

Analysing Current Economic Issues, Grade 12

University Preparation

CIA4U

This course examines current Canadian and international economic issues, developments, policies, and practices from diverse perspectives. Students will explore the decisions that individuals and institutions, including governments, make in response to economic issues such as globalization, trade agreements, economic inequalities, regulation, and public spending. Students will apply the concepts of economic thinking and the economic inquiry process, as well as economic models and theories, to investigate, and develop informed opinions about, economic trade-offs, growth, and sustainability and related economic issues.

Prerequisite: Any university or university/college preparation course in Canadian and world studies, English, or social sciences and humanities

OVERVIEW

The course has five strands. Instruction and learning related to the expectations in strand A are to be interwoven with instruction and learning related to expectations from the other four strands. Strand A must not be seen as independent of the other strands. Student achievement of the expectations in strand A is to be assessed and evaluated *throughout* the course.

Strand A

A. Economic Inquiry and Skill Development
Overall Expectations
A1. Economic Inquiry: use the economic inquiry process and the concepts of economic thinking when investigating current Canadian and international economic issues
A2. Developing Transferable Skills: apply in everyday contexts skills developed through economic investigation, and identify various careers in which a background in economics might be an asset

(continued)

Overview *(continued)*

Throughout this course, when planning instruction, teachers should weave the expectations from strand A in with the expectations from strands B–E.

Strands B–E

Overall Expectations and Related Concepts of Economic Thinking	Big Ideas*	Framing Questions*
B. Fundamentals of Economics		
B1. Scarcity and Choice: demonstrate an understanding of the significance of the concept of scarcity and how it influences economic choices and decisions of various economic stakeholders (FOCUS ON: <i>Economic Significance; Stability and Variability</i>)	Scarcity is a fundamental economic problem and has a major impact on economic choices and decisions.	How does scarcity affect the economies of different regions and countries? What factors tend to contribute to economic change and stability?
B2. Supply and Demand Models: demonstrate an understanding of supply and demand models, including how to apply these models, and of factors that affect supply and demand (FOCUS ON: <i>Cause and Effect; Stability and Variability</i>)	Economists use supply and demand models to analyse and illustrate factors affecting economic choices.	How do different groups influence economic decision making?
B3. Growth and Sustainability: analyse aspects of economic growth/development, including its costs, benefits, and sustainability (FOCUS ON: <i>Cause and Effect; Economic Perspective</i>)	Economic growth and development can have social, cultural, and environmental consequences.	Why is it important to try to find a balance between different ideas and stakeholders when making an economic decision?
B4. Economic Thought and Decision Making: analyse how economic and political ideas and various socio-cultural factors affect economic decision making (FOCUS ON: <i>Economic Significance; Economic Perspective</i>)	When making major economic decisions, it is important to consider different theories and perspectives.	
C. Firms, Markets, and Economic Stakeholders		
C1. The Firm and Market Structures: demonstrate an understanding of markets and theories of the firm (FOCUS ON: <i>Cause and Effect; Stability and Variability</i>)	Firms and market structures affect, and are affected by, regulations and various stakeholders.	In what ways has technology changed the dynamic between consumers and producers?
C2. Economic Trade-Offs and Decisions: analyse economic trade-offs from the perspective of different stakeholders, including those in different countries, and how trade-offs influence economic decisions (FOCUS ON: <i>Economic Significance; Economic Perspective</i>)	Every economic decision involves a trade-off.	When investigating a current economic issue, why is it important to take the perspectives of different stakeholders into account?
C3. The Role of Government in Redressing Imbalance: explain ways in which governments, both in Canada and internationally, intervene in the economy to help address social needs and economic imbalances (FOCUS ON: <i>Stability and Variability; Economic Perspective</i>)	Governments in different countries take different approaches to address economic imbalances and allocate scarce resources.	What are some ways in which governments address economic and social inequality? Why might some governments choose economic prosperity over other considerations when making an economic decision?

* See page 17 for a discussion of the purpose of big ideas and framing questions.

