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## (2) Sample Syllabus: Econ 4010

Brian Brush

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**INSTRUCTOR:** Dr. Brian C. Brush, Professor of Economics  
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**OFFICE HOURS:** Mondays-Wednesdays 11:00-11:30, 1:00-2:00 and 3:30-4:30  
Fridays 11:00-11:30  
(other days/times by appointment)  
**REQUIRED TEXT:** David M. Hyman, *Public Finance*, 9th ed. (South-Western Cengage)

**COURSE FOCUS:** Government plays a major role in the operation of all modern economies. Public Finance is the branch of economics that studies how government expenditure and tax policies affect the allocation of resources and the distribution of income in the economy. In this course, we will consider questions such as the following: Which goods and services should be provided by government, and in what amounts? To what extent and in what manner should government redistribute income among its citizens? What are the effects of various government expenditure programs on efficiency and equity in the economy? How should government finance its expenditures? What mix of taxes should be used, and how much should government borrow? What are the effects of various methods of financing on efficiency and equity in the economy?

The course will consist of three main parts. The first section will provide an analysis of economic efficiency, externalities, and public goods. The existence of externalities and public goods provides much of the rationale for government economic activities intended to improve efficiency. To illuminate government decision-making, the theory of public choice will be applied to the choices made by voters, politicians and bureaucrats. The second section of the course will introduce the student to the economics of several major government expenditure programs. The economic effects of major expenditure programs such as welfare, social security and health care will be considered. The third section of the course will consider the economics of taxation and government debt. What are the economic effects of various kinds of taxes? Who bears the burden of each kind of tax?

Along the way, we will encounter a variety of issues of considerable current interest: health care reform, climate change legislation, social security, “cash for clunkers”, tax fairness, etc. Successful completion of this course will provide the serious student with a much-improved understanding of the proper role for government in the economy and of the major issues surrounding government spending and taxation.

**GOALS AND OBJECTIVES:** It is the goal of Marquette’s undergraduate degree program in economics that all graduates should be proficient in the use of the standard analytic tools of applied economic analysis. In pursuit of that goal, students in this course will develop the ability to use such tools to analyze the impact of public policies with respect to government spending and taxation. This is the primary objective of the course.

**ATTENDANCE POLICY:** Regular attendance is essential to obtain the full benefits of the course. Therefore, regular attendance is expected, and all absences will be recorded at the beginning of each class. **At the discretion of the instructor, a student who is absent more than four times may be withdrawn from the class with the grade of WA.**

**EXAMS, TERM PAPER, AND GRADING:** Your final grade in this course will be based on the results of two 100-point in-semester exams, a 150-point final exam, and a 150-point term paper. (Guidelines for the term paper are attached.) The exams will consist of a combination of definitions, essay questions, problems and multiple-choice questions. The “Questions for Review” and “Problems” at the end of each chapter in the text are representative of the kinds of essay and problem questions that will appear on the exams. (Answers to the “Problems” will be available at the D2L site for this course, and other sample exam questions will also be provided.) The final exam will cover all of the material following the second exam plus chapters 1, 3, 4 and 10. Final grades will be determined approximately as follows:

<u>Total Points</u>	<u>PercentGrade</u>	
450-500	90-100	A
425-449	85-90	AB
400-424	80-85	B
375-379	75-80	BC
350-374	65-75	C
325-349	60-65	CD
300-324	50-60	D
0-299	0-50	F

Under normal circumstances, no make-up exams will be administered during the semester. You will be given a make-up exam only if I am notified in advance that you will be absent and only if your absence is fully justified to my satisfaction. Otherwise, you will receive a score of zero. Make-up exams may differ in form and difficulty from the regular exams. All students will take the final exam at the scheduled time. An absence from the final exam is governed by the rules of the College of Business Administration. (See the *Undergraduate Bulletin*.) If you miss the final exam, you must file a written explanation with the college office within 48 hours. You will be permitted to make up the final exam only if college administrators deem the excuse satisfactory.

In addition to the points earned on exams and the term paper, each student will be awarded from 0 to 15 **bonus points** based on **class participation**. This will reflect the student’s overall contribution to the classroom learning environment through class attendance, answering and asking questions, and other contributions to class discussion.

