

# Economics 275 - Public Finance

Winter 1998

Department of Economics

**Instructor:**

Mark Showalter  
179 FOB, 378-4645  
mhs6@email.byu.edu

**Office Hours:** Monday and Wednesday, 4:15 - 5:15  
Also by appointment

**Required Text:** Harvey S. Rosen Public Finance, 4th Edition  
Eleanor Brown and Robert L. Moore Readings, Issues and Problems in Public Finance, 4th Edition

**Suggested Materials:** Subscription to *Wall Street Journal* or *New York Times*

**Course Objective:**

Public finance is the study of government from an economic perspective. Examples of the type of questions explored in this class include: What is the role of governments in a free-market economy? How do governmental actions affect private actions? How are government decisions made? We will expand on Econ 110 themes of the economic rationales for government and then focus on analyzing expenditure and tax policies of the federal government and in the process provide a framework for analyzing the economic consequences of government actions.

The prerequisite for this class is Econ 110. Students who have completed Econ 380 are strongly encouraged to take the upper division version of this course, Econ 475.

**Course Grading:**

Grades will be based on the following allocation:

Midterm . . . . .	20 %
Final . . . . .	35 %
Assignments . . . . .	10 %
Group Project . . . . .	35 %

The group project will be a detailed evaluation of some federal government agency and will include both a written report of not more than 30 pages, a class presentation at the end of the semester and a personal assessment of the group project of not more than 5 pages. The assignments will typically come from readings and problems in the study guide. The midterm will be given in the testing center and the final will be in class.

# Economics 275 - Public Finance

Course Outline\*: Winter 1998 -- Showalter

Date			Topic	Rosen Readings	
Jan	5	M	Introduction	1	
	7	W	U.S. Public Sector	2	
	12	M	Micro Review	Appendix	
	14	W	Efficiency	3,4	
	21	W	Public Goods	5	
	26	M	"	5	
	28	W	Externalities	6	
Feb	2	M	"	6	
	4	W	Public Choice	7	
	9	M	"	7	
	11	W	Cost-Benefit Analysis	12	
	17	T	Poverty Programs	9	
	18	W	Poverty Programs	9	
	<b>19-20</b>	<b>Th-Fri</b>	<b>Midterm Exam (in the testing center)</b>		
	23	M	Social Insurance	10	
	25	W	"	10	
Mar	2	M	Health Care	11	
	4	W	"	11	
	9	M	Introduction to Taxation	13	
	11	W	"	13	
	16	M	Personal Income Taxation	16	
	18	W	"	16	
	23	M	Taxes and Behavior	17	
	25	W	"	17	
	30	M	Taxation of Corporate Income	18	
Apr	1	W	Alternative Taxation Methods	20	
	6	M	Class Projects		<b>Projects</b>
	8	W	Class Projects		<b>Project Evaluations</b>
	13	M	Class Projects		
	<b>20</b>	<b>Mon</b>	<b>Comprehensive Final Exam 3:00 pm to 6:00 pm</b>		

\*This outline is tentative. We will spend more or less time on subjects as needed. The test dates and other due dates will remain fixed barring unexpected complications.