

Introduction to Public Economics (Econ 0230) Syllabus
June 25th – August 4th, 2018
Jessica LaVoice

Lecture: TuTh 6pm-9:15pm

Location: 4900 W.W. Posvar Hall

Office Hours: Wed. 2-4pm and Th. 3-5pm in WWPH 4518 (or by appointment)

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Course Overview and Objectives

This course will provide you with the tools necessary to understand the justifications for and the consequences of government interventions in the economy. We will examine the role of public policy in markets in which there are external costs (e.g. pollution) or benefits (e.g. education) as well as the role of government in providing social insurance. Lastly, we will study the incidence and efficiency implications of various types of taxation.

The objectives of this course are to illustrate how basic economic principles can be used to determine the economic effects of government expenditure and tax policies. This class will develop your ability to analyze issues and to recognize the value judgments which lie behind various positions taken in current policy debates.

Prerequisites

The formal prerequisites for this class are ECON 0100 or ECON 0800. Furthermore, a basic understanding of algebra and geometry are expected.

Textbook and Course Materials

Public Finance and Public Policy. (2016) Jonathan Gruber, 5th edition.

- Older editions are allowed and are available at discounted prices. If you wish to buy a previous edition, it will be your responsibility to identify corresponding sections.

Course Material: Any additional course documents and/or material will be available on the CourseWeb.

Communication

All official communications about the course will be via University email accounts from the University roster. Email will be our primary form of communication. You can expect me to reply to your email within 24 hours at the latest. If you haven't received a response from me, please send a follow-up email. It is your responsibility to check your email and CourseWeb regularly for updates and announcements.

Grading

Your course grade will be determined using the following rubric:

Homework (4 Assignments) – 25%

Midterm – 25%

Final – 30%

In-class assignments – 20%

- There will be 4 homework assignments in this course, each of which will be worth 6% of your final grade.
 - Each homework will generally consist of a multiple-choice section and short answer questions.
 - I will post your homework on CourseWeb after class on Thursdays. Unless otherwise specified, homework is due at the start of class on the following Tuesday. Late homework will not be accepted.
- Exams will follow the same format as your homework assignments (multiple choice and short answer questions).
 - The final is not cumulative, though some questions still require your knowledge of the chapters covered before this exam.
 - There will be no make-up for missed exams unless I'm provided with a verifiable excuse before the start of the exam.
- In-class assignments will be both individual and collaborative exercises. There will be an assignment in almost every lecture.
 - There will be no make-ups for missed in-class assignments. I will drop the lowest score.
- No extra credit will be given in this course. Attendance will not be taken in lecture and will not directly impact your final grade in this course, although they will impact your in-class assignment score. Attending class is highly recommended.

Letter Grade Distribution

Score	Letter Grade	Score	Letter Grade
93 and above	A	73-76	C
90-92	A-	70-72	C-
87-89	B+	67-69	D+
83-86	B	63-66	D
80-82	B-	60-62	D-
77-79	C+	59 and below	F

Academic Policies

1. Academic Integrity: Students in this course will be expected to comply with the University of Pittsburgh's Academic Integrity Policy. Any student suspected of violating this obligation for any reason during the semester will receive a failing grade for the course and will be required to participate in the procedural process as outlined in the University Guidelines on Academic Integrity. The following is a link to the University's Academic Integrity Policy:

<http://www.provost.pitt.edu/info/ai1.html>.

2. Disability Service: If you have a disability that requires special testing accommodations or other classroom modifications, you need to notify both the instructor and Disability Resources and Services as early in the term as possible. To notify Disability Resources and Services, call (412) 648-7890 or visit <https://www.studentaffairs.pitt.edu/drs/> to schedule an appointment. The Disability Resources and Services office is in 140 William Pitt Union.

3. Statement on Classroom Recording: To ensure the free and open discussion of ideas, students may not record classroom lectures, discussion and/or activities without the advance written permission of the instructor, and any such recording properly approved in advance can be used solely for the student's own private use.

4. Diversity Statement: I am committed to diversity and equality in all areas of campus life. In this class I will work to promote an anti-discriminatory environment where everyone feels safe and welcome. The success of this policy relies on the support and understanding of everyone in this class. We all have a responsibility not to be offensive to each other, or to participate in, or condone harassment or discrimination of any kind. Students in this class are encouraged to participate during class meetings. Because the class will represent a diversity of individual beliefs, backgrounds, and experiences, every member of this class must show respect for every other member of this class.

Tentative Course Outline

Note: All dates and topics are tentative and subject to change at my discretion. The exam dates are set; however, the content, chapters, and homework due dates may change slightly. Please see the Office of the University Registrar academic calendar for add/drop, withdrawal, and other important deadlines (<http://www.registrar.pitt.edu/calendars.html>). I recommend doing the assigned reading after each lecture.

Date	Lecture	Readings
June 26	Why Study Public Finance?	Chapter 1
June 28	Theoretical and Empirical Tools of Public Finance	Chapters 2 and 3
July 3	Externalities Homework 1 Due (Ch. 1, 2, and 3)	Chapters 5 and 6
July 5	Public Goods State and Local Government Expenditures	Chapters 7 and 10
July 10	Education Homework 2 Due (Ch. 5, 6, 7, and 10)	Chapter 11
July 12	MIDTERM EXAM	
July 17	Social Insurance, Social Security, Unemployment Insurance, Disability Insurance, and Workers' Compensation	Chapters 12, 13, and 14
July 19	Health Insurance	Chapters 15 and 16
July 24	Income Distribution and Welfare Programs Homework 3 Due (Ch. 12- 16)	Chapter 17
July 26	Taxation and Tax Incidence	Chapters 18 and 19
July 31	Tax Optimality and Taxes on Labor Supply Homework 4 Due (Ch. 17, 18, and 19)	Chapters 20 and 21
Aug 2	FINAL EXAM	