

11210ECON316100 Public Finance (I)

Fall 2023 (112上)

Classroom: TSMC (台積館) 224

Lecture Time: WnW5W6 (150 minutes on Wed 12:10-15:10)

Instructor: Prof. Hui-chen Wang (王惠貞)

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Office Hours: TBA

## Public Finance (I) 財政學一 Syllabus (Preliminary Version)

### Course Description

This is the first course in the two-semester undergraduate sequence of Public Finance. Public Finance is the branch of economics that studies the role of the public sector in the economy, and the approach is primarily based on microeconomics. In this semester, we will have a focus on the expenditure side of public finance. The course will begin with an introduction of the public sector and basic economic tools, followed by the economic reasons and outcomes of government interventions. We will then look at what the public sector actually does using examples from the expenditure policies in the United States and in Taiwan, and how it affects individual decision-making and welfare. This course is offered in English.

### Learning Objectives

After successful completion of this course, students will be able to (1) define and discuss the key economic concepts pertinent to the public sector, (2) analyze the fundamental issues in public finance using microeconomic theories and tools, (3) have a basic understanding of the important public expenditure policies in the world, and (4) apply economic thinking to the issues in the public expenditure policies in Taiwan.

### Prerequisite

Principles of Economics I and II.

### Textbooks

To be announced

Some material that is not in the text book will be presented in the lectures.

### Course Requirements and Policies

#### Examinations

There will be two in-class examinations: one midterm exam and one final exam. The exams are not strictly cumulative; however, previously tested concepts may be covered in a later exam to the extent that they are the bases of a current topic. The exam schedule will be announced at the beginning of the semester.

**All students must take the exams at their scheduled times. Make-up exam policy:** No make-up exam will be given for the midterm exam. The weight for a missed midterm exam, if excused, will be reallocated to the final exam. Make-up exam for the final exam may be given under unexpected, extremely

unusual and justifiable circumstances. Students who miss an exam due to an unexpected emergency should inform professor Wang within 24 hours from the missed exam and provide official documentation for the absence within a week.

Pop Quizzes: **Four short quizzes** will be given in the semester. These quizzes will **not** be pre-announced. For each student, only the **highest three quiz scores** of the four **will count** towards the course grade calculation. **NO makeup quiz may be given for any reason.** However, under extremely unusual and justifiable circumstances (official documentation required), additional quiz waiver(s) may be granted on a case-by-case basis, at professor Wang's discretion.

Homework assignments: Problem sets will be assigned throughout the course. Your homework will **not be collected nor graded**; however, all students are expected to complete all assignments in a timely manner for effective learning and preparation of the tests.

Attendance and Participation: Students are required to attend the lectures regularly. Participation in class discussion is expected and appreciated. You will be held responsible for all assignments, tests, and any announcement made in class, even in your absence. Your attendance and participation may affect your overall course grades on the margin. In addition, we reserve the right to impose penalty in terms of course grades if high frequency of unexcused absences is observed for a student.

## **Grading**

Course letter grades will be assigned based on the weighted sums of the graded items:

**Midterm exam: 40%**

**Final exam: 45 %**

**Quizzes: 15% (5 for each of the three highest quiz scores)**

Your grades are not negotiable. No individual request for extra credit work will be taken.

## **Class Communication and Resources**

TA Office hours: In addition to Professor Wang's office hours (see header), there will be weekly office hours held by one of our teaching assistants. The time and location/format of the TA office hours will be announced separately on the eeclass learning platform (see next).

Digital learning platform: We will utilize **eeclass (<https://eeclass.nthu.edu.tw>) digital learning platform** maintained by the university. Announcements, slides, assigned problem sets, solutions, grades and other material related to the course will be posted. Please check the designated platform regularly to remain up to date. You are expected to check your email as well as your eeclass account regularly to remain up to date.

*Note: The posted version of the lecture slides may be incomplete by design with spaces to be filled out in class. You are expected to print out the slides in advance and bring them to the class. Keep in mind that the lecture slides will not remove the need for your class attendance and note taking efforts*

## **Regulation on AI Usage**

The evaluation method of this course does not involve the usage of AI.

## **Tentative Course Outline**

### **1. INTRODUCTION AND ANALYTIC TOOLS**

### **2. RATIONALE FOR A GOVERNMENT**

- A. Public Goods
- B. Externalities

### **3. PUBLIC CHOICE AND POLITICAL ECONOMY**

### **4. GOVERNMENT EXPENDITURE**

- A. Cost-Benefit Analysis
- B. Social Insurance I: Health Care
- C. Social Insurance II: Social Security
- D. Income Redistribution and Programs for the Poor