

# **Department of Economics, University of Utah**

## **Economics 5300 and 6300/Public Finance**

Fall 2011

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### **Instructor**

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### **Course description**

Economic theory guides practitioners in the public sector, but the vast majority of work is solidly grounded in applied tasks. Too often, students graduate in economics or public policy with very little applied experience. This course attempts to fill the gap by focusing on the practice of public finance in a real life, state and local government setting. Students will be challenged to develop and apply their economic skill set to four current issues facing the Utah economy: immigration reform, health system reform, economic development and a convention-headquarters hotel in downtown Salt Lake City. Lectures will focus on the role of government in a market economy and the economic context for each of the focus areas. As part of the applied emphasis, students will write mock policy briefs and recommendation memos for elected officials. The mid-term and final will test students understanding of concepts used in the practice of public finance. By the end of the semester students should have a foundational understanding of public finance and an improved economic skill set.

### **Objectives**

This course prepares students for economic and public policy jobs in a state and local government setting. Accordingly, the course has two specific objectives: 1) Develop a rudimentary framework for understanding the taxing and spending activities of government, and 2) Improve students' applied economic skill set. Analyzing public issues from an economic perspective and communicating economic concepts to non-economists will be hallmarks of the course. These objectives will be presented from the perspective of an applied economist who advises state and local government and business decision-makers.

### **Typical class structure/agenda**

Because of construction and parking constraints, class will start at 6:15 p.m. On most nights we will spend the first 30 minutes discussing a current event relevant to the field of public finance. Students are encouraged to bring their own hot items to discuss during this open discussion time. Our purpose will be to develop themes, concepts, opinions and expertise about current events. Next, I will present a 45-60 minute lecture that will guide your independent research/analysis on assigned topic areas. After a short break, we will spend the remainder of the time on an additional lecture, group discussions and possibly class presentations. On most nights, we will finish around 8:30 p.m.

## Required readings

The theoretical underpinnings for the course are presented in the required textbook:

*Public Finance*, Laurence S. Seidman

Additional color commentary is provided in this entertaining and useful book:

*Naked economics*, Charles Wheelan

(Make sure that you purchase the fully revised and updated 2010 version.)

Course lectures will be seasoned by a variety of other supplemental readings.

Graduate students will be required to read and prepare a summary of this book:

*Financial Shock*, (second edition), Mark M. Zandi

## Course grades

Grades will be based on curved performance in five areas: 1) participation (10 points); 2) policy briefs (20 points); 3) a midterm (20 points); 4) a policy memo (20 points); and a final exam (30 points). Since class instruction is concentrated into one evening per week, self-directed readings and a participatory discussion are important.

Graduate students will be required to read an additional book (see above) and write an economic summary of the book (20 points). They are also graded on a curve among their graduate peers.

## Additional notes

TEACHING ASSISTANT – Zain Siddiqui, a PhD candidate in the Dept. of Economics, will be a teaching assistant for this course. Zain will attend classes, contribute to lectures, assist with grading and help answer student questions. You can reach Zain at [siddiqui.zain@utah.edu](mailto:siddiqui.zain@utah.edu).

OFFICE HOURS – Since I do not have an office on campus, students can meet with me by appointment at my downtown office at the Salt Lake Chamber [175 East University Blvd (400 South), Suite 600]. Zain will also be available by appointment to meet with students in the hour before class in the same room as class is held.

WEB CT – I will post lecture notes on WEB CT by noon each Wednesday before class. I will also post a variety of readings there.

EXTRA CREDIT – I do not allow students to do extra credit to improve their grade. Rather, I am very specific about the content and timing of assignments and tests. As upper-division and graduate students, I expect you to organize yourselves and do what is necessary to get what you deem to be a satisfactory grade in the class.

QUESTIONS – Send me an email at [ngochnour@slchamber.com](mailto:ngochnour@slchamber.com) or call me at 801-328-5067.