

Economics 401 (L01) (Public Sector Economics: Expenditures)

Instructor:	Stefan Staubli	Lecture Location:	SA 017
Phone:	(403) 220-6180	Lecture Days/Time:	TR 9:30 – 10:45
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Office Hours:	TR 10:45 – 11.45 or by appointment	Winter 2019	

Course Description:

Economics 401 focuses on the expenditure side of public finance (Economics 403 deals with the taxation side). The course examines the main government expenditure programs in Canada: health care, education, employment insurance, public pensions, etc. We will also consider income inequality and redistribution, including discussions on the rising income share of the top 1 percent. Coverage of the topics will consist of a presentation of institutional facts and a development of the economic theory (public goods, welfare economics) required for understanding the economic purposes of the government programs. The course will follow a fairly pragmatic, policy-oriented approach. Some of the material is more technical and requires knowledge of Intermediate Microeconomics theory. Class discussions are encouraged. Check D2L for the postings of some of the readings.

Course Objectives/Learning Outcomes:

By the end of the course students should be able to understand and critically evaluate issues related to social and government policy from an economic perspective.

Course Outline:

Unless indicated otherwise, chapter listings refer to those in the course textbook. Other readings are on reserve or available online or on D2L. Additional readings will be added during the course delivery.

1. Program Evaluation and Efficiency

- a. Chapter 1 (Introduction to Public Finance in Canada)
- b. Chapter 2 (Fundamentals of Welfare Economics)
- c. Chapter 2: Appendix (Consumer and Producer Surplus)
- d. Chapter 3 (Cost-Benefit Analysis)

2. Public Goods and the Privatization Debate

- a. Chapter 4 (Public Goods)
- b. Chapter 5 (Externalities)

3. Social Insurance and Health Care

- a. Chapter 9 (Health Care)

4. Income Distribution in Canada

- a. Chapter 6 (Income Redistribution)
- b. Chapter 12 (Social Welfare Programs)

5. Automatic Stabilizers and Employment Insurance

- a. Chapter 10 (Employment Insurance)

6. Public Schools and Universities

- a. Chapter 13 (Education)

7. Public Pensions and Intergenerational Accounting

- a. Chapter 11 (Public Pensions)

8. Fiscal Federalism

- a. Chapter 8 (Fiscal Federalism)

Prerequisites/corequisites:

Economics 303 and 357.

Required Textbook(s):

H. Rosen, J.-F. Wen, and T. Snoddon, *Public Finance in Canada*, McGraw-Hill Ryerson, 2016, 5th Canadian Edition (earlier editions are fine too)

Recommended Textbook(s):

None

Books on Reserve:

A copy of the textbook is on Reserve

Desire2Learn:

This course will make use of the Desire2Learn (D2L) platform. Students who are registered in the course can log on at <http://d2l.ucalgary.ca> through their student centre. Please note that D2L features a class e-mail list that may be used to distribute course-related information. These e-mails go to your University of Calgary e-mail addresses only.

Grade Determination and Final Examination Details:

THREE ASSIGNMENTS	30%
MIDTERM EXAM (Date: in class, Mar. 5, 9:30-10:45)	25%
FINAL EXAM	45%
	<u>100%</u>

Grading Scale

A+	95 – 100	B	73 – 76	C-	60 – 62
A	85 – 94	B-	70 – 72	D+	56 – 59
A-	80 – 84	C+	67 – 69	D	50 – 55
B+	77 – 79	C	63 – 66	F	0 – 49

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

As per the Writing Across the Curriculum Statement in the Calendar, writing and grading thereof will be a factor in the evaluation of student work.

Any student work which remains undistributed after the last day of classes will be available to students through the instructor's office during the instructor's office hours.

The final examination will be comprehensive, scheduled by the Registrar, held in a classroom, and last 2 hours. If a student cannot write their final exam on the date assigned by the Registrar's Office, they need to apply for a deferred exam www.ucalgary.ca/registrar/exams/deferred_final. Under no circumstance will this be accommodated by the Department.

Tests and exams will not involve multiple choice questions. Non-programmable calculators WILL be allowed during the writing of tests or final examinations.

THERE WILL BE NO MAKEUP OR DEFERRED QUIZZES/TESTS/EXAMS under any circumstances, nor may the quizzes/tests/exams be written early. Students unable to write the quizzes/tests/exams because of documented illness, family emergency, religious observance, or university-sanctioned event will have the weight shifted to the final examination; otherwise a grade of zero will be assigned.

Reappraisal of Grades and Intellectual Honesty:

For reappraisal of graded term work, see Calendar I.2

<http://www.ucalgary.ca/pubs/calendar/current/i-2.html>

For reappraisal of final grade, see Calendar I.3

<http://www.ucalgary.ca/pubs/calendar/current/i-3.html>

Statement of Intellectual Dishonesty, see Calendar K.4

<http://www.ucalgary.ca/pubs/calendar/current/k-4.html>

Plagiarism and Other Academic Misconduct, see Calendar K.5

<http://www.ucalgary.ca/pubs/calendar/current/k-5.html>

Academic Accommodations:

The student accommodation policy can be found at: ucalgary.ca/access/accommodations/policy.

Students needing an accommodation because of a disability or medical condition should communicate this need to Student Accessibility Services in accordance with the Procedure for Accommodations for Students with Disabilities ucalgary.ca/policies/files/policies/student-accommodation-policy.

Students needing an Accommodation based on a Protected Ground other than disability should communicate this need, preferably in writing, to the course instructor.

Important Dates:

Please check: <http://www.ucalgary.ca/pubs/calendar/current/academic-schedule.html>

Student Organizations:

Faculty of Arts Students' Association (F.A.S.A.):

Economics Department Representative

Office: SS 803, E-mail: econrep@fasaucalgary.ca and Web: www.fasaucalgary.ca.

Society of Undergraduates in Economics:

<https://www.ucalgarysue.com/>.

Society of Undergraduates in Economics is a student run organization whose main purpose is to assist undergraduate economics students to succeed both academically and socially at the University of Calgary. Services include access to the exam bank, career events such as Industry Night and information sessions, mentorship programs, and social events for members. They invite you to join by contacting SUE at societyofundergradsineconomics@gmail.com.

Faculty of Arts Program Advising and Student Information Resources:

- Have a question, but not sure where to start? The Arts Students' Centre is your information resource for everything in Arts! Drop in at SS102, call them at 403-220-3580 or email them at artsads@ucalgary.ca. You can also visit the Faculty of Arts website at <http://arts.ucalgary.ca/undergraduate> which has detailed information on common academic concerns, including program planning and advice.
- For registration (add/drop/swap), paying fees and assistance with your Student Centre, contact Enrolment Services at 403-210-ROCK [7625] or visit them in the MacKimmie Library Block.
- Online writing resources are available at <http://www.ucalgary.ca/ssc/resources/writing-support>.

Evacuation Assembly Point:

In case of an emergency evacuation during class, students must gather at the designated assembly point nearest to the classroom. The assembly point for this classroom is Social Science – Food Court.

Safewalk:

The Safewalk program provides volunteers to walk students safely to their destination anywhere on campus. This service is free and available 24 hrs/day, 365 days a year. **Call 403-220-5333.**

Freedom of Information and Protection of Privacy (FOIP) Act:

Personal information is collected in accordance with FOIP. For more information, see <http://www.ucalgary.ca/legalservices/foip/foip-hia>.

Internet and Electronic Communication Device information:

The use of cell phones for any purpose in class is prohibited. Computers and tablets may be used for note-taking only.