Professor Anna Rubinchik-Pessach  
Office location: Econ 121  
Office hours: Monday and Friday 2:00-3:30 p.m. or by appointment  
Tel: 303-735-0220  
e-mail: Anna.Rubinchik@spot.colorado.edu

Course description.  
Government, its economic role, will be in the center of our discussion. We will study the way governments raise and spend money. Applying tools of economic analysis to the public education system, welfare spending, social security and taxation will allow us to develop economists view on these issues. We will briefly discuss the relationship between government organization and economic policy. European system and the U. S. federal system will be considered as illustrations of this relationship.


Suggested Readings.


Grading.  
Homework assignments 10%  
Class participation 20%  
Midterm exam 30%  
Final exam 40%

Note that class participation will reflect your success in the group project of your choice. The topics include

1. What is a Good Government?  
2. Public Education in the U. S.  
3. The U. S. Social Security System  
4. Welfare Programs

Detailed outlines for each of the projects will be given in class.

Students with documented disabilities who may need academic accommodations should speak with the professor during first two weeks of the class (no later than September 10). Please, see also the Coordinator of Services to students with disabilities in the Disability Services Office, Willard 322 (phone 303-492-8671), so that such accommodations may be arranged.

Tentative Schedule.  
Note. The last column refers to the chapters of the required textbook.

Part 1. INTRODUCTION AND PUBLIC EXPENDITURE
Week 1  | Government at a glance.  | Chapter 1  
Weeks 2, 3  | Tools of normative and positive analysis. Fairness and efficiency.  | Chapters 2, 3  
Week 4  | The theory of Public Goods and Externalities. Coase Theorem.  | Chapters 4, 5  
Week 5  | Applications: Public Education. Welfare Spending.  | Chapters 4, 8  
Weeks 6, 7  | Social Security and Unemployment Insurance.  | Chapter 9  

MIDTERM EXAM is on Monday, March 4, at the regular class time.

Part 2. TAXATION AND THE U. S. REVENUE SYSTEM  
| Oct. 17, 19; Week 9  | Taxation and Income Distribution.  | Chapter 12  
Weeks 10  | Tax design.  | Chapters 13, 14  
Week 11  | Applications: The Personal Income Tax.  | Chapters 15, 16  
Week 12  | Deficit Finance.  | Chapter 18  

Part 3. MULTIGOVERNMENT PUBLIC FINANCE AND POLITICAL ECONOMY  
| Week 13  | Public Finance in a Federal System.  | Chapter 20  
Weeks 14, 15  | Collective choice and selection of public projects.  | Chapters 6, 11  
Week 16  | Review.  | The textbook  

FINAL EXAM is on Thursday, May 9, 7:30-10:00 a.m.