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# ECONOMICS OF PUBLIC FINANCE (ECON 320-002)

## SYLLABUS, SPRING 2017

### INSTRUCTOR

**Matthew Elmer, PhD Candidate**

**Email:** matthew.elmer@colostate.edu

**Office hours:** MWF 11-12pm

**Term Start:** January 17, 2017

**Term End:** May 12, 2017

### COURSE WEBSITE

**Class website (Canvas):** <http://info.canvas.colostate.edu/login.aspx>

- Login using your Colorado State University eID and password
- Under Course List, select “2017SP-ECON-320-002: Economics of Public Finance”

### COURSE DESCRIPTION

Understanding the role of government in the economy; taxation, government expenditures, allocation of resources, distribution of income, and evaluation of government policies.

This course is offered through the Department of Economics at Colorado State University. Public Finance is an optional applied course in one of the key field areas of economics. The objective of the course is to equip you with the analytical framework and tools required to discern the efficiency and equity consequences of government spending programs and tax policies. In addition, you should acquire a familiarity with normative analysis of tax and spending policies, based on specified value judgments. Applications to current public issues and policy debates are an integral part of the course.

### COURSE PREREQUISITES

MATH 117 (College Algebra in Context I) or MATH 118 (College Algebra in Context II) or MATH 141 (Calculus in Management Sciences) or MATH 155 (Calculus for Biological Scientists I) or MATH 160 (Calculus for Physical Scientists I); AND ECON 202 (Principles of Microeconomics); AND ECON 204 (Principles of Macroeconomics)

### COURSE GOALS

By the end of the course, you should be able to:

1. Explain and apply the theoretical and empirical tools of Public Finance;
2. Analyze and describe the consequences and impacts on fairness of non-rivalry and non-excludability in the form of public goods and of positive and negative externalities;
3. Identify the various approaches of defining equity in the context of income distribution and describe the various programs in place in the US to address inequity in income distribution; and
4. Discuss the efficiency and equity implications for optimal taxation and apply these concepts to common US taxes.

## REQUIRED COURSE MATERIALS

- Your **text** is *Public Finance and Public Policy 5<sup>th</sup> edition by Jonathan Gruber* ISBN 13: 9781464143335. You can purchase this book new or used from the CSU Bookstore at [www.bookstore.colostate.edu](http://www.bookstore.colostate.edu). You can also purchase a new or used text, an eText, rent the text, etc. from a variety of sources.

## SUPPLEMENTAL MATERIALS

Supplemental readings and other materials will be provided in Canvas.

**Note:** In-class lecture notes will **NOT** be posted on Canvas in order to encourage attendance. If you are unable to attend a lecture please obtain any missed material from fellow classmates, or contact me explaining the circumstances.

## EVALUATION AND GRADING

Course grades will be determined as shown below:

Assignment	Points per Assignment	Frequency	Total Points	Total Percentage
Quizzes	(5)	(12)	60	30%
Midterm Exam	(50)	(1)	50	25%
Final Exam	(50)	(1)	50	25%
Policy Analysis and Presentation	(40)	(1)	40	20%
<b>TOTAL</b>			<b>200</b>	<b>100%</b>

Course Grading Criteria			
Grade	Points	Percentage	Assessment
A	186 - 200	93 - 100%	<i>Excellent</i>
A-	180 - 185.9	90 - 92.99%	
B+	174 - 179.9	87 - 89.99%	<i>Above Average</i>
B	166 - 173.9	83 - 86.99%	
B-	160 - 165.9	80 - 82.99%	<i>Average</i>
C+	154 - 159.9	77 - 79.99%	
C	146 - 153.9	73 - 76.99%	
C-	140 - 145.9	70 - 72.99%	<i>Below Average</i>
D	120 - 139.9	60 - 69.99%	
F	0 - 119.9	0 - 59.99%	<i>Failing</i>

## ASSIGNMENTS

**Quizzes** (60 POINTS) – There will be quizzes worth 5 points associated with most weeks. The format of the quizzes will be multiple choice, calculations, and short answers. The quizzes will be open book and open notes, but you will have a time limit and only one attempt. Quizzes will be weekly and submitted through Canvas, typically due the following Monday night by 11:59pm MST.

