



Course Title	Public Finance
Course Code	ECON 3621
Semester	Summer 2026
Course Length	4 Weeks, 60 Contact Hours
Credits	4
Instructor	TBA
Office	TBA
Email	TBA
Prerequisite	ECON 2211 Intermediate Microeconomics

Course Description:

Public finance, also known as public economics, is the branch of economics concerned with the role of government in the economy. More precisely, public finance analyzes the impact of public policy on resource allocation and income distribution in the economy. Therefore, this course is designed to enable students to investigate and predict the effects of public expenditures, taxes, and regulations, and also to analyze the different competing views of what government does and what it ought to do.

Course Goals:

Students who successfully complete this course will demonstrate competency in the following general education core goals:

- **Critical Thinking Skills** – Students will engage in analytical thinking, demonstrating the ability to critically evaluate, synthesize, and apply knowledge to complex problems, and construct well-reasoned solutions and arguments.
- **Independent Research and Inquiry** – Students will conduct independent research, utilizing academic resources to explore relevant topics, formulating research questions, analyzing data, and presenting findings in a coherent, scholarly manner.
- **Problem-Solving and Application** – Students will apply theoretical concepts and methodologies learned in the course to real-world problems, demonstrating the ability to develop practical solutions informed by academic inquiry.
- **Global and Cultural Awareness** – Students will gain awareness of the global and cultural contexts relevant to the course, appreciating diverse perspectives and considering the implications of their studies in a broader, international context.

Student Learning Outcomes:

Upon completion of this course, students will be able to:

- articulate an understanding of various concepts of public finance;
- calculate the imposed tax on individual and household income and identify the effects of government expenditures and taxation on the actions of individuals and firms;
- distinguish between the key public finance approaches and their effect on public policy issues.

Textbooks/Supplies/Materials/Equipment/ Technology or Technical Requirements:

Hillman, A.L. (2009) *Public Finance and Public Policy, Responsibilities and Limitations of Government*, Cambridge University Press.

Course Requirements:

Class Participation

Participation is different from attendance. You need to be active in class, both in lectures and in office hours, to earn points for participation. If you have any questions or concerns about participation, feel free to reach out to the instructor. Note that the later in the semester you reach out, the harder it will be to change your participation record (and therefore grade).

Problem Sets

Five problem sets will be distributed and due by the time and day specified on each of them. It is okay for students to work in small groups and discuss problem sets. Every student is however responsible for their own write-up and must turn in an individual version of the homework (no copies). Even if you and your classmate came up with the answer together, you are expected to take a moment to write up this answer by yourself, justify that answer, and explain the reasoning in your own words.

Midterm and Final Exams

All exams will be closed book. The use of cheat sheets, course documents, electronic devices, and calculators will not be allowed during exams. In terms of materials, exams will be cumulative.

Assessments: Activity	Percent Contribution
Class Participation	10%
Problem Sets	35%
Midterm Exam	25%
Final Exam	30%

Grading:

Final grades will be based on the sum of all possible course points as noted above.

Grade	Percentage of available points
A	94-100
A-	90-93
B+	87-89
B	84-86
B-	80-83
C+	77-79

C	74-76
C-	70-73
D	64-69
D-	60-63
F	0-59

Course Schedule:

*The schedule of activities is subject to change at the reasonable discretion of the instructor.
Minor changes will be announced in class, major ones provided in writing.*

ECON 3621 Schedule		Readings
Lecture	Topic	
L1	Introduction	---
L2	Markets and Governments Efficiency and Social Justice	Chapter 1
L3	The Rule of Law	Chapter 1
L4	Institutions and Governance	Chapter 2
L5	Government Bureaucracy	Chapter 2
L6	Public Goods Types of Public Goods *Problem Set 1 due	Chapter 3
L7	Information and Public Goods	Chapter 3
L8	Cost-Benefit Analysis	Chapter 3
L9	Public Finance for Public Goods Taxation	Chapter 4
L10	Tax Evasion and the Shadow Economy	Chapter 4
L11	Government Borrowing	Chapter 4
L12	Midterm Exam	---
L13	Market Corrections Externalities and Private Resolution *Problem Set 2 due	Chapter 5
L14	Public Policies and Externalities	Chapter 5
L15	Voting The Median Voter and Majority Voting Political Competition	Chapter 6
L16	Voting on Income Redistribution	Chapter 6
L17	Social Justice Social Justice and Insurance *Problem Set 3 due	Chapter 7
L18	Moral Hazard	Chapter 7
L19	Social Justice without Government	Chapter 7
L20	Entitlements The Attributes and Consequences of Entitlements	Chapter 8
L21	The Entitlement to Health Care and Health Insurance	Chapter 8
L22	Choice of Taxation Optimal Taxation *Problem Set 4 due	Chapter 9
L23	Capital and Other Tax Bases Fiscal Federalism	Chapter 9
L24	Growth of Government and the Need for Government *Problem Set 5 due	Chapter 10
L25	Final Exam	---

Accommodation Statement:

Academic accommodations may be made for any student who notifies the instructor of the need for an accommodation. It is imperative that you take the initiative to bring such needs to the instructor's attention, as he/she is not legally permitted to inquire. Students who may require assistance in emergency evacuations should contact the instructor as to the most appropriate procedures to follow.

Academic Integrity Statement

Each student is expected to maintain the highest standards of honesty and integrity in academic and professional matters. The University reserves the right to take disciplinary action, up to and including dismissal, against any student who is found guilty of academic dishonesty or otherwise fails to meet the standards. Any student judged to have engaged in academic dishonesty in coursework may receive a reduced or failing grade for the work in question and/or for the course.

Academic dishonesty includes, but is not limited to, dishonesty in quizzes, tests, or assignments; claiming credit for work not done or done by others; hindering the academic work of other students; misrepresenting academic or professional qualifications within or without the University; and nondisclosure or misrepresentation in filling out applications or other University records.

Other Items:

Attendance and Expectations

All students are required to attend every class, except in cases of illness, serious family concerns, or other major problems. We expect that students will arrive on time, be prepared to listen and participate as appropriate, and stay for the duration of a meeting rather than drift in or out casually. In short, we anticipate that students will show professors and fellow students maximum consideration by minimizing the disturbances that cause interruptions in the learning process. This means that punctuality is a must, that cellular phones be turned off, and that courtesy is the guiding principle in all exchanges among students and faculty. You will be responsible for the materials and ideas presented in the lecture.

Assignment Due Dates

All written assignments must be turned in at the time specified. Late assignments will not be accepted unless prior information has been obtained from the instructor. If you believe you have extenuating circumstances, please contact the instructor as soon as possible.

Make-Up Work

The instructor will not provide students with class information or make-up assignments/quizzes/exams missed due to an unexcused absence. Absences will be excused and assignments/quizzes/exams may be made up only with written documentation of an authorized absence. Every effort should be made to avoid scheduling appointments during class. An excused student is responsible for

requesting any missed information from the instructor and setting up any necessary appointments outside of class.

Access, Special Needs, and Disabilities

Please notify the instructor at the start of the semester if you have any documented disabilities, a medical issue, or any special circumstances that require attention, and the school will be happy to assist.