

Course Assignments and Desire2Learn:

All course assignments, problem sets and some lecture notes are posted on Desire2Learn which may be accessed at <http://learn.colorado.edu> .

Please note that four pages of each Adobe Acrobat file can be printed on a single sheet by clicking as: Print > Landscape > Multiple > Custom 2 by 2 .

Attendance at class:

Woody Allen once remarked: "90% of success is just turning up". The best way to learn the material is to attend class. Reading the lecture notes posted on the web is not a good substitute for attendance. Attendance at class is expected and required.

Administrative Drop:

Because attendance is important and is expected, I will drop from the class any student who neither attends two of the first three classes of the term nor gets special permission from me for his/her absence.

Problem Sets:

Problem sets for each topic are listed in the Course Outline. The problems with answers at the back are posted for each topic. The problem sets are an integral part of the course. They are designed to help you use the material and a significant part of the exams will loosely follow their format.

In addition, there are many questions at the end of each chapter in the textbook. I encourage you to work through the questions which relate to the material covered in class (I will post a list of these questions on Desire2Learn).

Use of clickers:

Clickers will be used in class. A list of questions will be posted on Desire2Learn.

and an absence or an incorrect answer will receive zero points. In calculating your total score for all in-class clicker questions, I will sum your scores for all days, omitting your three lowest daily scores.

Paper timeliness:

It is important that the paper is handed in on the date due (to be announced). If the paper is not handed in by the date due, your maximum score for the paper will be lowered from 10 to 5 points. If the paper is not handed in by the day of the exam, your score for the paper will be 0.

Contributing to the group in the creation of the paper:

There have been a few instances in the past when a member of a group does not fully participate in the creation of the paper. If this happens, the members of the group who are participating should email me noting that the member of the group is not fully participating in the creation of the paper. I will then summon all group members to my office to discuss. If he/she agrees that he/she is not fully participating, I will give her/him a chance to re-engage with the group and do his/her share. If there is no chang

Failure to be present at an exam:

If you are unable to take an exam because of illness: You must get a medical note from a doctor to confirm your inability to take the exam *and* advise me of your inability *before* the exam. In this case you may take a make-up. Otherwise, unless you have obtained my prior permission to take the make-up, failure to be present for an exam will cause your score to be 0 for that exam.

Using Clickers:

I consider it cheating if a student uses another student's clicker.

You get a green light when your answer is registered. If you get a red light, your clicker is not registering and your score is automatically zero.

Classroom courtesy:

Please turn your cell 'phone off prior to the start of class.

I believe that learning is enhanced if there is full concentration by both the instructor and the student. To facilitate this, laptops may only be used in the front two rows of the classroom and usage of laptops in class is restricted to following the course notes.

Accommodation for Disabilities:

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to me in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the academic environment. Information on requesting accommodations is located on the Disability Services website (www.colorado.edu/disabilityservices/students). Contact Disability Services at 303-492-8671 or dsinfo@colorado.edu for further assistance. If you have a temporary medical condition or injury, see Temporary Medical Conditions under the Students tab on the Disability Services website and discuss your needs with me.

Religious Holidays:

Campus policy regarding religious observances requires that faculty make every effort to deal reasonably and fairly with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. In this class, please let me know in a timely manner if one of the exam dates falls on a religious holiday you intend to observe and I will arrange for you to take a make-up.

Course outline:

A list of topics to be covered and likely dates is shown on the next pages. This is an estimated plan. Topics may take more or less time than estimated in this plan.

3. MARKET FAILURE: PUBLIC GOODS

15, 18, 20, 22,
25, 27 Sept

PUBLIC GOODS

4

Non-rivalness and non-excludability.

Efficient provision.

Free-rider problem.

Public vs. private provision.

Problem Set: Why the lights don't get turned off after class.

Problem Set: Non-excludable public good.

5. MARKET FAILURE: EXTERNALITIES

20, 23, 25, 27 30 Oct, 1, 3 Nov	EXTERNALITIES Efficient behavior. Coase theorem. Pigou taxes and subsidies. Regulation. <i>Problem Set:</i> the Coase theorem. <i>Problem Set:</i> Pigou tax. <i>Problem Set:</i> Permit sales. <i>Problem Set:</i> Regulation	5
------------------------------------	--	---

6. INCOME REDISTRIBUTION

6, 8, 10, 13 Nov	INCOME REDISTRIBUTION Process or end-state criterion. Equity and social welfare functions. Utilitarianism. Max-min and the original position. A typical redistribution program The shrinking pie. The equity v. efficiency trade-off. Public provision of private goods. <i>Problem Set:</i> Okun's Bucket: Redistribution Program <i>Problem Set:</i> Social welfare and income redistribution.	12, 13
------------------	--	--------

7. TAX ANALYSIS

15, 17, 27 Nov	PUBLIC FINANCE: TAX OR DEFICIT FINANCING Ricardo equivalence. Keynes view. Overlapping-generation model. Traditional argument. Crowding-out of capital. Social Security	20 11
----------------	---	------------------------------

Problem Set: Tax or deficit financing.
Problem Set: Bonds crowd out capital
Problem Set: Social security and savings.
Problem Set: Demographic issues

29 Nov
1, 4, 6 Dec

TAXATION: PRODUCT AND INCOME TAXES

15

Do sales taxes reduce consumption
Do labor taxes reduce effort?
Do capital taxes reduce savings?
Excess Burdens

Problem Set: Setting the product tax rate.
Problem Set: Product tax: excess burden.
problem Set: Product Tax: short-run and long-run
Problem Set: Setting the income tax rate.
Problem Set: Income tax - excess burden.
Problem Set: Okun's bucket: cost of redistributing income

8, 11 Dec

TAXATION: NORMATIVE RULES FOR SETTING TAX RATES

Tax rules
Tax reform

16

Problem Set: Tax Reform

13 Dec

REVIEW

17 Dec

FINAL EXAM (1:30 - 4.00 p.m. in ECON 119)