Overall Expectations and Related Concepts of Economic Thinking	Big Ideas*	Framing Questions*
D. Macroeconomics		
D1. Macroeconomic Models and Measures: demonstrate an understanding of various macroeconomic models and measures, including indicators used to measure economic inequalities, and assess their usefulness (FOCUS ON: <i>Stability and Variability; Economic Perspective</i>)	Statistical indicators are useful tools for comparing countries and analysing global economic issues.	What considerations are missing from some of the common indicators used to measure economic growth and well-being?
D2. Fiscal Policy: demonstrate an understanding of fiscal policy in Canada, including how it is shaped and its impact (FOCUS ON: <i>Economic Significance; Cause and Effect</i>)	A government's fiscal policies have an impact on individuals, organizations, and other levels of government.	What are some ways in which individuals and/or groups influence economic policies in a country?
D3. Monetary Policy: analyse various aspects of monetary policy in Canada and their impact on the economy (FOCUS ON: <i>Cause and Effect; Economic Perspective</i>)	The Bank of Canada's monetary policies affect financial institutions and thus consumer decisions.	How does the Bank of Canada influence financial markets? How do the fiscal policies of the federal government affect individuals in Canada?
E. Global Interdependence and Inequalities		
E1. Theories and Models of International Trade: analyse various theories, models, and issues relating to international trade (FOCUS ON: <i>Economic Significance; Stability and Variability</i>)	Changes in international trade practices and agreements have an impact on the individual consumer.	Why is it important to be aware of the ethical and/or environmental implications of trade practices?
E2. International Economic Developments: analyse the impact of some key international economic events and developments as well as various responses to them (FOCUS ON: <i>Stability and Variability; Economic Perspective</i>)	The shifting global economy has an impact on how different nations, groups, and individuals respond to economic problems.	How does economic globalization affect society, culture, and the environment? How might an individual or group address economic inequality and the problems that are associated with it?
E3. International Economic Power and Inequality: explain the main causes and effects of global economic disparities and assess the effectiveness of responses to these disparities (FOCUS ON: <i>Cause and Effect; Economic Perspective</i>)	Economic disparity continues to be a national and international problem.	How do people create economic change?

A. ECONOMIC INQUIRY AND SKILL DEVELOPMENT

OVERALL EXPECTATIONS

Throughout this course, students will:

- A1. Economic Inquiry:** use the economic inquiry process and the concepts of economic thinking when investigating current Canadian and international economic issues;
- A2. Developing Transferable Skills:** apply in everyday contexts skills developed through economic investigation, and identify various careers in which a background in economics might be an asset.

SPECIFIC EXPECTATIONS

A1. Economic Inquiry

Throughout this course, students will:

- A1.1** formulate different types of questions to guide investigations into current national and global economic issues (e.g., factual questions: *What type of economic system does Sweden have?*; comparative questions: *How do the Human Development Index and gross domestic product of Canada compare to those of countries with emerging economies?*; causal questions: *What factors affect supply and demand?*)

- A1.2** select and organize relevant data, evidence, and information on current Canadian and international economic issues from a variety of primary and secondary sources (e.g., primary: *data from Statistics Canada or international statistical agencies, forecasts from international financial institutions, government budgets, treatises by economists*; secondary: *articles; business reports; documentaries or other films; newspapers; websites of governments, businesses, and/or non-governmental organizations*), ensuring that their sources reflect a range of perspectives

Sample questions: “If you wanted to compare economic data on different countries, what types of sources might you consult? What types of data can you obtain from these sources? What economic indicators do they report on? Where might you find data on alternative economic indicators?” “If you were investigating the environmental impact of a particular company or industry, why would it be important to consult sources in addition to the company’s website and reports?”

- A1.3** assess the credibility of sources, data, evidence, and information relevant to their investigations (e.g., *by considering how the data or information was constructed; the accuracy and/or context of the evidence; the intended audience; the bias, purpose, values, and/or expertise of the author*)

Sample questions: “Whose point of view is represented in this source? How do you know? Does this person or group have a vested interest in the issue being addressed? If so, do you think this affects the reliability of the source?” “How might you assess the reliability of statistics from online sources?”

- A1.4** interpret and analyse data, evidence, and information relevant to their investigations, using various tools, strategies, and approaches appropriate for economic inquiry (e.g., *interpret data in a graph on the economic impact of a government policy; interpret the information on income inequality presented in a Lorenz curve; use a Venn diagram or other graphic organizer to help them compare two different economic theories; analyse data to test a particular economic theory*)

Sample questions: “What does this graph reveal about supply and demand?” “What criteria might you use to assess monetary policy in Canada? Why did you choose these criteria?” “What type of graphic organizer do you think would be most useful in helping you compare different market structures?”

- A1.5** use the concepts of economic thinking (i.e., economic significance, cause and effect, stability and variability, and economic perspective) when analysing and evaluating data, evidence, and

information and formulating conclusions and/or judgements about current Canadian and international economic issues (e.g., use the concept of economic significance to help them determine the impact of government spending on individuals and/or businesses; take the concept of cause and effect into consideration when analysing supply and demand in relation to non-renewable natural resources; apply the concept of stability and variability when analysing changes to the global balance of economic power; use the concept of economic perspective when analysing the costs and benefits of a trade agreement to ensure that they consider how the agreement has affected different groups)

Sample questions: “What criteria would you use to determine the economic significance of a policy?” “Why might it be appropriate to apply the concept of economic perspective when analysing the rights of workers? How might this concept deepen your analysis of these rights? What other concepts of economic thinking might be relevant? Why?”

- A1.6** evaluate and synthesize their findings to formulate conclusions and/or make informed judgements and/or predictions about the economic issues they are investigating

Sample questions: “What conclusions did you reach about the causes of global economic inequality? What evidence supports your conclusions? Did you find evidence that did not support your conclusion? What made you decide that your other findings outweighed this evidence?”

