

Economics 551 (F2023): Government/Public Finance – Revenues (PhD)

Instructor: Professor Terry Moon (Email: tsmoon@mail.ubc.ca)

Office Hours: By appointment

Course Schedule: Mons & Weds 9:30 - 10:50 am

Course Description

- This course covers topics in public economics focused on the revenue side of the government budget: (1) Income Taxes & Labor Supply, (2) Savings & Retirement, (3) Capital and Corporate Taxes & Investment, (4) Dividend and Capital Gains Taxes & Stock Market, (5) Tax Enforcement and Evasion, and (6) International Tax Competition & Profit Shifting. Additionally, students will learn how innovation and competition policies shape the growth of our economy and challenges policymakers face to foster innovation and competition in the economy. The course will tightly integrate theoretical models with empirical applications to delve deeply into these topics, with the main goal of helping students develop their own job market paper ideas. Importantly, students will see how topics in public economics closely overlap with topics in labor, social security, macro, finance, development, innovation, and I.O.; therefore, no matter which fields students end up choosing for their dissertation, they will benefit from topics introduced in this course.

Grading:

Components	Weight
Referee Report & Presentation ($\times 2$)	40%
Research Proposal & Presentation	50%
Participation	10%

Readings: There is no textbook for this course. Readings are from published journal articles and working papers.

Referee Report: Each student will write two short referee reports (1.5 page) on recent working papers (or recently published articles) from the required reading list. The summary of the paper should be limited to a single paragraph at the beginning, followed by a paragraph describing the paper's central contributions to the literature (a half page maximum combined). The report will be evaluated on the critical assessment of the paper's main limitations and suggestions for future research (one page). The student is expected to deliver a 10 minute presentation on his/her report (only on the critical assessment portion). Professor Moon will provide more details in class.

Research Proposal: Each student will write a 5-page research proposal for his/her potential summer paper. The student can choose any topic in empirical micro, as long as it has some relevance to public finance. The proposal should consist of the following four sections: (1) introduction (1-page), (2) institutional setting & data (2-page), (3) empirical strategy (1-page), (4) plans/timelines for accessing the data and implementing the empirical analysis (1-page), followed by the reference section. The idea behind this proposal is to give the student a head start on searching for his/her summer paper idea; therefore, the student is not obligated to stick with this proposal for his/her actual summer paper. The introduction should clearly state the main research question, motivation, and its (potential) contributions to the literature. In the next section, the student should explain institutional details relevant for his/her empirical strategy, and describe the relevant data and their sources. Then the empirical strategy section should explain the identification strategy (i.e., IV, difference-in-differences, etc), its assumptions, potential challenges, and how to address those issues. In the final section, the student should explain his/her plan & timeline to access the data and carry out the empirical strategy. The student is expected to present his/her proposal (15 minute max.) near the end of the semester.

Participation: The goal of a PhD field course is to 1) expose you to the breadth of the literature and methods in the field 2) continue your transition from consumer of existing knowledge to producer of new knowledge in economics. Actively participating in class and working through the papers as a group is essential to the second goal.

Seminars: You are strongly advised to attend the VSE's external seminars and job talks. We bring in outstanding researchers from leading universities, and you can learn much more about economics research by seeing how it is done in practice—both when it is done well, and when you can observe the limitations of different approaches. The Public Economics Seminar meets on Tuesdays. An up-to-date seminar listing is at <http://seminars.econ.ubc.ca/>.

Course Policies:

1. Important messages, assignment details and course content are available on the course website on Canvas: <http://www.canvas.ubc.ca/>
2. Any request for a re-grade must be submitted in writing, along with an explanation of why you think the grading was incorrect.
3. All teaching materials are copyright ©The Author(s) 2023. All rights reserved. Not to be copied, used, or revised without explicit written permission from the copyright owner. No rights in this syllabus or any other teaching materials used in this course are granted to UBC or to any other party.
4. We adhere to UBC policies on academic misconduct. These policies can be found at: <http://www.calendar.ubc.ca/vancouver/index.cfm?tree=3,54,111,959>

Missed and Late Assignments: If you are going to miss a presentation or turn an assignment in late and require a concession, you must notify us by email **before** it is due unless the concession relates to an unforeseeable emergency (e.g. a car accident on the way to campus). All formal academic concessions for presentations or exams must be approved by arts advising.

Plagiarism: Any plagiarized assignment will receive 0 credit and may be referred to the University for further disciplinary action (plagiarism on the final paper proposal will automatically be referred to the University). Ignorance is not an excuse. It is your responsibility to insure that any work handed in is your own work and complies with the University's policies on academic honesty and plagiarism as stated in the Academic Calendar. University sanctions for plagiarism can include a 1 year suspension (and associated delay of graduation) and a permanent note on your record. The following sites have detailed information on the University's academic honesty policies and helpful tips for avoiding plagiarism.

<http://learningcommons.ubc.ca/resource-guides/avoid-plagiarism/>
<http://www.arts.ubc.ca/arts-students/plagiarism-avoided.html>
<http://www.library.ubc.ca/clc/airc.html>
<http://www.students.ubc.ca/calendar/index.cfm?tree=3,286,0,0#15620>

UBC Policy Statement: UBC provides resources to support student learning and to maintain healthy lifestyles but recognizes that sometimes crises arise and so there are additional resources to access including those for survivors of sexual violence. UBC values respect for the person and ideas of all members of the academic community. Harassment and discrimination are not tolerated nor is suppression of academic freedom. UBC provides appropriate accommodation for students with disabilities and for religious and cultural observances. UBC values academic honesty and students are expected to acknowledge the ideas generated by others and to uphold the highest academic standards in all of their actions. Details of the policies and how to access support are available here (<https://senate.ubc.ca/policiesresources-support-student-success>)

UBC Provost's Advisory for Students Outside Canada: During this pandemic, the shift to on-line learning has greatly altered teaching and studying at UBC, including changes to health and safety considerations. Keep in mind that some UBC courses might cover topics that are censored or considered

illegal by non-Canadian governments. This may include, but is not limited to, human rights, representative government, defamation, obscenity, gender or sexuality, and historical or current geopolitical controversies. If you are a student living abroad, you will be subject to the laws of your local jurisdiction, and your local authorities might limit your access to course material or take punitive action against you. UBC is strongly committed to academic freedom, but has no control over foreign authorities (please visit <http://www.calendar.ubc.ca/vancouver/index.cfm?tree=3,33,86,0> for an articulation of the values of the University conveyed in the Senate Statement on Academic Freedom). Thus, we recognize that students will have legitimate reason to exercise caution in studying certain subjects. If you have concerns regarding your personal situation, consider postponing taking a course with manifest risks, until you are back on campus or reach out to your academic advisor to find substitute courses. For further information and support, please visit: <http://academic.ubc.ca/supportresources/freedom-expression>