**DESIRE2LEARN:** Important course content will be available to you at the D2L site for this course. There you will find the latest course news, the syllabus, answers to the end of chapter questions and problems, any PowerPoint slideshows used in class, articles and other course materials. Your Checkmarq username and password are also used for D2L, which can be found at <http://d2l.mu.edu>.

**E-MAIL:** I will occasionally communicate with you by e-mail, so you should check your e-mail frequently. Any e-mail from me will go to your Emarq address. If you prefer to use an alternative e-mail address, you should set a forwarding e-mail address for D2L, Checkmarq, and Emarq by going to <http://www.mu.edu/forward/>

**ACADEMIC HONESTY:** You are expected to conduct yourselves with utmost integrity in this course. No materials may be used during exams except a pen or pencil and the electronic calculator I will provide. Copying or otherwise obtaining information from another student during an exam, and facilitating such behavior by another student, are serious violations of basic academic honesty. So, too, is passing information on the contents of an exam you have already taken to a student who has not yet taken the exam. And plagiarism on the term paper assignment will not be tolerated. Term papers must be submitted in both electronic and paper form, and they are subject to submission to a plagiarism detection service such as “Turnitin.” The usual penalty for academic dishonesty on any assignment or exam will be a zero on the assignment/exam, and depending on the specific infraction, the case may be referred to Office of the Dean for further action and penalties.

**SPECIAL NEEDS:** Please inform me during the first week of class if you have any conditions that may limit or affect your ability to participate in this course so that we can make necessary arrangements. You may also contact the Office of Student Educational Services (OSSES), in AMU 317 (8-3270) for more information (see also: <http://www.marquette.edu/osses/>).

**EMERGENCY PLAN:** Every Marquette University campus building has emergency shelter and evacuation plans. Please familiarize yourself with the plans of each building in which you take classes or attend meetings. Make sure to note the routes to the lowest level of the buildings for shelter during inclement weather, as well as exits from the buildings in the event of fire or other emergency.

**COLLEGE ASSESSMENT STATEMENT:** The fundamental mission of the College of Business Administration is to provide a quality education grounded in Catholic, Jesuit intellectual values. Students are expected to learn how to function effectively in a diverse and global economy and develop into responsible members of the business community. As one of many methods of assuring that the goals of our educational mission are successfully met, the college regularly and systematically engages in the assessment of these competencies.

Students in the Bachelor of Science in Business Administration program are assessed on their ability to reason ethically, communicate effectively, analyze critically, and understand local, national and global business and cultural issues. Assessment takes place each semester in all programs and settings using quantifiable measures to gather and analyze information to help continuously improve the educational process. The College of Business Administration is dedicated to successfully providing a quality education for all students. Assessment is the continuous improvement process of evaluating our success. More information on assessment can be found at (<http://www.marquette.edu/assessment/>), (<http://www.busadm.mu.edu/undergraduate/LearningObjectives.shtml>)

#### **CALENDAR OF TOPICS, TEXT READINGS, ASSIGNMENTS AND EXAMS**

(Subject to Change. Additional Short Articles will Occasionally be Assigned.)

