



ECON 525 A01

Course Title Public Finance and Fiscal Policy

CRN 11203

Winter Session: 2023 – Term 09

UVic Land Acknowledgement

We acknowledge and respect the lək̓ʷəŋən peoples on whose traditional territory the university stands and the Songhees, Esquimalt and W̱SÁNEĆ peoples whose historical relationships with the land continue to this day.

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Office Hours: by appointment; please contact us to set up a meeting at least two days before you would like to meet.

OBJECTIVES

This course provides a general introduction to the economics of government expenditures and taxation. We will consider the appropriate role of government in the economy and use economic analysis to predict and verify the effect of government intervention on the behavior of individuals, households, and firms. We will discuss the implications of policy for efficiency and equity. Topics include examination of public goods, externalities, and information asymmetries; market failures resulting from these conditions and policies to address those market failures; taxes, and expenditures. We will study readings from the theoretical and empirical literatures in public economics. Policy applications will be drawn from a wide range of expenditure programs (e. g. welfare assistance, pension, affordable housing, healthcare, and unemployment insurance) and from tax policies such as income taxes and consumption taxes. We will study specific policies in North America, Canada, British Columbia, and other provinces. A special focus this term is on the research the Basic Income Panel collected to evaluate a reform of BC policies aimed at reducing income inequality and alleviating poverty.

Textbook:

We will draw mostly on the report and papers from <https://bcbasicincomepanel.ca/> and will provide to link to other freely available papers as needed.

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. Graduate students are expected to attend all classes.
- All announcements will be posted in *Brightspace*. Students are advised to check it frequently.

Grading

The final course grade is based on the following assignments: 5 briefing notes throughout the term (each carries a weight of 15%); a timed briefing note during the exam period worth 15%; and two group presentations based on prepared briefing notes, 5% each. Only the timed briefing note can be deferred via a Request for Academic Concession.

Most students in the MA program are training to become effective government economists. Assignments must be handed in on time, as will be the case with your work in the real world. If you haven't developed adequate time management skills by this point in your academic career, now is the time to do so. Pay careful attention to the timing of your exams and assignment due dates across all of your courses, and plan ahead accordingly. Instructors for this course may act as an employment reference for you in the future, and will likely be asked about your time management skills.

Our assignment structure meets our learning goals of

Understanding how government programs work

Evaluating government programs based on efficiency and equity considerations

Advising non-economist decision-makers on their policy options in an effective way

You can find a template for briefing notes on the course webpage.

For your presentations and for some of the briefing notes we may ask you to work in small groups. We will assign you to these groups. This is a useful exercise because in your job you may have to work on projects with others. In reference letters employers often ask us to comment on the applicant's ability to work with others. These assignments will allow us to comment to some extent on your ability to do this successfully.

Use of AI

The use of AI is not permitted in this course unless explicitly stated as allowed on a given assignment. Should you violate this rule, you will have violated UVic's [Policy on Academic Integrity](#) and a complaint against you under this policy will be filed accordingly.

For the following assignments the use of AI is permitted (though not required): Briefing notes 3 and 4. Students must describe in detail how AI was used to generate the content in their assignment (e.g. list all the prompts that they used; provide copies of the AI output generated; provide evidence that you have fact-checked the AI output)

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](#).

E-mail correspondence

Emails should be limited to critical matters, such as inability to attend class 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 conclude with a signature that includes your **full name and V#**. Text message lingo should not be used.

Course Policies

This course adheres to the [Graduate Course Policies](#) of the Academic Calendar and the [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.

Timed Briefing Note and Travel Plans

Students are advised not to make work or travel plans until after the examination timetable has been finalized. The timed briefing note will be scheduled during the final exam period. Students who wish to finalize their travel plans at an earlier date should book flights that depart after the end of the examination period. There will be no special accommodation if travel plans conflict with the examination.

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. The University reserves the right to use a plagiarism software to detect violations of academic integrity (including unauthorized use of ChatGPT and other Artificial Intelligence).

Student Code of Conduct

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

University 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.

See [General University Policies](#)

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.

Accessibility & Health Resources

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, graduate students in the Economics Department are also encouraged to meet with the Economics Graduate Advisor (Prof. Martin Farnham, egrad@uvic.ca). Other resources include the [Centre for Academic Communication](#) and the [Math and Stats Assistance Centre](#).

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.

[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.

[Elders' Voices](#) - The Office of Indigenous Academic and Community Engagement (IACE) has the privilege of assembling a group of Elders from local communities to guide students, staff, faculty and administration in Indigenous ways of knowing and being.

Course Experience Survey (CES)

We 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 Schedule

Topic	Text	Week	Due Dates and Exam Information
Public Goods, theory	Lecture notes, papers	1	
Public Goods, empirical results	Lecture notes, papers	2	First Briefing Note Assignment will be released on Brightspace
Externalities, theory	Lecture notes, papers	3	First Briefing Note due, upload on Brightspace under Assignment 1
Externalities, empirical results	Lecture notes, papers	4	Second Briefing Note Assignment will be released on Brightspace
Asymmetric Information, theory	Lecture notes, papers	5	Second Briefing Note due, upload on Brightspace under Assignment 2
Asymmetric Information, empirical results	Lecture notes, papers	6	Third Briefing Note Assignment will be released
Distortionary taxation: income taxes, consumption taxes, taxes on savings		7	Third Briefing Note due, upload on Brightspace under Assignment 3
Inkind vs cash transfers		8	Fourth Briefing Note Assignment will be released
Earned Income Tax Credit		9	Fourth Briefing Note due, upload on Brightspace under Assignment 4
Negative Income Tax, Basic Income		10	Fifth Briefing Note Assignment will be released
More from the Basic Income Panel		11	Fifth Briefing Note due, upload on Brightspace under Assignment 5
More from the Basic Income Panel		12	
More from the Basic Income Panel		13	Classes end on Dec 4