**ECO 4504-001**

**CRN: 15423**

**Economics of the Public Sector**

**Spring 2019**

**BU 207**

**W/F: 11:00 AM – 12:20 PM**

**Professor Information**

Christopher Boudreaux

Kaye Hall 145

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1-561-297-3221

**Office Hours**

M/W/F: 1:00 PM – 2:00 PM or by appointment

**Required Text and Materials**

1. “Public Sector Economics: The Role of Government in the American Economy”

By Randall Holcombe

ISBN-13: 978-0131450424

1. “Economics of Public Issues”

By Roger Miller, Daniel Benjamin, and Douglass North

ISBN-13: 978-0134531984

20th Edition

**Course Description**

Analyzes nature of public goods and expenditures, evaluates fairness and economic effect of various taxes and explores public debt policies and intergovernmental fiscal relations.

**Course Prerequisites and Credit Hours**

Prerequisites: ECO 2013 and ECO 2023, or ECO 3003, or equivalent. 3 credit hours.

**Course Learning Objectives**

The object of the course is to provide an understanding of the economic activities of government. This includes taxation, government spending, and regulation. Government activities will be analyzed both with regard to the government's actual activities and from the standpoint of what governments can and should do. We will also discuss public policy issues relevant to the course.

**Grading Scale**

**90-100% A**

**80-89.9% B**

**70-79.9% C**

**60-69.9% D**

**< 60% F**

**Course Evaluation Method**

There are three examinations—two midterms and one final exam. Each midterm exam will count towards 25% of your grade, and the final exam will count towards 35% of your grade. There will also be a group assignment and presentation worth 15% of your grade.

**Group Assignment and Presentation**

The instructor will assign groups of 2-3 students to work on a topic from, “The Economics of Public Issues.” The topic should be related to our course material. Groups will be responsible for giving a presentation on their topic for 12-15 minutes. During this presentation, students must (1) introduce the topic and explain its importance, (2) discuss and explain the economics of the topic, and (3) discuss current and future policy positions. Students will be required to turn in a hard copy of the outline of their presentation and will be graded on their oral presentation. A rubric will be used to grade each group.

**Additional Course Policies**

**Missing Exams**

**Make-up exams will only be offered if documentation is provided to the instructor that offers a valid medical excuse or other documented emergency situation.**

**Late Assignments**

**Late assignments will not be accepted.**

**Attendance Policy Statement**

Students are expected to attend all of their scheduled University classes and to satisfy all academic objectives as outlined by the instructor. The effect of absences upon grades is determined by the instructor, and the University reserves the right to deal at any time with individual cases of non-attendance.

Students are responsible for arranging to make up work missed because of legitimate class absence, such as illness, family emergencies, military obligation, court-imposed legal obligations or participation in University-approved activities. Examples of University-approved reasons for absences include participating on an athletic or scholastic team, musical and theatrical performances and debate activities. It is the student’s responsibility to give the instructor notice prior to any anticipated absences and within a reasonable amount of time after an unanticipated absence, ordinarily by the next scheduled class meeting. Instructors must allow each student who is absent for a University-approved reason the opportunity to make up work missed without any reduction in the student’s final course grade as a direct result of such absence.

**Course Outline**

**The course outline is designed to show you the sequence of topics we will cover. However, it is tentative. We will discuss specific exam dates in class as we approach them.**

**THE INSTRUCTOR RESERVES THE RIGHT TO MAKE CHANGES TO THIS SYLLABUS AS NEEDED AND WITH NOTIFICATION TO STUDENTS.**

**Course Outline**

|  |  |  |
| --- | --- | --- |
| **Class Topic** | **Reading** | **Date** |
| **Course introduction and chapter, The Public Sector** | **Ch 1** | **Week 1: Jan 9 & 11** |
| **Principles for Analyzing Government, Property Rights, and Efficiency** | **Ch 2 & 3** | **Week 2: Jan 16 & 18** |
| **Externalities and Public Goods** | **Ch 4 & 5** | **Week 3: Jan 23 & 25** |
| **The Economic Role of the State and Discussion of Government Programs** | **Ch 6** | **Week 4: Jan 30 & Feb 1** |
| **Exam 1 (Chapters 1-6)** |  | **Week 5: Feb 6 & 8** |
| **A Theory of Collective Action and Public Sector Demand** | **Ch 7 & 8** | **Week 6: Feb 13 & 15** |
| **Supply and Demand in Political Markets and Taxation & Redistribution** | **Ch 9 & 18** | **Week 7: Feb 20 & 22** |
| **Government Redistribution Programs** | **Ch 19** | **Week 8: Feb 27 & Mar 1** |
| **\*\*\*No Classes – Spring Break\*\*\*** |  | **Week 9: March 6 & 8** |
| **Social Security** | **Ch 20** | **Week 10: March 13**  |
| **Exam 2 (Chapters 7-9 & 18-20)**  |  | **Week 11: March 20 & 22** |
| **Positive Principles of Taxation, Principles of Tax Policy, and Taxes on Economic Transactions** | **Ch 10-12** | **Week 12: March 27 & 29** |
| **Taxation of Income and Personal Income Taxation in the U.S.** | **Ch 13 & 14** | **Week 13: April 3 & 5** |
| **Taxes on Business income and Wealth and Tax System in the U.S.** | **Ch 15 & 16** | **Week 14: April 10 & 12** |
| **Last Week of Class: Group Presentations** |  | **Week 15: April 17 & 19** |
|  |  |  |
|  |  | **February 22** |
|  |  |  |
| **Final Exam (Chapters 10-16)** | **Final Exam** | **W, May 1, 10:30 am-1:00 pm**  |