<u>Dates</u>	<u>Topics</u>	<u>Reading</u>
Aug. 31, Sept. 2	Introduction. Individuals and Government. Patterns and Trends in Government Expenditure. Current Issue: The Spending Surge in 2009.	Ch. 1
Sept. 9, 14	Positive and Normative Economics. The Meaning Of Economic Efficiency. Market Failures and the Role of Government. Current Issue: "Government Motors."	Ch. 2
Sept. 16, 21	Externalities. Solutions to the Problem of Externalities. Property Rights and the Coase Theorem.	Ch. 3
Sept. 23	Current Issues: "Cash for Clunkers". Climate Change and "Cap and Trade" Legislation.	TBA
Sept. 28, 30	Characteristics of Public Goods. Demand for Public Goods. Optimal Provision. Free Riders.	Ch. 4
<b>Oct. 5 (Mon.)</b>	<b>FIRST EXAMINATION</b>	
Oct. 7, 12	Public Choice. Political Equilibrium. Under Majority Rule. Log Rolling. Politicians, Special Interest Groups and Bureaucrats.	Ch. 5
Oct. 14, 19	Welfare Programs in the U.S.: TANF, W-2, Food Stamps, Medicaid, EITC, etc.	Ch. 7
Oct. 21, 26	Social Security and Social Insurance. Economic Effects. Social Security Reform Proposals.	Ch. 8
Oct. 28, Nov. 2	Government and Health Care. Characteristics of the Health Care Market. The "Big Issues": Rising Costs and the Uninsured.	Ch. 9
<b>Nov. 2 (Mon.)</b>	<b>PAPER TOPIC, OUTLINE AND BIBLIOGRAPHY DUE</b>	
Nov. 4	Current Issue: "Obamacare" and the Great Health Care Reform Debate.	TBA
<b>Nov. 9 (Mon.)</b>	<b>SECOND EXAMINATION</b>	

Nov. 11	Principles of Taxation. Alternative Means of Financing Government Expenditures.	Ch. 10
Nov. 16, 18	The Effects of Taxes on Prices, Efficiency and the Distribution of Income. Excess Burden and Tax Incidence.	Ch. 11
Nov. 23	Federal Budget Deficits and Surpluses: Economic Effects. The National Debt. Current Issue: What Will be the Consequences of the Massive Deficits Of 2009 and Beyond?	Ch. 12
<b>Nov. 25 (Wed.)</b>	<b>THANKSGIVING VACATION</b>	
Nov. 30, Dec. 2	Income Taxation in the United States. Rate Structure. Tax Preferences. Current Issue: What is a “Fair” Distribution of the Tax Burden?	Ch. 14
<b>Dec. 4 (Fri.)</b>	<b>TERM PAPER DUE</b>	
Dec. 7, 9	Corporate Income Tax. Economic Effects. Rate Structure. Tax Incidence.	Ch. 15
<b>Dec. 17 (Thursday)</b>	<b>FINAL EXAMINATION (1:00 - 3:00)</b>	

## ECONOMICS 4010 -- TERM PAPER GUIDELINES

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1. A formal term paper is required in this course. The suggested length of the paper is 12-15 pages, typed, double-spaced. The paper is weighted at 150 points, 30 percent of your course grade.

2. You are free to choose any topic that is closely related to this course. You should avoid overly broad topics -- narrow your topic down so you can say something meaningful in 12-15 pages. See the illustration below.

*Worst*	Taxation Taxation in the U.S. Excise Taxation in the U.S. Cigarette Taxes in the U.S.
*Best*	Is the U.S. Federal Cigarette Tax Regressive?

3. You should make significant use of at least five good sources in preparing your paper. The “Suggestions for Further Reading” at the end of each chapter in your text provide many examples of good sources. Raynor Library provides extensive resources (including MARQCAT) for locating good sources. In general, good sources might be:

a. Books or monographs on public finance, public choice, taxation, government expenditures, specific government programs, etc. **Caution:** Your textbook and other similar textbooks should not be counted among your minimum of five good sources.

b. Articles in economics journals. Among those specializing in public finance topics are the *Journal of Public Economics* (rather technical), *National Tax Journal*, *Public Choice*, *Public Finance* and *Public Finance Quarterly*. In addition, all the general-interest economics journals, including the very readable *Journal of Economic Perspectives*, publish articles in public finance.

c. Significant reports and articles found on the Internet sites of government agencies and reputable private organizations. Be careful -- there's a lot of junk out there!

d. Major articles in the popular press, including the *New York Times*, *Wall Street Journal*, *Business Week*, etc. Try using the appropriate indexes--ask your friendly librarian for help if you need it. **Caution:** Articles in the popular press are useful supplements in that they can often provide up-to-date information, but they should not be relied upon exclusively.

Vast amounts of data are available on government spending and taxation. The following are particularly good data sources: *Statistical Abstract of the United States*; *Economic Report of the President*; *Budget of the United States*; *Facts and Figures on Government Finance*. Many of these can be found on the Internet. **Caution:** Data sources such as these can be important, but they should not be counted among your minimum of five good sources.

