

Syllabus

George Mason University

Draft

**Econ 330      Public Finance - Spring 2015**

Professor Yong J Yoon

Office: Buchanan House upstairs west, (703) 993-2332

Office Hours: 1:30-2:30pm TTh and by Appointment

Class: 12:00 – 1:15pm TTh, Krug Hall 204

Email: [yyoon@gmu.edu](mailto:yyoon@gmu.edu), Webpage: Blackboard**Overview**

**Public economics** is the economic analysis of the public sector. It analyzes the effects of government policies on economic activities and the political processes (**public choice**) by which those policies are formed. **Public Finance** studies the fiscal aspects of public economics. These include government expenditures, taxation, and debt. Modern democratic governments directly control more than a third of gross national product and influence much of the rest through their fiscal and regulatory policies. This course provides students with the microeconomic tools to understand the impacts of those fiscal policies

**Prerequisites:** Intermediate Microeconomics (ECON 306)

**Texts**

Randy Holcombe, *Public sector economics* by, Prentice Hall 2006 (main text)

Hernando de Soto, *Why capitalism triumphs in the west and fails everywhere else*, Basic, 2000. ISBN: 0465016146

Stephen Moore, "Who's the Fairest of Them All? The Truth about Opportunity, Taxes, and Wealth in America," Encounter books, 2012

**Assignments and Requirements**

The grades are based on two midterm (20% each), final (30%), paper (20%), homework and quiz (10%). The quiz will be announced a week before and will be based on the reading assignments of the week.

**Midterm** exam will consist of multiple choices and define/identify (in full sentences) (25%), short essays (25%), problem solving (25%) and cases (25%). The **Final** exam will be cumulative. There will be **no makeups**.

The **paper** will be 6-8 pages long, and topic is on the current debate on Intellectual Property Rights. The **paper** will be 6-8 pages long. You can pick a topic from de Soto or you can compare Piketty (*Capital in the twenty-first century*) and Moore. I will provide a list of topics in the class from which you can choose a topic. If you choose to write on other topics suggested by me, you have to discuss with me beforehand. One requirement of the paper is that it should include a data.

The course is “lecture driven” in that most relevant material is covered in class. There will be handout (PPT notes) in the class.

**Spring Break 3/9-15,**  
**Midterms. 2/19; 3/19,**  
**Paper due: 4/30,**  
**Final Exam: 5/7Th 7:30-10:15am**

Schedule of Topics (subject to revisions)

**Topic 1. Public sector v. private sector H1 and H2.**

Private sector is market for private consumption goods. Main topic in price theory or microeconomics.

Free market, voluntary exchange of private consumption goods. Efficient.

Hernando de Soto. *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else*. Basic Books, 2000

**Topic 2. Property rights (H3)**

Primitive economy – R. Posner

**Topic 3. Market failure, externalities and public goods**

**Topic 4. Collective action, public choice (H**

**Topic 5. Taxation (H part iv) for four weeks**

**Topic 6. Expenditure programs**

**6.1 social security (H20)**

**6.2 obama care**

**6.3 education (Jim Coleman)**

**6.4 national defense (H23)**

**6.5 income inequality (H18) Piketty v. Moore**

**Reading lists.** Articles:

“Yet, although the problem of an appropriate **social order** is today studied from the different angles of *economics*, *jurisprudence*, *political science*, *sociology*, and *ethics*, the problem is one which can be approached successfully only as a whole. - F. Hayek

Posner, R.A. (1980). “A Theory of primitive society, with special reference to law” Journal of Law and Economics, XXIII(1), April, 1-53

Ronald Coase, 1960. “The problem of social cost” Journal of Law and Economics, III, October 1-44

Harold Demesetz

Garrett Hardin, “The Tragedy of the Commons”,

James Buchanan, “My sheep”

Yoon, “Anticommons and Patent System,” manuscript

Suggested paper topics (to add more)

1.. should we increasing cigarette tax as the oil price falls.

2. income inequality. Picketty v. Moore

3. education

## Student list

- 1 [Abdelaziz, Ahmed S.](#)
- 2 [Ale, John R.](#)
- 3 [Amoako, Patrick A.](#)
- 4 [Arroyo, Omar B.](#)
- 5 [Arshad, Neha H.](#)
- 6 [Barber, Luke B.](#)
- 7 [Bleichner, Christopher R.](#)
- 8 [Bonilla, Bianca L.](#)
- 9 [Carroll, Clay](#)
- 10 [Choi, Jennifer](#)
- 11 [Cottle, Alexander D.](#)
- 12 [Dekker, Jonathan R.](#)
- 13 [Demarchi, Marilze M.](#)
- 14 [DeSantis, Joseph M.](#)
- 15 [Ehsan, Amna](#)
- 16 [Galarza, Julio C.](#)
- 17 [Han, Soyoung](#)
- 18 [Harkins, Devin M.](#)
- 19 [He, Yibei](#)
- 20 [Heo, Wonkyeong](#)
- 21 [Ho, Troy C.](#)
- 22 [Hunnell, John A.](#)
- 23 [Matel, Jahn-Espen](#)
- 24 [Merritt, Catherine A.](#)
- 25 [Nesseth, Christopher J.](#)
- 26 [Panholzer, Madeleine M.](#)
- 27 [Pansuria, Neal G.](#)
- 28 [Park, Soo Jeong](#)
- 29 [Pola, Luis F.](#)
- 30 [Rahal, Ramy](#)
- 31 [Rhoa, Curtis R.](#)
- 32 [Rudenko, Ekaterina](#)
- 33 [Sapkota, Sachin](#)
- 34 [Shields, William J.](#)
- 35 [Shifflett, Sabrina L.](#)
- 36 [Tillawi, Oday A.](#)

- 37 [Tran, Jimmy N.](#)
- 38 [Villena Yepez, Rossana M.](#)
- 39 [Webb, Stephen R.](#)
- 40 [Whitman, Elizabeth D.](#)
- 41 [Williams, Jazmin T.](#)
- 42 [Zargarpur, Laila](#)