

# Econ 340: Public Economics

University of Oregon  
Department of Economics  
Winter 2019

**Instructor**

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**Contact**

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**Office hours**

Tuesdays and Thursday - 3:30pm-4:30pm,  
and by appointment

**Lecture**

T and TR, 2:00 p.m. to 3:20 p.m., 208 DEADY

## Course Description

Public economics studies the role of the government in the economy. Some questions that public economics seeks to answer are: why does the government build roads but not houses? What types of taxes should the government use? How should the government encourage transactions that benefit others? In this class we will develop a conceptual framework to discuss these questions. We will begin by discussing how economists talk about consumer well being and then discuss the conditions where government intervention can improve market outcomes. Lastly we will discuss the economics of taxation and its effect on the economy.

## Prerequisites

Economics 201 is the prerequisite for the course. This course will build off of many of the concepts encountered in introductory microeconomics. In addition you should also be comfortable with college level algebra as we will use a lot of it. To receive credit for the Economics major or minor, you must take this class for a letter grade and pass with a C- or better.

## Required Text

*Economics of the Public Sector*, 4th edition, by Joseph Stiglitz and Jay Rosengard

## Canvas

We will use [Canvas](#) in this class for posting announcements, problem sets, links to articles and podcasts related to topics covered in class and posting grades.

## Grading

Grades will be based on the four categories listed below with the corresponding weights.

Item	Weight %
Problem Sets	25%
Midterm	30%
Final Exam	35%
Class Participation and Activities	10%

The grade distribution will be consistent with 300 level courses.

- **Homework:** There will be 4 problem sets assigned over the course of the term. The lowest problem set grade will get dropped. Please keep in mind that doing the assigned homework yourself is an important part of learning the material and preparing for the exams. Late homework will not be accepted.
- **Midterm:** The Midterm will be on Tuesday Feb 12th. It will cover all the material that has been presented up until that point. **No Make Up Midterms Will Be Given.** If you miss the midterm due to an unforeseen circumstance and have proof for that, I will allow you to put the weight of the midterm on the final.
- **Final Exam:** The final will be on Monday March 18th at 12:30 p.m. The final exam will be comprehensive in the sense that many of the same concepts we studied in the first half of the course will show up in the second half of the course. A missed final due to an unanticipated, verifiable emergency will be handled with an incomplete for the course until the student is able to make up the final.
- **Class Participation and Activities:** At the end of each class or beginning of a class, we will go over review questions based on the important concepts discussed in that class or the previous class. I expect you to participate in answering some of those questions, which will count towards your class participation. Also, make sure to come to me after that class to tell me your name so I can give you credit for that day's participation. There will most probably be one activity/game day (I am still figuring out how to play those games given the class size). You will be graded solely on participation in the games.
- **Attendance:** I will not be taking roll call, however to ensure everyone shows up I will only post the solutions to the review problems from class if more than half of the class shows up. Otherwise problems will be posted without solutions.

## Academic Honesty Policy

Academic Integrity: Academic dishonesty will not be tolerated. Please acquaint yourself with the Student Conduct Code, which is available at [conduct.uoregon.edu](http://conduct.uoregon.edu).

Among other things, it is not allowed to copy answers from another student's problem set. The purpose of the problem sets is to make you practice in order to do well in exams. Copying answers instead of attempting them yourself will do you more harm than good. If I

observe that you copy homework answers or answer keys in any way, I will give you a zero for the entire problem set. If it happens again after that you will fail the course. If you have questions about the boundaries between working on homework assignments jointly and copying them, ask me for clarification.

During exams, you may have pens and pencils, a ruler or straightedge, and a non-programmable hand-held calculator at your desk. Any other forms of assistance or sources of information (including cellular phones) are prohibited. Any violations of the Student Conduct Code will result in a failing grade for the course. In addition, an incident report will be filed with the Office of Student Conduct and Community Standards.

## Accessibility

If you have a documented disability and anticipate needing accommodations in this course, please make arrangements with me during the first two weeks of the term. Please request that the counselor for students with disabilities send me a letter verifying your disability and informing me what accommodations you will require.

## Tentative Course Schedule

1. **Jan 8th:** Intro to Public Econ/ Size and Role of Government (Ch. 1,2)
2. **Jan 10th:** Micro Theory and Intro to Welfare Economics (Ch. 3)
3. **Jan 15th:** Market Efficiency and Welfare Economics (Ch. 3)
4. **Jan 17th:** Market Failure and Efficiency (Ch. 4,7)
5. **Jan 22nd:** Market Failure and Efficiency (Ch. 4,7)
6. **Jan 24th:** Public Goods (Ch. 5) (**First Problem Set Due**)
7. **Jan 29th:** Public Goods (Ch. 5)
8. **Jan 31st:** Externalities (Ch. 6)
9. **Feb 5th:** Externalities (Ch. 6)
10. **Feb 7th:** Midterm Review (**Second Problem Set Due**)
11. **Feb 12th:** Midterm
12. **Feb 14th:** Public Choice (Ch. 9)
13. **Feb 19th:** Public Choice (Ch. 9)
14. **Feb 21st:** Guest presentation/Experiment and Game Day
15. **Feb 26th:** Class canceled
16. **Feb 28th:** Public Policy Evaluation (Ch. 10,11)

17. **March 5th:** Inequality (Ch. 15) (**Third Problem Set Due**)
18. **March 7th:** Introduction to Taxation (Ch. 17, 18)
19. **March 12th:** Taxes and Deadweight Loss (Ch. 20)
20. **March 14th:** Final Review (**Fourth Problem Set Due**)
21. **March 18th:** Final Exam at 12:30 p.m. (**Monday**)