



Course ECO 4320.001 Public Sector Economics
Professor Susan Williams McElroy, Ph.D.
Associate Professor of Economics and Education Policy
Term Fall 2016
Meetings Monday Wednesday 2:30 to 3:45 P.M. in JSOM 12.214

Professor Contact Information

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Office Hours Monday 10:00 to 11:00 A.M. Online Office Hours via email
Wednesday 4:15 to 5:15 P.M. in Office GR 2.538 (ground floor of Green Hall)

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Course Prerequisites and Other Restrictions:

The following courses are prerequisites for ECON 4320:

ECON 2301 Principles of Macroeconomics

ECON 2302 Principles of Microeconomics

ECON 3310 Intermediate Microeconomics

Students also need to have taken at least one statistics course as well as college algebra and calculus. If a student has not taken these courses, they need to consult with the professor or their academic advisor for guidance.

Description:

Economics 4320 is an upper division course in economics of the public sector and public finance. Beginning with a focus on public policy and what governments do, the course centers on the financial operations of government. Topics include normative and positive analysis, public goods and externalities, education, cost-benefit analysis, public expenditures, taxation, deficits and debt, and government revenue. In addition, students in the course learn and use the analytical tools used by public finance economists.

Learning Objectives:

At the end of this course students should be able to:

- 1) Explain why and how governments intervene in the economy
- 2) Demonstrate the ability to apply economic reasoning and analytical tools to issues and problems of public finance and public policy
- 3) Solve stylized problems and models as related to market-driven behavior and public policy
- 4) Explain the role economists play in the development and analysis of public finance and public policy

Required Textbook

Gruber, Jonathan. 2016. *Public Finance and Public Policy*. 5th Edition. Worth Publishers.

ISBN-10: 1-4641-4333-1.

ISBN-13: 978-1-4641-4333-5.

(Available in Hardcover and eTextbook; ISBN Numbers listed above are for the Hardcover Textbook).

Purchasing the Textbook

- The textbook is available for purchase at the following bookstores in Richardson:
 - * UTD Bookstore on campus -- telephone 972.883.2543
<http://www.bkstr.com/texasatdallasstore/home>
 - * Off Campus Books -- telephone 972.907.8398
<http://www.offcampusbooks.com/>
 - * Stanza Textbooks -- telephone 972.231.2665
<http://www.stanzatextbooks.com/>

Textbook and Bookstore Information on eLearning

- Detailed information about the required textbook and contact information for the bookstores that service UTD are posted on eLearning.

Course Reserves at UTD's McDermott Library

- The required textbook for this course is on reserve at McDermott Library on the UTD campus.
- The link to Course Reserves at McDermott Library is
<http://www.utdallas.edu/library/services/reserves/>
- The Student Guide to Print & Electronic Course Reserves is available online at
<https://www.utdallas.edu/library/services/reserves/students.html>

eLearning

- ✓ Students will need to log into eLearning regularly for this course. To log into eLearning, access the following website:
<https://elearning.utdallas.edu>
- ✓ In order to log in to eLearning, students must have a current and valid NetID. The Web address for UTD's NetID Home Page is <https://netid.utdallas.edu/>
- ✓ The tutorial on eLearning for UTD students is available online:
<https://www.utdallas.edu/elearning/students/>
- ✓ Students who are new to eLearning are strongly encouraged to watch the NEW eLearning Demo for Students on You Tube, by UTD eLearning
<https://www.youtube.com/playlist?list=PLW1EXon7eEYZJ7shzDGSCkKde4cxKVQpn>

The following documents and information pertaining to the course will be posted on eLearning throughout the semester:

- Syllabus and Information about the Textbook
- Summary of what we covered in class (see weekly folders and daily subfolders on eLearning which contain handouts from class, relevant Web Links; summaries of in-class activities, reminders about reading assignments and upcoming due dates for exams and assignments)
- PowerPoint slides from class
- Reading Assignments and Supplemental readings including articles (Web Links, PDF files, or both are posted on eLearning for supplemental readings; Students need Adobe Reader software to read PDF files)
- Information about exams and assignments including dates and times of exams
- Study materials for exams including study lists and attachments
- Other relevant information for the class including announcements and any schedule changes
- Interesting and useful Web Links for Public Sector Economics and Helpful Web Links for UTD

Students' grades on quizzes and exams will be posted on eLearning. For reasons of confidentiality, students will be able to see only their grades and not those of other students.

