

## ARTSSCI 2E03 / Economics: Principles and Policy (2021-22, Term 1)

Stephen RG Jones  
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### In-person lectures

Stephen Jones	M 9:30-10:20	BSB 147
	Tu 10:30-11:20	BSB 147
	Th 9:30-10:20	BSB 147

### In-person tutorials

T01– Zia Mawani	Tu 2:30-3:20	ETB 227	mawaniz@mcmaster.ca
T02– Ju Eun Lee	W 2:30-3:20	ETB 228	leej306@mcmaster.ca
T03– Zia Mawani	W 3:30-4:20	ETB 224	
T04– Torin Pracek	W 1:30-2:20	TSH 122	pracekt@mcmaster.ca
T05– Ju Eun Lee	W 9:30-10:20	KTH B103	
T06– Torin Pracek	Tu 3:30-4:20	ETB 224	

Please read this outline with care. There is a lot of information you need to know.

### Notes on Class Organization

The class will be taught with in-person lectures and tutorials. We are all required to pre-screen when entering campus (a University requirement) and the class will follow mandatory masking and as much distancing as the room allows (which I think will be a lot since the room capacity is 386). In addition, lectures will be recorded using Echo360 and these recordings will be available to students.

If you are unable to attend in-person class for any reason and need to use the remote learning Echo360 option, you should email me and either Shelley (A-L) or Rebecca (M-Z) to let us know. We can then make individual adjustments in the assessment of participation and also make suitable arrangements for such students with regard to tutorials. Other than this, attendance at lectures and attendance and participation in tutorials is mandatory.

If public health conditions change, it remains possible that the mode of instruction will have to switch to remote at some point during the term. If this happens, I expect we would switch to synchronous Zoom delivery in the same scheduled time slots. Let's hope we don't go on that path..

You may use a computer in class to take notes. However, phone use in class is not allowed.

### **Instructor Office Hours** (two modes available to all students)

In-person	Th 10:30-11:30	KTH 437
Virtual	F 9:00-10:00	Zoom link to be posted on Avenue

**TA Office Hours:** tba

### Course Description and Objective

The course presents an accelerated introduction to the core principles of economics, both microeconomics and macroeconomics. A main objective is to help students to apply economic reasoning to issues that are central to modern societies such as: the role of government in a market-oriented setting; inequality, equity and efficiency; growth and the environment; and fiscal and monetary stability.

### Required Texts and Materials

The course has one required text.

*The Economy*, The CORE Team, <https://core-econ.org/the-economy/>, 2018.

It is available free online as an e-book and has links to a number of informative videos, interactive data exercises, and other online enhancements. A hard copy version is also available from Oxford University Press. However, since the online version is superior in many respects and is also free, I have not ordered hard copy for the Campus Store.

### Course Evaluation

Grades will be based on attendance, participation, assignments, examinations (midterm and final), and an essay. For all evaluation, you must submit only your own work. For assignments, you may discuss general ideas with fellow students but must only submit answers you yourself have written and understand. For the midterm and final, you may refer to course online materials and your own notes from this course but you must not consult with anyone when you prepare your answers.

The specifics of evaluation are as follows:

Attendance and participation in class and TA sections: Weight 10%

Assignments: Five problem sets will be assigned during the term. The assignments will be available through Avenue on September 14, September 28, October 26, November 9 and November 23. Each assignment is due one week after it is made available. Weight (in total) 20%

Midterm: The midterm examination will be held online on October 7-8. You will have 24 hours (starting at noon) to complete the test and submit your answers online. The midterm will cover material taught up to this point. It will consist of some multiple choice questions, some “true/false/uncertain & explain” questions, and some short answers. I will discuss this in detail in class. Weight 20%

Essay: The essay will be 1500 words (hard maximum, excluding references). It should address an issue you find interesting related to one of the capstone units in the text (Units 17-22) which are:

- The Great Depression, golden age, and global financial crisis
- The nation and the world economy
- Economic inequality
- Economics of the environment
- Innovation, information, and the networked economy
- Economics, politics, and public policy

I will discuss how to approach this essay in class in the second part of the term. The essay will be due (as a PDF file) by 4:00pm on December 8. Weight 20%

Final: The final will be held online at a date to be determined in the usual examination period. You will have 24 hours (starting at noon) to complete the test and submit your answers online. The final will cover all material from the course. It will consist of some multiple choice questions, some “true/false/uncertain & explain” questions, and some short answers. I will discuss this in detail in class. Weight 30%

### Penalty for Late Submission/Missed Work

A missed/late assignment or a missed test counts as a mark of 0%. For all items except the essay, when MSAF policies apply the weight of missed work will be added to the final examination. An essay for which an MSAF is applied will be due the appropriate number of days late (typically, 3-4 days, the timespan of an MSAF accommodation).

