Economics

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Professor and Chair of the Department

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Professors

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Economics is the academic discipline most discussed by the general public, yet it is also one of the least understood. Economics is the social science that deals with problems of scarcity through a systematic and logical framework for analyzing how a society solves such problems as which goods and services to produce, how to organize production, and for whom goods and services are to be produced. Knowledge of economics is necessary for understanding and dealing intelligently with current topics like unemployment, economic growth, income inequality, the environment, globalization, and various forms of market regulation. Besides its importance in understanding contemporary social issues, economics is useful in developing career skills for business, law, teaching, public administration, and research. Both verbal and mathematical training are involved in the study of economics.

Notes

- 60% or higher in ECON 1010H and 1020H is a prerequisite for all upper-level Economics courses, with the possible exception of cross-listed courses, for which students should check the prerequisites.
- Courses in Economics fulfilling University science course requirements for the BSc are marked "Sc" in the individual course descriptions.
- ECON 2000H, 2010H, and 2610H are considered equivalent to the 3000 level in order to satisfy the University requirement for at least 7.0 credits beyond the 2000 level in the Honours program and at least 4.0 in the General program.
- It is strongly recommended that students in the single-major Honours program complete ECON 3200H and 3250H within the first 14.0 credits.
- It is strongly recommended that students in the joint-major Honours program complete ECON-ADMN 2250H and ECON 3200H within the first 14.0 credits.
- ECON 4010Y may be substituted (by Economics majors only) for ECON 4041H under specific conditions. Students wishing to pursue this option must obtain departmental approval by April 30 of the preceding year.

Bachelor of Arts and Bachelor of Science Programs in Economics

- In addition to the program requirements listed below, students must satisfy the University degree requirements (see p. 14).
- The same course may not simultaneously satisfy the requirements of both programs in a joint-major degree.
- ECON-ADMN 2200H and ECON 3200H fulfill the requirement for 1.0 MATH credit for the BSc in Economics.

The single-major Honours program. 20.0 credits which includes the following 9.5 credits:

- 6.5 ECON credits consisting of ECON 1010H, 1020H, 2000H, 2010H, 2200H, 2250H, 3000H, 3010H, 3200H, 3250H, 4000H, 4041H (or 4040Y), and 4050H
- 1.0 ECON credit at the 3000 level or beyond in addition to the above
- 2.0 ECON credits in addition to the above
- For the BSc, 14.0 science credits are required for the Honours degree, including 1.0 MATH credit

The joint-major Honours program. 20.0 credits which includes the following 7.0 credits:

- 4.0 ECON credits consisting of ECON 1010H, 1020H, 2000H, 2010H, 2200H, 2250H, 3200H, and 4041H (or 4040Y)
- 1.0 ECON credit from ECON 3000H and 4000H or from ECON 3010H and 4050H
- 0.5 ECON credit at the 3000 level or beyond in addition to the above
- 1.5 ECON credits in addition to the above
- For the BSc, 14.0 science credits are required for the Honours degree, including 1.0 MATH credit

The single-major General program. 15.0 credits which includes the following 6.0 credits:

- 3.0 ECON credits consisting of ECON 1010H, 1020H, 2000H, 2010H, 2200H, and 2250H
- 3.0 ECON credits in addition to the above
- For the BSc, 11.0 science credits are required for the General degree, including 1.0 MATH credit

The joint-major General program. 15.0 credits which includes the following 5.0 credits:

- 2.0 ECON credits consisting of ECON 1010H, 1020H, 2000H, and 2010H
- 3.0 ECON credits in addition to the above
- For the BSc, 11.0 science credits are required for the General degree, including 1.0 MATH credit

The minor in Economics consists of the following 5.0 credits:

- 2.0 ECON credits consisting of ECON 1010H, 1020H, 2000H, and 2010H
- 3.0 ECON credits in addition to the above

Please consult the academic timetable for information on courses that will be offered in 2019–2020, including when they will be scheduled.

» **ECON 1010H: Introductory Microeconomics (Sc)**
An introductory treatment of markets, prices, and outputs based on the behaviour of consumers, business firms, and the structure and organization of industries. Selected economic and social policies, including taxation, international markets, and trade policy, are also examined.

» **ECON 1020H: Introductory Macroeconomics (Sc)**
An introductory study of the total economy in terms of GDP, employment, unemployment, prices, and inflation using simple economic models. The Canadian banking system, monetary policy, the government sector, government budgets, and fiscal policy are examined. Selected aspects of international trade, the balance of payments, and exchange rates are included.

