



## COURSE INFORMATION

**Course Title:**

ECON201 Microeconomic Policy

**Semester:**

July Session, 2020

**CLASS HOURS:** Monday through Friday, 180 minutes each day, for three weeks. At the end of each week, there will be a one-hour discussion session; the instructor will also be available by appointment.

**Discussion Section :** 1 hour each week.

**Field Trip:** None

**CREDITS(s): 3**

## OVERVIEW

This course – built on formal microeconomic foundations - offers a perspective on the role and the relevance of government policy in the economy. Government intervention is considered as a remedy to market failure or a tool to produce more efficient or equitable allocations. Policies that may correct for inefficiencies, market failure, and challenges posed by informational or political constraints are discussed and rigorously treated with sound microeconomic tools. The course covers an overview of practical solutions. Specifically, formal modelling is used to approach problems pertaining to taxation, public good provision, education, pensions, health care, unemployment insurance, and other services.

## LEARNING OUTCOME

After successfully completing this course you should be able to:

- be able to engage in an informed discussion on the need for government intervention and the role of the government in the economy
- be able to assess and recommend government policies
- understand the scope and limits of government intervention in a variety of contexts
- be familiar with the process of policy implementation and actual policies pursued by governments
- have developed skills needed for advanced studies

**Disclaimer:** Course schedule is subject to change and you will be responsible for abiding by any such changes.



## LEARNING RESOURCES

### Suggested textbooks:

Rosen, Harvey S. and Ted Gayer, Public Finance, McGraw-Hill, 10th Edition, ISBN: 0078021685

### Recommended Texts:

Public Economics, 4 Edition, McGraw-Hill, John Tresch, ISBN: 978-0073511375

Public Finance and Public Policy, 5 Edition, Jonathan Gruber, ISBN-13: 978-1464143335,

## WEEKLY SCHEDULE

Week	Day	Topic	Reading
1	1	Introduction: the need for and the scope of policy – government intervention	Chapter 1 in Rosen and Gayer
	2	Theoretical and Empirical Tools employed in policy guidance, design, and implementation.	Chapters 2 and 3 in Rosen and Gayer
	3	Externalities: welfare costs, policy responses, practical solutions	Chapter 5 in Rosen and Gayer
	4	Public Goods	Chapter 4 in Rosen and Gayer
	5	Cost Benefits Analysis HWK #1 Due	Chapter 8 in Rosen and Gayer
2	1	Political Economy, Voting, Preference Aggregation	Chapter 6 in Rosen and Gayer
	2	Education	Chapter 7 in Rosen and Gayer
	3	Insurance, Insurance Markets Issues	Chapter 12 in Gruber
	4	Unemployment Insurance HWK #2 Due	Chapter 14 in Gruber
	5	<b>Mid-Term Exam</b>	

**Disclaimer:** Course schedule is subject to change and you will be responsible for abiding by any such changes.



3	1	Health Insurance, Disability Insurance	Chapter 9 and chapter 10 in Rosen and Gayer
	2	Social Security	Chapter 11 in Rosen and Gayer
	3	Taxation, Taxes on Labor Supply, Savings, Corporate Income Taxation	Chapter 14, Chapter 15, Chapter 19 in Rosen and Gayer
	4 HWK #3 Due	Optimal Taxation	Chapter 16, Chapter 12 and Chapter 18 in Rosen and Gayer
	5	<b>Final Exam</b>	

### ASSESSMENT

Assessment Task	Weighting
Attendance and Participation	10%
Homework Assignments	30%
Final Exam (Team Executive Presentation )	60%
<b>Total</b>	<b>100%</b>

### DETAILS ON GRADE COMPONENTS

#### Homework, Class Attendance, and Participation

There will be three homework assignments each due at the end of the corresponding week.

