



Economics 309-C01: Economic Problems and Public Policies
 Summer 2018
 Innovation Hall 215G
 MTWR 1:30pm – 3:35pm
 E-mail: agood2@gmu.edu

Anthony Good
 Office Hours:
 R 10:15pm - 1:15pm
 Office Location:
 Mason Hall Econ Dpt.

Prerequisites: Econ 103 and Econ 104

Overview:

Economic Problems and Public Policies (Econ 309-C01) will use modern welfare economics and cost-benefit analysis to determine the economic efficiency and efficacy of public policies. Topics include fundamental theorems of welfare economics, Pareto efficiency, Kaldor-Hicks efficiency, social welfare-maximization, utility theory, externalities and public goods, environmental issues, international trade policies, and regulatory issues.

Required Textbook: None

Recommended Textbooks:

Friedman, David D. (1986). *Price Theory: An Intermediate Text*. South-Western Publishing Co.
 Available at: http://www.daviddfriedman.com/Academic/Price_Theory/Price%20Theory-%20D.%20Friedman.pdf

Grading Structure:

	<u>Date</u>	<u>Grading Weight</u>
Homework (7)	Weekly	25%
In-class Assignments (8)	Weekly	25%
Midterm Exam	7/10/2018	25%
Final Exam	7/27/2018	25%

A >93%	B+ 87% - 90%	C+ 77% - 80%	D 60% - 70%
A- 90% - 93%	B 83% - 87%	C 73% - 77%	F <60%
	B- 80% - 83%	C- 70% - 73%	

Exams

Exams will consist of 5 true-false questions and 5 short-answer questions. Please complete exams in pencil.

Homework

Homework assignments are due at the beginning of class. Any assignments turned in later than the beginning of the official start time will be deducted 30% of the total possible score for 24 hours. After 24 hours, late homework will no longer be accepted.

In-Class Assignments

In-class assignments are weekly individual or group assignments, similar in difficulty to the homework assignments, and will consist of questions designed to test your understanding of the reading material.

Policies

Collaboration on homework is permitted. This does not, however, mean you can copy your classmate's answers. Any signs of plagiarism will result in a score of zero and a submitted report to the GMU Honor Committee. Additionally, cheating on exams will also result in a score of zero and a submitted report to the GMU Honor Committee.

I will allow for students to make up exams and homework in the case of an emergency. Evidence of an emergency consists of a doctor's note, funeral information, car accident report, etc. I will not tolerate poor excuses and I will not accept an excuse without ample evidence.

I don't mind if you use electronics in class, but be respectful of your classmates. Don't impose negative externalities on the students around you by being noisy, making funny faces, etc.

Attendance will not be formally taken, although it is strongly recommended. If the marginal benefit of attending one class is lower than the opportunity cost, don't come to class.

Students with Disabilities

If you are a student with a disability and you need academic accommodations, please see me and contact Disability Services at 703-993-2474 or <http://ods.gmu.edu>. All academic accommodations must be arranged through Disability Services.

Course Outline:

Week	Date	Material	Assignments
1	06/25 06/26 06/27 06/28	Welfare Theory <ul style="list-style-type: none"> Fundamental theorems of welfare economics Ordinal vs. cardinal utility Pareto efficiency Kaldor-Hicks efficiency Social-welfare maximization 	ICA: 1 (6/26), 2 (6/28) HWA: 1 (6/25), 2 (6/28) HWD: 1 (6/28)
2	07/2 07/3 (no class) 07/4 (no class) 07/5	Cost-Benefit Analysis <ul style="list-style-type: none"> Microeconomic foundations of CBA Valuing benefits and costs Social discount rate Risk and uncertainty Shortcomings of CBAs 	ICA: 3 (7/5) HWA: 3 (7/2) HWD: 2 (7/2)

3	07/9 07/10 07/11 07/12	<u>Assorted Domestic Policies</u> <ul style="list-style-type: none"> • Market regulation • Higher Education Policy • Health policy • Labor policy Midterm Exam (7/10)	ICA: 4 (7/12) HWA: 3 (7/9), 4 (7/12) HWD: 2 (7/9), 3 (7/12)
4	07/16 07/17 07/18 07/19	<u>International Policies</u> <ul style="list-style-type: none"> • Foreign trade • Infant Industry Argument • Development Aid • Immigration Policy 	ICA: 5 (7/17), 6 (7/19) HWA: 5 (7/16), 6 (7/19) HWD: 4 (7/16), 5 (7/19)
5	07/23 07/24 07/25 07/26	<u>Environmental Policies</u> <ul style="list-style-type: none"> • Public goods • Externalities • Tragedy of the commons • Property rights • Clean Water Act • Clean Air Act • Endangered Species Act • Ecosystem services 	ICA: 7 (7/24), 8 (7/26) HWA: 7 (7/23) HWD: 6 (7/23), 7 (7/25)
6	7/27	Final Exam – 1:30-4:15 pm	

Note: this course outline is subject to change

Key

HWD: Homework due

HWA: Homework assigned

TBD: To be determined

Readings:

Assigned readings will be posted on Blackboard after each class to allow for greater flexibility.