- A1.7** communicate their ideas, arguments, and conclusions using various formats and styles, as appropriate for the audience and purpose (e.g., a report, including tables and graphs, on the economic impact of globalization; a persuasive essay on ways to address global economic disparities; a presentation on trends in international trade; a seminar on issues associated with macroeconomic indicators; a debate on the value of different economic theories; a web page on the costs of black and grey markets; a blog discussing global environmental issues associated with economic development)

- A1.8** use accepted forms of documentation (e.g., footnotes or endnotes, author/date citations, reference lists, bibliographies, credits) to reference different types of sources (e.g., articles, blogs, books, films, online documents, statistical reports, tables and graphs, websites)

- A1.9** use appropriate terminology when communicating the results of their investigations (e.g., vocabulary specific to their inquiry topics; terminology related to economics and the concepts of economic thinking)

A2. Developing Transferable Skills

Throughout this course, students will:

- A2.1** describe ways in which economic investigations can help them develop skills, including the essential skills in the Ontario Skills Passport (e.g., reading texts, writing, document use, computer use, oral communication, numeracy skills) and skills related to financial literacy, that can be transferred to postsecondary opportunities, the world of work, and everyday life

- A2.2** apply in everyday contexts skills and work habits developed through economic investigations (e.g., use skills related to budgeting, or weighing opportunity costs, to help them make responsible financial decisions; analyse trade-offs to make informed consumer decisions; analyse the meaning of statistics in a news report; apply work habits such as collaboration to help them deal with conflict and build consensus, or self-regulation to monitor their progress towards a particular financial goal)

- A2.3** apply the concepts of economic thinking when analysing current events involving economic issues (e.g., the release of a new report on inequitable distribution of wealth in the world or on child labour; demonstrations in support of First Nations land claims; a major accident at a sweatshop in the developing world; a new trade agreement that concerns Canada; a new political conflict with potential economic impact; changes to government policy regarding carbon emissions) in order to enhance their understanding of these events and their role as informed citizens

Sample questions: “What are the positions of different stakeholders with respect to the building of energy pipelines in Canada? How might applying the concepts of economic perspective and cause and effect help you deepen your understanding of this issue?”

- A2.4** identify various careers in which the skills learned in economics might be useful (e.g., accountant, banker, economist, educator, entrepreneur, financial consultant, fundraiser, human resources manager, journalist, lawyer, policy analyst, politician)

B. FUNDAMENTALS OF ECONOMICS

OVERALL EXPECTATIONS

By the end of this course, students will:

- B1. Scarcity and Choice:** demonstrate an understanding of the significance of the concept of scarcity and how it influences economic choices and decisions of various economic stakeholders (**FOCUS ON:** *Economic Significance; Stability and Variability*)
- B2. Supply and Demand Models:** demonstrate an understanding of supply and demand models, including how to apply these models, and of factors that affect supply and demand (**FOCUS ON:** *Cause and Effect; Stability and Variability*)
- B3. Growth and Sustainability:** analyse aspects of economic growth/development, including its costs, benefits, and sustainability (**FOCUS ON:** *Cause and Effect; Economic Perspective*)
- B4. Economic Thought and Decision Making:** analyse how economic and political ideas and various sociocultural factors affect economic decision making (**FOCUS ON:** *Economic Significance; Economic Perspective*)

SPECIFIC EXPECTATIONS

B1. Scarcity and Choice

FOCUS ON: *Economic Significance; Stability and Variability*

By the end of this course, students will:

- B1.1** compare, with reference to specific countries, how different economic systems (i.e., market, mixed, traditional, command) answer the three fundamental economic questions about production (i.e., what, how, and for whom to produce)

Sample questions: “How would you characterize the economic systems of Canada, Cuba, and Sweden? What impact do these systems have on how these countries make decisions about production?”

- B1.2** explain, using both normative and positive economic analysis, the interrelationship between needs/wants, production decisions, and consumer choices and decisions

Sample questions: “How might normative and positive economic analyses differ in their assessment of the role of planned obsolescence?” “What role does marketing play in production decisions? What impact can marketing/advertising have on people’s wants and what they may perceive to be their needs?” “If positive economic analysis focuses on facts, how can positive analyses of the same issue reach different conclusions or support different economic decisions?”

- B1.3** demonstrate an understanding of production possibilities curves (PPCs) and how they can be used to guide economic decisions about the allocation of scarce resources (e.g., *decisions about how to achieve full employment; trade-offs with respect to the production of consumer goods and capital goods; whether to invest in new technology, given its likely impact on production*)

Sample questions: “Why do economists often use ‘guns’ and ‘butter’ as alternatives when explaining PPCs? What do these goods signify?”