*Please note the following:* In case of an absence, the student is responsible for the materials and assignments for that class; it is the student's responsibility to contact the course Teaching Assistant regarding absences and assignments that are missed. Students must submit a one-page write-up summarizing any assigned textbook chapter reading for each missed session; this will be due within one week of the missed session. **Unexcused absence from five or more scheduled class sessions (which is a total of 33% of this course) will be grounds for failure.** If you do have to miss class due to a personal emergency, please let the Teaching Assistant know as soon as possible. Such emergencies will be dealt with on a case-by-case basis.

**Disclaimer:** Course schedule is subject to change and you will be responsible for abiding by any such changes.



Participation grades will be based on quality (an in-class performance that reflects intellectual depth, insightfulness, and contribution to class learning) and quantity (consistency and regularity of performance). Quality counts more. However, one cannot make quality comments without at least some degree of participation, so in this respect quantity will have some weight. But do keep in mind the following when considering your participation in class discussions: sometimes it's better to remain silent and have others think you are unprepared or a bit dim, rather than speaking out and confirming those suspicions.

Accordingly, you are expected to come fully prepared and ready to participate in every class. Be prepared to be called upon to “open” a class discussion by presenting your full analysis and thoughts on the assigned topic at the start of class, or to be asked through a "cold call" for comment in the midst of the discussion.

The grading of class participation is necessarily a subjective exercise. However, high-quality comments have one or more of the following characteristics: **(1) insightfulness, (2) appropriate application of course concepts, and (3) advancement of the in-class discussion at hand.**

Some specific criteria for evaluating discussion contributions are:

- Does the student demonstrate an eagerness to participate?
- Is the student a good listener? Does he/she build on others' comments?
  - Is the student willing to interact with other class members?
- Are the points made relevant to the discussion? Are they linked to others' comments?
- Do comments demonstrate evidence of in-depth analysis of the case?
- Do comments add to our understanding of the situation?
- Do comments make a substantive contribution to the advancement of our analysis?
- Is there a willingness to test new ideas, or are the comments “safe?”
- Do comments show an understanding of concepts or analytical techniques properly applied to the current situation?
- Is the student presenting insightful quantitative analysis (when required)?
- Is the student demonstrating ethical considerations and insights?

### **Examinations:**

An in-class final examination will be administered at the end of the course. Final examination counts for 60% of the total course grade. Details of content, exam format, etc. will be announced in class well before the examination dates.

### **Course Grading:**

Upon completion of this course, you receive a final grade. A final grade is a letter grade that carries with it a numerical value, as outlined below.

**Disclaimer:** Course schedule is subject to change and you will be responsible for abiding by any such changes.



Grade	Mark
A	80-100
B	70-79
C	60-69
D	50-59
E	0-49

**To pass this subject, students are required to obtain Grade C or above in order to satisfy all the intended learning outcomes.**

## **CLASSROOM ETHICS & COURSE POLICIES**

Being respectful of others' opinions, values and culture

Cell phones are only permitted when the usage is related to the course. Absolutely **NO TEXTING** during class will be tolerated. If you have an emergency situation and you must be able to be reached, set the phone to vibrate and leave the room immediately when it goes off.

Any student with a documented disability needing academic adjustments or accommodations should notify the instructor or the program administrator before the start of the program, so such an arrangement will be made accordingly.

Any student who anticipates a schedule conflict because of religious reasons should make arrangements within two weeks of the start of class.

### ***Academic misconduct***

Please follow the guideline of the university policy. Academic dishonesty or misconduct will not be tolerated and may result in disciplinary action including a grade F for the course. Work submitted must be the original work of the student. Original work may include the words and ideas of others, but the source of these words and ideas must be indicated in a manner consistent with an academically recognized form, style, and citation manual. Resubmission of work previously presented in another course is prohibited.

**Disclaimer:** Course schedule is subject to change and you will be responsible for abiding by any such changes.



東吳大學  
SOOCHOW UNIVERSITY



**Disclaimer:** Course schedule is subject to change and you will be responsible for abiding by any such changes.