



Faculty of Science Course Syllabus

Department of Economics

Public Economics, ECON 3500

Winter 2025

Dalhousie University acknowledges that we are in Mi'kma'ki, the ancestral and unceded territory of the Mi'kmaq People and pays respect to the Indigenous knowledges held by the Mi'kmaq People, and to the wisdom of their Elders past and present. The Mi'kmaq People signed Peace and Friendship Treaties with the Crown, and section 35 of the Constitution Act, 1982 recognizes and affirms Aboriginal and Treaty rights. We are all Treaty people.

Dalhousie University also acknowledges the histories, contributions, and legacies of African Nova Scotians, who have been here for over 400 years.

Instructor

Nicholas Lawson, nicholas.lawson@dal.ca

Office: 6220 University Avenue, Office C14

Phone: 902-494-6987

Office Hours: Tuesdays, 10:30 am-11:45 am (or by appointment)

Timetable

Lectures: Tuesdays & Thursdays, 4:05 pm-5:25 pm, Dunn 302

Communication

When I need to communicate information to you all, I will send an email to the class through Brightspace. You are responsible for checking your email account so as not to miss important messages. To contact me, send an email to nicholas.lawson@dal.ca, with "ECON 3500" in the subject, and I will respond within 24 hours (except weekends). I also make in-class announcements at the start of each class. I will be available to meet with students in my office during my office hours, but you can also contact me by email at any time, and I will also be available for meetings at other times by appointment, in my office or on Teams.

Course Description

Analyzes the role of government in problems of resource allocation due to market failure. Concentrates on theories of public goods, collective choice, potential of conflict and cooperation in individually-motivated actions, incentive structures capable of realizing rational, cooperative,

group outcomes. Provides theoretical underpinnings of many applied fields. Involves mathematical methods.

Course Prerequisites

ECON 2200.03 (or ECON 2210.03 or ECON 2220.03), and MATH 1000.03 or equivalent with minimum grades of C or instructor permission. While a background of ECON 3700 is helpful, it is not a prerequisite.

Course Objectives

The objectives of the course are that the students will acquire the following knowledge and skills:

- ability to apply Intermediate Microeconomic Theory principles, including elements of game theory, to Welfare Economics
- extension of concept of rational choice from individuals to collectives and the analysis of problems that appear
- special theoretical issues that arise due to market failures, in particular, in the form of externalities and public goods and the role of the government and of the market
- an ability to critically examine research papers in such areas including the necessary technical abilities.

Course Organization

In my lectures, I will present the theory of public economics along with various applications. The lectures will use my own slides, which are closely based on those of the authors of the textbook (with permission from Jean Hindriks), and which will be available on Brightspace. All lectures will be in-person.

Assessment

<i>Component</i>	<i>Due Date</i>	<i>Weight (% of final grade)</i>
Assignment #1	January 28	10%
Assignment #2	February 13	10%
Midterm Exam	February 25	20%
Assignment #3	March 13	10%
Assignment #4	April 3	10%
Final Exam	Exam Period (April 9-26)	40%

The assignments will be available on Brightspace, and will include a combination of algebraic, graphical, and explanation-based questions; you can work on your own or in groups of 2 or 3. You may talk with members of other groups about the questions, but copying from another group, or submitting work that is not your own, is not permitted. Each assignment must be

submitted before 5 pm on the due date; you can submit a paper copy in person or a PDF copy on Brightspace. Late assignments will be marked down by 1% per hour.

In exceptional circumstances, if a student cannot submit an assignment by the due date, the student must contact me before the deadline to discuss alternative arrangements.

Exams are “closed-book” and will take place in person. If a student is unable to write the exam for a valid reason, they must contact the instructor by email prior to the date and time of the exam, and submit a completed Student Declaration of Absence by email (no medical note is required). If a student misses the midterm exam, its weight will be added to the final exam. If a student misses the final exam, they will have the opportunity to write a make-up exam.

All students are encouraged to read the information about Dalhousie’s policy regarding academic integrity at <https://www.dal.ca/about/leadership-governance/academic-integrity.html>. If you haven’t already done so, you are very strongly encouraged to complete the Writing Centre’s Academic Integrity Module; see https://www.dal.ca/campus_life/academic-support/writing-and-study-skills/academic-integrity-module/academicintegritymoduleo.html for more information.

I will provide you with your grades throughout the semester using the Brightspace Gradebook tool.

Conversion of Numerical Grades to Final Letter Grades (Dalhousie Grading Scale)

Letter Grade	Range	Letter Grade	Range
A+	90-100	C+	65-69
A	85-89	C	60-64
A-	80-84	C-	55-59
B+	77-79	D	50-54
B	73-76	F	0-49
B-	70-72		

Textbook

The required textbook for this course is:

- Jean Hindriks & Gareth D. Myles (2019), *Intermediate Public Economics*, 2nd edition, MIT Press.

The book is available at the Dal Bookstore; see the Bookstore website at [https://bookstore.dal.ca/CourseSearch/?course\[\]=SUB,WINT25,ECON,ECON3500,01](https://bookstore.dal.ca/CourseSearch/?course[]=SUB,WINT25,ECON,ECON3500,01) for more information. This textbooks covers a variety of areas in public economics, including areas of

market failure and political economy (which we will cover) and areas of inequality, taxation, and fiscal federalism (which we will not cover).