Important Dates for Class Calendar

Monday, 08/22/16	First class meeting of Fall 2016 Semester.
Monday, 09/05/15	University Closed for Labor Day.
Monday, 09/19/15	Problem Set 1 Due at 2:30 P.M. at the beginning of class.
Monday, 10/10/16	Midterm Exam in Class.
Monday, 10/24/15	Problem Set 2 Due at 2:30 P.M. at the beginning of class.
Wednesday, 11/16/16	Problem Set 3 Due at 2:30 P.M. at the beginning of class.
Wednesday, 12/07/16	Last class meeting of Fall 2016 Semester; Review for Final Exam.
Monday, 12/12/16	Final Exam from 2:00 to 4:45 PM in JSOM 12.214.

UTD Academic Calendar

The UTD academic calendar for Fall 2016 is available online at the following URL:

<https://www.utdallas.edu/academiccalendar/files/AcademicCalendarFall2016.pdf>

Scheduling of Final Exam

This course will follow the schedule and guidelines of the Office of the Registrar of UT-Dallas.

The final exam for ECON 4320.001 will be given on Monday, 12/12/16 from 2:00 to 4:45 P.M. in JSOM 12.214, our regular classroom.

- *Students are advised by the professor to make their plans, including travel plans, in accordance with the final exam schedule. Exceptions to the University's scheduled exam date and time for the final exam for ECON 4320 will not be made, so students are encouraged to plan accordingly in light of the commitment they made when they registered for the course.*

Schedule of Required Readings and In-Class Activities

DATE	TOPIC AND READING
08/22/16	Course Introduction and Overview
08/24/16	In-Class Discussion: Key Role of Economics in Public Policy.
08/29/16	Chapter 1, Why Study Public Finance?
08/31/16	Chapter 1, Why Study Public Finance? Chapter 2, Theoretical Tools of Public Finance.
09/05/16	<i>NO CLASS - Labor Day.</i>
09/07/16	Chapter 2, Theoretical Tools of Public Finance.
09/12/16	Chapter 3, Empirical Tools of Public Finance.
09/14/16	Chapter 4, Budget Analysis and Deficit Financing.
09/19/16	Chapter 5, Externalities: Problems and Solutions. Problem Set 1 Due.
09/21/16	Chapter 5, Externalities: Problems and Solutions.
09/26/16	Chapter 7, Public Goods.
09/28/16	Chapter 7, Public Goods.

10/03/16	Chapter 8, Cost-Benefit Analysis.
10/05/16	Chapter 8, Cost-Benefit Analysis.
10/10/16	Midterm Exam.
10/12/16	Chapter 10, State and Local Government Expenditures.
10/17/16	Chapter 11, Education.
10/19/16	Chapter 12, Social Insurance: The New Function of Government.
10/24/16	Chapter 13, Social Security. Problem Set 2 Due.
10/26/16	Chapter 15, Health Insurance I.
10/31/16	Chapter 18, Taxation: How It Works and What It Means.
11/02/16	Chapter 18, Taxation: How It Works and What It Means.
11/07/16	Chapter 19, The Equity Implications of Taxation: Tax Incidence.
11/09/16	Chapter 19, The Equity Implications of Taxation: Tax Incidence.
11/14/16	Chapter 20, Tax Inefficiencies and Their Implications for Optimal Taxation.
11/16/16	Chapter 20, Tax Inefficiencies and Their Implications for Optimal Taxation. Problem Set 3 Due.
11/21/16	<i>NO CLASS - Fall Break.</i>
11/23/16	<i>NO CLASS - Fall Break.</i>
11/28/16	Chapter 22, Taxes on Savings.
11/30/16	Chapter 22, Taxes on Savings.
12/05/16	Chapter 23, Taxes on Risk Taking and Wealth.
12/07/16	Chapter 23, Taxes on Risk Taking and Wealth; Review for Final Exam.

Additional Course Materials

Any additional course materials used in the course during the semester will be made available to students by the Professor or available online and announced to students.

- Throughout the semester the professor will supplement readings from the textbook with articles as deemed relevant and appropriate.