## Planned Course Schedule

Week 1 (starting Sept 6)

### **Big questions about the economy**

Living standards, growth, inequality, technology, capitalism, specialization  
(Unit 1)

Weeks 2-3 (starting Sept 13)

### **Economic decision making**

Prices, costs, rents, profit, Industrial Revolution, opportunity costs, feasibility, scarcity and choices, income and substitution effects  
(Units 2-3)

Weeks 4-5 (starting Sept 27)

### **Economic relationships and interactions**

Gains and conflict, Pareto efficiency, fairness, bargaining, power, wages, labour discipline  
(Units 4-6)

Weeks 6-7 (starting Oct 18)

### **Markets**

Cost functions, profit maximization, gains from trade, demand elasticity, market power, monopoly, perfect competition, wage-setting, unemployment  
(Units 7-9)

Week 8-9 (starting Nov 1)

### **Market dynamics: how they work, how they don't**

Rent-seeking, short-run and long-run, asset pricing, externalities, property rights, market failure, incomplete contracts, Government policy  
(Units 11-12)

Week 10-11 (starting Nov 15)

### **Aggregate economy: short and medium term**

Growth, measurement, GDP, aggregate consumption, aggregate investment, inflation, multiplier, aggregate demand, net exports, Phillips curve, supply shocks, fiscal policy, monetary policy  
(Units 13-15)

Week 12-13 (starting Nov 29)

### **Aggregate economy: long run**

Technical progress, job creation and destruction, adjustment process  
(Unit 16)

Note: You should read the unit(s) in *The Economy* in their entirety in the week(s) when that material is covered. Since the course is an accelerated introduction to both microeconomics and macroeconomics, you will need to work steadily on this material on your own to keep pace.

## SENATE-APPROVED ADVISORY STATEMENTS

### ACADEMIC INTEGRITY

You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity. **It is your responsibility to understand what constitutes academic dishonesty.**

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. For information on the various types of academic dishonesty please refer to the *Academic Integrity Policy*, located at <https://secretariat.mcmaster.ca/university-policies-procedures-guidelines/>.

The following illustrates only three forms of academic dishonesty:

- plagiarism, e.g. the submission of work that is not one’s own or for which other credit has been obtained.
- improper collaboration in group work.
- copying or using unauthorized aids in tests and examinations.

### AUTHENTICITY / PLAGIARISM DETECTION

**Some courses may** use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. A2L, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be assigned to a student who does not submit work to the plagiarism detection software. **All submitted work is subject to normal verification that standards of academic integrity have been upheld** (e.g., online search, other software, etc.). For more details about McMaster’s use of Turnitin.com please go to [www.mcmaster.ca/academicintegrity](http://www.mcmaster.ca/academicintegrity).

### COURSES WITH AN ONLINE ELEMENT

**Some courses may** use online elements (e.g. e-mail, Avenue to Learn (A2L), LearnLink, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, 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 a course that uses online elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

### ONLINE PROCTORING

**Some courses may** use online proctoring software for tests and exams. This software may require students to turn on their video camera, present identification, monitor and record their computer activities, and/or lock/restrict their browser or other applications/software during tests or exams. This software may be required to be installed before the test/exam begins.

### CONDUCT EXPECTATIONS

As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the *Code of Student Rights & Responsibilities* (the “Code”). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online.**

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students’ access to these platforms.

## **ACADEMIC ACCOMMODATION OF STUDENTS WITH DISABILITIES**

Students with disabilities who require academic accommodation must contact Student Accessibility Services (SAS) at 905-525-9140 ext. 28652 or sas@mcmaster.ca to make arrangements with a Program Coordinator. For further information, consult McMaster University's *Academic Accommodation of Students with Disabilities* policy.

## **REQUESTS FOR RELIEF FOR MISSED ACADEMIC TERM WORK**

In the event of an absence for medical or other reasons, students should review and follow the *Policy on Requests for Relief for Missed Academic Term Work*.

## **ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)**

Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the RISO policy. Students should submit their request to their Faculty Office **normally within 10 working days** of the beginning of term in which they anticipate a need for accommodation or to the Registrar's Office prior to their examinations. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

## **COPYRIGHT AND RECORDING**

Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors. The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done either by the instructor for the purpose of authorized distribution or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

## **EXTREME CIRCUMSTANCES**

The University reserves the right to change the dates and deadlines for any or all courses in extreme circumstances (e.g., severe weather, labour disruptions, etc.). Changes will be communicated through regular McMaster communication channels, such as McMaster Daily News, A2L and/or McMaster email.

## **NOTES FOR ALL ARTS & SCIENCE COURSES**

1. Some of the statements above refer to a "Faculty Office"; please note that the Arts & Science Program Office serves in this capacity.
2. It is the responsibility of students to check their McMaster email regularly. Announcements will be made in class, via A2L, and/or via the course email distribution list.
3. For additional information regarding requests for accommodation, relief for missed term work (e.g. MSAF), deferred examinations, etc., students should read carefully the Requests and Resources pages on the Arts & Science Program website.