

DRAFT: SUBJECT TO (SOME) CHANGE BEFORE THE COURSE STARTS!

MPA 840: THE ECONOMICS OF SOCIAL POLICY

Overview

The course will deal with the role of economists, especially economists working within government, in developing, assessing and giving advice about 'social policy'. Topics considered will include income distribution, the evolution of labour markets and government labour market policy, education and housing. The scope of 'social policy' is much wider than these already big topics and there will be opportunity for students to investigate issues of greater interest to them.

INSTRUCTOR & CONTACT INFORMATION

Instructor: Patrick Deutscher

Email: pat_deutscher@msn.com or pd55@queensu.ca

Phone: TBA in class.

Office: Room TBD, Robert Sutherland Hall, School of Policy Studies

Class Time: Tuesdays 1:30-4:20 pm

Office Hours: Tuesdays 10:30-11:30 and Wednesdays 1:30pm – 2:30 pm and by appointment

Course Outline

Week 1 Introduction to the economics of social policy. Key concepts from economics for this course. Comparative international trends in social spending.

Dean, Hartley. 2006 [2012]. *Social Policy*. Chapter 1, Malden MA: Polity.

Dani Rodrik. 2015. Economics Rules: The Rights and Wrongs of the Dismal Science
Introduction *The Use and Misuse of Economic Ideas*

Gary S. Becker [The Economic Way of Looking at Life](#). Nobel Lecture, 1992

Week 2 The economic and fiscal context. Interactions between social conditions and the economy.

Readings:

Fall Economic and Fiscal Statements of the federal and Ontario government
Guest Speaker: Brian Lewis, Ontario Chief Economist and ADM of the Office of Economic Policy in the Ministry of Finance

Week 3 Public sector social spending. Government as a provider of insurance.

Readings:

Dani Rodrik Why do more open economies have bigger governments? JPE
Journal of political Economy 106 (1998) 997-1032

OECD [Social Expenditure Update 2016](#)

Week 4 Trends in Income distribution: inequality, poverty and low income. Income retribution through taxes and transfers

Guest Speaker: Khalid Yahia, Senior Economist, Labour Economics Branch, Office of Economic Policy, Ontario Finance

Readings:

Atkinson, Anthony B. Inequality What Can be Done? Harvard University Press, 2015.
Chapter 3 The Economics of Inequality

[Opportunity for All Canada's First Poverty Reduction Strategy](#) Government of Canada, 2018. (You should probably skim the front and focus on Annex 1, 'The Statistical Fine Print')

Fortin N, Green DA, Lemieux T, Milligan K, Riddell WC. Canadian inequality: Recent developments and policy options. Canadian Public Policy. 2012 Jun;38(2):121-45.

Lemieux T, Riddell C. Who Are Canada's Top 1 Percent?. Income Inequality: The Canadian Story, edited by David A. Green, W. Craig Riddell and France St-Hilaire. The Institute for Research on Public Policy, Montreal,. 2015.

Week 5 Labour market developments and the jobs of the future Do we need to worry about the jobs of the future?

Guest Speaker: Matthias Oschinski, Director, Innovation Economics, MaRS Discovery District

Readings

[OECD Employment Outlook, 2018](#). Chapter 2

Richard B. Freeman [Who Owns the Robots Rules the World](#) IZA World of Labor, 2015

Matthias Oschinski and Rosalie Wyonch
[Automation on Canada's Labour Market](#)
472. 2017

[Future Shock? The Impact of](#)
C.D. Howe Institute, Commentary No.

Week 6 **Applied Quantitative Methods Class**

Exploring social assistance data set from the Ministry of Children, Community and Social Services

Class Preparation:

- No assigned readings.
- Review the data set(s) distributed by the instructor before class.
- Install SPSS from Queen's University on your computer before class.
- Bring your computer to class in week 5.

Reading Week

Week 7 Social Assistance, Employment insurance and other forms of income support

Readings

Alexandre Laurin, [The High Cost of Getting Ahead](#): How Effective Tax Rates Affect Work Decisions by Lower-Income Families C.D. Howe Institute, 2016

[Costing a National Guaranteed Basic Income Using the Ontario Basic Income Model](#)
Office of the Parliamentary Budget Officer, 2018 (Look for responses to this in Maclean's Magazine.)

Hugh D. Segal [Finding a Better Way: A Basic Income Pilot Project for Ontario](#)
Ontario, 2016

Additional Reference

Maytree Foundation: [Social Assistance Combined Summaries, 2017](#)

Week 8 Economics of education as social policy

Readings:

Jacques van der Gaag [Early Child Development: An Economic Perspective](#) World Bank Group Site Resources, 1997

Philip Oreopoulos [Do dropouts drop out too soon? Wealth, health and happiness from compulsory schooling](#) Journal of Public Economics, 2007,

Robert French and Philip Oreopoulos Applying behavioural economics to public policy in Canada Canadian Journal of Economics, 2017

Week 9 Housing markets and social policy. (Social housing, rent controls, planning)

Readings:

Ron Kneebone and Margarita Wilkins [Shrinking the Need for Homeless Shelter Spaces.](#) University of Calgary School of Public Policy, 2016

CMHC [About Affordable Housing in Canada](#) 2018 Web Page

Aaron A. Moore [Buildings with Benefits: The Defect of Density Bonusing](#) C.D. Howe Institute, 2018

