

PUBLIC FINANCE: EXPENDITURE
ECONOMICS EC3328A-001
Department of Economics
Western University

September 2022

Instructor: Emmanuel Murray Leclair
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Office hours (tentative): Mon: 11:30-12:20 Fri: 1:30-2:20

- *Depending on the week, office hours will be held in-person and online using zoom.*

Delivery mode: *In-person*

Meeting times: Mon: 12:30-1:30 Wed: 12:30-2:30

Classroom: UC 2105

Course website: <https://owl.uwo.ca/portal>

Undergraduate inquiries: 519-661-3507 or SSC Room 4075 or econugrd@uwo.ca

Registration:

You are responsible for ensuring you are registered in the correct courses. If you are not registered in this course, the Department will not release any of your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at <https://student.uwo.ca>. If you notice a problem, please contact your home Faculty Academic Counsellor immediately.

Prerequisite/Antirequisite Note:

The prerequisites for this course are **Economics 2223A/B** and **Economics 2261A/B**

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken any anti-requisite courses. Lack of prerequisites may not be used as a basis for appeal. If you are found to be ineligible for a course, you may be removed from it at any time and you will receive no adjustment to your fees. This decision cannot be appealed.

If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record, but will ensure that spaces become available for students who require the course in question for graduation.

Course Description:

This course studies the role of government intervention for the provision of public goods, the correction of externalities, and the redistribution of resources. Discussions will be both theoretical with an emphasis on what policies *should* be, and empirical with an emphasis on *what* policies

governments choose in practice, *why* we observe those policies and *what* are is the effect of those policies on the economy. We will discuss multiple applications in the Canadian context.

Course Learning Outcomes:

After this course, students should be able to:

1. Reason through economic concepts and theories related to basic welfare economics and the role of government in addressing the provision of public goods and externalities.
2. Reason through theories of government decisions that inform what policies are chosen and how they can be implemented.
3. Critically assess the provision of public goods and the correction of externalities through their modern applications. Examples include public transportation, health and social insurance, pollution, and education.

Textbooks and Course Materials:

There is no required textbook, and the material presented in this class through lectures will be self-contained. Class attendance is paramount to get the appropriate learning material. However, students unfamiliar with the topics presented are encouraged to get a copy of one or more of the following textbooks, in order of relevance:

Rosen, Harvey, Jean-Francois Wen, and Tracy Snoddon. Public Finance in Canada, 5th Canadian Edition, 2016, McGraw-Hill Ryerson

Note: much of the course material will be related to chapters in this textbook

Gruber, Jonathan. Public Finance and Public Policy, 7th Edition, 2022

Feldman, Allan M. and Roberto Serrano. Welfare Economics and Social Choice Theory, 2nd edition, 2006, Springer

Note: This book is available as an ebook through the Weldon Library

Note: This book will help with theoretical discussions

Hindriks, Jean and Gareth D. Myles. Intermediate Public Economics, 2nd Edition, 2013

Note: This book will help with theoretical discussions

Course Outline:

This is a tentative outline for the course. I have included chapter references from Rosen, Wen and Snoddon (R), Feldman and Serrano (F), and Hindriks and Myles (H) when it applies. Note that we may cover topics that are not in the textbook, and these topics may appear on assignments and exams. Topics covered may be adjusted based on the progress of the class.

1. Part One: Introduction
 - Introduction (R1)
 - Fundamentals of Welfare Economics (R2, F1-3)

2. Part Two: Theories Underlying Public Expenditure
 - Public Goods, Common Resources and Club Goods (R4, F8)
 - Externalities (R5, F7)
 - Redistribution of resources (R6)
3. Part Three: Political Economy
 - Public Choice (R7)
 - Fiscal Federalism (R8)
 - Lobbying (H12)
4. Part Four: Public Expenditures in Practice
 - Education (R13)
 - Social Insurance: Health Care (R9), Employment Insurance (R10), Social Security (R11)

Grading:

Throughout the class, we will read and discuss academic papers and news articles. Participation in these discussions will make the class more interesting and will develop both your rhetorical and critical skills.

