

Economic Analysis of Public Policy I  
PPOL 8640-090/ECON 6090-090, Fall 2022

**Class meeting time and place:** 6:00pm-8:45pm T, Friday 385  
**Instructor:** Artie Zillante  
**Office location and phone:** 211B Friday, (704) 687-7589  
**Office hours:** 3-4pm T and by appointment  
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### Course Description & Objectives

This is a core course in the Ph.D. in Public Policy program. Economic role of government, efficiency versus equity, externalities, and public goods, market failures and government failures, economics of centralized versus decentralized decision making, public choice theory, economics of privatization, economic role of nonprofits and non-governmental organizations.

This is a first semester course in Economics for the Public Policy PhD program. The goal is to introduce fundamental economic concepts, policy goals, and policy tools used by economists. A theoretical approach will be primarily used, with application to various policy topics. In addition, students should acquire a working knowledge of this theoretical background to be prepared for the second semester course, which will provide more discussion of empirical tools used by economists as applied to policy.

### Website

The Canvas page is <https://uncc.instructure.com/courses/183175>. There is also a course web site at <https://belkcollegeofbusiness.uncc.edu/azillant/teaching/current-courses/ppol-8640/>. From either site you may obtain a copy of the course syllabus, lecture outlines, and problem sets. Other materials may be added during the semester. One benefit of using the website is that there are materials from other courses that you may find beneficial as reference. ECON 2102, ECON 3122, ECON 6202, and BPHD 8100 have more notes on microeconomic theory at various levels. ECON 3161, ECON 6206, and BPHD 8110 have notes on game theory. ECON 3112 has notes on undergraduate econometrics. ECON 6901/6902 has notes on writing and presenting.

### Books and Materials

The primary source of material will be the course notes posted on Canvas and the website. There will be references throughout those notes – if there are particular references that should be read closely I will indicate those. It may be helpful to review an intermediate microeconomics text or a public finance text (I have pulled some material from Harvey Rosen's *Public Finance*) for additional background information. For non-mathematical policy-oriented economics readings, Milton Friedman's "There's No Such Thing as a Free Lunch" is a collection of his Newsweek columns from the 1960s and 1970s. While a little

dated, the general principles of a market economy are as applicable today as they were then.

### **Grading**

Grades for the course will be based on two exams, four assignments, and a policy modeling project. The two exams each count for 25% of the final grade, the four assignments count for 20% of the final grade, and 30% of the final grade is the policy modeling project (which will be broken into two parts). More information on the policy modeling project will be provided on a separate form.

### **Attendance**

Attendance is not required, but given the rigorous nature of the course it is suggested that students attend all class meetings.

### **Tentative Course Outline**

The relationship between the lectures as I will present them and the text is a guide, as there is some material in the chapters that will not be covered. Posted notes will be available that will more directly relate to the topics in the order in which we cover them in class.

#### Foundational Economic Concepts

Supply and Demand

Consumer Choice

- Preferences, budget constraints, optimal decision-making

Profit Maximization

- Revenues, costs, optimal decision-making under various market structures

Risk and Uncertainty

#### Policy Goals, Analysis, and Market Failures

Policy Goals

- Efficiency and equity

Cost-Benefit Analysis

Market Failures

- Public goods and externalities

#### Policy tools

Taxes

Price controls

Tariffs and quotas

Antitrust regulation

Mechanism Design

## Academic Integrity, Diversity, and Disability Accommodations Statements

All students are required to read and abide by the Code of Student Academic Integrity. Violations of the Code of Student Academic Integrity, including plagiarism, will result in disciplinary action as provided in the Code. Definitions and examples of plagiarism are set forth in the Code. The Code is available from the Dean of Students Office or online at <https://legal.uncc.edu/policies/up-407>.

The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.

UNC Charlotte is committed to access to education. If you have a disability and need academic accommodations, please provide a letter of accommodation from Disability Services early in the semester. For more information on accommodations, contact the Office of Disability Services at 704-687-0040, visit their office in Fretwell 230, or email [disability@uncc.edu](mailto:disability@uncc.edu).

Policies related to health and campus safety: This course will adhere to the University guidelines in place for class meetings throughout the semester. There is more information about the University guidelines here: <https://ninernationcares.charlotte.edu/>.

Important dates (subject to change):

September 13: Assignment 1 due

September 27: Assignment 2 due

October 4: Test 1

October 11: **No class meeting – Fall Break**

October 25: Policy modelling project part 1

November 16: Assignment 3 due

November 23: **No class meeting**

November 29: Policy modelling project part 2

December 6: Assignment 4 due

December 13: Final exam period (likely – will be confirmed when final exam schedule is available)