



University of Victoria

Course Syllabus

Department of Economics

ECON 325 Section A01

Public Economics

September 2024

CRN: 11108

Instructor: Martin Farnham

E-Mail: mfarnham@uvic.ca

Office: BEC 354

Every student is responsible for reading and understanding the content of this course outline.

UVic Land Acknowledgement

We acknowledge and respect the lək̓ʷəŋən peoples on whose traditional territory the university stands and the Songhees, Esquimalt and WSÁNEĆ peoples whose historical relationships with the land continue to this day.

Course Description

Introduction to the role of government in the economy. Topics include: examination of public goods, externalities, and information asymmetries; market failures resulting from these conditions and policies to address those market failures; taxes, expenditures, and collective decision-making under majority voting. Policy applications include welfare, education, health care spending, and tax policies such as income taxes, consumption taxes, and taxes on carbon emissions.

Prerequisites: One of ECON 103, ECON 103C, ECON 180.

Class Information

Lecture time: 10:00-11:20, MR

Location: Cornett A221

Office Hours: Mondays 2:30-4:00pm, BEC 354

Teaching Assistant: Giang Nguyen

TA Office Hours: NA (Giang will help with course admin)

Texts/Materials

1. **Required Textbook:** There is no required textbook for the course.

2. **Optional Textbooks.** You may find Rosen, et al. "Public Finance in Canada" useful to supplement the lecture notes.

Course Content

Lectures will be much easier to follow if you read lecture notes ahead of lecture.

Topics Outline (subject to change)

Role of Government in the Economy
Public Goods
Externalities
Personal Income Taxation
Consumption vs. Income Taxes
Income Redistribution Programs
Employment Insurance
Universal Basic Income
Voting

Various readings posted to Brightspace may be assigned throughout the term.

Grading Scheme

Best of 2 midterms (no makeup exams will be given): 50%
Final Exam: 50%

Problem Sets: A series of ungraded problem sets will be distributed throughout the course. While these will not be graded, you are strongly encouraged to work through the problem sets to develop and gauge your understanding of the material. Most students will find that careful practice solving problems significantly increases their understanding of the material. Students are encouraged to work on these problems in groups after first attempting them individually.

Midterms: The midterm exam(s) are scheduled as follows:

Midterm #1: Monday October 7 (in class)
Midterm #2: Monday November 4 (in class)
Final Exam: Scheduled by the Registrar

Midterms are not mandatory and therefore not deferrable. *Students who fail to complete at least one midterm will receive a midterm score of zero, no exceptions.* If you miss both midterms (for any reason including illness) you should drop the course and take it in a later term. To maximize your grade in the course, you should take both Midterms. Skipping the first midterm leaves you extremely vulnerable to sickness or missing the bus on the day of the second midterm, so don't play with fire.

Final exam: Scheduled by the University. Details of the final exam will be provided later in the term. The final exam is a mandatory component of the course and is therefore deferrable using a Request for Academic Concession.

The University's undergraduate grading scale with numerical score/letter grade equivalency, and descriptions can be found at the following: [University Grading Schedule](#)

Course Website

- Lecture notes, problem sets, answer keys, additional readings, and other useful information will be posted on the course website: <https://bright.uvic.ca/d2l/home/356630>
- Important announcements will be posted on the course website. Students are advised to check frequently.

Course Experience Survey (CES)

I value your feedback on this course. Towards the end of term you will have the opportunity to complete a confidential course experience survey (CES) regarding your learning experience. The survey is vital to providing feedback to me regarding the course and my teaching, as well as to help the department improve the overall program for students in the future. When it is time for you to complete the survey, you will receive an email inviting you to do so. If you do not receive an email invitation, you can go directly to <http://ces.uvic.ca>. You will need to use your UVic NetLink ID to access the survey, which can be done on your laptop, tablet or mobile device. I will remind you nearer the time, but please be thinking about this important activity, especially the following three questions, during the course.

1. What strengths did your instructor demonstrate that helped you learn in this course?
2. What specific suggestions do you have for how the instructor could have helped you learn more effectively?
3. What specific suggestions do you have for how this course could be improved?

Policies

This course adheres to the [Undergraduate Course Policies](#) of the Department of Economics that deal with the following issues:

- Academic integrity (plagiarism and cheating)
- Attendance
- Grading
- Academic concessions
- Travel plans
- Students with a disability
- Policy on inclusivity and diversity

Further information related to policies:

Examinations

Attendance at all scheduled examinations is essential to do well in the course. Write them in your calendar now. There are no makeup exams given for midterms (see "Midterms" above). In the event of a missed final examination, students are advised to follow the procedures outlined in the University Calendar: [University Examination Policies](#)

Students should not make work or travel plans during the exam period until after the examination timetable has been finalized. Students who wish to finalize their travel plans at an earlier date should book flights that depart after the end of the examination period. There will be no special accommodation if travel plans conflict with the examination.