- B1.4** explain how the concepts of scarcity and opportunity costs influence economic decisions, at both the personal and societal levels (e.g., *the opportunity costs of going to university or college or of entering the workforce after high school; the allocation of limited government resources to infrastructure, education, or health care*)

Sample questions: “What is the relationship between scarcity and opportunity costs?” “What are some economic decisions in your own life and/or that of your family in which opportunity costs were assessed in order to reach a decision?”

- B1.5** explain the costs and benefits of some individual financial choices (e.g., *saving for the future or spending money now, getting a student line of credit or a student loan, enrolling in postsecondary education or taking employment, renting or buying a home*)

B2. Supply and Demand Models

FOCUS ON: *Cause and Effect; Stability and Variability*

By the end of this course, students will:

B2.1 demonstrate an understanding of models of supply and demand, including price elasticity, and apply these models to analyse selected economic decisions

Sample questions: “In supply and demand models, what factors influence equilibrium?” “Why might a government institute price controls on certain commodities?” “How might issues related to supply and demand influence the decision of an individual to move from a First Nation reserve to an urban centre?”

B2.2 explain how various factors, including taxation, affect supply and demand (e.g., technology, advertising, weather, shortages of raw materials or labour, price, land transfer tax, sales and/or goods and services taxes)

Sample questions: “What might be the impact of taxes on products of different price elasticity? Why might the government choose to tax these products differently?” “What are some factors that affect the supply of and demand for oil?”

B2.3 use supply and demand models to analyse consumer decision making (e.g., how effective marketing or a change in the price of a product can affect consumer demand; how scarcity in the supply of a product can enhance the status associated with ownership; how the number and type of alternative products available can affect consumers’ decisions)

Sample questions: “Why do people line up for hours to purchase the latest game system or smartphone?” “Why are all new cars not hybrids?” “What external and internal factors might affect a consumer’s decision about which running shoes to purchase?”

B3. Growth and Sustainability

FOCUS ON: *Cause and Effect; Economic Perspective*

By the end of this course, students will:

B3.1 describe the factors of production (i.e., labour, capital, land, entrepreneurship), and analyse the implications of the scarcity of these factors for sustainable development

Sample questions: “What does ‘land’ comprise when it is considered as a factor of production? What are the implications of the scarcity of the components of land for economic development? What might be the long-term effect if land is not

used in a sustainable way?” “What are some ways in which governments try to ensure that there are enough skilled workers to support economic development?”

B3.2 analyse issues associated with the efficient use of the factors of production and the relationship between efficiency, growth, and sustainability (e.g., how the relocation of manufacturing from Canada to China to maximize efficient use of capital has affected workers in Canada and the environment in China; how economies of scale associated with mass production can result in lower prices for consumers but put pressure on small producers)

Sample questions: “Does economic efficiency guarantee sustainability? Why or why not?” “What are the implications of measuring economic efficiency solely in terms of money? What other criteria might one use to assess efficiency? Does changing the criteria by which one might measure efficiency change the relationship between efficiency and sustainability?”

B3.3 assess the benefits and costs, including the environmental costs, of economic growth (e.g., with reference to job creation, loss of jobs as a result of relocation offshore or technological changes, increase in gross domestic product [GDP], technological innovation, new products, increasing consumerism, corporate consolidation and growth of multinational corporations, overfishing, deforestation, air and water pollution, climate change)

Sample questions: “What are some of the environmental costs of economic growth? Can there be environmental benefits to such growth?” “When you analyse examples of economic growth in a region or country, does everyone seem to benefit? If not, who is most likely to benefit? Who is least likely?” “Are the benefits of economic growth largely economic or do they benefit other areas of life as well?”

B3.4 explain the concepts of negative and positive externalities, and apply these concepts when analysing the third-party costs and benefits of various policies, including those intended to enhance environmental sustainability

Sample questions: “What negative externalities are associated with the tobacco industry? Who bears the costs associated with these externalities? What are some government policies that attempt to reduce these costs?” “What are the positive and negative externalities associated with constructing dedicated bicycle lanes in a city?”

B4. Economic Thought and Decision Making

FOCUS ON: *Economic Significance; Economic Perspective*

By the end of this course, students will:

B4.1 explain the key ideas of a variety of prominent economic theorists (*e.g., Adam Smith, Thomas Malthus, Karl Marx, Henry George, John Maynard Keynes, John K. Galbraith, Deirdre McCloskey, Mahbub ul Haq, Marilyn Waring, Paul Romer, Judith Maxwell, Thomas Piketty, Thomas Sowell, Elinor Ostrom, Dambisa Moyo*), and assess the extent to which they influence current economic thought

Sample questions: “What are some differences among economic theorists regarding government intervention in the economy?” “What arguments do different economists make for how we should respond to poverty?” “How influential are Keynesian ideas today?”

B4.2 explain how governments with different political perspectives (*e.g., fascist, neoliberal, socialist, communist*) respond to economic challenges, including the allocation of limited resources among competing interests

Sample questions: “What are the main differences between neoliberal and communist responses to economic challenges? What are some policies in the United States and China that reflect these differences?”