Grading Policy

Problem Sets	30%
Midterm Exam	35%
Final Exam	35%

All Exams and Problem Sets will be graded on a 100 point scale (% correct). Number grades will be translated into letter grades (A+ through F) as follows:

98 – 100	A+	88 – 89	B+	78 – 79	C+	68 – 69	D+	Below 60	F
93 – 97	A	83 – 87	B	73 – 77	C	63 – 67	D		
90 – 92	A-	80 – 82	B-	70 – 72	C-	60 – 62	D-		

As the professor, I reserve the right to curve the grades in your favor. In other words the assignment from percent correct to letter grade will never be any more stringent than above but it may be more liberal so that, for example, the A-range may extend into the 80s. Your final grade will be a weighted average as shown above. Any extra credit opportunities will be announced during the semester at the professor's discretion.

Exams

There will be a total of two mandatory exams given during the semester, the Midterm Exam and the Final Exam. Students need to bring a calculator to exams and to class. Students will not be permitted to use the calculators on their cell phones during exams.

➤ ***Students who miss the Midterm Exam are strongly advised to drop the course.***

Hints for Success

In order to succeed in this course, students must

- Make attending class a priority
- Complete all required reading assignments
- Come to class, be alert, and take notes.

The professor will cover the material that is on the exams. Review your notes after class throughout the semester to reinforce the concepts covered in class. Students are strongly encouraged to make constructive use of the various resources for the course, including the professor and teaching assistant office hours and materials available online.

Attendance, Class Participation, and Classroom Rules:

The course will use a lecture style with class participation. Students are expected to arrive at class on time and be prepared, which includes *having completed the required reading prior to the class*. The following are classroom guidelines to which all class participants are expected to adhere to during classes.

- Please be attentive and respectful to all speakers, including the professor and the other students in the class.
- Before class begins, please turn off all cell phones, video games, and any other devices that make noise. If you must use your cell phone during class time, please leave the classroom to do so.
- ***No texting, instant messaging, surfing the Internet, or playing video games is allowed in class at any time.***
- Students may use computers and electronic devices such as iPads in class but only for class-related activities such as logging onto eLearning and accessing online data sources.
- Students should bring calculators to class for in-class activities, quizzes, and exams.
- Students are not required to bring their textbooks to class.

Technical Support

If you experience any problems with your UTD account you may send an email to: assist@utdallas.edu or call the UTD Computer Help Desk at 972.883.2911.

Student Conduct and Discipline

The University of Texas System and The University of Texas at Dallas have rules and regulations for the orderly and efficient conduct of their business. It is the responsibility of each student and each student organization to be knowledgeable about the rules and regulations which govern student conduct and activities. General information on student conduct and discipline is contained in the UTD printed publication, A to Z Guide, which is provided to all registered students each academic year.

The University of Texas at Dallas administers student discipline within the procedures of recognized and established due process. Procedures are defined and described in the Rules and Regulations, Series 50000, Board of Regents, The University of Texas System, and in Title V, Rules on Student Services and Activities of the university's Handbook of Operating Procedures. Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations (SSB 4.400, telephone number 972.883.6391) and online at

<http://www.utdallas.edu/deanofstudents/titlev/>

A student at the university neither loses the rights nor escapes the responsibilities of citizenship. He or she is expected to obey federal, state, and local laws as well as the Regents' Rules, university regulations, and administrative rules. Students are subject to discipline for violating the standards of conduct whether such conduct takes place on or off campus, or whether civil or criminal penalties are also imposed for such conduct.

Academic Integrity

The faculty expects from its students a high level of responsibility and academic honesty. Because the value of an academic degree depends upon the absolute integrity of the work done by the student for that degree, it is imperative that a student demonstrate a high standard of individual honor in his or her scholastic work. Scholastic Dishonesty, any student who commits an act of scholastic dishonesty is subject to discipline. Scholastic dishonesty includes but is not limited to cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give unfair advantage to a student or the attempt to commit such acts.

Plagiarism, especially from the web, from portions of papers for other classes, and from any other source is unacceptable and will be dealt with under the university's policy on plagiarism (see general catalog for details). This course will use the resources of turnitin.com, which searches the web for possible plagiarism and is over 90% effective.

Withdrawal from the Course

The administration of this institution has set deadlines for withdrawal of undergraduate courses. These dates and times are published in that semester's course catalog. Administration procedures must be followed. It is the student's responsibility to handle withdrawal requirements from any class. In other words, the professor cannot drop or withdraw any student. You must do the proper paperwork to ensure that you will not receive a final grade of "F" in a course if you choose not to attend the class once you are enrolled.

