# ARTSSCI 2E03 / Economics: Principles and Policy (2022-23, Term 1)

1. **Instructor:** Anastasios Papanastasiou, Ph.D.
2. **Instructor** **email:** papanasa@mcmaster.ca
3. **Instructor office hours:** Tu 3-4pm & Th 2-3pm KTH 434

## In-person lectures

A. Papanastasiou M 3:30-4:20pm BSB 108

Tu 4:30-5:20pm BSB 108

 Th 3:30-4:20pm BSB 108

## In-person tutorials

T01– Nicole Rob Fr 9:30-10:20am KTH B102 robn@mcmaster.ca

T02– William Zhang Fr 10:30-11:20am MDCL 1116 zhanw89@mcmaster.ca

T03– Navya Sheth Fr 11:30am-12:20pm MDCL 1116 shethn4@mcmaster.ca

**TA Office Hours**: TBA

Notes on Class Organization

All lectures and tutorials will be delivered in-person. Attending lectures and tutorials is mandatory, and students are responsible for all material covered in lectures and tutorials. Please note that there are no tutorials on September 30 due to the National Day for Truth and Reconciliation.

If public health conditions change, there is a chance that the mode of instruction will have to switch from in-person to remote. In such a scenario, we would switch to synchronous Zoom delivery in the same scheduled time slots.

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 apply economic reasoning to issues that are central to modern societies such as: the role of government in a market-oriented setting; equity and efficiency; growth and the environment; and fiscal and monetary stability.

Required Texts and Materials

The course has one required textbook:

[*The Economy*](https://core-econ.org/the-economy/), The CORE Team, 2018.

It is available online as an open-source e-book and has links to several 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 copies 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 the homework assignments, which are submitted on Avenue-to-Learn, you may discuss general ideas with fellow students but must only submit answers you yourself have written and understand. The midterm and final exam will be written in-person.

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 through Avenue-to-Learn. The assignments will be available on September 16, September 30, October 28, November 11 and November 25. Each assignment is due one week after it is made available. Weight 20% (4% for each assignment).

**Midterm**: The midterm examination will be held in-person during class time on October 6 in T13/123. The midterm will cover material taught up to this point. It will consist of multiple-choice questions, “true/false/uncertain & explain” questions, and short-answer questions. Weight 20%

**Essay**: The topic of the essay can be on any socioeconomic topic of the student’s choice (e.g. health, environment, development, gender and equality, education, etc.).

 The essay consists of two components: an essay *proposal*, and the *final essay*.

The essay *proposal* is due on October 31 and worth 0% of the final grade but failure to submit a proposal will result in a 25% reduction of the final essay mark.

The final essay will be 1300-2000 words (hard minimum and maximum, excluding references, tables, graphs), double-spaced in Times New Roman 12pt font. Essays less than 1300 or greater than 2000 words will not be accepted.

While the final essay may be on any economic topic of the student’s choice, students must submit a brief explanation on the socioeconomic importance of their topic of choice in their essay proposal. This will be used to judge whether there are any reasons the chosen topic is not suitable. Students who do not hear otherwise within a week of handing in the proposal should assume that their topic is acceptable and proceed with the final essay. You will only receive feedback on the first part of the essay if there is a problem. If you do not hear otherwise within a week, you should assume that your topic is acceptable. The Chicago Author-Data System must be used for references and for citations in the body of the text. See [the Chicago Manual of Style](https://library.mcmaster.ca/databases/chicago-manual-style-online). The final essay will be due by 4:00pm on December 8. Weight 20%

**Final exam**: The final exam will be held in-person at a date to be determined by the Registrar’s Office and during the usual examination period. The duration will be two hours, and the exam will be comprehensive and based on the entire 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 evaluation components except the essay, when MSAF policies apply the weight of missed work will be shifted 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).

Schedule of Readings and Lectures

Week 1 (starting Sept 6)

**Big questions about the economy**

Living standards, growth, inequality, technology, capitalism, specialization

(Unit 1)

Weeks 2-3 (starting Sept 12)

**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 26)

**Economic relationships and interactions**

Gains and conflict, Pareto efficiency, fairness, bargaining, power, wages,

(Units 4-6)

Weeks 6-7 (starting Oct 17)

**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 Oct 31)

**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 14)

**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 28)

**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*](https://secretariat.mcmaster.ca/app/uploads/Academic-Integrity-Policy-1-1.pdf)*,* located at [https://secretariat.mcmaster.ca/university-policies-procedures- guidelines/](https://secretariat.mcmaster.ca/university-policies-procedures-%20guidelines/).

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](https://mcmasteru365-my.sharepoint.com/personal/rbishop_mcmaster_ca/Documents/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*](https://secretariat.mcmaster.ca/app/uploads/Code-of-Student-Rights-and-Responsibilities.pdf) (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](https://sas.mcmaster.ca/) (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*](https://secretariat.mcmaster.ca/app/uploads/Academic-Accommodations-Policy.pdf) 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*](https://secretariat.mcmaster.ca/app/uploads/Requests-for-Relief-for-Missed-Academic-Term-Work-Policy-on.pdf).

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](https://secretariat.mcmaster.ca/app/uploads/2019/02/Academic-Accommodation-for-Religious-Indigenous-and-Spiritual-Observances-Policy-on.pdf) 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](https://artsci.mcmaster.ca/forms-requests/) and [Resources](https://artsci.mcmaster.ca/current-students/resources/) pages on the Arts & Science Program website.