Supplementary: RBC regular report on [Housing Affordability](#) in Canada

Week 10 Health and Social Policy

Guest Speaker: Joanne Plaxton, Director of the Health Equity Branch of the Ontario Ministry of Health and Long-Term Care

Readings

Kevin Milligan and Tammy Schirle [Rich Man, Poor Man](#): The Policy Implications of Canadians Living Longer C.D. Howe Instiute, 2018

Anne Case and Angus Deaton [Mortality and Morbidity in the 21st Century](#), Brookings Papers on Economic Activity, Spring 2017. (This paper is pretty long so you should look for the highlights of each section. Brookings also provides what they describe as a [non-technical discussion](#):

Week 11 Team presentations, Part 1

Week 12 Team presentations. Part 2

COURSE ASSESSMENT

1. Contentious Issue Note	20%
(2-3 pages; due week 4)	
2. Quantitative Analysis	15%
(Week 6)	
3. Policy Issue Brief	25%
(2-3-pages; due week 7)	
4. Group Project	
Presentation (20 minutes)	15%
Paper (15-20 pages; due one week after last class)	25%

Guidelines for Assignments

Contentious Issue Note

Short notes are prepared for a minister to use in the house to respond to possible questions on topics in her purview. Typically, they provide (1) a question to be answered, (2) suggested responses, (3) background points. Usually takes the form of bullet points.

A template for CI notes currently used in the Ontario government will be provided.

Quantitative Economic Analysis (15%)Week 7

The purpose of this assignment is to train student how to conduct basic quantitative economic social policy analysis using statistical software.

Instructions:

- Use the data provided by the instructor in class.
- You should conduct your analysis in SPSS (or SAS), which you can access free through Queen's
- You may work as individuals or in groups of two (2)

- Further Assignment details, questions, and examples will be distributed and discussed in class.

Policy Issue Brief (20%) Week 7

The purpose of this assignment is compile a professional policy brief on an emergent issue in the news media for your prospective boss.

Instructions

- Individual assignment.
- Text: Max. 2-pages, 2x spaced, 12-point font.
- Style: Full sentences and paragraphs.
- References: use embedded citations with bibliography at the end (bibliography does not count toward page count).

Your job is to prepare a policy brief for your boss, a Deputy Minister, on a topic in the news media that has policy implications for their Ministry.

Preparation:

1. Find an article in the media that you are interested in and has clear economic and/or social policy implications for federal or provincial government.
2. Identity the policy/law/regulation that the news article pertains to.
3. Identify the provincial or federal ministry that it pertains to.
4. Fact check the information in the media report.
5. What is the *Social Policy* aspect of the issue?
6. What are the *Economics* of the issue?

In preparing your brief, integrate the answers to the following questions:

1. Who is affected?

2. What is known about public sentiment on the issue? Can anything about public sentiment be inferred from the evidence available? (Be careful not to over-interpret)
3. Why is this issue important for the minister?
4. What is the history of the issue? Key facts, themes, moments?
5. Prospectus for the Minister:
 - a. Opportunities?
 - b. Areas of Caution?

Group Project (50%).....Weeks 11 & 12

Presentation.....	15%
Paper (15-20 pages).....	25%

Instructions:

- Group Assignment.
- Groups: ~4 people.
- Text: 2,000 and 5,000 words, 1.5-2x spaced, 12-point font. (excluding tables figures, bib, abstract, keywords etc.)
- Style: Full sentences and paragraphs.
- References: use embedded citations with bibliography at the end (bibliography does not count toward page count).

Your job, as a team, is to prepare a journal article targeting Queen's Journal of Public Policy (<http://www.queensu.ca/sps/qpr/call-papers>).

Your submission must meet the following submission criteria:

1. Include a 300 word abstract (does not count to toward work count).
2. Include up to 6 key words.
3. Names of each of the authors.
4. Discuss a past or emerging public policy issue relevant to the Canadian context (provincial or federal).

Simple Topic Areas (These are just ideas):

1. Pharma care (drug coverage)
2. Dental care
3. Climate Change
 - a. Pipelines
 - b. Carbon Tax
4. Indigenous-Settler Affairs
5. Transportation
6. Universal Basic Income vs. Social Assistance
7. Minimum Wage Increases
8. Increasing/decreasing income redistribution through the tax system
9. Preparing for 'jobs of the future'
10. Protecting precarious workers
11. Borders and Security
12. Social policy in rural areas with declining populations
13. Affordable housing
14. Public transit

Before preparing your paper, think about the following questions:

1. What are the Economics of the policy? What makes it Social Policy?
2. Why should the reader (policy people) care? Why is it important?
3. What new perspective are you bringing to the paper?
4. What have academics written on the topic Canada? In the US?
5. What is in the media on the issue/policy?

Written format:

1. Introduction
2. Literature & Media Review
3. Conceptual Framework – what can we understand this?
 - Economics
 - Social Policy
4. Incorporate quantitative analysis (ex. Stats Can, OECD, Pew Research).
5. Analysis (one or more of the following)
 - Analysis of relevant academic literature.
 - Policy/Regional Comparison.
6. Discussion
7. Conclusion

Presentation format:

- Time: Max 20 min.

- Power point (or similar) slides.