**Exams** (100 POINTS) – There will be two (2) exams each worth 50 points. The final exam is not cumulative. The format of the exam will be multiple choice, calculations, and short answers. The exams will be taken in-class and will be closed book. You will be allowed to use one handwritten double sided notes page.

**Policy Analysis and Presentation** (40 POINTS) – There will be one (1) policy analysis writing assignment focusing on a written application of public finance topics (2-3 pages in length, single spaced, TNR 12 point font, 1” margins). Part of the grade will also be determined by a short (5-10 min) in-class presentation summarizing your paper.

The evaluation of the policy analysis will be based in part on the following criteria:

- a) The ability to convey a theme or argument clearly and coherently.
  - b) The ability to analyze critically and to synthesize the course material.
  - c) The ability to acquire and apply information from appropriate sources.
  - d) Competence in standard written English (including proper use of syntax, grammar, punctuation and spelling as well as use of appropriate vocabulary, formatting, and references).
- Keep in mind that plagiarism is a form of academic dishonesty. As per university policy **Academic honesty is imperative**. *Any student or student organization found to have committed or to have attempted to commit misconduct is subject to disciplinary sanction. For example, academic dishonesty includes but is not limited to: cheating, plagiarism, unauthorized possession or disposition of academic materials, falsification, or facilitation of acts of dishonesty. Specific procedures for cases of academic dishonesty are also described in the Academic Integrity Policy in the General Catalog, the Graduate Student Bulletin, the Faculty Manual, or the Honor Code of the Professional Veterinary School as applicable. For more information, please use the link provided on Canvas.*

#### EXPECTATIONS OF INSTRUCTOR

I care about how well you do in this course and that you have a satisfying, rewarding experience. To that end, it is my commitment to respond individually to the work you submit in this class and to return your work in a timely manner. I will also make it a top priority to respond to emails and questions within 24 hours. Do not hesitate to contact me about anything related to the class!

#### TOTAL COURSE TIME ESTIMATES

In-class lectures	45 hours
Personal reading/studying	40 hours
Quizzes	25 hours
Exams	20 hours
<u>Policy Analysis</u>	<u>20 hours</u>
Total	150 hours

**Course Withdrawal Policy:** Any student who wishes to withdraw from the course must submit a request directly to Division of Continuing Education ([CSU Online](http://www.colostate.edu)). For complete information, please visit their website at <http://www.online.colostate.edu/faqs/policies/drop-policy.dot>

## POLICY ON DUE DATES

It is your responsibility to turn in each assignment on the required date. All assignments turned in after the scheduled due date will be lowered to the next letter grade for each day late. The exceptions that may be considered is due to sickness, university excused function, or circumstances beyond the students' control. The instructor reserves the sole right to determine what grounds constitutes a reasonable excuse for missing or submitting a late work assignment, the right to require the student to submit proper verification of such excuse.

## ACADEMIC INTEGRITY POLICY

This course will adhere to the CSU Academic Integrity [Policies and Guiding Principles](#) as found in the General Catalog and the [Student Conduct Code](#).

At a minimum, violations will result in a grading penalty in this course and a report to the Office of Conflict Resolution and Student Conduct Services. If you have any questions about what is permissible, please ask.

## CSU HONOR PLEDGE

Academic integrity lies at the core of our common goal: to create an intellectually honest and rigorous community. Because academic integrity, and the personal and social integrity of which academic integrity is an integral part, is so central to our mission as students, teachers, scholars, and citizens, I will ask that you affirm the CSU Honor Pledge as part of completing your work in this course. *While you will not be required to affirm the honor pledge, you are expected to affirm the following statement for each assignment:*

*"I have not given, received, or used any unauthorized assistance."*

Further information about Academic Integrity is available at CSU's [Practicing Academic Integrity](#).

## RESOURCES FOR DISABLED STUDENTS

Students with disabilities may be eligible for accommodations in accordance with Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act. It is the student's responsibility to disclose any learning disabilities. Please contact the instructor if a special accommodation is required. To request accommodations, students should contact Resources for Disabled Students at (970) 491-6385 or go to <http://rds.colostate.edu>. Documentation of disability is required and the RDS office will assist in this process.

