

Economics 28: Public Finance and Public Policy

Syllabus

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Fall 2026

Class time	TuThu 10:10-12:00 (10A)/TuThu 2:25-4:15 (02A); Rocky 001
Office hours	Mon 3:30-5:00 (location TBD)
Final Exam	Sunday, November 22, 6:30pm
TA	Sophia Hinze: sophia.c.hinze.28@dartmouth.edu

Overview

Government policies exert a pervasive influence over the economy and the welfare of its inhabitants. This course aims to provide an understanding of the reasons for government intervention in the economy, as well as conceptual tools for analyzing the benefits of potential government policies and the reactions of individuals to policy interventions. The course first examines inequality and redistribution through the tax system. Next, it covers social insurance, externalities, public goods, and local government functions. Several lectures will be devoted to specific policy areas such as health care and the criminal justice system. A central goal of the course is to connect core economic concepts to current, real-world policy debates such as proposals for Medicare for All, Universal Basic Income, or defunding the police.

Prerequisites

This course assumes that you have a good grasp of the concepts covered in Economics 1. If you have taken AP economics in high school but have not taken college-level economics, there will likely be some basic economics tools and concepts that will be unfamiliar. We will review these concepts briefly in lecture, but you may need to devote some additional time outside of class to your own review. This course will be challenging without basic numeracy skills, including comfort with algebra and at least some prior exposure to probability and statistics.

Class meetings

Most (but not necessarily all) class meetings will adhere to the following structure. During the first 60 to 75 minutes of class, we will cover key concepts in a lecture format. Note that participation in the form of questions or comments is encouraged during lectures. Following the lecture, we will take a 5-minute break. The remainder of class will be devoted to active learning activities such as solving practice problems or policy discussions.

Readings

The lecture notes are the primary materials for this class. You are responsible for the material covered during lecture and any provided handouts. There is an optional textbook, Jonathan Gruber's *Public Finance and Public Policy* (Gruber, 2022). You are not required to buy this book and I will not assign readings from it. But you may find some of the chapters (as noted on Canvas) useful as supplementary reading on your own. Used copies of prior editions are available on Amazon and there may be PDF versions available on the internet, as well.

There will also be popular media articles and podcasts assigned for most classes. Links or PDFs will be posted to the course Canvas page. These should be completed before class. For some classes, there will be a required Canvas discussion post related to the day's readings. Dartmouth students have unlimited access to the *New York Times* and *Wall Street Journal* online. You can also access the weekly newspaper *The Economist* through the Dartmouth library. If you have trouble accessing any course materials or encounter any financial challenges related to this course, please let me know as soon as possible.

Grading

The usual grade distribution for a 20-level economics elective is a B+ or A– median. The [economics department's grading policy](#) can be viewed on the department website. The final grade in this course will be determined as follows:

Midterm 01	22.5%
Midterm 02	22.5%
Final Exam	30%
Policy project	12.5%
Participation	12.5%
Total	100%

The two midterm exams will be held during class on Tuesday, October 6 and Tuesday, October 27. The final exam will be held on Sunday, November 22 at 6:30pm.

The participation grade will be based on your completion of several assigned Canvas discussion posts as well as your in-class engagement. I will not take attendance but it will be difficult to accumulate a strong participation grade without attending class. There will be practice problems associated with several classes during the term, but these do not need to be turned in (i.e., there are no assigned problem sets in this class). The policy project will be due on the last day of class (Tuesday, November 17). I will provide more details later in the term.

Exam policies

Midterm and final exams must be taken at the scheduled times. Final exams are scheduled well in advance of the beginning of the term and all midterm exam dates are on the syllabus. If your plans conflict with the exam schedule, you should not take this class this term.

Exceptions may be made for Dartmouth-sponsored events such as varsity sports and other activities related to your Dartmouth education. On rare occasions, there may be a conflict with the final exam in another class. If possible, these conflicts will be resolved by taking the final exam for one of those classes during a different final exam period on the same day. Acute events, such as an illness or a death in the family, will be handled on a case-by-case basis. In all cases, please inform me as soon as you are aware of any potential conflict.

