THE ECONOMICS OF HUMAN BEHAVIOUR
ECONOMICS EC3350G-001
Department of Economics
Western University

January 2023

Instructor: Lance Lochner
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Office hours: Tuesdays 2:35-3:35pm (in-person), Thursdays 9-10pm (on Zoom)
Delivery mode: In-person
Meeting time(s): Tuesdays 1:30-2:30pm, Thursdays 1:30-3:30pm
Classroom: UC 2105
Course website: https://owl.uwo.ca/portal
Undergraduate inquiries: 519-661-3507 or SSC Room 4075 or econugrd@uwo.ca

Registration:

You are responsible for ensuring you are registered in the correct courses. If you are not registered in this course, the Department will not release any of your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at https://student.uwo.ca. If you notice a problem, please contact your home Faculty Academic Counsellor immediately.

Prerequisite/Antirequisite Note:

The prerequisites for this course are Economics 2221A/B, 2223A/B, 2261A/B. Some familiarity with calculus will be expected in addition to the pre-requisites. The antirequisites for this course are Economics 3390F/G if taken prior to Fall 2019.

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken any anti-requisite courses. Lack of prerequisites may not be used as a basis for appeal. If you are found to be ineligible for a course, you may be removed from it at any time and you will receive no adjustment to your fees. This decision cannot be appealed.

If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record but will ensure that spaces become available for students who require the course in question for graduation.

Course Description:

A survey of economic theories of human behaviour that help to understand economic/social problems such as earnings and education inequality, discrimination, and crime.
Course Objectives:

This course will examine economic theories of human behaviour and how those theories can be used to understand major economic/social problems in developed economies. First, we will examine the rise in earnings inequality by education and ability. What drives this inequality and its evolution over time? What roles do the family, schools, and labour markets play? How do different policies across countries and provinces result in different levels of inequality and productivity? Second, we will discuss differences in earnings by race/ethnicity and gender. What role does labour market discrimination play? What is the nature of discrimination, and does it matter? Third, we will discuss the enormous social costs of crime and policy alternatives aimed at reducing crime. What explains the high rates of crime among some subpopulations or the enormous differences across locations? To best fight crime, should we increase the number of police on the street and raise incarceration rates, or should we spend more on schools and training or jobs programs?

Throughout the course, we will discuss basic economic theories that can be used to help understand these and related issues. After evaluating the empirical evidence, we will discuss appropriate policy responses informed by both that evidence and economic theory. Classes will tend to be discussion-oriented. Students are expected to read the material before each lecture, so that they can actively participate in the discussion.

Course Learning Outcomes:

- Students will be able to understand and apply economic reasoning and rigorous empirical methods to study human capital development, discrimination and crime
- Students will be able to read and critically evaluate the arguments made in popular media on issues related to human capital development, discrimination and crime
- Students will be able to write short critical essays and op-eds on issues related to human capital development, discrimination and crime

Textbook(s) and Course Materials:

Required reading includes numerous articles and book chapters (see below). The course will also require students to watch season 4 of HBO’s “The Wire.” A few copies will be available at the library for short-term check out.

Students will also be asked to find related recent blog posts, op-ed articles, podcasts, etc. from popular media to discuss in class.

Assessments and Grading:

The course entails 6 homework assignments (mostly short writing assignments on topics covered in the class given out every 2-3 weeks); you may drop your assignment with the lowest score. All assignments must be completed individually. The course also requires a 5-7 page paper that will be due at the beginning of class on April 6, 2021. Written assignments must be submitted electronically and may be checked by software for plagiarism.
You should attend class regularly, since class discussion is a key component of the course and will factor into your course grade. To receive full class participation points, you must participate in discussions on a regular basis. There will also be a final exam (date TBA). During the exam, students are forbidden to communicate with any person other than an examination proctor or the instructor. Students are also forbidden from using any books, notes, study guides, diagrams, communication equipment such as a cell phone, computer programs or software, online resources or websites, or other aids unless authorized by the instructor; such authorization must be stated explicitly during the examination.

In determining your course grade, the following weights will be used:

- Homework: 50%
- Final Paper: 20%
- Final Exam: 25%
- Participation: 5%

Professionalism, Privacy, and Copyright:

- Students are expected to follow the Student Code of Conduct.
- All lectures and course materials, including slides, presentations, outlines, and similar materials, are protected by copyright. Students may take notes and make copies of course materials for their own educational purposes only.
- Students may not record lectures, reproduce (or allow others to reproduce), post or distribute lecture notes, assessments, or any other course materials publicly and/or for commercial purposes without written consent of the instructor.
- Recordings (audio or video) are not permitted without explicit, written permission of the instructor. Permitted recordings may not be distributed or shared.
- Students are expected to follow online etiquette expectations provided on OWL

Communication:

Important announcements, including assignments, will often be made on the OWL site, so you should check the site regularly.
Topics Covered and Readings:

Note: Not all of the papers below will be covered in depth, but many will be. A few additional editorial articles, blog posts, or podcasts may also be added along the way. You should always read the assigned material before class in order to participate in the discussion.

