

## Public Finance

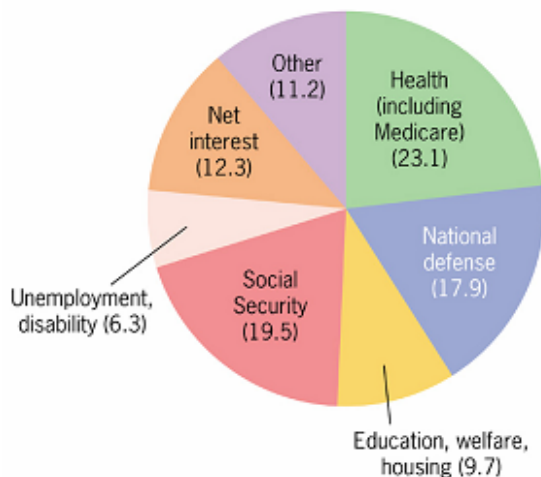
### Econ 450

MW 1:30pm-2:45pm

*Professor Sally Kwak*

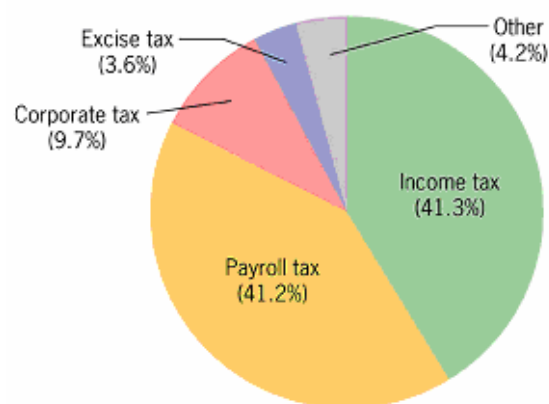
(a) Federal spending (% of total spending)

2001



(a) Federal revenues (% of total revenue)

2003



The economics of public expenditures and finance provides a powerful framework for answering questions about public policy in the U.S. For example:

- ❖ When and how should government regulate the gasoline market?
- ❖ What will happen to Medicare and Social Security as the elderly population grows in the next decade?
- ❖ Do debt crises in the US require new taxes?
- ❖ Should governments finance higher education?

Students will also have the opportunity to evaluate and design proposals relating to regulatory, tax, and expenditure issues of personal interest.

Prerequisite: Econ 301 (Intermediate Micro) or instructor's permission.

Text: Rosen and Gayer, *Public Finance* (Eighth Edition, 2008)