

University of Toronto
Department of Political Science
POL 382 H1F, Topics in Canadian Politics:

Canadian Political Economy
Fall 2019

Instructor: Rodney Haddow

Class time: Wednesday, 2 PM – 4 PM

Class location: UC 161

My office location: 3119 Sydney Smith Hall; 100 St. George Street

Office hours: Wednesday, 4:15 – 5:15 PM; Thursday, 4:15-5:15 PM. I am also available by appointment, and you will usually be able to speak to me after class.

E-mail: r.haddow@utoronto.ca

Telephone: (416) 978-8710 (See ‘Getting in touch with me’ below; it’s usually easier to e-mail!)

Course description: Political economy, for the purposes of this course, is the study of the state’s relationship to the economy, that is, how economic forces and interests shape public policies and how the latter reciprocally condition the former. It is macro-level and historical: Phenomena of interest are examined across many aspects of social life and multiple policy fields. Their development typically is studied in the long-term.

This course examines the political economy of Canada. It begins with a discussion of the staples orientation of the economy that emerged here after the arrival of Europeans, of governments’ management of the economy until World War Two, and of the multiple interpretations that were, and still are, proposed of these developments. Subsequent lectures discuss federal government policies in relation to wealth-creation and redistribution since then, and their effect, culminating with current policies and debates. Later lectures turn to the role of provincial governments, which have been particularly important political-economic actors since the 1960s. There will also be a lecture on the distinctive features of pre-contact Indigenous political economies, their fate after European contact, and recent efforts to restore self-government. The course ends with a consideration of the current state and future prospects for Canada’s political economy.

Five areas of public policy response to economic forces and interests are considered, with the treatment of each varying, as appropriate, with the historical period examined: foreign trade, infrastructure development, industrial and innovation policy, social policy and redistribution, and Indigenous relations. Term papers may examine recent developments in one of these areas.

Students are *expected to attend all lectures and complete all assigned readings*. You will also be required to submit a 10-12 page essay *on November 13th*. If possible, please hand the paper in to me directly that day at class.

Required Readings: All required readings will be available on the course Quercus page.

Getting in touch with me: I keep office hours each week after class (see above). You can drop by and see me then. If you cannot make it to the office at those times, phoning the office during office hours is a good option. Otherwise, *the best way to get in touch with me is by e-mail*. I check it regularly, and will respond as quickly as possible. I endeavour to respond to messages within a day or two. E-mail messages are most appropriate when your question is *procedural* in nature. I encourage you to visit my office during office hours or speak to me at break or after class if you have *substantive* questions about the course material or preparing your essay assignment, at least if these questions are fairly involved.

Grades and grading: If you wish to *appeal a grade* for an essay marked by the TA, you will have to approach the TA first, with a 150-200 word written explanation of why you wish to have the grade reviewed. Only after this step has been completed, and the paper has been re-evaluated by the TA, will I consider the matter. I will only adjust an assigned grade if I feel that it is egregiously wrong – i.e., if the grade is off by 5% or more.

If the grade was assigned by me in the first place, please return the assignment to me with a 150-200 word written explanation of your reasons for requesting a re-evaluation.

Appeals should be made within two weeks of the assignment having been returned to you.

The TA will grade the term paper; I will grade the mid-term test and the final exam. Please note that the drop deadline for courses this term is *Monday, November 4th*.

Grading Scheme and Course Requirements:

One-hour in-class quiz, *October 23rd*: 20%

10-12 page term paper, due *November 13th*: 40%

Final exam, during *December exam period*: 40%

Term Essays: The essay assignment will be circulated early in the term. Please note that papers that are handed in late will be *penalized at the rate of 2% per weekday* (Monday to Friday). They are to be submitted in *hard copy*, and penalties will be assigned in relation to the submission date for this copy. Exceptions will only be made to this rule on justified medical grounds with *proper medical documentation*. *Students are strongly advised to keep rough and draft work and hard copies of their essays and assignments before handing their paper in. These should be kept until the marked assignments have been returned.*

Essay extensions will be granted only with acceptable documentation. The Faculty of Arts and Science recognizes the following four (4) types of documentation:

- *The UofT Verification of Illness or Injury Form.*
- *A Student Health or Disability Related Certificate.*
- *A Letter of Accommodation from Accessibility Services.*

- A letter from your College Registrar.

Students should also be aware that plagiarism is considered to be a major academic offence, and that it will be penalized accordingly. For further clarification and information, please see the University of Toronto's policy on plagiarism at <http://www.writing.utoronto.ca/advice/using-sources>. The essay assignment sheet will provide more detail on these points.

Normally, students will be required to submit their course essays to **Turnitin.com** for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the Turnitin.com reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of the Turnitin.com service are described on the turnitin.com web site.

All term work must be submitted by December 4th, 2019.

Accessibility Needs: The University of Toronto is committed to accessibility. If you require accommodations for a disability, or have any accessibility concerns about the course, the classroom or course materials, please contact Accessibility Services as soon as possible: disability.services@utoronto.ca or <http://studentlife.utoronto.ca/accessibility>

Lecture themes & readings:

1. September 11th: Introduction: What is Political Economy? Why Study Canada's?

Rodney Haddow, "States and Economies: Studying Political Economy in Political Science", in C. Anderson and R. Dyck, ed. *Studying Politics* (Toronto: Nelson, 2016), chapter 5.