Published journal articles should be available online through the Western Libraries Shared Library Catalogue. Searching through Google Scholar is often an easy way to find most articles/papers.

1. Introduction and Review Materials


2. Human Capital and Inequality


Milton Friedman discussion on “Should Higher Education be Subsidized?” Youtube video.


“NYU Medical Students are Getting Free Tuition. But Everyone will Reap Benefits” PBS News Hour, Aug. 18, 2018.


3. Discrimination and the Economy

Much of our discussion of discrimination will be based on the following sources:


a. Introduction and Basic Facts


Blau and Kahn (2017), sections 1, 2, 3.1-3.5 and 6.


b. Taste-based Theories of Discrimination

Lang and Lehmann (2011), sections 4 and 5.


c. Statistical Discrimination


d. Other Issues and Evidence

Lang and Lehmann (2011), sections 7 and 8.

Blau and Kahn (2017), sections 3.6-3.9, 4, 5, and 7.


4. Economics of Crime


Please Note
Department & University Policies for Winter 2023

The University expects all students to take responsibility for their own Academic Programs. Students should also check their registration to ensure they are enrolled in the correct courses.

1. **Guidelines, policies, and your academic rights and responsibilities** are posted online in the current Western Academic Calendar at: [http://westerncalendar.uwo.ca](http://westerncalendar.uwo.ca). Claiming that “you didn’t know what to do” is not an acceptable excuse for not following the stated policies and procedures.


3. **Cheating as an academic offence:** Students are responsible for understanding what it means to “cheat.” The Department of Economics treats cheating incidents very seriously and will investigate any suspect behavior. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in other Economics courses or programs. The University may impose further penalties such as suspension or expulsion.

4. **Plagiarism:** Students must write their essays and assignments in their own words. When taking an idea/passage from another author, it must be acknowledged with quotation marks where appropriate and referenced with footnotes or citations. Plagiarism is an academic offence (see Scholastic Discipline for Undergraduate Students in the Western Calendar at [http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_20](http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_20)).

   Western University uses software to check for plagiarism and students may be required to electronically submit their work. Those found guilty will be penalized as noted in point 3.

5. It is a Department of Economics policy that **NO** assignments be dated, stamped, or accepted by staff. Students must submit assignments to the instructor.

6. **Appeals:** University policies and procedures for appealing a mark can be found in the Student Academic Appeals section in the current Western Academic Calendar at: [http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_14](http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_14). Please note the relevant deadlines.

   Department of Economics procedures for appealing a mark can be found here: [https://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals](https://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals). The Department will not consider an appeal unless an attempt has been made to settle the matter with the instructor first. Students who remain dissatisfied with the outcome may proceed to submit an appeal to econugrd@uwo.ca. Please follow the instructions and use the appeal form shown in the above link.
7. **Systematic adjustments of a class grade distribution** (either up or down) can occur in Economics courses. The fact that grades have been adjusted is **not** grounds for an appeal.

8. Note the following **add and drop deadlines**:

   - Deadline to **add** a second term half course: **Tuesday, January 17, 2023**
   - Deadline to **drop** a second term half course: **Tuesday, March 7, 2023**

**Policy Regarding Makeup Tests and Final Examinations**

Faculty of Social Science policy states that oversleeping or misreading an exam schedule is **NOT** grounds for a makeup. This rule applies to midterm and final exams in the Department of Economics.

**Policies Regarding Academic Accommodation**

- Academic accommodation will not be granted automatically on request. Students must demonstrate by documentation that there are compelling medical or compassionate grounds before academic accommodation will be considered. The Faculty of Social Science’s policies on academic accommodation are found at [https://counselling.ssc.uwo.ca/procedures/academic_consideration.html](https://counselling.ssc.uwo.ca/procedures/academic_consideration.html)

- **Accommodation for Students with Disabilities**: Students with disabilities or accessibility challenges should work with Accessible Education (formerly SSD, see [http://academicsupport.uwo.ca/accessible_education/index.html](http://academicsupport.uwo.ca/accessible_education/index.html)), which provides recommendations for accommodation based on medical documentation or psychological and cognitive testing. The accommodation policy can be found here: [Academic Accommodation for Students with Disabilities](https://counselling.ssc.uwo.ca/procedures/academic_consideration.html).