There are other good undergraduate public economics textbooks, but the ones that I am most familiar with are quite old. Some of the best-known modern textbooks are:

- Joseph E. Stiglitz & Jay K. Rosengard (2015), *Economics of the Public Sector*, 4th edition, W.W. Norton.
- Jonathan Gruber (2022), *Public Finance and Public Policy*, 7th edition, Macmillan Learning.
- John Leach (2003), *A Course in Public Economics*, Cambridge University Press.
- José Luis Gómez-Barroso (2021), *Public Economics: A Concise Introduction*, Routledge.

These could potentially be useful supplements to Hindriks & Myles; I don't recommend them as substitutes, since I can't promise that they will cover the required material in the way that I want to cover it.

Course Schedule (Approximate)

Weeks	Subject & Chapters
1: Jan. 7 & 9 2: Jan. 14 & 16 3: Jan. 21 & 23	Public Economics & Economic Efficiency <ul style="list-style-type: none"> • Introduction to Public Economics (Chapter 1) • Equilibrium & Efficiency (Chapter 2) • Behavioural Economics (Chapter 3)
4: Jan. 28 & 30 5: Feb. 4 & 6 6: Feb. 11 & 13 7: Winter Study Break	Departures from Efficiency: Public Goods & Externalities <ul style="list-style-type: none"> • Public Goods (Chapter 6) • Club Goods and Local Public Goods (Chapter 7) • Externalities (Chapter 8)
February 25	Midterm Exam
8: Feb. 27 9: Mar. 4 & 6 10: Mar. 11 & 13	Departures from Efficiency: Imperfect Competition & Asymmetric Information <ul style="list-style-type: none"> • Imperfect Competition (Chapter 9) • Asymmetric Information (Chapter 10)
11: Mar. 18 & 20 12: Mar. 25 & 27 13: Apr. 1 & 3	Political Economy & Optimality <ul style="list-style-type: none"> • Political Economy: Voting (Chapter 11) • Political Economy: Rent-Seeking (Chapter 12) • Optimality & Comparability (Chapter 13)
Exam Period (April 9-26)	Final Exam

University Policies and Statements

Recognition of Mi'kmaq Territory

Dalhousie University would like to acknowledge that the University is on Traditional Mi'kmaq Territory. The Elders in Residence program provides students with access to First Nations elders for guidance, counsel, and support. Visit or e-mail the Indigenous Student Centre at 1321 Edward St or elders@dal.ca. Additional information regarding the Indigenous Student Centre can be found at: https://www.dal.ca/campus_life/communities/indigenous.html

Internationalization

At Dalhousie, 'thinking and acting globally' enhances the quality and impact of education, supporting learning that is "interdisciplinary, cross-cultural, global in reach, and orientated toward solving problems that extend across national borders." Additional internationalization information can be found at: <https://www.dal.ca/about-dal/internationalization.html>

Academic Integrity

At Dalhousie University, we are guided in all our work by the values of academic integrity: honesty, trust, fairness, responsibility, and respect. As a student, you are required to demonstrate these values in all the work you do. The University provides policies and procedures that every member of the university community is required to follow to ensure academic integrity. Additional academic integrity information can be found at: https://www.dal.ca/dept/university_secretariat/academic-integrity.html

Accessibility

The Student Accessibility Centre is Dalhousie's centre of expertise for matters related to student accessibility and accommodation. If there are aspects of the design, instruction, and/or experiences within this course (online or in-person) that result in barriers to your inclusion, please contact the Student Accessibility Centre (https://www.dal.ca/campus_life/academic-support/accessibility.html) for all courses offered by Dalhousie with the exception of Truro. For courses offered by the Faculty of Agriculture, please contact the Student Success Centre in Truro (<https://www.dal.ca/about-dal/agricultural-campus/student-success-centre.html>)

Conduct in the Classroom – Culture of Respect

Substantial and constructive dialogue on challenging issues is an important part of academic inquiry and exchange. It requires willingness to listen and tolerance of opposing points of view. Consideration of individual differences and alternative viewpoints is required of all class members, towards each other, towards instructors, and towards guest speakers. While expressions of differing perspectives are welcome and encouraged, the words and language used should remain within acceptable bounds of civility and respect.