B4.3 analyse ways in which sociocultural factors (*e.g., class, gender, ethnicity, age, education, beliefs and values, the media*) and the influence of political-economic stakeholders (*e.g., firms, lobby groups, think tanks, unions, interest groups*) affect economic decisions

Sample questions: “How and why might a person’s class affect his or her economic decisions?” “In what ways do the economic decisions of young people tend to differ from those of older people?” “What are some ways in which interest groups try to influence government economic policy? Do some groups have more influence than others? If so, why?”

C. FIRMS, MARKETS, AND ECONOMIC STAKEHOLDERS

OVERALL EXPECTATIONS

By the end of this course, students will:

- C1. The Firm and Market Structures:** demonstrate an understanding of markets and theories of the firm (**FOCUS ON:** *Cause and Effect; Stability and Variability*)
- C2. Economic Trade-Offs and Decisions:** analyse economic trade-offs from the perspective of different stakeholders, including those in different countries, and how trade-offs influence economic decisions (**FOCUS ON:** *Economic Significance; Economic Perspective*)
- C3. The Role of Government in Redressing Imbalance:** explain ways in which governments, both in Canada and internationally, intervene in the economy to help address social needs and economic imbalances (**FOCUS ON:** *Stability and Variability; Economic Perspective*)

SPECIFIC EXPECTATIONS

C1. The Firm and Market Structures

FOCUS ON: *Cause and Effect; Stability and Variability*

By the end of this course, students will:

- C1.1** explain the main similarities and differences between various types of firms (*e.g., sole proprietorships, private limited companies, partnerships, cooperatives, Crown corporations, multinational corporations, not-for-profit companies*)

- C1.2** describe various types of market structures (*e.g., monopoly, perfect competition, oligopoly, monopolistic competition*) and assess their advantages and disadvantages for different stakeholders

Sample questions: “What are the advantages and limitations of a monopoly and a firm in perfect competition?” “How do firms in different market structures reach and maintain equilibrium?” “How would you characterize the Organization of the Petroleum Exporting Countries (OPEC) with respect to its market structure? What impact does the organization have on prices and consumer behaviour?”

- C1.3** analyse how new technology has affected markets and consumers (*e.g., with reference to e-tail, e-commerce payment systems, planned obsolescence of electronics, consumers’ digital footprints and concerns about privacy, availability of information on companies and products on the Internet*)

Sample questions: “What impact does rapidly changing personal digital/communications technology have on markets?” “How has online shopping affected consumer choices?” “What role does the Internet play in the peer-to-peer exchanges that characterize the sharing economy?”

- C1.4** explain ways in which businesses are regulated in different countries (*e.g., regulations against insider trading, fraudulent practices, discriminatory hiring practices; environmental, labelling and signage, accessibility, health and safety regulations; minimum wages; working conditions; antitrust legislation; marketing boards*), and assess the impact of this regulation on businesses, markets, workers, and consumers

Sample questions: “What are some ways in which competition regulation in Canada has affected business?” “How does regulation of business affect consumer choices?” “How are international trade opportunities affected by national and local business regulations? Why might a foreign investor choose not to invest in a country with complicated or seemingly arbitrary business regulations?” “Why do some countries have weaker health and safety and/or environmental regulations than others?”

- C1.5** describe changes in the economic influence of markets and the public sector in Canada, and assess the impact of these changes (*e.g., with references to changes in the availability of public*

services, deregulation, privatization of some services and/or Crown corporations)

Sample questions: “What changes have there been in the past few decades with respect to the balance between markets and the public sector? Do you think there are any goods or services that are currently produced in the public sector that should be open to markets? Why or why not? What might be the impact of increased privatization?”

- C1.6** analyse, from the perspectives of individuals, firms, and governments, the trade-offs associated with economic activity in grey and black markets (e.g., illegal downloading and other types of copyright infringement, tax evasion, unreported work or work done by undocumented workers)

Sample questions: “Why are activities in black/grey markets not included in gross domestic product (GDP)? What is the significance of this omission?” “What are the costs and benefits of grey markets for consumers?” “What impact does the underground economy have on government revenues? How can this affect the citizens of a country?”

C2. Economic Trade-offs and Decisions

FOCUS ON: Economic Significance; Economic Perspective

By the end of this course, students will:

- C2.1** demonstrate an understanding of economic trade-offs (e.g., whether to buy a car or a transit pass, to rent an apartment or buy a house, to send a child from an impoverished family to school or to work, to pay down government debt or increase government spending on infrastructure or social services), and explain their significance for individuals and society

Sample questions: “What are some ways in which economic trade-offs might differ for the average person in developing and developed countries?” “How might the cost of childcare affect the decision of parents regarding paid employment?”