- **Rewriting Exams and Retroactive Reweighting are NOT Permitted**: Students who proceed to write a test or examination must be prepared to accept the mark. Rewriting tests or examinations, or retroactive reweighting of marks is **not** permitted. Students must also book travel arrangements AFTER final exam dates have been posted as they must not conflict with tests or final exams.

- Unless medically incapable of doing so, students must notify their instructor prior to the test date or at least within **24 hours** when requesting a makeup exam. Failure to follow this procedure may result in denial of academic accommodation and a grade of zero. Students should also set up an appointment as soon as possible to meet with their instructor. If the instructor is not available, send an email message to the instructor, copying the Undergraduate Coordinator at econugrd@uwo.ca. Notifying instructors of a missed exam does not automatically entitle students to a makeup.
• For medical illnesses, students may consult Student Health Services and request a Student Medical Certificate from the physician. If assessed by an off-campus doctor, students must obtain a certificate from his/her office at the time of the visit/assessment. Student Medical Certificate (SMC) is available here: https://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf

• Documentation for Accommodation: Individual instructors are not permitted to receive documentation directly from a student, whether in support of an application for consideration on medical grounds or for other reasons.

• Western University policy on Consideration for Student Absence is available here: https://counselling.ssc.uwo.ca/procedures/probation_rtw/appeals.html

• Religious Accommodation: Students should consult the University's list of recognized religious holidays and should give reasonable notice in writing, prior to the holiday, to the Instructor and an Academic Counsellor if their course requirements will be affected by a religious observance. Additional information is given in the Western Multicultural Calendar.

Policy Regarding Class Attendance and Engagement:
If the instructor deems a student’s attendance or engagement in the class to be unsatisfactory, that student may be prohibited from writing the final examination. Examples of unsatisfactory class engagement include frequent absences from an in-person or synchronous online class, lack of assignment submissions, and inadequate use of online course materials. Instructors who intend to make use of this policy will notify the student in advance.

Statement on Mental Health and Support Services:
Students under emotional/mental distress should visit http://uwo.ca/health/mental_wellbeing/ for more information and a complete list of resources on how to obtain help.

Statement on Remote Proctoring:
While Western intends to hold most classes, mid-terms, and finals in person, the London-Middlesex Health unity may require western to teach in a remote format. If this occurs, all assessments will be done remotely and may involve the use of remote proctoring software (i.e., Proctorio, ProctorTrack). Instructors will provide information on the details should the need arise.
Guidelines for Essay Courses

Essay Courses
An essay course is a course in which the cumulative amount of written work, excluding written work in examinations, is at least 2,500 words (for a half course).

To pass an essay course, students must exhibit a minimal level of competence in essay writing in addition to comprehension of the course content.

English Language Proficiency for Assignment of Grades
Written work that demonstrates a lack of English proficiency will be failed or, at the discretion of the instructor, returned to the student for revision to an acceptable level.

To foster competence in the English language, all instructors will take English proficiency into account when marking. This policy applies to all courses, not only essay courses.

Recycling of Assignments
Students are prohibited from handing in the same paper for two different courses. Doing so is considered a scholastic offence and will be subjected to academic penalties.

Plagiarism
Plagiarism is defined as “the act or an instance of copying or stealing another’s words or ideas and attributing them as one’s own.”

Plagiarism applies to ALL assignments including essays, reports, diagrams, statistical tables, and computer projects. Examples of plagiarism include:

- Submitting someone else’s work as your own
- Buying a paper from a mill, website, or other source and submitting it as your own
- Copying sentences, phrases, paragraphs, or ideas from someone else’s work, published or unpublished, without citing them
- Replacing selected words from a passage from someone else’s work and using it as your own without citing them
- Copying multimedia (graphics, audio, video, internet streams), computer programs, music compositions, graphs, or charts from someone else’s work without citing them
- Piecing together phrases and ideas from a variety of sources without citing them
- Building on someone else’s ideas or phrases without citing them

Plagiarism is a serious scholastic offence. Possible consequences of plagiarism include a mark of 0% on the assignment, a mark of 0% for the course, and expulsion from the university.

1 From the UWO Academic Handbook. See http://www.uwo.ca/univsec/pdf/academic_policies/registration_progression_grad/coursenumbering.pdf
2 From the UWO Academic Handbook. See http://www.uwo.ca/univsec/pdf/academic_policies/exam/english.pdf
4 Adapted from the San José State University Plagiarism Tutorial https://libguides.sjsu.edu/plagiarism
Instructors may require students to submit written work electronically to http://www.turnitin.com. This is a service that assists instructors in detecting plagiarism.

Students seeking further guidance on avoiding plagiarism should consult their instructor. **Claiming ignorance is not an acceptable excuse.**

The key to avoiding plagiarism is to correctly cite reference sources.

