Course Title
Public Economics

Professor
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Contact Information
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Language
English

Overview
This course covers issues in taxation, asymmetric information, externalities, public goods, the economics of the environment, political economy and economic inequality.

1. Introduction
2. Tax Incidence
   (a) Partial equilibrium
   (b) Applications (Gas, tobacco, housing benefits, food stamps).
   (c) Behavioral economics: salience and tax incidence
   (d) General equilibrium
3. Efficiency cost of taxation
   (a) Partial equilibrium
   (b) Income effect
   (c) The measurement of the excess burden of taxation
   (d) Behavioral economics: salience and efficiency of taxation
4. Markets with Asymmetric information
   (a) Moral hazard
   (b) Adverse selection
5. Externalities and the economics of the environment
6. Public Goods
7. Political Economy
8 Economic inequality and redistribution

Prerequisites
Calculus (derivatives...) and undergraduate microeconomics.

Course Objectives
At the end of the course, students should be able to understand the most important concepts in public economics and to apply them in real situations.

Learning Outcomes
At the end of the course, students should be able to understand the most important concepts in public economics and to apply them in real economic situations. The students will also improve their presentation and personal research skills.

Mode of Assessment
Final exam: 50%.
Contribution to homework solutions: 20%.
Research project and / or presentation: 30%.

Course Schedule

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**Bibliography**


**MyCourse**

This course is on MyCourse: Yes

**Grading**

The numerical grade distribution will dictate the final grade.

**Class participation:** Active class participation – this is what makes classes lively and instructive. Come on time and prepared.

**Exam policy:** In the exam, students will not be allowed to bring any document (except if allowed by the lecturer). Unexcused absences from exams or failure to submit cases will result in zero grades in the calculation of numerical averages. Exams are collected at the end of examination periods.

**Academic integrity**

Be aware of the rules in Université Paris Dauphine about plagiarism and cheating during exams. All work turned in for this course must be your own work, or that of your own group. Working as part of a group implies that you are an active participant and fully contributed to the output produced by that group.