Instructor  Carson Reeling, Ph.D.
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Schedule  Tuesdays and Thursdays 1:30 to 2:45 p.m. from Jan. 8 to Feb. 7, 2019

Office Hours  By appointment

Brief Course Description (from Purdue Graduate Catalog)
Basic concepts and principles of applied welfare economics including Pareto conditions for welfare maximization; public goods, externalities, and property rights; consumer and producer surplus; theory of the second best; and neoclassical and contemporary theories of income distribution. Concurrent Prerequisite: ECON 51100.

Course Objectives and Desired Learning Outcomes
The primary objective of this course is to prepare students to conduct rigorous applied economic policy analyses. Students who complete this course will be able to

- Derive Hicksian and Marshallian measures of consumer and producer welfare;
- Apply compensation principles for normative assessments of policy outcomes; and
- Identify market failures and derive first- and second-best policy instruments for correcting them.

Materials
The primary course text is:


Inexpensive used copies of the text are available on Amazon and elsewhere. I will also place a copy of the text on reserve in the Parrish Library of Management & Economics (second floor, Krannert Building). We will use additional supplementary texts throughout the semester, but electronic access will be provided via Purdue Libraries so there is no need to purchase them.
Course Content
Most class content, including problem sets and supplementary readings, can be accessed via Blackboard Learn (https://mycourses.purdue.edu).

Problem Sets (25% of Final Grade)
I will provide two problem sets over the course of the semester. Each problem set is worth 12.5 percent of your final grade. Students may work together to complete the problem sets. However, each student must turn in their own, original assignment. Completed problem sets are to be uploaded to Blackboard by the due date (Problem Set 1: Jan. 17; Problem Set 2: Jan. 31). Late assignments will not be accepted. Detailed answer keys will be made available in Blackboard after the assignment’s due date.

Exam (75%) of Final Grade
There will be a cumulative final exam during the last scheduled class meeting. The exam will be similar to the problem sets and may draw on the course readings. Hence, no practice exams or study guides will be provided. The exam will only be offered during the scheduled time; no make-up exams will be offered. No outside notes or materials are permitted for use during the exam.

Grade Scale
I will assign grades according to the following scale: 97–100 = A+; 94–97 = A; 90–94 = A–; 87–90 = B+; 84–87 = B; 80–84 = B–; 77–80 = C+; 74–77 = C; 70–74 = C–; 67–70 = D+; 64–67 = D; 60–64 = D–; <60 = F. Final grades may be curved at my discretion, but no adjustments will be made to grades unless there is an error in their calculation

Policy Statements

Attendance Policy
Attendance will not be formally monitored for this class. However, all students are expected to attend each class session except in cases of illness or emergencies.

Academic Honesty
Academic integrity is one of the highest values that Purdue University holds. Any student found to engage in academic dishonesty will be assigned a failing grade in the course and be referred to the Office of the Dean of Students. Individuals are encouraged to alert university officials to potential breaches of this value by either emailing integrity@purdue.edu or by calling 765-494-8778. While information may be submitted anonymously, the more information that is submitted provides the greatest opportunity for the university to investigate the concern.

Counseling and Psychological Services Information
Purdue University is committed to advancing the mental health and well-being of its students. If you or someone you know is feeling overwhelmed, depressed, and/or in need of support, services are available. For help, such individuals should contact Counseling and Psychological Services (CAPS) at (765) 494-6995 and http://www.purdue.edu/caps/ during and after hours, on weekends and holidays, or by going to the CAPS office of the second floor of the Purdue University Student Health Center (PUSH) during business hours.

Accessibility and Accommodations Statement
Purdue University strives to make learning experiences as accessible as possible. If you anticipate or experience physical or academic barriers based on disability, you are welcome to let me know so that we can discuss options. You are also encouraged to contact the Disability Resource Center by email at drc@purdue.edu or by phone at (765) 494-1247.
Course Reading List (superscript * indicates required reading)

Section 1: Ranking States of the World

*Just et al. (1982), Chapters 1–3.


Section 2: Welfare Measures


*Just et al. (1982), Chapters 5 and 6.


Section 3: First- and Second-Best Policy Design