**University** Holidays (No class)

March 6 & 8 – Spring Break

March 15 – Instructor Absence

**Anti-plagiarism**

Written components of any assignment or project may be submitted to anti-plagiarism software to evaluate the originality of the work. Any students found to be submitting work that is not their own will be deemed in violation of the University’s honor code discussed above.

**Selected University and College Policies**

**Code of Academic Integrity Policy Statement**

Students at Florida Atlantic University are expected to maintain the highest ethical standards. Academic dishonesty is considered a serious breach of these ethical standards, because it interferes with the university mission to provide a high quality education in which no student enjoys an unfair advantage over any other. Academic dishonesty is also destructive of the university community, which is grounded in a system of mutual trust and places high value on personal integrity and individual responsibility. Harsh penalties are associated with academic dishonesty.

For more information, please see FAU Regulation 4.001 at: [FAU Regulation 4.001](http://www.fau.edu/regulations/chapter4/4.001_Code_of_Academic_Integrity.pdf).

**Disability Policy Statement**

In compliance with the Americans with Disabilities Act Amendments Act (ADAAA), students who require reasonable accommodations due to a disability to properly execute coursework must register with Student Accessibility Services (SAS) and follow all SAS procedures. SAS has offices across three of FAU’s campuses – Boca Raton, Davie and Jupiter – however disability services are available for students on all campuses. For more information, please visit the SAS website at <http://fau.edu/sas/>

**Counseling and Psychological Services (CAPS) Center**

Life as a university student can be challenging physically, mentally and emotionally. Students who find stress negatively affecting their ability to achieve academic or personal goals may wish to consider utilizing FAU’s Counseling and Psychological Services (CAPS) Center. CAPS provides FAU students a range of services – individual counseling, support meetings, and psychiatric services, to name a few – offered to help improve and maintain emotional well-being. For more information, go to [http://www.fau.edu/counseling/](http://www.fau.edu/counseling/%20%20)

**Religious Accommodation Policy Statement**

In accordance with rules of the Florida Board of Education and Florida law, students have the right to reasonable accommodations from the University in order to observe religious practices, observances, and beliefs with regard to admissions, registration, class attendance and the scheduling of examinations and work assignments.

For further information, please see FAU Regulation 2.007 at: [FAU Regulation 2.007](http://www.fau.edu/regulations/chapter2/Reg%202.007%208-12.pdf).

**University Approved Absence Policy Statement**

In accordance with rules of the Florida Atlantic University, students have the right to reasonable accommodations to participate in University approved activities, including athletic or scholastics teams, musical and theatrical performances and debate activities. It is the student’s responsibility to notify the course instructor at least one week prior to missing any course assignment.

**Incomplete Grade Policy Statement**

A student who is passing a course, but has not completed all work due to exceptional circumstances, may, with consent of the instructor, temporarily receive a grade of incomplete (“I”). The assignment of the “I” grade is at the discretion of the instructor, but is allowed only if the student is passing the course.

The specific time required to make up an incomplete grade is at the discretion of the instructor. However, the College of Business policy on the resolution of incomplete grades requires that all work required to satisfy an incomplete (“I”) grade must be completed within a period of time not exceeding one calendar year from the assignment of the incomplete grade. After one calendar year, the incomplete grade automatically becomes a failing (“F”) grade.

**Disruptive Behavior Policy Statement**

Disruptive behavior is defined in the FAU Student Code of Conduct as *“... activities which interfere with the educational mission within classroom.”* Students who behave in the classroom such that the educational experiences of other students and/or the instructor’s course objectives are disrupted are subject to disciplinary action. Such behavior impedes students’ ability to learn or an instructor’s ability to teach. Disruptive behavior may include, but is not limited to: non-approved use of electronic devices (including cellular telephones); cursing or shouting at others in such a way as to be disruptive; or, other violations of an instructor’s expectations for classroom conduct.

**Faculty Rights and Responsibilities**

Florida Atlantic University respects the right of instructors to teach and students to learn. Maintenance of these rights requires classroom conditions which do not impede their exercise. To ensure these rights, faculty members have the prerogative:

* To establish and implement academic standards
* To establish and enforce reasonable behavior standards in each class
* To refer disciplinary action to those students whose behavior may be judged to be disruptive under the Student Code of Conduct.