



ECON 325 A01

Public Economics

Spring Session: 2025 01 – CRN 21010, 1.5 Units, 3 Contact hours, Mon/Thurs 4:30-5:50pm. Elliott 168.

UVic Land Acknowledgement

We acknowledge and respect the Lək'wəŋən (Songhees and Esquimalt) Peoples on whose territory the university stands, and the Lək'wəŋən and W̱SÁNEĆ Peoples whose historical relationships with the land continue to this day.

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Office Hours: In person, Thursdays 3:00-4:20pm

TA Name: Yuan Yin

Office: NA (TA will assist with course administration.)

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Office Hours: NA

Course Content

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.

Learning Outcomes

Students will be able to use a partial equilibrium model to identify the equilibrium and efficient allocations in a market and welfare (aggregate net benefits) in different scenarios (e.g., at equilibrium and at the efficient quantity).

Students will be able to show the welfare implications of market failure in a partial equilibrium model.

Students will be able to analyze the effect of different policy interventions on market equilibrium and welfare in a partial equilibrium framework.

Students will be able to analyze the effect of different policy interventions (e.g., taxes or government expenditure programs) on consumer behaviour using the consumer choice model.

Students will be able to identify the Equivalent Variation and Deadweight Loss associated with a policy intervention in the consumer choice model.

Students will be able to explain the role of the substitution effect in deadweight loss associated with various policy interventions.

Students will be able to explain how missing markets (e.g., with externalities or public goods) lead to failure of the First Fundamental Theorem of Welfare Economics.

Course prerequisites/corequisites

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

Textbook

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.

Brightspace

Brightspace is used extensively for the course. All students are expected to be fully functional with the system. The lecture notes will be posted in *Brightspace*. Please note that the lecture notes online are only outlines of the actual lectures.

All announcements will be posted in *Brightspace*. Students are advised to check it frequently.

<https://bright.uvic.ca/d2l/home/363880>

Grading

Grading Scheme

The course grade is determined as follows:

50% midterm exams (where your *overall* midterm score will be the score on the *better* of your two midterms)

50% final exam

Note that there are *no* makeup or deferred midterm exams. If you miss one (for any reason, including illness) you receive a zero on it, and your midterm grade will be determined by your other midterm score.

Mandatory/Essential Course Components

The final exam is a mandatory course component.

Midterms are not mandatory, and therefore are 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.

Dates of Assessments, Due Dates of Assignments

Assignment(s):

There are a series of ungraded problem sets available on Brightspace. You should complete these problems soon after the relevant material is covered in lecture and before that material is tested.

Midterm(s):

Midterm 1: February 6, in class (coverage is roughly Topics 1-3)

Midterm 2: March 6, in class (coverage is roughly Topics 4-6)

Final exam: To be set by the Registrar. Coverage is cumulative with extra emphasis on material not covered on the midterms.

Grading Scale

A+	A	A-	B+	B	B-	C+	C	D	F or N
90-100	85-89	80-84	77-79	73-76	70-72	65-69	60-64	50-59	0-49

Students should review the University's more detailed [summary of grading](#).

Missing Assessments

Midterms cannot be deferred for any reason.

In case you miss the final exam, fill in a [request for a deferral](#).

Students are advised not to make work or travel plans 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. Students do not qualify for an academic concession if travel plans conflict with the examination.

Course Policies

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

- Academic concessions
- Academic integrity (plagiarism and cheating)
- Attendance
- Grading
- Inclusivity and diversity
- Late adds
- Late assignments

- Repeating courses
- Review of an assigned grade
- Sexualized violence prevention and response
- Students with a disability
- Term assignments and debarment from examinations
- Travel plans
- Waitlists

The following policies are explicitly included because of their importance:

Waitlist Policies

- Instructors have no discretion to admit waitlisted students or raise the cap on the course.
- Students on the waitlist should discuss with the instructor how to ensure they are not behind with coursework in the event they are admitted.
- Registered students who do not participate as specified in this outline during the first 7 calendar days from the start of the course may be dropped from the course.
- Registered students who decide not to take the course are responsible for dropping the course and are urged to do so promptly out of courtesy toward waitlisted students.
- Waitlist offers cease after the last date for adding courses irrespective of published waitlists.

Academic Integrity

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.

Review [What is Plagiarism](#) for the definition of plagiarism. Note: Submitted work may be checked using plagiarism detection software.

Student Code of Conduct

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

University Policies

- University Calendar - Section "[Information for all students](#)"
- [Creating a respectful, inclusive and productive learning environment](#)
- [Accommodation of Religious Observance](#)
- [Student Conduct](#)
- [Non-academic Student Misconduct](#)
- [Accessibility](#)
- [Diversity / EDI](#)
- [Equity statement](#)

- Discrimination and Harassment [Policy](#)
- [Policy on Human Rights, Equity and Fairness](#) - The University is committed to promoting, providing and protecting a positive, supportive and safe learning and working environment for all its members.

