

ECON 575 - Graduate Public Economics
Fall Semester 2019

Professor: Erik Hembre

Office Hours: Wed 11-12, or by appointment (UH 702)

Email: ehembre@uic.edu

Lectures: Tues, 3:30-6:00pm, LH207

Course website on Blackboard

Course Description

Economics 575 examines the literature and theory in several applied, empirical areas of public economics focusing particularly on tax and expenditure policy. The purpose of this course is to gain an understanding of the literature and to develop insight into current research issues in the field.

Goals

- Introduce a range of interesting Public Economics topics
- Develop an understanding of how data can be used to test economic theory, and how economic theory can be used to interpret data.
- Illustrate how microeconomic tools can be applied to a wide range of real world problems.
- Develop skills for critically evaluating research, to help distinguish elements of “good” research and develop an understanding of the benefits and limitations of a range of approaches.
- Help inspire research ideas.
- Improve economic discussion skills.
- Improve data manipulation skills.

Evaluation

Research Project Paper (35%) Each person is required to develop a research project paper, similar to the beginnings of a field paper.

Problem Sets (10%) You will be assigned (approximately) three problem sets. Feel free to work together but you must turn in your own work.

Final Exam (10%) Comprehensive final exam on course material.

Presentations (15%) One goal of this course is to improve your economic discussion skills. Being able to intelligently and concisely discuss economic ideas and research is an important skill to acquire. Each lecture, two people will be assigned 8 minutes each to summarize a paper or topic to the class.

Paper Summaries (10%) Each lecture you will be required to turn in a paper summary using the provided outline. This will include a question for each presenter. These are always due on Friday (by midnight).

Class Participation (20%) Participation is critical for the success of the class. I expect you to attend every class having read the papers and prepared to discuss them. Bring questions! The more you are ready and willing you are to ask questions, the more you will learn. No computers, phones, or electronics are to be used during class. Additionally, each week I expected you to submit (on Blackboard) one question (your best) that you would have asked during either an EARL or department seminar.

For all assignments in this class you are required to use LaTeX. Several sample and helpful documents are provided for those unfamiliar with the program.

Textbooks

Suggested Reading:

Bernard Salanie, *The Economics of Taxation*

Louis Kaplow, *The Theory of Taxation and Public Economics*

Joel Slemrod and Jon Bakija, *Taxing Ourselves: A Citizen's Guide to the Debate over Taxes*

Gareth Myles, *Public Economics*

Handbook of Public Economics Vol. 1-5

Jon Gruber, *Public Finance and Public Policy* (advanced undergraduate)

Policies

Academic Integrity: It is absolutely imperative that you adhere to the principles of academic integrity as outlined in the University of Illinois at Chicago rules. All instances of academic dishonesty will result in a zero and may be reported to the appropriate authorities and will be punished to the extent of university rules.

Academic accommodations: If you have a documented learning disability, please provide me with an accommodation letter from Student Disability Services as soon as possible. Students are expected to give at least two weeks notice of the need for accommodations. If you need immediate accommodations, please arrange to meet with me within the first two class meetings. If you have a disability and have not registered with Student Disability Services, I encourage you to do so.

[Rough] Course Outline

- Social Insurance/Income Transfer Programs (Expenditures) [7 lectures]
 - Unemployment Compensation
 - Disability Compensation
 - Income Transfer Programs (TANF/EITC/SNAP/WIC/ect.)
- Housing Policy [4 lectures]
 - Owner-Occupied Policies
 - Renter Policies
 - Great Recession / other
- Taxation [4 lectures]
 - Tax Incidence
 - Optimal Taxation
 - Behavioral Responses/Other