- C2.2** analyse how different stakeholders view the trade-off between economic growth and concerns for the environment (e.g., with reference to coal-fired electrical plants to support manufacturing in China and concerns about air quality; debates about the economic and environmental impact of the North American energy pipelines and/or the continuing development of the Alberta oil sands; the expansion of farmland at the expense of rain forest; innovations such as genetically

modified seeds/foods and their impact on ecosystems; firms that invest in the development of non-renewable resources and those that fund research on alternative energy)

Sample questions: “Why did Ottawa initially sign the Kyoto Protocol? Why did it subsequently withdraw from it?” “How do carbon taxes try to address the environmental impact of economic growth? Why are they controversial?” “How do different stakeholders view the privatization and/or sale of water?”

- C2.3** evaluate the impact of some key socio-economic trends on economic policy in different countries (e.g., trends related to income inequality, pensions, unemployment, aging populations in some countries, gender roles/relations, immigration, increasing public debt)

Sample questions: “How are different governments addressing trends related to labour shortages? What impact do policies with respect to migrant workers have in these countries?” “How does an increase in public debt affect the policy options and decisions of various governments?”

- C2.4** assess some responses, or possible responses, to current economic issues, using cost/benefit analysis (e.g., the cost and benefits of carbon taxes, oil/gas pipelines, child labour, sweatshops, high housing costs, foreign debt relief)

Sample questions: “What are the costs and benefits of plans to build North American energy pipelines? Why is it important to take the perspectives of different stakeholders – such as the oil/gas industry, manufacturers relying on such energy, environmentalists, and First Nations, Métis, and/or Inuit peoples – into account when analysing these costs and benefits?”

C3. The Role of Government in Redressing Imbalance

FOCUS ON: Stability and Variability; Economic Perspective

By the end of this course, students will:

- C3.1** explain how economic factors influence the allocation by governments, both in Canada and internationally, of scarce resources to address social needs (e.g., access to education, health care, and housing; support services for disabled people, immigrants, poor people)

Sample questions: “Why are flu-shot clinics set up in Ontario during flu season? What economic

considerations underlie this practice?" "Why do governments offer student loans for postsecondary education?"

C3.2 explain programs and policies of governments in various countries designed to narrow income inequality (*e.g., progressive income tax, child tax credits, micro loans, affirmative action, educational policies, employment insurance, social assistance*), and assess their effectiveness

Sample questions: "What are some government strategies designed to respond to homelessness in Canada? How are these similar to or different from strategies in some other countries?" "What impact do government microcredit programs have on the standard of living of individuals and their communities?"

C3.3 explain the role and rights of workers as well as the role of governments, both in Canada and internationally, in shaping and enforcing these rights (*e.g., with reference to collective bargaining rights, the Rand formula in Canada and labour legislation in other countries, minimum wages, maximum hours, health and safety legislation, regulations against discrimination and harassment, child labour laws*)

Sample questions: "How do the rights of workers to unionize differ in the United States, Canada, and France?" "What is the purpose of collective bargaining? What is the significance of the right to collective bargaining for unionized workers?" "What are some differences in the rights of workers around the world? What impact do these differences have on their lives?"

D. MACROECONOMICS

OVERALL EXPECTATIONS

By the end of this course, students will:

- D1. Macroeconomic Models and Measures:** demonstrate an understanding of various macroeconomic models and measures, including indicators used to measure economic inequalities, and assess their usefulness (**FOCUS ON:** *Stability and Variability; Economic Perspective*)
- D2. Fiscal Policy:** demonstrate an understanding of fiscal policy in Canada, including how it is shaped and its impact (**FOCUS ON:** *Economic Significance; Cause and Effect*)
- D3. Monetary Policy:** analyse various aspects of monetary policy in Canada and their impact on the economy (**FOCUS ON:** *Cause and Effect; Economic Perspective*)

SPECIFIC EXPECTATIONS

D1. Macroeconomic Models and Measures

FOCUS ON: *Stability and Variability; Economic Perspective*

By the end of this course, students will:

- D1.1** demonstrate an understanding of the business cycle model (e.g., *recession, depression, peak, recovery, expansion*) and various economic indicators (e.g., *employment, gross domestic product, inflation*)

Sample questions: “Are gains/losses within the business cycle proportionate for all groups of people in the general population?” “Why is GDP used as a reflection of the health of an economy?” “Why do economists advocate a low and steady rate of inflation?”

- D1.2** use an aggregate demand and aggregate supply model to analyse how government macroeconomic policies can be used to achieve economic aims (e.g., *low inflation, stable growth, high levels of employment*)

Sample questions: “How might changes to the tax system influence the level and growth of aggregate demand?” “Why does the Bank of Canada have an inflation control target?”

- D1.3** explain how economists measure and represent standards of living and distribution of income (e.g., *with reference to the Lorenz curve, Gini coefficient, low-income cut-off, market basket measure*)

Sample question: “Which economic model best reflects the economic realities and choices facing people with low incomes?”

