

NEW COURSE OFFERING IN THE 2013 LATE SUMMER (JULY-AUGUST) TERM**ECON 5/4880 U/C – SPECIAL TOPICS IN ECONOMICS:
FISCAL POLICY IN CANADA: PRACTICE AND CHALLENGES****Course description**

The course will deal with the formulation and implementation of fiscal policy by the federal government over the last 30 years. This will involve assessing the inputs (both analytical and political) into decision-making, the importance of public communications, the role of federal-provincial relations, and the roles of the bureaucracy and Cabinet.

Areas covered will include co-ordination of government policies in budget planning, the role of central agencies, Cabinet committees and departments, the importance of transparency and accountability, the role of Parliament (budget bills), the role of the Parliamentary Budget Officer, PBO, constitutional responsibilities, the structure of revenues and expenses, expenditure reduction models, structural/cyclical budget balances, and long-term fiscal sustainability.

Background

The budget is the most anticipated policy and political statement of the government. It is about choices—picking winners and losers—affecting all Canadians, not only immediately but future generations as well. It is all encompassing, affecting all policy areas of the government. The budget at any particular point of time is determined by past and current events, reflective of the spending and tax programs currently in place. The role of government is the subject of a never-ending debate, with decisions heavily influenced by politics. There has been a significant transformation over the last three decades – expansion of government, addressing inflationary pressures, addressing fiscal “crises,” control of the debt, federal-provincial relations, among others. This course will assess these issues and examine the prospects for fiscal policy in the future.

Who should take this course?

(i) Graduate students in Economics or in other academic units at Carleton (such as NPSIA and SPPA), (ii) graduate students in economics at other universities who are visiting Ottawa in July and August, (iii) qualifying-year students with advanced-level undergraduate macroeconomics training, and (iv) upper-year undergraduate students who have earned a grade of C+ or higher in each of ECON 2030 and ECON 2103, and who:

- a) would like to gain in-depth knowledge about budget making at the federal government level;
- b) are interested in improving their understanding of economic and fiscal policy concepts in the context of budget making;
- c) are interested in the role of fiscal policy in the operation of the economy, development of social policy, and co-ordination with monetary policy;

- d) intend to work in the government (federal, provincial, territorial, or municipal), in non-profit organizations, and in financial institutions focusing on public finance;
- e) are interested in fiscal policy.

Teaching approach

The format of the course will be a combination of lectures, class participation, and discussion. Students will be expected to read course material—mostly budget documents and IMF/OECD studies and reports—before class to increase the value of their contributions to in-class discussions. The purpose of this course is to provide a student with practical knowledge about how policy is made.

The instructors

Scott Clark is president of C.S. Clark Consulting. Prior to that, he held a number of senior positions in the Canadian government dealing with both domestic and international policy issues, including Deputy Minister of Finance and Senior Advisor to former Prime Minister Chrétien. He has an Honours B.A. in economics and mathematics from Queen's University and a Ph.D. in economics from the University of California at Berkeley.

Peter DeVries held a number of senior positions within the federal government. For over 25 years he was involved in the co-ordination and preparation of the federal government's budget and fall economic and fiscal updates in the Department of Finance. He has an M.A. in economics from McMaster University.

Between the two of them they have a combined experience of over thirty budgets.

Queries

If you have any questions related to course content, feel free to contact the instructors at ptdevries@rogers.com or clark.cscott@gmail.com.

Questions related to graduate-student registration in the course (ECON 5880 R) should be directed to the Department of Economics Graduate Administrator, Marge Brooks, at marge_brooks@carleton.ca.

Questions related to undergraduate-student registration in the course (ECON 4880 B) should be directed to the Dept. of Economics Undergraduate Advisor, Amanda Wright, at amanda_wright@carleton.ca.