» **ECON 2000H: Intermediate Microeconomic Theory I (Sc)**
An examination of problems of demand and supply, market equilibrium, and market structure. A comprehensive treatment of the theoretical techniques used to deal with problems of resource allocation and applications of those techniques. Develops skills necessary for advanced work in economics. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON 2010H: Intermediate Macroeconomic Theory I (Sc)**
A study of output (GDP), employment, and inflation in the national economy, including the effects of monetary, fiscal, and exchange rate policies. Current macroeconomic models are used to examine fluctuations in economic activity, and the objectives, design, implementation, and evaluation of monetary and fiscal policies. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON-NURS-SOCI 2015H: Critical Perspectives on Aging (Sc) (see Nursing)**

» **ECON-ADMN 2200H: Introduction to Statistics for Economics and Management (Sc)**
Introduces statistical methods in an applied setting with an emphasis on the development of theory through interactive learning. The material covered includes descriptive statistics, data analysis, inference, and estimation techniques. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON-ADMN 2250H: Introduction to Mathematics for Economics and Management (Sc)**
Topics include partial and general equilibrium, elementary linear algebra, elementary calculus, basic optimization theory, comparative static analysis, and linear programming. These tools are integrated with and applied to micro and macroeconomic theory and managerial economics. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON-CAST 2610H: The Canadian Economy**
Problems and policies in Canadian economic development since 1929. Topics include the legacy of the Depression; government policy on trade, immigration, and foreign investment; macroeconomic stabilization and social welfare; trends in employment and unemployment; exchange rate policy; fiscal policy; and government budget deficits. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON 3000H: Intermediate Microeconomic Theory II (Sc)**
A continuation of ECON 2000H, examining the theory of general equilibrium, factor markets, externalities, public goods, and asymmetric information. Game theory is introduced. Prerequisite: ECON 2000H.

» **ECON 3010H: Intermediate Macroeconomic Theory II (Sc)**
A study of the monetary theory and financial markets as they relate to the performance of the aggregate economy and affect the design, implementation, and impact of monetary policy in Canadian and international contexts. Prerequisite: ECON 2010H.

» **ECON 3020H: Financial Economics**
An introduction to the economic analysis of investment decisions and financial markets. Key concepts include present-value formula, market efficiency, portfolio choice, risk, arbitrage, and asymmetric information. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON 3050H: Islamic Finance and Economics**
The study of Islamic finance and economics introduces students to financing using alternatives to the interest rate. The course explores the principles governing Islamic finance, banking, insurance, money, and capital markets. It examines Islamic finance and banking in the global economy, with attention to the Canadian financial environment. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON 3100H: Economic Growth**
An exploration of the underlying determinants of economic growth, including factor accumulation and technological progress. Considers the importance of political and social institutions for the process of economic development. Topics include capital accumulation, human capital acquisition, technological change, commodity and factor flows, income inequality, climate change, and government policies. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON 3110H: International Trade (Sc)**
Topics include theories of world trade and the analysis of trade policy and trade relationships in the world economy; the theory and practice of protectionism and preferential trade arrangements; the political economy of trade policy; the role and performance of international organizations; environmental aspects of trade; and international labour standards and trade. Support course for International Development Studies. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON 3120H: International Finance (Sc)**
Topics include the operation of international money and capital markets; theoretical and policy aspects of exchange rates and the balance of payments; macroeconomic management of domestic open economies; and the evolution, management, and reform of the international financial system. Support course for International Development Studies. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON 3160H: Public Economics (Sc)**
Efficiency criteria is emphasized in the theory and provision of public goods, voting behaviour, intergovernmental grants, and fiscal federalism. Focus on discussion of the efficiency and equity criteria in the theory and practice of personal and corporate income taxes, payroll taxation, and local government taxation in Canada. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON 3200H: Econometrics (Sc)**
Provides an elementary but comprehensive introduction to econometrics. Simple and multiple regression, regression diagnostics, and problems with testing economic relationships are all introduced within the classical regression framework. Prerequisite: ECON-ADMN 2200H and 2250H; or MATH 2560H; or MATH 2570H. Pre- or co-requisite: Both ECON 2000H and 2010H or permission of instructor.

» **ECON 3210H: Applied Econometrics (Sc)**
Integrates economic theory, econometric technique, and practical applications in empirical economics. The emphasis in this course is on the issues which arise in building empirical models. Students gain practical skill in the development of empirical models of the economy. Prerequisite: ECON 3200H or permission of the instructor.

» **ECON 3250H: Mathematical Economics and Economic Models (Sc)**
A continuation of ECON-ADMN 2250H. Mathematical techniques are used to set and solve economic problems. Topics include total differentiation, comparative static analysis under equilibrium models, unconstrained optimization, classical programming, concavity, convexity, quasi-concavity and quasi-convexity, homogeneous functions, integral calculus, exponential and logarithmic functions. Economic applications are stressed throughout. Prerequisite: ECON-ADMN 2250H or equivalent. Pre- or co-requisite: ECON 2000H and 2010H, or permission of instructor.

