https://www.asiapacific.ca)
- More or Less, BBC, Tim Harford (http://www.bbc.co.uk/programmes/b006qshd; http://timharford.com/more-or-less/)

"Educate yourself as much as you can with life. Just go out there" (Julian Morris)

Course agreement:

I, ______________________________________ have read the course outline and understand the
(Student Name)
course requirements stated in the course outline and the community-learning standards that we established during the first class (see Moodle/Course Spaces site for the list of community-learning standards developed by the class).

____ ________________________________
(Student Signature) (Date)

Please sign and submit this at the beginning of the second class.

I will also be signing this agreement ☺

Welcome to our learning community!