



ECON 331 Public Economics

Syllabus Summer 2022

July 11 – August 5

Instructor: TBA
Email: TBA
Location: Online
Credits: 3

Course Description: This course will introduce students to the public sector of the economy which accounts for about a third of all economic activity in the United States. The course uses tools that you learned in Microeconomics to analyze taxing, spending, and as well as why we need government intervention in the economy. We will:

- Examine the foundation for Welfare Economics and why government existed
- Focus on Efficiency and Equity in resource allocation
- Examine public policy
- Discuss examples of empirical research on the theoretical models we learned in class.

Prerequisites: The course is intended for advanced undergraduates who had taken the basic economics requirement such as Statistics, Intro and Intermediate Microeconomics as well as Intro to Macroeconomics.

Require Textbook(s):

Public Finance and Public Policy (5th edition) by Gruber

Economics, Society, and Public Policy by Core-econ

<https://www.core-econ.org/espp/>

Assignments and Grading

Students are expected to have finished the assigned readings before come to class so that we can have a productive in class discussion. The course grades are divided as follow:

- Participation (20%)
- Homework and project (50%)
- Final 30%

There will be no make-up assignments, quizzes, and test. Failure to complete the assignments on the assigned date will result in a grade of zero. . If a health or family emergency precludes you from turning in a problem set on a problem set due date, or taking an exam on an exam date, you must both (i) notify me of your emergency no later than the problem set due date or exam date and (ii) provide sufficient documentation of the health or family emergency; otherwise, you will receive a grade of zero.

Grading Scale: 93-100 A / 90-92 A- / 87-89 B+ / 83-86 B / 80-82 B- / 76-79 C+ / 69-75 C / 65-68 C- / 62-64 D+ / 58-61 D / 55-57 D- / 0-54 F

Unless computed in error, your final course grade will under no circumstance be changed.

Attendance and Course Policies:

I do not take attendance, but I do strongly encourage you to attend every class. First, experience shows that students who attend class earn higher grades. Also, my lectures don't always mirror the text, so if you are relying solely or heavily on the text, you might have trouble with the exams. If you miss a lecture, you should photocopy a classmate's notes.

I expect professional classroom behavior when in attendance. This includes silencing of cell phones, no extracurricular reading, doing homework, or online surfing during class (there are more comfortable places to do the latter three). If you are late to class, or have to leave class early, please enter/exit class quietly.

Communicating With Me:

I prefer that you come to my office during office hours for question and concern. Email is acceptable as well but please explain in detail the question in order for me to respond. If you cannot make it during office hours then set up an appointment with me.

Tentative Reading and Course Outline:

Part I: Introduction

- Review of Microeconomic Tools
- Theoretical Tools of Public Finance
- Brief Empirical Tools Review
- Budget Analysis and Deficit Financing

Part II: Externalities and Public Goods

- Externalities: Problems and Solutions
- Externalities in Action: Environmental and Health Externalities
- Public Goods
- Cost-Benefit Analysis
- Education

Part III: Social Insurance and Redistribution

- Social Insurance
- Social Security
- Income Distribution and Welfare Programs

Part IV: Taxation in Theory and Practice

- Taxation in U.S.
- The Equity Implication of Taxation
- Tax Inefficiencies and their implication for optimal taxation