



NYU

**ROBERT F. WAGNER GRADUATE
SCHOOL OF PUBLIC SERVICE**

PADM-GP 2140

Public Economics and Finance

Fall 2019

Instructor Information

- Tatiana Homonoff
- Email: tah297@nyu.edu
- Office Location: Puck 3046
- Office Hours: Wednesday 3:30-4:30

Course Information

- Class Meeting Times: Wednesdays, 9/4/19–12/18/19, 6:45–8:25 pm
- Class Location: 12 Waverly Pl., Rm. L120

Teaching Colleagues

- Name: Lisa McMonagle
- Email: lmcmonagle@nyu.edu
- Office Hours: Wednesday 5:15-6:15, Puck 3049
- Recitation: Monday 8:35–9:35pm, 25 West 4th Street Room C-4

- Name: Brittany Mazzurco Muscato
- Email: bam396@nyu.edu
- Office Hours: Tuesday 5:15-6:15, Puck 3049
- Recitation: Wednesday 8:35-9:35pm, 25 West 4th Street, Room C-17

Course Prerequisites

- CORE-GP 1011 Statistics
- CORE-GP 1018 Microeconomics
- CORE-GP 1021 Financial management (may be taken concurrently)

Course Description

Public economics uses the tools of microeconomics and empirical analysis to study the impact of government policies on economic behavior and the distribution of resources in the economy. The course begins with a review of market failures and preferences for income redistribution to answer questions such as: When should the government intervene in the economy? How might the government intervene? And, what are the effects of those interventions on economic outcomes? Topics include issues related to revenue spending (e.g., education, means-tested programs, social insurance) and revenue raising (e.g., tax incidence, tax efficiency, personal income taxes).

Website and Email

The course website is available on NYU Classes (<http://newclasses.nyu.edu>). We will post announcements and all documents there. We will periodically send you email using the NYU Classes system so it is important that you regularly check your NYU email account or set up appropriate email forwarding.

Course and Learning Objectives

1. Understand the objectives and core concepts of government interventions in markets
2. Learn microeconomic foundations of households' and firms' decision making.
3. Learn how economists apply insights from economic theory, lab and field experiments and empirical studies to design policies.
4. Develop basic analytical competency to evaluate public policies.

Learning Assessment Table

Course Learning Objective Covered	Corresponding Assignment Title
#2, #4	Homework assignments
#3, #4	Policy memos
#1, #2, #3, #4	Class participation
#2, #4	Exam

Readings

Required: Jonathan Gruber, *Public Finance and Public Policy*, 5th edition. All other readings will be posted on the website or distributed in class. You may use another edition of the required text at your own risk – some material (especially problem numbers) may have changed. There will be a copy of the 5th edition on reserve at Bobst.

Requirements and Grading

Weekly Homework Assignments (20%)

Weekly homework assignments are due at the beginning of each lecture class. Homework will be graded as check ++, check+, check, check minus, no credit which corresponds to A+/A/B/C/zero. Late assignments will not be accepted; however, students will be allowed to skip one assignment without penalty – this includes assignments that cannot be turned in on time due to illness. For students who complete all assignments, I will drop their lowest grade.

Two Policy Memos (20%)

Each policy memo is worth 10% of your grade. Memos may be completed individually or in a two-person team. Grades for late memos will drop 10% per day.

Two Exams (55%)

There is a midterm and a final, worth 30% and 25% of your grade (30% to higher score). The final focuses on material from the second half of the course and will be held during the final exam period. There are no make-up exams.

Class Participation (5%)

I hope that all students will come to class and participate in discussion. However, class participation can only help a student's grade, not hurt it. If you come to class regularly and **contribute to the discussion**, you will receive a participation grade (worth an additional 5%) and this will be incorporated into your final grade. If you do not, participation will not be part of your final grade.

Recitations

Each lecture class is followed by a recitation led by a Teaching Colleague that focuses on applying course concepts to specific problems. Each recitation in a given week covers the same material and you may register for either one. A set of recitation problems will be posted on the website for each week. You should attempt these on your own before going to the recitation – solutions will be released the day before problem sets are due. Homework assignments may also be reviewed in recitation if time permits.

Overview of the Semester

	Lecture	Topics	Chapters	Assignments Due*
1	Sep 4	Intro to Public Finance	1.1, 1.3, 2.1, 2.3, Rosen Ch.3	
2	Sep 11	Public Goods	7	HW 1
3	Sep 18	Externalities	5, 6 (skim)	HW 2
4	Sep 25	Education	11.1-11.4	HW 3
5	Oct 2	Cash Transfers	2.2, 17	HW 4
6	Oct 9	In-Kind Transfers	Rosen Ch.12	HW 5
	Oct 16	Midterm**		
7	Oct 23	Intro to Insurance	12	Memo 1
8	Oct 30	Health Insurance	15.1, 15.2, 16.1, 16.3, 16.6	HW 6
9	Nov 6	Unemployment Insurance & Social Security	13, 14 (UI sections)	HW 7
10	Nov 13	Personal Income Taxes	18	Memo 2
11	Nov 20	Taxes and Labor Supply***	21.1-21.3	HW 8
12	Dec 4	Tax Efficiency	20.1-20.3	HW 9
13	Dec 11	Tax Incidence	19.1, 19.2	HW 10
	Dec 18	Final Exam**		

*All assignments are due at the beginning of the class.

** Midterm review sessions on October 13; final review sessions on December 15

*** No class on the week of Thanksgiving (November 27).

Academic Integrity

Academic integrity is a vital component of Wagner and NYU. All students enrolled in this class are required to read and abide by [Wagner's Academic Code](#). All Wagner students have already read and signed the [Wagner Academic Oath](#). Plagiarism of any form will not be tolerated and students in this class are expected to report violations to me. If any student in this class is unsure about what is expected of you and how to abide by the academic code, you should consult with me.

- Homework Assignments: While we encourage students to work on the homework in groups, the final write-up of assignments must be done individually, with no sharing of written answers.
- Policy Memos: If you choose to write memos as a team, both members of the team must contribute to the joint effort. There must be no free-riding.
- Exams: The exams must be the sole work of the individual student.

NYU Classes

Policy memos will be delivered through the NYU Classes site. Weekly homework assignments can either be handed in personally at the beginning of the lecture or through the NYU classes.

Assignments, due dates, and other aspects of the course may be modified as we go through the term with advance notice provided as soon as possible through the course website.

Henry and Lucy Moses Center for Students with Disabilities at NYU

Academic accommodations are available for students with disabilities. Please visit the [Moses Center for Students with Disabilities \(CSD\) website](#) and click on the Reasonable Accommodations and How to Register tab or call or email CSD at (212-998-4980 or mosescsd@nyu.edu) for information. Students who are requesting academic accommodations are strongly advised to reach out to the Moses Center as early as possible in the semester for assistance.

NYU's Calendar Policy on Religious Holidays

[NYU's Calendar Policy on Religious Holidays](#) states that members of any religious group may, without penalty, absent themselves from classes when required in compliance with their religious obligations. Please notify me in advance of religious holidays that might coincide with exams to schedule mutually acceptable alternatives.