There will be two take-home assignments, one essay with a presentation to the class, and one final exam during the exam period. The length of the presentation will be approximately 10-15 minutes but may be more or less depending on the size of the class. Note that all assignments and essays are due in-person at the beginning of class on the due date. Late submissions will not be accepted.

The course grades will be assigned as follow:

i.	Assignment 1	Oct 26 th	15%
ii.	Assignment 2	Nov 21 st	15%
iii.	Essay	Dec 7 th	25%
iv.	Presentation	Nov 30 th , Dec 5 th , 7 th	10%
v.	Final Exam	TBD	35%

All assignments and essays are due in-person at the beginning of class on the due date. Late submissions will not be accepted and will receive a score of 0. See below for extenuating circumstances.

For missed assignments, you must take your documentation to Academic Counselling and notify me within 24h of the due date. For illnesses, you must print off medical certificate and take it to the doctor, which you bring to Academic Counselling. The medical certificate can be found at https://studentservices.uwo.ca/secure/medical_document.pdf. If the absence for the assignment is excused, then the percentage for that exam will be allocated to the final exam.

A similar rule applies to the essay. However, you still have to submit it if the absence is excused since you have plenty of time to write it. I will give extension periods to a maximum of seven days on a case-by-case basis.

All submitted documents will be subject to submission for textual similarity review to the commercial plagiarism detection software under license to the University for the detection of plagiarism. All papers submitted for such checking will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system. Use of the service is subject to the licensing agreement, currently between Western University and [Turnitin.com](http://www.turnitin.com) (<http://www.turnitin.com>).

Important dates (*tentative*)

Sept 12:	First day of class
Oct 26:	First Assignment due (Beginning of class)
Nov 12:	Last day to drop class
Nov 21:	Second Assignment due (Beginning of class)
Nov 30, Dec 5,7:	Presentations
Dec 7:	Essay due
TBD:	Final exam

Note that all dates are tentative. If university regulation deems that classes should return in online, presentations will be held on zoom. Everything else will remain the same.

Professionalism, Privacy, and Copyright:

- Students are expected to follow the [Student Code of Conduct](#).
- All lectures and course materials, including slides, presentations, outlines, and similar materials, are protected by **copyright**. Students may take notes and make copies of course materials for their own educational purposes only.
- Students may not record lectures, reproduce (or allow others to reproduce), post or distribute lecture notes, assessments, or any other course materials publicly and/or for commercial purposes without written consent of the instructor.
- Recordings (audio or video) are not permitted without explicit, written permission of the instructor. Permitted recordings may not be distributed or shared.
- Students are expected to follow online etiquette expectations provided on OWL (*if applicable; otherwise delete this bullet point*)
- Students will be expected to take an academic integrity pledge before some assessments (*if applicable; otherwise delete this bullet point*)
- Some sessions may be recorded by the instructor. Recorded sessions will remain within the course site or be unlisted if streamed (*if applicable; otherwise delete this bullet point*)

Please Note
Department & University Policies for Fall 2022

The University expects all students to take responsibility for their own Academic Programs. Students should also check their registration to ensure they are enrolled in the correct courses.

1. **Guidelines, policies, and your academic rights and responsibilities** are posted online in the current Western Academic Calendar at: <http://westerncalendar.uwo.ca>. Claiming that “you didn’t know what to do” is not an acceptable excuse for not following the stated policies and procedures.
2. Students must familiarize themselves with the “**Rules of Conduct for Examinations**” http://www.uwo.ca/univsec/pdf/academic_policies/exam/administration.pdf.
3. **Cheating as an academic offence:** Students are responsible for understanding what it means to “cheat.” The Department of Economics treats cheating incidents very seriously and will investigate any suspect behavior. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in other Economics courses or programs. The University may impose further penalties such as suspension or expulsion.
4. **Plagiarism:** Students must write their essays and assignments in their own words. When taking an idea/passage from another author, it must be acknowledged with quotation marks where appropriate and referenced with footnotes or citations. Plagiarism is an academic offence (see Scholastic Discipline for Undergraduate Students in the Western Calendar at http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_20).

Western University uses software to check for plagiarism and students may be required to electronically submit their work. Those found guilty will be penalized as noted in point 3.