Electronic devices: During exams, only non-programmable calculators are permitted. All other electronic devices must be turned off and stored out of view.

Waitlist Policies

- Enrolment limits are determined by classroom capacity. Instructors have no discretion to raise the cap or admit waitlisted students. *While waiting for enrolled students to drop, waitlisted students must attend all classes and submit assignments according to the normal deadline.*
- *Enrolled students who do not show up in the first three lectures may lose their place in the course. Enrolled students who decide not to take the course are responsible for initiating their dropping out of the course, and are urged to do so as promptly as possible out of courtesy toward waitlisted students.*

Classroom Etiquette

Behave politely and professionally to the teaching staff and your fellow students.

Student Code of Conduct

The Humanities, Science, and Social Sciences Faculties have adopted this [Student code of conduct](#). Please review.

Language

English is the language of instruction at the University and for all aspects of this course. Dictionaries are not allowed in examinations in this course.

Academic Integrity

Please browse [What is Plagiarism](#) for the definition of plagiarism. Academic integrity requires commitment to the values of honesty, trust, fairness, respect, and responsibility. Students are expected to observe the same standards of scholarly integrity as their academic and professional counterparts. A student who is found to have engaged in unethical academic behaviour, including the practices described in the [Policy on Academic Integrity](#) in the University Calendar, is subject to penalty by the University. I respect students who are honest, regardless of their performance in the course, and to protect them from unscrupulous classmates I will ruthlessly prosecute anyone I catch plagiarizing or cheating in any other way. Period. If you have any question about what constitutes cheating or plagiarism, I'm very happy to explain this. Check with me before taking a chance.

Use of AI

The use of AI is not permitted in this course unless explicitly stated as allowed on a given assignment. Should you violate this rule, you will have violated UVic's [Policy on Academic Integrity](#) and a complaint against you under this policy will be filed accordingly.

Failing grades

I respect your choice to exert minimal effort in this class due to priorities elsewhere in your life. However, university policy sets the bar to pass a course *very* low, and I have no sympathy for those who fail to clear that bar. Optimize carefully, should you choose to engage in risky cost-minimizing behavior! Students regularly fail my courses. This is not meant as a threat, but as a warning that careless coasting can lead to disaster.

Policy on Gifts

Some students have very kindly given me gifts in the past. While I truly appreciate the gesture, I would like to discourage this. I never want a student to get the impression that they need to curry favor with me in order to get a good grade. In fact, a gift would never affect a student's grade, but it's best to avoid any appearance to the contrary. So please don't give me gifts. In any case, the kindest gesture of thanks you can ever make is to drop by or send an email sometime *after* grades are in and tell me you appreciated the course. That never fails to make my day.

E-mail Policy

- You may contact me at my UVic email address. Please include both your legal name (the name in the university records) and course title in the subject of your email. Without such information, it is sometimes hard for the instructor to understand the nature of your queries. Please avoid inappropriate nicknames, email ids and signatures. Text message lingo should not be used.
- You should contact me by email primarily on matters that relate to your personal participation. It is best to raise questions related to course materials in class or in person during office hours. You may ask simple short questions via email; however, I may answer directly or I may reply telling you that I will cover that in class or it is best to explain the question in person. E-mail is a terribly inefficient way of communicating about these types of issues. General administrative matters such as the arrangement and the format for the exams will **ONLY** be discussed in class and no answers will be provided via email on these issues.
- A good rule of thumb for emails is, "Only send it if it's really important." For example, if I post an answer key with an error on it 2 days before an exam (or promised you an answer key by a certain date and forgot to post it), definitely email me. Email is arguably too cheap relative to what would be socially optimal. People send emails without thinking because it's cheap (to them) to do so. Unfortunately, emails impose a cost on the recipient who has to read them and respond to them. It becomes very tempting to send me an email asking "What will be covered on the midterm?" even though that very point will with 100% certainty be covered in lecture. So, I only respond to emails that really "needed" to be sent, and I get to decide what's "needed." Basically, if you could have figured out the answer to your question by 1) reading the syllabus; 2) reading the website; or 3) attending lecture, I won't answer it. So check those sources, and if you missed lecture, ask a classmate who was there. If it's a

question on material (and hence was covered in lecture) you're more than welcome to ask it, but come to office hours to do so. Email is terrible for explaining most economics.