## TECHNICAL HELP

Canvas technical support

- <http://info.canvas.colostate.edu/student-resources.aspx>

## ADDITIONAL SUPPORT SERVICES

A variety of instructional support services, such as writing center, guidance on personal or educational issues, tutoring questions and library resources are available to the students. For more information about their services, visit their websites linked under "additional resources" on Canvas.



ECON 320 Section 01 Economics of Public Finance  
Spring 2017

Instructor: Bryanna Dixon  
Email: [Bryanna.dixon@colostate.edu](mailto:Bryanna.dixon@colostate.edu)  
Office: Clark C 311G  
Office Hours: MWF 11:00 – 12:00 *and by appointment*  
Class Meeting: MWF 10:00 – 10:50 in Eddy 100

**COURSE INFORMATION**

Textbook (required):

Gruber, Jonathan. Public Finance and Public Policy, 5<sup>th</sup> edition. ISBN: 9781464143335  
You can purchase this book at the CSU bookstore at [www.bookstore.colostate.edu](http://www.bookstore.colostate.edu)

Course Website:

This course will primarily use Canvas for all class related materials and announcements.  
Login at <http://canvas.colostate.edu>

**COURSE DESCRIPTION**

This course examines the role of the government through taxes, government expenditures on allocation of resources, and the distribution of income in addition to the immediate and lasting impact on market economies.

**COURSE OBJECTIVES**

By the end of the course, you should be able to:

1. Explain and apply the theoretical and empirical tools of Public Finance;
2. Analyze and describe the consequences and impacts on fairness of non-rivalry and non-excludability in the form of public goods and of positive and negative externalities;
3. Identify the various approaches of defining equity in the context of income distribution and describe the various programs in place in the US to address inequity in income distribution; and
4. Discuss the efficiency and equity implications for optimal taxation and apply these concepts to common US taxes.

**COURSE PREREQUISITES**

ECON 204 – Principles of Macroeconomics. This course will also require some mathematical tools such as solving systems of equations and graphing functions.



## GRADING

Your grade in this course is determined by your in-class participation, completion of problem sets, exams, a group presentation, and a written summary of a classmate's presentation.

Assignment	Frequency/Points per Assignment	Points
In-Class Participation		= 50
Problem Sets	4 @ 25 points each	= 100
Exams	3 @ 100 points each	= 300
Group Presentation	1	= 100
Presentation Critique	1	= 50
<b>Total</b>		<b>= 600</b>

### Class Participation

This includes, but is not limited to, attendance. Attendance is important to understand the course material needed to succeed on both the problem sets and exams. If you miss class, it is your responsibility to find out *from your classmates* what you missed. In addition to showing up to class, it is expected that you are engaged and participate in the lectures. This includes contributing relevant and insightful comments and asking questions. Some days we will do in class applied activities that will need to be turned in at the end of class for participation points.

### Problem Sets

There will be four graded problem sets in this course. The problem set will be due one week from the time it is released on Canvas. Each problem set will be worth 25 points. Students can work with each other but must turn in a separate assignment. The use of online answer keys is prohibited and will result in a grade of 0 on the assignment. Your assignment must be stapled and include your name at the risk of losing points. Once all assignments are turned in, an answer key will be posted on Canvas.

*Important: Problem sets are due at the beginning of class. If you are unable to attend class on the day that a problem set is due, you must make arrangements to turn it in. Any assignments turned in late will receive a 5 point penalty for every 24 hours past the due date. This means turning in an assignment after class the day it is due will result in a 5 point penalty.*

### Exams

There will be a total of 3 exams. Each exam will be worth 100 points, totaling in 300 exam points for the semester. Exams are not cumulative.

*Important: If you are sick and unable to attend the exam, you must email me and bring me a doctor's note. With the exception of campus excused absences, no make-up exams will be given.*



### Group Presentation

There will be one group presentation at the end of the semester worth 100 points. Details regarding the group presentation will be announced both on Canvas and in class later in the semester.