» **ECON-ADMN-IDST 3310H: The Economics of Developing Countries (Sc)**
Examines alternative models of growth and development, sectoral problems of LDCs (agriculture, education, health, environmental issues, etc.), planning strategies for economic development, and the diversity of the development experience. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON-ADMN-IDST 3330H: The Economics of Global Interdependence (Sc)**
The world economy and the place of less developed nations in an increasingly interdependent global system. Topics include a market-friendly strategy for the poor; globalization and its impacts; the growing literature on foreign aid and debt; the oil crisis; water scarcity and the potential for international water conflicts. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON 3400H: Managerial Economics**
A study of the various ways in which microeconomic principles and quantitative tools can be used to aid managers in making sound decisions. Topics include forecasting consumer demand, production and cost analysis, optimal pricing and production decisions, optimal hiring and investment decisions, and capital budgeting. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON 3410H: Industrial Organization (Sc)**
Study of markets, including perfect competition, monopoly, and imperfect competition. Special topics include product differentiation, collusion, measures of market concentration, mergers and vertical integration, predatory pricing, entry deterrence, advertising, vertical restraints, and antitrust policies. Prerequisite: ECON 2000H. Pre- or co-requisite: ECON-ADMN 2250H or equivalent.

» **ECON 3500H: Economics of Industrial Relations**
Topics include employer–employee relations, human resource management, theory and practice of collective bargaining, strikes, economic aspects of unions, and economics of labour policy. Prerequisite: 60% or higher in ECON 1010H and 1020H.

» **ECON 3510H: Labour Economics (Sc)**
The economic theory of labour markets used to understand their outcomes and evaluate policies. Topics include wage determination, minimum wages, human capital theory, returns to schooling, optimal compensation, and unemployment. Prerequisite: ECON 2000H.

» **ECON-ERSC 3810H: Environmental Economics (Sc)**
Examines the links between economic activity and environmental degradation. Topics include the valuation of environmental amenities, the use of incentives in regulation, the economics and environmental effects of market failure, and the rationale for government intervention. Prerequisite: 60% or higher in ECON 1010H and 1020H or permission of instructor.

» **ECON 3840H: Health Economics**
Economic analysis of the organization, financing, and utilization of health services. Topics include patterns of consumer and provider behaviour, the functioning and regulation of markets for health services, and policy issues in the provision of health care in Canada. Prerequisite: 60% or higher in ECON 1010H and 1020H or permission of instructor.

» **ECON 3900Y, 3901H: Reading Course**
Provides an opportunity for more intensive or broader study of a selected topic under the guidance of a faculty member. Prerequisite: 9.0 university credits, 60% or higher in ECON 1010H and 1020H, and permission of department chair.

» **ECON 4000H: Topics in Advanced Microeconomic Theory (Sc)**
Topics include development of utility theory from axiomatic preference theory; the structure of utility functions; duality in consumer theory; decision-making under uncertainty; general equilibrium models; welfare economics; and game theory. Prerequisite: ECON 3000H, ECON-ADMN 2200H or equivalent, and 2250H or equivalent.

» **ECON 4010Y: Research Project (Sc)**
Designed to help students develop independent research skills by working on a topic of individual interest, under the close supervision of a faculty advisor. Prerequisite: Open only to Honours Economics students who have earned at least 14.0 university credits, provided specific departmental criteria are met. Students must consult with the department prior to registration. Department approval by April 30 of the preceding year is required.

» **ECON 4041H: Research Methodology in Economics (Sc)**
Designed to develop students' abilities to conduct empirical research in economics. Students explore various forms of economic data and interpret and test economic models by applying statistical methods developed in the course of the program to interpret the data and draw inferences about the economic model tested. Prerequisite: Open only to Honours Economics students who have earned at least 14.0 university credits, including ECON 2000H, 2010H, and 3200H. Excludes ECON 4040Y.

» **ECON 4050H: Topics in Advanced Macroeconomics (Sc)**
A study of selected topics and issues, including output and inflation models, business cycles and fluctuations, and alternative approaches to monetary and fiscal policy design and implementation. Prerequisite: ECON 3010H, ECON-ADMN 2200H or equivalent, and 2250H or equivalent.

» **ECON 4200H: Topics in Econometrics (Sc)**
Examines theory and practice in the estimation and testing of economic models with an emphasis on alternatives to simple regression, as they relate to particular economic and statistical issues in an applied setting. Students gain experience in evaluating and refining empirical models of economic phenomena. Prerequisite: ECON 3200H.

» **ECON-MATH 4251H: Advanced Mathematical Methods for Economics (Sc) (see Mathematics)**

» **ECON 4900Y, 4901H: Reading Course**
Provides an opportunity for more intensive or broader study of a selected topic under the guidance of a faculty member. Prerequisite: Open to students who have earned at least 14.0 university credits and have achieved an average of at least 75% in ECON courses completed, and permission of department chair.