

ECO 479-001
Public Economics

Instructor: Professor John Garen
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Hours: 10:45-11:30, 3:15-4:00 T, Th
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Spring 2012
2:00-3:15 T, Th
BE 209

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Preliminaries

This course covers the fundamental ideas of public economics, from the role of government in a market-based economy to the design and effects of taxation and expenditure programs. Many specific examples from U.S. public policy are analyzed and discussed.

Course Materials

Required: Rosen, Harvey and Gayer, Ted, *Public Finance*, McGraw Hill, 2010, 9th edition.

Also, I will discuss other assorted readings in class.

Exams and Grades

Two midterms and one final exam will be given. Each exam covers approximately one-third of the course and covers material from the lecture and the assigned readings. Exams consist of essay and problem solving questions.

Additionally, I will provide a number of problem sets at various times during the term, a subset of which will be selected that may be turned in for extra credit. Also, there will be other extra credit opportunities during the term.

The points for each of these are as follows:

	<u>Percent of Grade</u>
1 st Midterm	33.3%
2 nd Midterm	33.3%
Final Exam	<u>33.3%</u>
	100%
Homework/other	10%

Homework/other extra credit points will be added to your exam total up to a maximum of 10 percent points.

Grades are assigned depending on your performance on each of the above. In determining your grade, I follow the University rules regarding the marking system. It is the following (with slight paraphrasing):

- A: Represents exceptionally high achievement.
- B: Represents high achievement.
- C: Represents average achievement.
- D: Represents the minimum passing grade.
- E: Represents unsatisfactory performance and indicates failure of the course.

Absences and Make-up Work

Absences and Attendance

There is no explicit attendance policy for the course, but good attendance is important for doing well in the course. If you miss a regular class meeting, it is your responsibility to obtain notes and other material from that class period. Additionally, good attendance can enhance any bonus you receive for class participation.

Make-up Exams/Quizzes

Students who have a University-excused absence for missing an exam or quiz may take a make-up. Arrangements for a make-up must be made with the instructor as soon as possible. Make-ups will be scheduled at a time mutually convenient for the student and the instructor. The instructor reserves the option to schedule make-up exams for the hour following the final.

Make-up Homework

There is no make up for homework not turned in on the due date.

General Course Outline and Readings

<u>Week</u>	<u>Topics</u>	<u>Readings</u>
1/11 - 1/14	Introductory remarks	---
1/15 - 1/21	Intro. to public finance; Tools of Normative Analysis	Chs. 1, 3
1/22 - 1/28	Taxation and Efficiency; Public Goods	Chs. 15, 4
1/29 - 2/4	Public Goods (cont'd); Externalities	Ch 4 (cont'd.); Ch. 5
2/5 - 2/11	Externalities (cont'd);	Ch. 5 (cont'd.)
2/12 - 2/18	Education	Ch. 7
2/21, Tues.	FIRST MIDTERM	--
2/22 - 2/25	Political Economy	Ch.6
2/26 - 3/3	Political Economy (cont'd.); Income Redistribution	Ch. 6; Ch. 12
3/4 - 3/10	Income Redistribution (cont'd.); Expenditure Programs for the Poor	Ch. 12; Ch. 13
3/11 - 3/17	Spring break	--
3/18 - 3/25	Government and Health Care Social Security	Ch. 10; Ch. 11
3/26 - 3/28	Social Security (cont'd.);	Ch. 11 (cont'd.)
3/29, Thurs.	SECOND MIDTERM	--
4/1 - 4/7	Personal Taxation and Behavior	Ch. 18
4/8 - 4/14	U.S. Personal Income Taxes	Ch. 17
4/15 - 4/21	U.S. Personal Income Taxes (cont'd.); Tax Reform	Ch. 17 (cont'd); Ch. 21
4/22 - 4/28	Tax Reform (cont'd.); Deficit Finance	Ch. 21 (cont'd.); Ch. 20
5/1, Tuesday	FINAL EXAM, 1:00 pm	--