- D1.4** assess the strengths and weaknesses of various macroeconomic indicators (e.g., *GDP, gross national income [GNI], consumer price index, unemployment rate*)

Sample questions: “How does the fact that unemployed workers who stop looking for work are not counted in unemployment rates affect the accuracy of this economic indicator?” “What are the implications of what ‘counts’ and does not ‘count’ in economic indicators? What is the significance of counting paid domestic work but not unpaid housework, or of not counting volunteer work, in GDP?” “What are the limitations of using GDP as the basis for economic policy?”

- D1.5** describe alternative measures and models of economic growth and well-being that are not based on the System of National Accounts (e.g., *Human Development Index, Genuine Progress Indicator, happiness indicators, low-growth model*), and assess their usefulness

Sample questions: “In what ways do alternative economic measures attempt to address shortcomings of traditional economic indicators? Which do you think are more useful or realistic – the traditional or alternative measures? Why?”

D2. Fiscal Policy

FOCUS ON: *Economic Significance; Cause and Effect*

By the end of this course, students will:

D2.1 assess the significance of factors that influence fiscal policy decisions in Canada (*e.g., political business cycle; economic cycle; demands from stakeholders; poverty; responsibilities for health care, education, programs in Aboriginal communities, and other services; resource development/management; infrastructure needs*)

Sample questions: “What factors might a government consider when deciding how to allocate funding for infrastructure development? How significant would the impact on the economy be as a criterion?”

D2.2 describe ways in which individuals and groups influence macroeconomic policies, and assess the effectiveness of their actions (*e.g., with reference to voting, signing petitions, donating money to political parties or interest groups, raising awareness of issues through social media, writing elected representatives, lobbying, boycotts or buycotts, engaging in political protest*)

Sample questions: “What impact have boycotts of certain tuna products had on trade?” “How effective are lobby groups, such as those representing the auto industry or petroleum firms, in influencing Canadian economic policies?”

D2.3 analyse how political and economic institutions (*e.g., governments, Crown corporations, banks, industry*) respond to economic change in Canada (*e.g., moral suasion, public-private partnerships, regulation*)

Sample questions: “What are some ways in which governments respond to grey and black markets? How effective do you think these responses are in reducing the economic impact of these markets?” “What action have governments in Canada taken in response to increases in unemployment?” “Why might a firm change its marketing strategies and/or research and development aims in response to an aging population or other demographic shift?”

D2.4 explain how fiscal policies of governments in Canada influence the economic decisions of individuals and organizations, and analyse the macroeconomic consequences of some of these policies (*e.g., with reference to changes to pension*

plans and/or employment insurance, changes in transfer payments to provinces, Canada Mortgage and Housing Corporation policy, eco fees, income and corporate tax rates, tariffs)

Sample questions: “What impact might government requirements regarding down payments have on potential homeowners?” “What are the potential economic benefits and costs to people and companies of a cut in federal corporate tax rates?” “Why might a government use tax credits to stimulate housing construction? What impact might such a policy have?” “Why might the federal government consider raising Employment Insurance (EI) premiums? How might such a policy affect firms and workers?”

D3. Monetary Policy

FOCUS ON: *Cause and Effect; Economic Perspective*

By the end of this course, students will:

D3.1 analyse the role of the Bank of Canada, with a particular emphasis on monetary policy (*e.g., with reference to the money supply, interest rates, reserve ratio, exchange rates, its role in responding to economic challenges such as recession or inflation*)

Sample questions: “How does the Bank of Canada create money through its lending practices?” “What monetary policy options does the Bank of Canada governor have to respond to a recession?”

D3.2 analyse the form and function of money in Canada’s economy and how monetary policy affects the Canadian economy

Sample questions: “How do market forces affect commercial lending rates? What impact can changes in these rates have on the economy?” “How can a change in interest rates affect exchange rates and trade?”

D3.3 analyse the role of financial institutions in Canada (*e.g., big banks, near banks, brokerage firms, credit unions*)

Sample questions: “How do financial institutions generate money through loans?” “Why might you want to know the reserve ratio for various banking institutions before you place your money in them?” “Why might an investor use a brokerage firm instead of making his or her own investment choices?”

E. GLOBAL INTERDEPENDENCE AND INEQUALITIES

OVERALL EXPECTATIONS

By the end of this course, students will:

- E1. Theories and Models of International Trade:** analyse various theories, models, and issues relating to international trade (**FOCUS ON:** *Economic Significance; Stability and Variability*)
- E2. International Economic Developments:** analyse the impact of some key international economic events and developments as well as various responses to them (**FOCUS ON:** *Stability and Variability; Economic Perspective*)
- E3. International Economic Power and Inequality:** explain the main causes and effects of global economic disparities and assess the effectiveness of responses to these disparities (**FOCUS ON:** *Cause and Effect; Economic Perspective*)

SPECIFIC EXPECTATIONS

E1. Theories and Models of International Trade

FOCUS ON: *Economic Significance; Stability and Variability*

By the end of this course, students will:

- E1.1** demonstrate an understanding of key aspects of trade theories (*e.g., absolute advantage, national comparative advantage, new trade theory*) and explain how they are reflected in international trading practices

Sample questions: “According to the theory of comparative advantage, what impact does free trade have on border communities?” “According to new trade theory, why did protectionism have a positive impact on the Japanese auto industry in the 1990s?”

