Economics 4330
Public Sector Economics
Fall 2021

I. Instructor: Dr. Tim Roth

Office Hours: MW 9:30-10:30 AM
              W 3:00-4:00 PM

Office: COBA Room 235

Telephone: (915)747-8611(O)
           (915)526-4724(M)

Email: troth@uteep.edu

II. Course Objective:

The objective of the course is to familiarize students with the economist’s approach to government. The point of departure is the economist’s outcomes based, procedurally-detached theory of the state, social welfare theory. While the theory is standardly employed in the analysis of “market failure”, rights, and distributive justice, emphasis is placed on a critical appraisal of the theory, and of the public philosophy to which it is conjoined. Attention then turns to a brief survey of Behavioral Welfare Economics, and an introduction to Adam Smith’s procedurally based, consequence-detached “science of the legislator”, and its relationship both to the Founders’ “auxiliary precautions” -- notably federalism, and the separation of powers --and to Constitutional Political Economy [CPE], a procedurally based alternative to utilitarian social welfare theory. Animated by a prior ethical commitment to the moral equivalence of persons, CPE focuses evaluative attention on procedural justice; on institutions designed to maximize equal political participation and to minimize rent seeking and majoritarian cycling. The implications for the role and scope of federal activity are explored.

III. NO TEXTBOOK

IV. Instructional Method:

Primarily lecture.

V. Course Content:

Course Mechanics: Overview of the Course
Models and Model Building

The Economist’s Theory of the State [SWT]

The Theoretical Foundations

The Welfare Frontier

The Social Welfare Frontier

TEST NUMBER ONE

Market Failure. The First
Fundamental Welfare Theorem

Economic Efficiency and “Equity”:
The Second Fundamental Welfare
Theorem

A Critical Assessment of the Theory

SWT as a Hybrid Moral Theory

The Properties of Utility and Production
Functions

The Ontological Existence of the
Social Welfare Function

Public Goods and Externalities

TEST NUMBER TWO
Distributive Justice and Social and Economic Rights: The Link to the Economist’s Utilitarian Theory of the State

The Implications for the Role and Scope of Government Activity

An Introduction to Behavioral SWT

COURSE DROP DEADLINE October 29

Adam Smith’s “Science of the Legislator”

Madison’s “Auxiliary Precautions”: Federalism and the Separation of Powers

James Buchanan’s Constitutional Political Economy: Procedural Justice and Rights as the Product of Self-Government

The Implications for the Federal Budget Process, and for the Role and Scope of Federal Government Activity.

Last class (and last day for complete withdrawal from the university)

FINAL EXAMINATION
VI. Course Grading:
There will be three essay examinations (including the Final Examination). Each examination will contemplate a maximum of 100 points, with each student required to answer two questions. While there will be no “curve”, I shall, in determining the course grade, drop each student’s lowest grade. Note: Students must sit for all four examinations.

VII. Attendance Policy:
While I do not require attendance, each examination will be based on class lectures. Attendance is, therefore, necessary.

VIII. UTEP Policy on Academic Integrity:
The University of Texas at El Paso prides itself on its standards of academic excellence. In all matters of intellectual pursuit, UTEP faculty and students must strive to achieve excellence based on the quality of work produced by the individual. In the classroom and in all other academic activities, students are expected to uphold the highest standards of academic integrity. Any form of scholastic dishonesty is an affront to the pursuit of knowledge and jeopardizes the quality of the degree awarded to all graduates of UTEP. It is imperative, therefore, that the members of this academic community understand the regulations pertaining to academic integrity and that all faculty insist on adherence to these standards.

Any student who commits an act of scholastic dishonesty is subject to discipline. Scholastic dishonesty includes, but is not limited to cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give unfair advantage to a student or to the attempt to commit such acts. Proven violations of the detailed regulations, as printed in the Handbook of Operating Procedures (HOP), are available in the Office of the Dean of Students, and the homepage of the Dean of Students (DOS) at www.utep.edu may result in sanctions ranging from disciplinary probation, to a failing grade on the work in question, to a failing grade in the course, to suspension or dismissal, among others.

IX. Statement on Disability:
If you feel you may have a disability that requires accommodations, contact the Disabled Student Services Office at (915)747-5148, go to the Union Bldg., East, Room 106, or email e-mail-dss@utep.edu.
If you have tested positive for COVID-19, you are encouraged to report your results to covidaction@utep.edu, so that the Dean of Students Office can provide you with support and help with communication with your professors. It is important to follow all instructions that you receive as part of the diagnosis, including isolation and staying at home until a negative test is produced.

If you experience COVID-19 symptoms, please follow the isolation protocol by staying at home and getting tested as soon as possible. If the test is negative but you are still seeking accommodations, please contact the Dean of Students Office for guidance in a timely manner. Your instructor will work with the Dean of Students Office to determine the extent of any such accommodations.

We strongly encourage you to think and act proactively in all matters related to COVID-19 and your academic endeavors. The Center for Disease Control and Prevention recommends that people in areas of substantial or high COVID-19 transmission wear face masks when indoors in groups of people. The best way that Miners can take care of miners is to get the vaccine. If you still need the vaccine, it is widely available in the El Paso area, and will be available at no charge on campus during the first week of classes. For more information about the current rates, testing, and vaccinations, please visit epstrong.org.