2. September 18th: State & Staples Economy, from European Arrival to 1945

W.T. Easterbrook and Hugh Aitken, *Canadian Economic History* (Toronto: University of Toronto Press, 1988 [1958]), chapters 2 and 17.

3. September 25th: Competing Interpretations: An Independent Political Economy? A Balanced One, Externally or Internally?

W.A. Mackintosh, "Economic Factors in Canadian History" [1923], in H. Grant and M. Watkins, ed. *Canadian Economic History: Classic and Contemporary Approaches* (Toronto: University of Toronto Press, 1993), 3-14.

H.A. Innis, "The Importance of Staple Products" [1956], in *ibid*, 15-17.

Michael Howlett, Alex Netherton and M. Ramesh, *The Political Economy of Canada*, 2nd ed. (Toronto: Oxford University Press, 1999), chapter 4.

4. October 2nd: Trade Policy 1: Policies and Debates, 1945-1994; FTA, NAFTA and WTO: The Triumph of Liberalism?

Michael Hart, *A Trading Nation* (Vancouver: UBC Press, 2002), chapters 9 and 13.

Stephen McBride, “Quiet Constitutionalism in Canada: The International Political Economy of Domestic Institutional Change”, *Canadian Journal of Political Science* 36: 2 (2003), 251-273.

5. October 9th: Trade Policy 2: The Impact of Free Trade, Later Policies & Debates

Daniel Trefler, “The Long and the Short of the Canada-US Free Trade Agreement”, *American Economic Review* 94: 4 (2004), 870-888. You may focus on 870-2, 879-88, and skip tables.

Sébastien Breau and David Rigby, “International Trade and Wage Inequality in Canada”, *Journal of Economic Geography* 10 (2010), 55-86. You may focus on 55-61, 71-81, and skip tables.

Jim Stanford, “Is More Trade Liberalization the Remedy for Canada’s Trade Woes?” In S. Tapp, et al. *Redesigning Canadian Trade Policies for New Global Realities*, Institute for Research on Public Policy, April 2016, <https://on-irpp.org/2JF8604>. Accessed on 14 August 2018.

6. October 16th: Industrial & Innovation Policies 1: Is there an Alternative to a Market-Oriented Approach?

Michael Howlett, Alex Netherton and M. Ramesh, *The Political Economy of Canada*, 2nd ed. (Toronto: Oxford University Press, 1999), chapter 11.

Bruce Doern, Peter Phillips and David Castle, *Canadian Science, Technology and Innovation Policy* (Montreal: McGill-Queen’s University Press, 2016), chapter 7.

7. October 23rd: Mid-Term Test and Essay Preparation

You Write a One-Hour Quiz During First Half of this Class

The Second Hour will be Devoted to a Discussion of your Essay Assignment

8. Octobe 30th: Industrial and Innovation Policies 2

[No additional reading.]

November 6th: Reading week; no class.

9. November 13th: Canada’s Welfare State: Development, Erosion, Consequences

James Rice and Michael Prince, *The Changing Politics of Canadian Social Policy* (Toronto: University of Toronto Press, 2000), chapter 3.

Keith Banting and John Myles, “Introduction”, in K. Banting and J. Myles, ed. *Inequality and the Fading of Redistributive Politics* (Vancouver: UBC Press, 2013), 1-39.

Lars Osberg, *The Age of Increasing Inequality* (Toronto: James Lorimer, 2018), chapter 1.

[NB: Your term paper is due today]

10. November 20st: The Political Economy of Federalism and Provincial Welfare States

Garth Stevenson, *Unfulfilled Union: Canadian Federalism and National Unity*, 2nd ed. (Montreal: McGill-Queen’s University Press, 2004), chapter 4.

Paul Kellogg, “Prairie Capitalism Revisited: Canada, Bitumen, and the Resource Colony Question”, *Journal of Canadian Studies* 49: 3 (2015), 222-255.

Rodney Haddow, "Power Resources and the Canadian Welfare State", *Canadian Journal of Political Science* 47: 4 (2014), 501-527.

11. November 27th: Political Economy and Canada's Indigenous Peoples

Canada. Royal Commission on Aboriginal Peoples. *Report of the Royal Commission on Aboriginal Peoples*, volume 1 (Ottawa: Minister of Supply and Services Canada, 1996), 57 of 954 – 92 of 954, 161 of 954 – 176 of 954 (in PDF version); or 31-61, 119-132 (in print version).

Martin Papillon, "The Rise (and Fall?) of Aboriginal Self-Government", in J. Bickerton and A-G Gagnon, ed. *Canadian Politics*, 6th ed. (Toronto: University of Toronto Press, 2014), 113-131.

12. December 4th: Wither Canada's Political Economy?

Stephen Clarkson, "The Multi-Level State: Canada in the Semi-Periphery of both Continentalism and Globalization", *Review of International Political Economy* 8: 3 (2001), 501-527.