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. There will be a big emphasis on collaborative group work.

INSTRUCTOR & CONTACT INFORMATION

Instructor: Patrick Deutscher
Email: pat.deutscher@msn.com or pd55@queensu.ca
Phone: TBA in class.
Office: Room 323, Robert Sutherland Hall, School of Policy Studies

Class Time: Wednesdays 1:30-4:20 pm
Office Hours: Wednesdays and Thursdays 10:00-12:00 and by appointment.

Course Outline

THE ORDER OF CLASSES COULD BE SHUFFLED DEPENDING ON THE AVAILABILITY OF GUEST SPEAKERS.

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


Dani Rodrik. 2015 Economics Rules: The Rights and Wrongs of the Dismal Science. Introduction The Use and Misuse of Economic Ideas and Chapter 1 The Use of Models. There is a PdF of this book that Rodrik has made available.
Jean Tirole. 2017. *Economics for the Common Good*. Read Chapter one, *Do You Like Economics?* It’s well worth reading all this book in which a Nobel winner deals with a range of issues, including many that could be categorized as social policy. A large part of the book focuses on issues facing France.

**Supplementary:**

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.

Fall 2019 Economic and Fiscal Statements of the federal and Ontario government

The most recent Fiscal Sustainability report from the Parliamentary Budget Office.

**Guest Speaker:** Brian Lewis, Ontario Chief Economist and ADM of the Office of Economic Policy in the Ministry of Finance

**Background:**


**Week 3**  
Measurement in the economics of social policy


OECD *Beyond GDP: Measuring What Counts for Economic and Social Performance*. Read the executive summary and the first two chapters.


**Week 4**  
Public sector social spending. Government as a provider of insurance.

**Guest Speaker:** Toby Sanger, Executive Director Canadian Foundation for Tax Fairness


OECD *Social Expenditure Update 2019*
The class will also cover how we pay for this through taxation. How is the tax burden shared? The tax system is also an important framework for delivering social policy goals.

Week 5  Trends in Income distribution: inequality, poverty and low income. Income retribution through taxes and transfers

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

Osberg, Lars. _The Age of Increasing Inequality. The Astonishing Rise of Canada’s 1%_. James Lorrimer & Company Ltd. 2019. This is a short and very readable book. For this class please read Chapter 1, ‘The Big Picture’, but it’s worthwhile to read all of it.

(You should probably skim the front and focus on Annex 1, ‘The Statistical Fine Print’)

_Further Background (optional)_


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 6  Labour market developments and the jobs of the future. Do we need to worry about the jobs of the future?

_Guest Speakers: Asa Motha-Polloch and Upeksha Amarasinghe of the Innovation Hub at the MaRS Discovery District_


Matthias Oschinski and Rosalie Wyonch  _Future Shock? The Impact of Automation on Canada’s Labour Market_ C.D. Howe Institute, Commentary No. 472. 2017

Supplementary: Richard B. Freeman  _Who Owns the Robots Rules the World_ IZA World of Labor, 2015

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

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.)

Additional Reference

Maytree Foundation: Social Assistance Combined Summaries, 2017


Week 8
Health and Social Policy

Guest Speaker: Joanne Plaxton, Director, Indigenous, French Language and Priority Populations Branch, Ontario Ministry of Health

Kevin Milligan and Tammy Schirle Rich Man, Poor Man: The Policy Implications of Canadians Living Longer  C.D. Howe Institute, 2018

Anne Case and Angus Deaton Mortality and Morbidity in the 21st Century, Brookings Papers on Economic Activity, Spring 2017. Brookings also provides what they describe as a non-technical discussion:

Week 9 Economics of education as social policy

Guest Speaker Kelly Shields, ADM Postsecondary Education Division, Ontario Ministry of Colleges and Universities


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

Ron Kneebone and Margarita Wilkins  Shrink the Need for Homeless Shelter Spaces. University of Calgary School of Public Policy, 2016

CMHC  About Affordable Housing in Canada  2018  Web Page

Supplementary: RBC regular report on Housing Affordability in Canada

Canada: Canada’s National Housing Strategy, 2017

Aaron A. Moore  Buildings with Benefits: The Defect of Density Bonusing  C.D. Howe Institute, 2018

Week 11  Team presentations, Part 1

Week 12  Team presentations. Part 2

COURSE ASSESSMENT

1. Group Quantitative Project........ 20%
   (due week 8)

2. Policy Issue Brief .............................. 20%
   (3-5-pages; due immediate before reading week)

3. Group Final Project
   Proposal (due before reading week) 5%
   Presentation (20 minutes) ............... 25%
   Paper (15-20 pages; due one week after last class) 30%

Guidelines for Assignments

Group Quantitative Project

A dataset documenting case load totals and selected characteristics of social assistance (SA) recipients is being provided by the Ontario Ministry of Children, Community and Social Services. The dataset presents quarterly information for communities throughout the province.

Students will be assigned to randomly selected groups and each of these teams will be given one of the communities to analyze. Details of the assignment will be provided and discussed early in the
Broadly speaking, the goal will be to use spreadsheets, statistical software and/or graphical software to describe the behaviour of SA in the community and to compare it to the rest of the province. Do other economic data or qualitative economic information about the community help to explain the SA data?

The format for the project will be a deck of slides (probably PowerPoint) that would be the basis for a 20-30-minute presentation (though you are unlikely to actually make a presentation) and a one-page summary of the main findings.

**Policy Issue Brief ........................................................................................................ Before Reading Week Begins**

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

Instructions

- Individual assignment.
- Text: Max. 5 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 .................................Weeks 11 & 12**

**Instructions:**

- Group Assignment. Students will be in the same team as in the quantitative analysis project.
- 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](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).

**Sample 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. Rent controls
6. Affordable housing
7. Transportation
8. Universal Basic Income vs. Social Assistance
9. Minimum Wage Increases
10. Increasing/decreasing income redistribution through the tax system
11. Preparing for ‘jobs of the future’
12. Protecting precarious workers
13. Borders and Security
14. Social policy in rural areas with declining populations

15. 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
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.