Generative AI policies

You should be familiar with [Dartmouth's policies on the use of generative AI tools in academic work](#). There are many contexts in which the use of generative AI tools is permitted in this course:

- You may use these tools for help while working through practice problems or preparing for exams if you want.
- You may use these tools for some components of the writing process, such as revising text that you have written (for clarity and grammar) or for generating a first draft of a tricky paragraph. You should not use AI tools to generate large portions of text.
- Use of generative AI tools will never be permitted on exams.

I will provide more guidance about permissible use of generative AI on the policy project later in the term. Please ask me if you are considering other uses and are unsure whether they are permitted. You should keep in mind that over-reliance on AI tools throughout the term may harm your learning and make it more difficult to do well on in-class exams, which account for 75 percent of your final grade in this class.

Honor code

All students are expected to abide by [Dartmouth's Academic Honor Principle](#). Do not give, seek, or receive help during exams. Please also try to avoid behaviors that might give the impression of collaborating on exams. Suspected violations of the Academic Honor Principle will be referred to the Office of Community Standards and Accountability for investigation.

Students with disabilities

Students with disabilities who may need disability-related academic adjustments and services for this course are encouraged to let me know as early in the term as possible. Students requiring disability-related academic adjustments and services must consult [Student Accessibility Services](#) (Carson Hall, Suite 125, 646-9900). Once SAS has authorized services, students must show the originally signed SAS Services and Consent Form and/or a letter on SAS letterhead to their professor. As a first step, if students have questions about whether they qualify to receive academic adjustments and services, they should contact the SAS office. All inquiries and discussions will remain confidential.

- Any extra time for exams will be contiguous with the scheduled exam time if at all possible. Generally, students will start the exam early and finish with the rest of the class or start with the rest of the class and finish late.
- In the week before each exam, it is your responsibility to verify all arrangements by email. It is your responsibility to make sure that the time and place for each exam are clear before the day of the exam.

Religious observances

Some students may wish to take part in religious observances that occur during this academic term. If you have a religious observance that conflicts with your participation in the course, please meet with me before the end of the second week of the term to discuss appropriate accommodations.

Names and pronouns

In this classroom, we will respect and refer to people using the names and personal pronouns that they prefer. If you think I may use incorrect pronouns for you or if I have used incorrect pronouns for you, please email me and I will do my best to use the pronouns you identify with.

Wellness resources

The academic environment at Dartmouth is challenging, our terms are intensive, and classes may not be the only demanding part of your life. There are a number of resources available on campus

to support your wellness, including:

- Your [undergraduate dean](#).
 - The [counseling center](#) at Dick's House.
 - The [student wellness center](#).
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Preliminary course outline

This course outline is preliminary and subject to change. Please see the course canvas page for the most updated class schedule.

1. Course introduction and review

- Tue 09/15: Course introduction
- Thu 09/17: Economic inequality
- Tue 09/22: Taxation and tax incidence

2. Income taxation

- Thu 09/24: Labor supply
- Tue 09/29: Optimal taxation, U.S. tax system
- Thu 10/01: Social assistance
- Tue 10/06: Midterm 01
- Thu 10/08: No class

3. Social insurance

- Tue 10/13: Economics of insurance
- Thu 10/15: Health insurance
- Tue 10/20: Health care reform
- Thu 10/22: Income insurance
- Tue 10/27: Midterm 02

4. Externalities and public goods

- Thu 10/29: Externalities
- Tue 11/03: Public goods

5. Topics in public economics

- Thu 11/05: Local governments
- Tue 11/10: Criminal justice
- Thu 11/12: Discrimination
- Tue 11/17: Conclusion

References

Jonathan Gruber. *Public Finance and Public Policy*. Worth Publishers, New York, NY, 7 edition, 2022. ISBN 9781319281106.