**WINTER 2022 − ECON 2823 WI01**

**Micro Economic Policy Issues**

**TIME:** Monday and Wednesday at 4:00 – 5:30pm **CLASSROOM**: BAC206

**INSTRUCTOR:** Dr. Burç Kayahan

**OFFICE LOCATION:** BAC340

**OFFICE TEL:** (902) 585 14 92

**EMAIL ADDRESS:** ckayahan@acadiau.ca

**OFFICE HOURS:** Virtualby appointment.

**DELIVERY METHOD:** In person

**ACADEMIC CALENDAR DESCRIPTION:**

Canada’s economy, like that of any other G8 country, is characterized by considerable government intervention. Using standard tools from microeconomic theory, this course examines the wisdom and folly of government policy. Topics include price and quantity controls, competition policy, public good provision, taxation and redistribution, and environmental protection.

**COURSE OBJECTIVES:**

The primary objective of this course is to expose students to research on contemporary economic issues. Moreover, this course will serve as a platform in which faculty showcases their research to students in an accessible fashion while engaging them in discussions around the policy implications of the topics covered.

**COURSE FORMAT:**

This course will be taught collectively by a group of economics faculty, namely Dr. Burc Kayahan, Dr. Justin Beaudoin, Dr. Brian VanBlarcom, Dr. Xiaoting Wang and Dr. Andrew Davis. Each faculty will take turns in presenting a research question over a two-week period (i.e. four lectures). Faculty presentations will follow the format outlined below:

Lecture 1: Introduction of the research question and summary of the literature on a given topic

Lecture 2: An overview of data & research methodology adopted

Lecture 3: Presentation of research findings on the topic

Lecture 4: Class discussion on the topic with a focus on policy implications when applicable

**TEXTBOOK:**

There is no assigned textbook for the course since it adopts a seminar style, however, there will be assigned readings (an academic article or chapters from other sources) prior to the presentation for each topic to familiarize students with the subject matter of each presentation.

**TOPICS COVERED IN THE COURSE**

**TOPIC 1:** "Environmental Inequity and Neighbourhood Characteristics in Ontario, Canada"

**Presenter:** Dr. Burc Kayahan

Environmental justice literature in USA shows that low-income and minority neighbourhoods have disproportionate exposure to environmental hazards (siting large industrial facilities and hazardous waste sites, air pollution concentrations, etc.). This topic focuses on measuring the empirical relationship between the pattern of toxic pollutant releases and neighbourhood characteristics in Ontario. In particular, using data from the Canadian Census and the National Pollutant Release Inventory, we will conduct an empirical investigation of environmental inequity in Ontario.

**TOPIC 2:** "Is Public Transit's 'Green' Reputation Deserved? Evaluating the Effects of Transit Supply on Air Quality"

**Presenter:** Dr. Justin Beaudoin

This topic focuses on measuring he effectiveness of investing in public transit as a policy tool to reduce air pollution. We will discuss the ideas of market failure in urban transportation, provide a brief sense of cost-benefit analysis and first-best vs second-best policies, go through the intuition of a theoretical model of how public transit could reduce pollution, and then discuss how I use data to try to answer this question.

**TOPIC 3:** “How to conduct an economic impact assessment in practice?”

**Presenter:** Dr. Brian VanBlarcom

An economic impact assessment involves estimation of incremental economic activity associated with a specific event, facility or government policy that would not have occurred in the absence of this event, facility or policy. How to implement an economic impact assessment in practice will be demonstrated using an impact guide created for recreation/tourism practitioners. The first part of the discussion will focus on the various steps in completing an economic impact assessment and include such things relevant economic variables, data collection, assessing direct and multiplied effects, etc. The second part of the module will examine/discuss examples of economic impact assessments authored by the instructor ranging from professional sports to national historic sites.

**TOPIC 4:** “A Primer on auctions with an application on carbon emission trading”

**Presenter:** Dr. Xiaoting Wang

Based on Vickrey (1961) and Milgrom (1989), we will discuss auction and bidding strategies, and auction as an efficient selling mechanism to allocate resources. Nova Scotia’s biannual auction on carbon emission allowances (with first auction held in June 2020) will be studied and compared with other mechanisms for carbon emission trade.

**TOPIC 5:** “How can we use household balance sheets to understand inequality?”

**Presenter:** Dr. Andrew Davis

Income and wealth inequality are major current debates, and often characterized by statistics, for example citing what fraction of income or wealth are held by the top 1%. How do we measure income and wealth inequality, and do we agree on how it should be measured? How can we use data on household finances to infer the causes and nature of modern economic inequality? What lessons does this hold for policymakers?”

**EVALUATION STRATEGY:**

Course evaluation strategy is based on grades awarded for participation as well as two term tests and a final exam.

Take-Home Exams: **80%** (Each test is worth 40%)

* Take-Home Exam 1: Topics 1 and 2, on February 9th (Wednesday)
* Take-Home Exam 2: Topics 3 and 4, on March 23rd (Wednesday)

**Note:** There will be no lectures on the dates of Take-Home exams.

Final Project: **20%**, Focused on Topic 5, due in the final exam period in April

Bonus Points: **10%**, Based on participation in class discussions in each topic

**ACCESIBLE LEARNING**

Location: Rooms 111-115, Rhodes Hall, 21 University Ave

Email Contact: [accessiblelearning.acadiau.ca](file:///Users/burckayahan/Desktop/accessiblelearning.acadiau.ca)

Accessible Learning Services works with students, staff, and faculty to facilitate academic accommodations and services for students with disabilities. All accommodations are based on the recommendations that are provided in students’ psychoeducational or medical assessments. Accessible Learning Services also provides academic strategy sessions for students, referrals to on-and-off campus resources, and educational awareness training.

For more information about Accessible Learning Services’ registration process and support services, please contact one of the staff members listed below or visit our website.

**Accessible Learning Services Contact Information:**

Marissa McIsaac, M.Sc; Disability Resource Facilitator, [disability.access@acadiau.ca](file:///Users/burckayahan/Desktop/disability.access%40acadiau.ca), 902-585-1520

Emily Duffett, MA; Accessibility Services Officer, [disability.access@acadiau.ca](file:///Users/burckayahan/Desktop/disability.access%40acadiau.ca), 902-585-1823

**CLASS PREPARATION:**

Students are expected to attend the classes in a regularly and organized manner. Given the seminar style of the course, it is imperative that students read the assigned articles in a timely manner and participate in class discussions to foster their understanding of the subject matter.

**COURSE WEBSITE:**

The course website will be available via Acadia Courseware & Online Resource Network (ACORN) at <http://acorn.acadiau.ca>. Make sure to check this site every week for course related materials and announcements that will be available as we progress throughout the course.

**ACADEMIC INTEGRITY:**

It is the responsibility of students to familiarize themselves with the University’s policy on academic integrity (**page 39 of the 2021-22 Academic Calendar).** Copying, plagiarism and other academic offences will not be tolerated. It is a serious offence to engage in **academic misconduct.** Penalties are severe and may result in suspension from a program/course and expulsion. A complete list of Academic Regulations can be found on the Policies page of the University’s website.