Diversity and Inclusion – Culture of Respect

Every person at Dalhousie has a right to be respected and safe. We believe inclusiveness is fundamental to education. We stand for equality. Dalhousie is strengthened in our diversity. We are a respectful and inclusive community. We are committed to being a place where everyone feels welcome and supported, which is why our Strategic Direction prioritizes fostering a culture of diversity and inclusiveness (Strategic Priority 5.2). Additional diversity and inclusion information can be found at: <http://www.dal.ca/cultureofrespect.html>

Student Code of Conduct

Everyone at Dalhousie is expected to treat others with dignity and respect. The Code of Student Conduct allows Dalhousie to take disciplinary action if students don't follow this community expectation. When appropriate, violations of the code can be resolved in a reasonable and informal manner – perhaps through a restorative justice process. If an informal resolution can't be reached, or would be inappropriate, procedures exist for formal dispute resolution. The full Code of Student Conduct can be found at:

https://www.dal.ca/dept/university_secretariat/policies/student-life/code-of-student-conduct.html

Fair Dealing Policy

The Dalhousie University Fair Dealing Policy provides guidance for the limited use of copyright protected material without the risk of infringement and without having to seek the permission of copyright owners. It is intended to provide a balance between the rights of creators and the rights of users at Dalhousie. Additional information regarding the Fair Dealing Policy can be found at: https://www.dal.ca/dept/university_secretariat/policies/academic/fair-dealing-policy-.html

Originality Checking Software

The course instructor may use Dalhousie's approved originality checking software and Google to check the originality of any work submitted for credit, in accordance with the Student Submission of Assignments and Use of Originality Checking Software Policy. Students are free, without penalty of grade, to choose an alternative method of attesting to the authenticity of their work and must inform the instructor no later than the last day to add/drop classes of their intent to choose an alternate method. Additional information regarding Originality Checking Software can be found at: <https://www.dal.ca/about/leadership-governance/academic-integrity/faculty-resources/ouriginal-plagiarism-detection.html>

Student Use of Course Materials

Course materials are designed for use as part of this course at Dalhousie University and are the property of the instructor unless otherwise stated. Third party copyrighted materials (such as books, journal articles, music, videos, etc.) have either been licensed for use in this course or fall

under an exception or limitation in Canadian Copyright law. Copying this course material for distribution (e.g. uploading to a commercial third-party website) may lead to a violation of Copyright law.

Student Resources and Support

University Policies and Programs

Important Dates in the Academic Year (including add/drop dates):

http://www.dal.ca/academics/important_dates.html

Classroom Recording Protocol:

https://www.dal.ca/dept/university_secretariat/policies/academic/classroom-recording-protocol.html

Dalhousie Grading Practices Policies:

https://www.dal.ca/dept/university_secretariat/policies/academic/grading-practices-policy.html

Grade Appeal Process: https://www.dal.ca/campus_life/academic-support/grades-and-student-records/appealing-a-grade.html

Sexualized Violence Policy: https://www.dal.ca/dept/university_secretariat/policies/health-and-safety/sexualized-violence-policy.html

Scent-Free Program: <https://www.dal.ca/dept/safety/programs-services/occupational-safety/scent-free.html>

Learning and Support Resources

General Academic Support – Advising (Halifax): https://www.dal.ca/campus_life/academic-support/advising.html

General Academic Support – Advising (Truro): <https://www.dal.ca/about-dal/agricultural-campus/ssc/academic-support/advising.html>

Student Health & Wellness Centre: https://www.dal.ca/campus_life/health-and-wellness.html

On Track (helps you transition into university, and supports you through your first year at Dalhousie and beyond): https://www.dal.ca/campus_life/academic-support/On-track.html

Indigenous Student Centre: https://www.dal.ca/campus_life/communities/indigenous.html

Indigenous Connection: <https://www.dal.ca/about-dal/indigenous-connection.html>

Elders-in-Residence (The Elders in Residence program provides students with access to First Nations elders for guidance, counsel, and support. Visit the office in the Indigenous Student Centre or contact the program at elders@dal.ca or 902-494-6803:

<https://cdn.dal.ca/content/dam/dalhousie/pdf/academics/UG/indigenous-studies/Elder-Protocol-July2018.pdf>

Black Student Advising Centre: https://www.dal.ca/campus_life/communities/black-student-advising.html

International Centre: https://www.dal.ca/campus_life/international-centre.html

LGBTQ2SIA+ Collaborative: <https://www.dal.ca/dept/vpei/edia/education/community-specific-spaces/LGBTQ2SIA-collaborative.html>

Dalhousie Libraries: <http://libraries.dal.ca/>

Copyright Office: <https://libraries.dal.ca/services/copyright-office.html>

Dalhousie Student Advocacy Services: <https://www.dsu.ca/dsas?rq=student%20advocacy>

Dalhousie Ombudsperson: https://www.dal.ca/campus_life/safety-respect/student-rights-and-responsibilities/where-to-get-help/ombudsperson.html

Human Rights and Equity Services: <https://www.dal.ca/dept/hres.html>

Writing Centre: https://www.dal.ca/campus_life/academic-support/writing-and-study-skills.html

Study Skills/Tutoring: http://www.dal.ca/campus_life/academic-support/study-skills-and-tutoring.html

Faculty of Science Advising Support:

<https://www.dal.ca/faculty/science/current-students/undergrad-students/degree-planning.html>

Safety

Biosafety: <http://www.dal.ca/dept/safety/programs-services/biosafety.html>

Chemical Safety: <https://www.dal.ca/dept/safety/programs-services/chemical-safety.html>

Radiation Safety: <http://www.dal.ca/dept/safety/programs-services/radiation-safety.html>

Laser Safety: <https://www.dal.ca/dept/safety/programs-services/radiation-safety/laser-safety.html>