

Course Outline
Economics 337
Public Economics for Commerce

Professor Michael Smart

Grading

The grading scheme is

Writing assignments (2)	20%
Content tests (about 5)	5%
Class participation	15%
Midterm exam	20%
Final exam	40%

Principles for assigning the class participation grade will be discussed in class.

Writing assignments will be short – details on the website.¹ From the Office of Academic Integrity: “Students agree that by taking this course all required papers may be subject to submission for textual similarity review to Turnitin.com for the detection of plagiarism. All submitted papers will be included as source documents in the Turnitin.com reference database solely for the purpose of detecting plagiarism of such papers. The terms that apply to the University’s use of the Turnitin.com service are described on the Turnitin.com web site.” Late papers will be assigned a penalty of 10% per week.

Students missing exams must present a written request for special consideration by the beginning of the next lecture, together with a valid medical certificate.² If the request for special consideration is accepted, students will be required to write a makeup exam that takes place in class, immediately following the next lecture. **Failure to adhere to these procedures will result in assignment of a grade of zero.**

Readings

The recommended textbook:

J. Gruber, *Public Finance and Public Policy*, 4th ed., (Worth Publishers).

It is strongly recommended that students read the Gruber book. It is available from Amazon and will be on reserve at Robarts Library.

Required readings are available from the course website, where they are labelled with an asterisk. On randomly selected days, **students will be required to answer short content quizzes about these papers**, to be administered at the beginning of the lecture for which the reading applies.

¹See <http://www.economics.utoronto.ca/msmart/336>.

²Available at <http://www.artsci.utoronto.ca/current/undergraduate/course/timetable/2006-2007-fall-winter-timetable/medcert.pdf>.

Lectures

The following is a preliminary schedule for lectures, together with suggested readings from the textbook and required papers. **Note that this schedule is subject to change. Consult the website for the final version.**

Lecture	Topic	Gruber chapters	Required Readings
1	Introduction	1-3	
2	Taxation and efficiency	18, 20, 21	Arum et al., 2011
3	Tax incidence	19	
4	Taxation and income distribution	17.1, 18	Saez and Veall, 2005
5	Externalities	5, 6	Metcalf, 2009
6	Student Presentations I		
7	Long-run fiscal policy	4	Kotlikoff, 2009
8	Midterm		
9	Business taxation	24, 25	
10	Taxation of savings and risk-taking	22, 23	
11	Public sector enterprises		
12	Student Presentations II		