- E1.2** demonstrate an understanding of exchange rate regimes (*i.e., fixed, managed, and floating exchange rates*) and how they influence the terms of trade

Sample questions: “What are the main differences between exchange rate regimes? How might the type of exchange rate adopted by a country affect its terms of trade?” “Why was China the last large economy to use a fixed exchange rate?”

- E1.3** assess trade models and practices (*e.g., fair trade, free trade agreements, trade barriers, marketing boards*) with reference to both economic and ethical criteria

Sample questions: “Why might a free trade agreement define ‘dolphin safe’ tuna labels as a trade barrier? With respect to this issue, do you think that ethical/environmental or economic considerations should be paramount?”

- E1.4** analyse the objectives and influence of a variety of trade agreements and political/economic organizations that focus on trade (*e.g., North American Free Trade Agreement, Free Trade Area of the Americas, World Trade Organization, G20, European Union, Association of Southeast Asian Nations, Asia-Pacific Economic Cooperation*)

Sample questions: “Who do you think are the greatest beneficiaries of international trade agreements? Who has not benefited from these agreements?” “Why do political protests often accompany G20 meetings?”

E2. International Economic Developments

FOCUS ON: *Stability and Variability; Economic Perspective*

By the end of this course, students will:

- E2.1** explain how globalization influences economic decisions of individuals, firms, and governments (*e.g., with reference to closing manufacturing companies in North America and moving them to Asia, use of temporary foreign workers in Canada,*

relaxing of environmental and/or worker protections or lowering of corporate taxes to attract investment, availability of cheap consumer goods produced offshore, consumer backlash and the development of the buy-local movement)

Sample questions: “How has globalization facilitated the international reach of agribusiness? What impact has this had on smaller local producers and on consumer choice?”

E2.2 explain the significance of a variety of international events/developments (*e.g., natural disasters, war, terrorism, changes in governments, technological changes, increasing international debt*) and policies (*e.g., with respect to trade, the environment, energy, security*) for the Canadian economy

E2.3 describe Canadian government responses to global economic challenges that affect stability (*e.g., shifts in the global balance of power, global recession, reliance on oil from the Middle East or other unstable geopolitical areas, misuse of aid by corrupt regimes, increasing gap between rich and poor*), and assess their effectiveness

Sample questions: “What criteria were used by the federal and Ontario governments to justify bailing out auto manufacturers in 2009? What criteria would you have used? How would you evaluate the 2009 bailouts?”

E2.4 describe ways in which individuals and groups attempt to address problems related to international economic activities (*e.g., child labour, environmental degradation, human rights violations, copyright violations, poor working conditions*), and assess their effectiveness

Sample questions: “How effective do you think boycotts are in term of changing business practices? Do you think the use of social media can improve the effectiveness of boycotts or buycotts?” “How effective do you think Idle No More or other indigenous movements have been in raising awareness about the erosion on a global scale of environmental protection of publicly held and/or managed resources?”

E3. International Economic Power and Inequality

FOCUS ON: *Cause and Effect; Economic Perspective*

By the end of this course, students will:

E3.1 analyse data on global economic disparities and explain the main causes and effects of economic marginalization (*e.g., causes: illiteracy, gender inequality, colonial legacies, capitalism, lack*

of natural resources, private control or ownership of natural resources, lack of infrastructure, lack of access to markets in developed countries; effects: imbalance of power, high infant and maternal mortality rates, lower life expectancy, homelessness or substandard housing, lack of access to education and health care, hunger, social conflict)

Sample questions: “When you analyse data on international economic disparity, what patterns do you notice?” “What criteria would you use to rank the causes of global economic disparities?” “How do the effects of economic marginalization contribute to its perpetuation?”

E3.2 assess responses to economic disparity by various intergovernmental organizations (*e.g., United Nations Educational, Scientific and Cultural Organization [UNESCO], United Nations Development Fund for Women [UNIFEM], United Nations Development Programme, World Health Organization, International Monetary Fund [IMF], World Bank*)

Sample questions: “Why does UNIFEM advocate extending more microcredit to women in low-income countries? Do you think these microcredit programs are effective? Why or why not?” “What are the Millennium Development Goals? What progress has been made with respect to these goals? Have some seen more progress than others?”

E3.3 explain how various social movements and social justice organizations address global economic inequality, and assess their effectiveness (*e.g., with reference to Make Poverty History, the International Labour Organization, the Third World Network; Occupy, antiglobalization, environmental, indigenous rights, seed-saving, fair-trade, feminist, anti-child labour movements*)

Sample questions: “In what ways are responses of social justice organizations to global economic inequality different from those of the IMF? Which do you think are more effective? Why?”