

BOSTON COLLEGE
Department of Economics

Richard Arnott

Fall 1996

Economics 866.01
Public Sector Economics II

Reading List and Course Outline

This course will cover what used to be called the 'new public economics.' The material is divided into two sections. The first section deals with positive or descriptive analysis, principally the positive effects of taxation. The second section deals with normative or prescriptive analysis, principally the theory of the second best in the public sector context.

The course will entail working through A. Atkinson and J. Stiglitz, Lectures on Public Economics, which provides a rigorous and comprehensive (as of the date of publication) treatment of the material. Some of the lectures are quite dense; for these lectures I shall provide intermediate algebra and some supplementary intuition.

Grading in the course will be determined on the basis of problem sets (20%), final /midterm (whether there is to be a midterm has yet to be decided) (40%), paper (40%). On the problem sets, students are encouraged to work together but must write up answers separately. For the paper, I would like a modest but polished piece of work which extends a published paper on a topic in public economics. One aim is to give some practice at writing in journal style and at journal quality. The paper or note should be between 10 and 15 typed pages. Please clear the topic with me. I shall give comments on paper drafts handed in two weeks before the last class, and the final papers are due the last day of class.

My office number is Carney 231; my telephone number is 552-3697; and my office hours are WF 3-4:30 pm (but I shall also be available and less harried MW 5-6 pm).

#1 of 2

READING LIST

(EC 866.01)

Class	1	Lecture 1 (skim)	Lecture 2
2	Lecture 3		
3	Lecture 3,	Lecture 4	
4	Lecture 4		
5	Lecture 5		
6	Lecture 6		
7	Lecture 6,	Lecture 7 (skim)	
8	Lecture 8		
9	Lecture 8		
10	Lecture 9 (skim)		
11	Lecture 10 (skim)		
12	Lecture 11		
13	Lecture 12		
14	Lecture 12		
15	Lecture 13		
16	Lecture 13,	Lecture 14	
17	Lecture 15 (cost-Benefit Analysis)		
18	Lecture 15		
19	Lecture 16		
20	Lecture 16	Lecture 17	
21	Lecture 17		
22	TBA		
23	T.B.A.		
24	T.B.A.		
25	T.B.A.		

Atkinson-Stiglitz was published a decade ago. Since then, important new work has been done on a number of the topics. I shall xerox and distribute the relevant papers as I proceed.

1/15/92

#2 of 2