**Referencing and Citation Guidelines**


Economics papers often use the in-text **author-date** style of citations and references. Details and examples of this style are shown in chapter 15 of the *Chicago Manual of Style Online*. See also the handy “Chicago-Style Citation Quick Guide” under Tools on the homepage.

In the body of an essay, in-text citations list the last names of the authors of the piece that are referenced, the year of publication, and, where relevant, page numbers. In-text citations refer the reader to a complete list of bibliographic references at the end of the essay. Papers that cite multiple works by the same author(s) with the same publication year should add a lowercase letter after the date in both the in-text citation and References (e.g., 1993a and 1993b). In doing so, the in-text citation points the reader to the relevant work.

Examples of in-text citations:

- Diamond (1981, 1982) and Mortensen (1982a, 1982b) find these externalities can cause an inefficient level of search activity…

- The “new view of unemployment” which emerged during the 1970s emphasized the importance of turnover in the labour force and the brief duration of many employments spells (Hall 1970, 1972; Perry 1972; Marston 1976).

- The primary objectives of the LMAS are “1. To provide measures of the dynamic…the Labour Force Survey” (Statistics Canada 1990, 5).

The list of references at the end of the essay should be titled References or Works Cited. It should provide complete bibliographic information about each source cited. In addition, students should also provide adequate referencing of any data sources. This can be done in a data appendix following the text of the paper and before the References.

Examples of the format and content of references can be found here: [https://www.lib.uwo.ca/files/styleguides/ChicagoStyleAuthorDate.pdf](https://www.lib.uwo.ca/files/styleguides/ChicagoStyleAuthorDate.pdf).
Writing an Economics Essay: Starting Points

To start a written assignment, review your professor’s instructions. Read published work written by economists, which will give you examples of the structure and content of economics writing. Examples are readings in the course outline, journals, working papers, etc.

Two helpful sources that give information about how to write for economics are:


Writing an Economics Essay: Resources

The Resources Link on Western University’s Department of Economics website (http://economics.uwo.ca/resources/index.html) provides a link to a list of sources for published and unpublished economic papers, articles, books, theses, government publications, data, etc. Western Libraries has a very useful economics resource page https://guides.lib.uwo.ca/economics.

DB Weldon Library has a collection of bibliographies, indexes, handbooks, and periodicals in economics. Library holdings, the online library catalogue, and other resources are available electronically from the Western Libraries Homepage http://www.lib.uwo.ca/. These can be accessed off-campus with the OffCampus Proxy Server on the Library main page.

Students are encouraged to take a library orientation tour to learn about where sources of information are located both physically and online. Consult library staff for questions.

*The New Palgrave Dictionary of Economics* is the most comprehensive dictionary of economics in existence today. It is available online through the library catalogue, or in print in Weldon’s Reference section (call # HB 61.N49 2008 v. 1-8).

*EconLit (Economic Literature)* is an electronic bibliography of literature from 1969 to the present. It covers journals, collected articles, books, book reviews, dissertations, and working papers. It also provides citations, selected abstracts, and links to Western’s full-text resources. Students can also print records by downloading marked records to a text file, sending marked records by email, or exporting them to a citation manager such as Zotaro. For a list of citation software, see https://www.lib.uwo.ca/essayhelp/citationmanagementsoftware.html.

*CANsIM (Canadian Socio-economic Information Management System)* is Statistics Canada's database of time series data covering a variety of economic aspects of Canadian society. Access the database by a Title Search on the Western Library’s Catalogue, or from the Library’s list of Databases under “Research Tools” on the Library’s homepage.
Western Undergraduate Economics Review (WUER)

The Department of Economics encourages students to consider submitting their essays to the Western Undergraduate Economics Review, a journal published annually by the Department that showcases student work in economics. For further information, please visit http://economics.uwo.ca/undergraduate/undergraduate_economics_review.html.

Essay Prize in Economics

Two prizes may be awarded at the end of the academic year. One prize is for a student registered in a 2100-level course, and one is for a student registered in a 2200 or higher level course. Each prize is valued at $500.

Students can only win the Essay Prize in Economics once. Economics 4400E is not eligible for this prize as it has its own essay award.

Instructors will nominate student essays for the prize. The essay should be submitted to the Undergraduate Coordinator for consideration by the Essay Prize Committee, which will decide the winner. The Essay Prize Committee will consist of the Undergraduate Program Director, WUER Faculty Advisor, and one other faculty member. The decision of the Committee is final and cannot be appealed.

Papers will be judged on content, originality, use of references, spelling, and grammar.

The grade given to the paper will not influence the decision of the Essay Prize Committee as all comments by the original marker will be removed.

The deadlines for instructor submissions are:

Fall courses: January 1st
Winter courses: May 1st

The winner of the essay prize is encouraged to submit their paper to the Western Undergraduate Economics Review. Other appropriate papers may also be submitted.