If a student needs to drop the course, the following are the relevant administrative dates and deadlines for undergraduate courses at UTD for the Fall 2016 semester:

- Last day to drop a course without a "W" Wednesday, 09/07/16
- Approval required Thursday, 09/08/16 - Thursday, 10/27/16
- WL Begins Tuesday, 10/04/16
- WL Ends Thursday, 10/27/16

Student Grievance Procedures

Procedures for student grievances are found in the UT Dallas Policy Navigator under Student Grievances - UTDSP5005 Policy Statement, Subchapter A. Grievances Procedures, Section 51.01: Statement of Equal Educational Opportunity. The document and information is available online at the following URL:

<http://policy.utdallas.edu/utdsp5005>

In attempting to resolve any student grievance regarding grades, evaluations, or other fulfillments of academic responsibility, it is the obligation of the student first to make a serious effort to resolve the matter with the instructor, supervisor, administrator, or committee with whom the grievance originates (hereafter called “the respondent”). Individual faculty members retain primary responsibility for assigning grades and evaluations. If the matter cannot be resolved at that level, the grievance must be submitted in writing to the respondent with a copy of the respondent’s School Dean. If the matter is not resolved by the written response provided by the respondent, the student may submit a written appeal to the School Dean. If the grievance is not resolved by the School Dean’s decision, the student may make a written appeal to the Dean of Graduate or Undergraduate Education, and the dean will appoint and convene an Academic Appeals Panel. The decision of the Academic Appeals Panel is final. The results of the academic appeals process will be distributed to all involved parties.

Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations.

Incomplete Grade Policy

As per university policy, incomplete grades will be granted only for work unavoidably missed at the semester’s end and only if 70% of the course work has been completed.

Office of Student AccessAbility

The goal of the Office of Student AccessAbility is to provide students with disabilities educational opportunities equal to those of their non-disabled peers. The Office is located in SSB32 (Student Services Building) on campus. Office hours are Monday through Thursday 8:30 A.M. to 6:00 P.M., Friday 8:00 A.M. to 5:00 P.M., evenings by appointment.

How to contact the Office of Student AccessAbility at UT-Dallas:

- website: <http://www.utdallas.edu/studentaccess/>
- email: studentaccess@utdallas.edu
- telephone: 972.883.2098 (voice or TTY)
- fax: 972.883.6561

- Mailing Address:
UT Dallas Student AccessAbility
800 W. Campbell Rd., SSB32
Richardson, TX 75080

If you anticipate issues related to the format or requirements of this course, please meet with staff at the Office of Student AccessAbility at UT-Dallas. Staff are available to discuss ways to ensure your full participation in the course. If you determine that formal, disability-related accommodations are necessary, it is very important that you be registered with Office of Student AccessAbility to notify them of your eligibility for reasonable accommodations. The Office of Student AccessAbility can then plan how best to coordinate your accommodations.

It is the student’s responsibility to notify his or her professors of the need for such an accommodation. The Office of Student AccessAbility provides students with letters to present to faculty members to

verify that the student has a disability and needs accommodations. Individuals requiring special accommodation should contact the professor after class or during office hours.

Religious Holy Days

The University of Texas at Dallas will excuse a student from class or other required activities for the travel to and observance of a religious holy day for a religion whose places of worship are exempt from property tax under Section 11.20, Tax Code, Texas Code Annotated.

The student is encouraged to notify the instructor or activity sponsor as soon as possible regarding the absence, preferably in advance of the assignment. The student, so excused, will be allowed to take the exam or complete the assignment within a reasonable time after the absence: a period equal to the length of the absence, up to a maximum of one week. A student who notifies the instructor and completes any missed exam or assignment may not be penalized for the absence. A student who fails to complete the exam or assignment within the prescribed period may receive a failing grade for that exam or assignment.

If a student or an instructor disagrees about the nature of the absence [i.e., for the purpose of observing a religious holy day] or if there is similar disagreement about whether the student has been given a reasonable time to complete any missed assignments or examinations, either the student or the instructor may request a ruling from the chief executive officer of the institution, or his or her designee. The chief executive officer or designee must take into account the legislative intent of TEC 51.911(b), and the student and instructor will abide by the decision of the chief executive officer or designee.

These descriptions and timelines are subject to change at the discretion of the Professor. The syllabus and class schedule are subject to change, and students will be kept informed of all changes. Updates to the syllabus and class schedule will be announced in class and also posted on eLearning.