5. It is a Department of Economics policy that **NO** assignments be dated, stamped or accepted by staff. Students must submit assignments to the instructor.
6. **Appeals:** University policies and procedures for appealing a mark can be found in the Student Academic Appeals section in the current Western Academic Calendar at: http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_14. **Please note the relevant deadlines.**

Department of Economics procedures for appealing a mark can be found here: https://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals. The Department will not consider an appeal unless an attempt has been made to settle the matter with the instructor first. Students who remain dissatisfied with the outcome may proceed to submit an appeal to econugrd@uwo.ca. Please follow the instructions and use the appeal form shown in the above link.

7. **Systematic adjustments of a class grade distribution** (either up or down) can occur in Economics courses. The fact that grades have been adjusted is **not** grounds for an appeal.
8. Note the following **add and drop deadlines**:
 - Deadline to add a first term half course: **Friday, September 16, 2022**
 - Deadline to drop a first term half course: **Saturday, November 12, 2022**

Policy Regarding Makeup Tests and Final Examinations

Faculty of Social Science policy states that oversleeping or misreading an exam schedule is NOT grounds for a makeup. This rule applies to midterm and final exams in the Department of Economics.

Policies Regarding Academic Accommodation

- Academic accommodation will not be granted automatically on request. Students must demonstrate by documentation that there are compelling medical or compassionate grounds before academic accommodation will be considered. The Faculty of Social Science's policies on academic accommodation are found at https://counselling.ssc.uwo.ca/procedures/academic_consideration.html
- **Accommodation for Students with Disabilities:** Students with disabilities or accessibility challenges should work with Accessible Education (formerly SSD, see http://academicsupport.uwo.ca/accessible_education/index.html), which provides recommendations for accommodation based on medical documentation or psychological and cognitive testing. The accommodation policy can be found here: [Academic Accommodation for Students with Disabilities](#).
- **Rewriting Exams and Retroactive Reweighting are NOT Permitted:** Students who proceed to write a test or examination must be prepared to accept the mark. Rewriting tests or examinations, or retroactive reweighting of marks, is **not** permitted. Students must also book travel arrangements AFTER final exam dates have been posted as they must not conflict with test or final exams.
- Unless medically incapable of doing so, students must notify their instructor prior to the test date or at least within **24 hours** when requesting a makeup exam. Failure to follow this procedure may result in denial of academic accommodation and a grade of zero. Students should also set up an appointment as soon as possible to meet with their instructor. If the instructor is not available, send an email message to the instructor, copying the Undergraduate Coordinator at econugrd@uwo.ca. **Notifying instructors of a missed exam does not automatically entitle students to a makeup.**

- For medical illnesses, students may consult Student Health Services and request a Student Medical Certificate from the physician. If assessed by an off-campus doctor, students must obtain a certificate from his/her office at the time of the visit/assessment. Student Medical Certificate (SMC) is available here:
https://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf
- **Documentation for Accommodation:** Individual instructors are not permitted to receive documentation directly from a student, whether in support of an application for consideration on medical grounds or for other reasons.
- **Western University policy on Consideration for Student Absence** is available here:
https://counselling.ssc.uwo.ca/procedures/probation_rtw/appeals.html
- **Religious Accommodation:** Students should consult the University's list of recognized religious holidays and should give reasonable notice in writing, prior to the holiday, to the Instructor and an Academic Counsellor if their course requirements will be affected by a religious observance. Additional information is given in the [Western Multicultural Calendar](#).

Policy Regarding Class Attendance and Engagement: If the instructor deems a student's attendance or engagement in the class to be unsatisfactory, that student may be prohibited from writing the final examination. Examples of unsatisfactory class engagement include frequent absences from an in-person or synchronous online class, lack of assignment submissions, and inadequate use of online course materials. Instructors who intend to make use of this policy will notify the student in advance.

Statement on Mental Health and Support Services: Students under emotional/mental distress should visit http://uwo.ca/health/mental_wellbeing/ for more information and a complete list of resources on how to obtain help.

Statement on Remote Proctoring: While Western intends to hold most classes, mid-terms and finals in-person, the London-Middlesex Health unity may require western to teach in a remote format. If this occurs, all assessments will be done remotely and may involve the use of remote proctoring software (i.e., Proctorio, ProctorTrack). Instructors will provide information on the details should the need arise.