4. Your paper must be submitted in paper form and also in electronic form (as an e-mail attachment). Your graded hard copy will be returned to you upon request.
5. Do not submit for credit in this course any paper which has been previously submitted for credit in another course, and do not submit a paper which represents only a minor "facelift" of a paper previously submitted for credit in another course. Do not submit a paper for credit in this course for which you expect to earn credit in a concurrent second course, unless both instructors clear this in advance.
6. Your grade will be based in a significant way on both content and writing quality. With respect to content, your paper should deal with a significant topic, take you well beyond the level of understanding of that topic which could be obtained from the assigned course readings and class discussion, and should make effective use of good sources. With respect to writing quality, your paper should be well organized, written with clarity, devoid of errors in grammar, punctuation and spelling, and should provide proper citation of references.
7. Your bibliography should be arranged in alphabetical order according to the last name of the lead author. (For bibliography items for which no "author" is identified, the order is governed by the first word of the title.) If an entry runs more than one line, then all lines after the first should be indented approximately five spaces. Each entry should be single spaced, with double spacing between different entries. If an author has more than one publication in the same year, then add a, b, c, etc. after the year, e.g., 1969a, 1969b, 1969c, etc. Your citations can then easily identify the correct bibliography item. For examples of correct form for various types of bibliography items, see the "Suggestions for Further Reading" at the end of each chapter in your text. For Internet sources, provide the same information as for other sources, but also include the complete URL and the date you accessed the source.
8. In general, quotations should correspond exactly with the originals in wording, spelling, punctuation, etc. Short quotations should be incorporated into the text of the paper and enclosed in double quotation marks. Quotations which run four lines or longer should be indented from the left margin in their entirety and single spaced, with no quotation marks at the beginning and end. Quotations should be used sparingly, and only when it seems important to use another's exact words. For example, you might want to use an exact quote because the author makes a point especially well, because a quote summarizes nicely an author's views on a particular issue, because you want to illustrate the divergent views on a particular issue, or because you want to demonstrate that the author really said what you are attributing to him/her. Straight factual statements should not usually be quoted, but incorporated into your paper in your own words. Regardless of whether you use a quotation or not, you should identify the source of information you have taken from others which is not "common knowledge." Appropriate ways of citing sources are discussed immediately below.
9. One way to properly cite sources is to use footnotes. For this paper it is unnecessary to place footnotes at the bottom of the page. Rather, they may be placed at the end of the paper (endnotes), preceding the bibliography. Alternatively, the preferred method of citing sources

actually avoids the use of footnotes and endnotes entirely. Immediately after the particular quotation or statement for which you wish to provide a citation, indicate, in brackets, the author's name, the year, and the page number. Example: The number of widgets produced in the United States doubled between 1975 and 1985. [Smith, 1988, p. 6] Since you will have a detailed bibliography, this will provide all the information the reader needs if he/she wishes to pursue the matter.

10. In organizing and writing your paper, be sure to make use of your outline to provide adequate section headings and sub-headings. These are as important to the reader as road signs are to the driver. The reader can follow you better if he/she knows where you are going. Also, be sure to number the pages and include a cover page with your name, paper title, course number (Economics 4010) and date of submission.

11. When writing the paper, be sure to have at your side a good dictionary and a good style manual, and consult them as needed. Plan on completing a draft of your paper early enough so you can revise/rewrite/correct it before you submit it to me (unless your name is Shakespeare).

12. The term paper deadlines for this semester are as follows:

**Monday, Nov. 2, 5:00 p.m.** Submit statement of intended topic (<= one page, typed, double-spaced), plus brief outline with major section headings (typed), plus preliminary bibliography (typed). You will be informed of any instructor concerns by Monday, November 9. (Late penalty is five points if received by Wednesday, Nov. 4 at 5:00 p.m.; ten points if received thereafter.)

**Friday, Dec. 4, 5:00 p.m.** Submit final term paper, typed, doubled spaced, in both paper and electronic form (as an e-mail attachment). (Late penalty is five points if received by Monday, Dec. 7 at 5:00 p.m.; ten points if received thereafter.)