Sexualized Violence Prevention & Response

UVic takes sexualized violence seriously, and has raised the bar for what is considered acceptable behaviour. Students are encouraged to learn more about how the university defines sexualized violence and its overall approach by visiting www.uvic.ca/svp. If you or someone you know has been impacted by sexualized violence and needs information, advice, and/or support please contact the sexualized violence resource office in Equity and Human Rights (EQHR). Contact svpcoordinator@uvic.ca.

Resources for Students

[UVic Learn Anywhere](#) - UVic Learn Anywhere is the primary learning resource for students that offers many learning workshops and resources to help students with academics and learning strategies.

[Centre for Accessible Learning](#) - Students with diverse learning styles and needs are welcome in this course. In particular, if you have a disability/health consideration that may require accommodations, you are free to approach me; however, you must register with the [Centre for Accessible Learning](#) (CAL) for formal arrangements to be made. The CAL staff are available by appointment to assess specific needs, provide referrals and arrange appropriate accommodations. The sooner you let us know your needs the quicker we can assist you in achieving your learning goals in this course.

[Centre for Academic Communication](#) - Offers coaching on [academic integrity](#), including preventing accidental plagiarism. Provides support to students with time management, reading, writing, speaking, understanding academic expectations, and other aspects of academic communication as well as creating academic posters, blogposts, PowerPoint slides, and e-portfolios.

[Health Services](#) - University Health Services (UHS) provides a full service primary health clinic for students, and coordinates healthy student and campus initiatives.

[Support Connect](#) - a 24/7 mental health support service for students

- Toll-free (calls from North America): 1-844-773-1427
- International collect calls: 1-250-999-7621

[Counselling Services](#) - Counselling Services can help you make the most of your university experience. They offer free professional, confidential, inclusive support to currently registered UVic students.

[Indigenous Student Services](#) - Indigenous UVic students have access to many sources of support on campus. Before, during and after your time at UVic, you are encouraged to explore programs and services available to you, such as [Indigenous counselling services](#) and the [Elders in Residence](#), as well as non-academic programs that may be of interest to you.

[International Student Support](#) - The University of Victoria offers a number of resources to support international students as they pursue their studies. UVic's [International Centre for Students](#) is the primary office supporting international students on campus at the university-wide level and provides various supportive program through the [UVic Global Community Initiative](#), including a Mentorship Program and Conversation Partner Program.

For academic advising-related questions, students in the Economics Department are also encouraged to meet with the Economics Undergraduate Advisor (Brooklynn Comish-Trimble, ecadvice@uvic.ca) as well as an academic advisor in the [Academic Advising Centre](#) early in their studies to help map out a plan to declare a major and complete university program requirements. Other resources include the [Centre for Academic Communication](#) and the [Math and Stats Assistance Centre](#).

The International Student Liaison in the Economics Department is Dr. Paul Schure who can help you connect with other international and domestic students in the Department. His email address is schure@uvic.ca. Please, reach out if you are interested.

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 the [CES log-in](#). You will use your UVic NetLink ID to access the survey, which can be completed 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.

What strengths did your **instructor** demonstrate that helped you learn in this course?

Please provide specific suggestions as to how the **instructor** could have helped you learn more effectively.

Please provide specific suggestions as to how this **course** could be improved.

Course Structure

Topic	Lecture Notes	Week	Due Dates and Exam Information
Review of Intro Micro	Topic 1	1	
Public Goods	Topic 2	2	
Public Goods	Topic 2	3	
Externalities	Topic 3	4	
Externalities	Topic 3	5	Feb 6: Midterm 1 in class
Income Taxation and Distribution of Income	Topic 4	6	
Income Taxation and Distribution of Income	Topic 4	7	
Consumption Taxation	Topic 5	8	
Welfare Programs and Redistribution	Topic 6	9	Mar 6: Midterm 2 in class
Welfare Programs and Redistribution	Topic 6	10	
Universal Basic Income	Topic 7	11	
Other topics, time permitting	Topic 8	12	
Other topics, time permitting	Topic 8	13	Classes end on April 4

There are non-graded problem sets throughout the course. Answer keys will be supplied. You should keep up with the problem sets, solving problems soon after we've covered the relevant material in lecture.

E-mail Correspondence

Emails should be limited to critical matters, such as inability to attend an exam, or prolonged illness, and should include the course name and number in the subject line. Questions on course material should be asked during office hours or in class. The standard format for writing a letter must be used. This means it should begin with a salutation (e.g. Dear...), include full sentences and it must conclude with a signature that includes your **full name and V#**. Text message lingo should not be used. You should use your UVic email account when corresponding about University business.

Electronic Devices

Use of electronic devices, other than a non-programmable calculator, is prohibited during all exams. If you have such a device (including but not limited to ear buds, programmable calculators, and smart phones/watches/glasses) on your person during an exam, that will be considered a violation of academic integrity. Use of electronic devices to further one's understanding of the course material is permitted during class. Use of electronic devices for other purposes during lecture is distracting to the students around you and potentially to the instructor and should be avoided.