



Department of Economics Course Outline

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|--------------------------|---|--------------------|--|
| | | Term: | Winter 2008 |
| Course: | Economics 599.10 [Sel Topics in Economics III] | Section: | 01 |
| Time: | MWF 13:00 – 13:50 | Place: | SA 119 (subject to change) |
| Instructor: | Francisco M. Gonzalez | | |
| Office: | SS 432 | Telephone.: | 220-6709 |
| Office Hours: | MW 11:30 – 12:30 (subject to change) | E-mail: | francisco.gonzalez@ucalgary.ca |

THE ECONOMICS OF THE WELFARE STATE

Department of Economics

University of Calgary

Instructor: Francisco M. Gonzalez

Office: SS 432

Office hours: TBA, and by appointment

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- This is an advanced course in Public Economics. The focus is on ideas and economic analysis relevant for understanding the economics of the welfare state.
- The syllabus for this course contains a list of readings. Information about required readings will be provided in class. Student performance will be evaluated through a collection of problem sets, two mid-term exams and a short paper, as follows:

group assignments = 25%

midterm exam # 1 = 25%

midterm exam # 2 = 25%

short paper = 25%

100%

- Readings for this course include selected chapters from the textbook:

Rosen, H.S., B. Dahlby, R.S. Smith and P. Boothe (2003): *Public Finance in Canada*, second Canadian edition, McGraw-Hill.

Those chapters will be made available at the U of C bookstore.

- **Course outline:**

- I. Income redistribution (chapter 6)
- II. Social insurance
 - 1. Social security (chapter 12)
 - 2. Unemployment insurance (chapter 11)
 - 3. Health care (chapter 13)
- III. Political economy (chapter 8)

- **Reading list:**

1. Friedman, Milton: “The Distribution of Income”, *Capitalism and Freedom*, chapter 10.
2. Blackorby, Charles and David Donaldson (1988): “Cash versus Kind, Self-Selection, and Efficient Transfers”, *American Economic Review* 78: 691–700.
3. Bruce, N. and M. Waldman (1991): “Transfers in Kind: Why They Can Be Efficient and Nonpaternalistic”, *American Economic Review* 81: 1345–51.
4. Auerbach, Alan J., Jagadeesh Gokhale and Laurence J. Kotlikoff (1994): “Generational Accounting: A Meaningful Way to Evaluate Fiscal Policy”, *Journal of Economic Perspectives* (Winter), 73–94.
5. Sinn, H.W. (1996): “Social Insurance, Incentives and Risk Taking”, *International Tax and Public Finance* 3, 259–280.
6. Dworkin, R. (1993): “Justice in the Distribution of Health Care”, *McGill Law Review* 38: 883–898.
7. Atkinson, Anthony B. (1995): “The Welfare State and Economic Performance”, *National Tax Journal* (June), 171–198.
8. Iversen, Torben and David Soskice (2001): “An Asset Theory of Social Policy Preferences”, *American Political Science Review* 95, 875–893.

Grade Determination and Final Examination Details:

Tests and final exams are marked on a numerical (percentage) basis, then converted to letter grades. The course grade is then calculated using the weights indicated above. As a guide to determining standing, these letter grade equivalences will generally apply:

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|----|----------|----|---------|----|---------|
| A+ | 90 – 100 | B | 70 – 74 | C- | 50 – 54 |
| A | 85 – 89 | B- | 65 – 69 | D+ | 45 – 49 |
| A- | 80 – 84 | C+ | 60 – 64 | D | 40 – 44 |
| B+ | 75 – 79 | C | 55 – 59 | F | 0 - 39 |

If, for some reason, the distribution of grades determined using the aforementioned conversion chart appears to be abnormal the instructor reserves the right to change the grade conversion chart if the instructor, *at the instructor's discretion*, feels it is necessary to more fairly represent student achievement.

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

Non-programmable calculators will not be allowed during the writing of tests or examinations.

Tests and exams will not involve multiple choice questions.

Students' Union Vice-President Academic:

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www.ucalgary.ca/sue/

Notes:

- Students seeking reappraisal of a piece of graded term work (term paper, essay, etc.) should discuss their work with the Instructor *within fifteen days* of the work being returned to the class.
- It is the student's responsibility to request academic accommodations. If you are a student with a documented disability who may require academic accommodation and have not registered with the Disability Resource Centre, please contact their office at 220-8237. Students who have not registered with the Disability Resource Centre are not eligible for formal academic accommodation. You are also required to discuss your needs with your instructor no later than fourteen (14) days after the start of this course

Safewalk / Campus Security: 220-5333

FG/mi

2007-12-04