### Critique

Each student is required to write a critique of another group's presentation. The critique will be graded on content, spelling, and grammar. This critique is a formal piece of writing and will be graded as such. A **hard copy** must be turned in to my mailbox or my office **Thursday, May 11** *no later* than 1:50pm. You will also be required to submit a copy of your critique to **Vericite** in Canvas *no later* than 1:50pm Thursday, May 11.

### GRADING SCALE

Final course grades will follow the traditional grading system. This course will not use the plus and minus system.

540 – 600 Points	A
480 – 539 Points	B
420 – 479 Points	C
360 – 419 Points	D
<i>359 Points or below will result in a failing grade for the course</i>	

### EXTRA CREDIT

With the exception of occasional extra credit questions on the exams, there will not be extra credit opportunities for the course. Be proactive, and turn in all assignments. Email me or come to my office hours if further clarification is needed on any of the material.

### WEEKLY COURSE TIME ESTIMATES

Attend In-Class Lectures	3 hours
Reviewing Class Material	2 hours
Problem Sets	1 hour
Study for Exams	2 hours
<u>Complete group presentation</u>	<u>1 hour</u>
Total	9 hours

### DEPARTMENT STATEMENT ON COPYRIGHT

Please do not share material from this course in online, print or other media. Course material is the property of the instructor who developed the course. Materials authored by third parties and used in the course are also subject to copyright protections. Posting course materials on external sites (commercial or not) violates both copyright law the CSU Student Conduct Code. Students who share course content without the instructor's express permission, including with online sites that post materials to sell to other students, could face disciplinary or legal action.



## ACADEMIC INTEGRITY

This course will adhere to the Academic Integrity Policy of the Colorado State University General Catalog and the Student Conduct Code. At a minimum, violations will result in a grading penalty in this course and a report to the Office of Conflict Resolution and Student Conduct Services.

### CSU HONOR PLEDGE

Academic integrity lies at the core of our common goal: to create an intellectually honest and rigorous community. Because academic integrity, and the personal and social integrity of which academic integrity is an integral part, is so central to our mission as students, teachers, scholars, and citizens, I will ask that you affirm the CSU Honor Pledge as part of completing your work in this course. *While you will not be required to affirm the honor pledge*, you are expected to affirm the following statement for each assignment:

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Further information about Academic Integrity is available at CSU's [Practicing Academic Integrity](http://learning.colostate.edu/integrity/index.cfm) <http://learning.colostate.edu/integrity/index.cfm>.

### ACCOMMODATIONS

Students requesting special accommodations should contact Resources for Disabled Students (RDS) at 970-491-6385 or go to <http://rds.colostate.edu>. Accommodations for exams will not be granted without pre-approval from RDS. If this applies to you, please make arrangements immediately and also notify me.

### TITLE IX

CSU's Discrimination, Harassment, Sexual Harassment, Sexual Misconduct, Domestic Violence, Dating Violence, Stalking, and Retaliation policy designates faculty and employees of the University as "Responsible Employees." This designation is consistent with federal law and guidance, and requires faculty to report information regarding students who may have experienced any form of sexual harassment, sexual misconduct, relationship violence, stalking or retaliation. This includes information shared with faculty in person, electronic communications or in class assignments. As "Responsible Employees," faculty may refer students to campus resources (see below), together with informing the Office of Support and Safety Assessment to help ensure student safety and welfare. Information regarding sexual harassment, sexual misconduct, relationship violence, stalking and retaliation is treated with the greatest degree of confidentiality possible while also ensuring student and campus safety. Any student who may be the victim of sexual harassment, sexual misconduct, relationship violence, stalking or retaliation is encouraged to report to CSU through one or more of the following resources: Emergency Response 911, Deputy Title IX Coordinator/Office of Support and Safety Assessment (970) 491-1350, Colorado State University Police Department (non-emergency) (970) 491-6425. For counseling support and assistance, please see the CSU Health Network, which includes a variety of counseling services that can be accessed at: <http://www.health.colostate.edu/>. The Sexual Assault Victim Assistance Team is a confidential student resource that does not have a reporting requirement: <http://www.wgac.colostate.edu/need-help-support>