

**Course Outline
Economics 336Y
Public Economics**

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Grading

The grading scheme is

Midterms (2)	40%
Final exam	40%
Term paper	15%
Class participation	5%

The two midterms will be held during class time. The final exam will be cumulative, but will emphasize second-semester material. Principles for assigning the small class participation grade will be discussed in class.

Students will submit a short term paper, due on March 1, 2011 – details to follow. From the Office of Academic Integrity: “Students agree that by taking this course all required papers may be subject to submission for textual similarity review to Turnitin.com for the detection of plagiarism. All submitted papers will be included as source documents in the Turnitin.com reference database solely for the purpose of detecting plagiarism of such papers. The terms that apply to the University’s use of the Turnitin.com service are described on the Turnitin.com web site.”

Late term papers will be assigned a penalty of 10% per day. Students missing exams must present a written request for special consideration within one week, together with a valid medical certificate (available at <http://www.artsci.utoronto.ca/current/undergraduate/course/timetable/2006-2007-fall-winter-timetable/medcert.pdf>). Beginning this year, students must also file an Absence Declaration on ROSI – see <http://www.artsci.utoronto.ca/current/undergraduate/absence>. If the request for special consideration is accepted, students will be required to write a makeup exam that will cover the full course. The makeup test will cover the full year’s course material. **Failure to adhere to these procedures will result in assignment of a grade of zero.**

Readings

There is no required textbook for the course. Students may wish to consult:

Harvey Rosen *et al.*, *Public Finance in Canada* (Toronto, McGraw–Hill Ryerson).
Jean Hindriks and Gareth D. Myles, *Intermediate Public Economics*, (Cambridge, MIT Press).

These books are on reserve at Robarts Library.

Occasionally, I will assign additional required readings – mainly about current policy issues. For details on this, see the course website, <http://www.economics.utoronto.ca/msmart>. This is also where to go for updates to the course schedule, for assignments, and for additional readings.

Lectures

The following is an approximate timetable for lectures and exams. As a guide, I give suggested readings from the Rosen textbook. Additional required readings will be available on the course website.

Date	Lecture	Readings from Rosen
September 14	Introduction	Chaps. 1-3
September 21	Welfare economics	Chap. 2
September 28	Efficient tax systems	Chap. 16
October 5	Advanced topics on efficient taxation	
October 12	Optimal taxation	Chap. 17
October 19	Principles of income taxation	
October 26	Personal income taxation	Chaps. 18-19
November 2	Tax incidence	Chaps. 15, 6
November 9	“Fall break”	
November 16	Midterm exam I	
November 23	Taxation of savings and consumption	Chaps. 20-21
November 30	<i>Policy topic</i> : Long-run fiscal policy	
December 7	Corporate taxation	Chap. 22
January 11	Public goods: Efficiency	Chap. 4
January 18	Public goods: Collective choice	
January 25	Majority voting	Chap. 8
February 1	Charitable contributions	
February 8	Externalities	Chap. 5
February 15	Policy responses to externalities	Chap. 5
February 27	Reading Week	
March 1	Midterm exam II	
March 8	<i>Policy topic</i> : Climate change	
March 15	Public-sector pricing	Chap. 7
March 22	Fiscal Federalism	Chap. 9
March 29	Benefit–cost analysis	Chaps. 10-11
April 4	Review Session	