

---

# ECON 320 – THE ECONOMICS OF PUBLIC FINANCE

## INSTRUCTOR INFORMATION

**Instructor:** Kendall Stephenson

**Email:** kendall.stephenson@colostate.edu

**Term Start:** June 12, 2023

**Term End:** August 6, 2023

**Communication Policy:** I typically respond to emails quickly and will do my best to respond within 36 hours (not including weekends). Please remember to include your first and last name on all emails that you send to me. In addition, please do not email to ask me when the next exam will be or when any of the other coursework is due. All exam and coursework dates are on Canvas and in the course schedule below. If there is a change, I will send an announcement through Canvas that a change was made.

## PREREQUISITES FOR COURSE

**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). This course requires proficiency in the use of mathematical tools such as solving systems of equations and graphing functions.

## COURSE DESCRIPTION & OBJECTIVES

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 judgements. Application to current public issues and policy debates are an integral part of the course. At the conclusion of this course, students should be familiar with topics such as: welfare economics, market failures, asymmetric information, income redistribution, and taxation.

Upon the completion of this course, students will 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 U.S. to address inequity in income distribution
4. Discuss the efficiency and equity impacts for optimal taxation and apply these concepts to common U.S. taxes

## TEXTBOOK / COURSE READINGS

**Required Text:** Public Finance and Public Policy – Seventh Edition

**Author:** Jonathan Gruber

**ISBN:** 9781319399078

**Link to CSU Bookstore:** [HTTPS://WWW.BOOKSTORE.COLOSTATE.EDU/HOME.ASPX](https://www.bookstore.colostate.edu/home.aspx)

## COURSE MATERIALS & EQUIPMENT

PowerPoint slides and study key notes of the module are available on the website under the Modules tab. Supplemental readings and other materials will be provided in the Canvas system, via the [CSU Library Electronic Reserves](#) or by links to websites.

## INSTRUCTIONAL METHODOLOGY AND DELIVERY

This course is delivered via distance education format using the CSU Canvas system. This format will use a combination of readings, online discussions, and other web-based resources. You will interact with the instructor and other students using the communication functions provided by Canvas. You will submit assignments following the course outline using Canvas.

The technology requirements for this online course are as follows:

### Hardware

- A Windows or Macintosh computer with at least 2 GB of RAM and a fast, reliable broadband internet connection
- Recommended computer monitor or laptop screen size of 13 inches or larger for optimal visibility of course material
- Computer speakers or headphones to listen to recorded content
- Enough space on your computer to 1) install the required and recommended software and, 2) save your course assignments

## Software

- Web Browser (Firefox generally works well with CSU websites)
- Adobe Acrobat Reader
- Flash Player
- Microsoft Office

## COURSE PRESENTATION AND PROCEDURES

There will be 14 modules corresponding to the eight weeks of the course (1-2 modules per week). You should proceed through a couple modules per week, which will be comprised of readings from the course texts, supplemental class notes, graded discussion questions, problem sets, instructions related to policy analyses to help you prepare for the exams, and various outside sources of information such as additional readings and video content.

## PARTICIPATION/BEHAVIORAL EXPECTATIONS

Online education requires skills and habits that may be less essential in traditional courses. Specifically, consistent reading and communication is essential to being successful in this course! As an instructor I need to be able to communicate class information to you, but also need you to communicate any feedback in return. For example, if you are struggling on a section or assignment, I need you to initiate that conversation. Given the nature of the class, assigned reading is extremely important.

This course is conducted entirely online. You should expect to be online at least 3 times per week. The modules will guide you through the week's readings, lectures, supplemental materials, and quizzes, and discussion posts. Access each module as soon as possible and expect to work on them throughout the week! This course is flexible in the sense that you can finish the material on what days work for you, but it must be completed by the due date.

Below you will find an example of a weekly schedule that satisfies these expectations where contact hours measure the amount of time students are expected to be engaged in the course:

<b>Activity</b>	<b>Contact Hours per week</b>
Reading	4
Reviewing lectures and taking notes	6
Completing Assignments	6
Exam Study Time	2
<b>Total Hours</b>	<b>18</b>

If you feel you may have trouble dedicating enough time to be successful in the course, you should re-evaluate your schedule to ensure enough time for proper comprehension.

### **COURSE POLICIES (LATE ASSIGNMENTS, MAKE-UP EXAMS, ETC.)**

Assignment due dates are posted in Canvas. Late assignments will be penalized by ten percent (10%) each day that they are late. The instructor reserves the sole right to determine what grounds constitutes a reasonable excuse for missing or submitting a late work assignment and the right to require the student to submit proper verification of such excuse. Vacations are not an excuse for missing or submitting a late assignment. If something comes up and you are unable to complete an assignment on time, email me as soon as possible.

Whatever your circumstances, I AM HERE TO HELP you be successful. If you need more time to complete the assignments, please do not hesitate to reach out. Any regrade requests must be made within one week of receiving the grade. I reserve the right to regrade the entire assignment when requests are made.

## GRADING POLICY

The table below shows the minimum percent threshold necessary to achieve the following letter grade:

Grade	Percentage Grade	Percentage Grade
A+	97 - 100	970 - 1000
A	94 - 96	940 - 969
A-	90 - 93	900 - 939
B+	87 - 89	870 - 899
B	84 - 86	840 - 869
B-	80 - 83	800 - 839
C+	77 - 79	770-799
C	70 - 76	700 - 769
D	60 - 69	600 - 699
F	59 - Below	0 - 599

As a student enrolled in this course, one of your responsibilities is to submit course work by the due dates listed in Canvas. With that said, I take my role as your instructor very seriously, and, in fact, 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 you to respond individually to the work you submit in this class and to return your work in a timely manner. Smaller, weekly assignments and quizzes will be returned within one week and major assignments, exams, and essays will be returned within 2 weeks. If, however, due to unforeseeable circumstances, the grading of your work takes longer than the times I have listed here, I will keep you informed of my progress and make every effort to return your work with feedback as soon as I can.



Assignment	Points per Assignment	Frequency	Total Points
Discussions	20	5	100
Written assignments	170	2	340
Quizzes	15	14	210
Midterm Exam	150	1	150
Final Exam	200	1	200
<b>Total:</b>			<b>1,000</b>

\*Keep a copy of all work created for the course, including work submitted through Canvas course learning management system.

## COURSE ASSIGNMENTS

### **Class Participation:**

This course is designed to engage you through class discussions on the topics covered in the course materials. It is essential that you participate in class discussions to facilitate learning by other students and gain exposure to different viewpoints of other students in the class. It is, therefore, necessary to participate throughout the week in the discussion questions, not wait until the last minute to post on discussion topics.

### **Writing Assignments (340 points):**

There will be two writing assignments in this course focusing on an application of public finance topics.

1. Agency Analysis (170 points): The first writing assignment is an analysis on a government agency and its role in the economy. This writing assignment will be submitted through Canvas. Please see the corresponding module for more details.
2. Policy Analysis (170 points): The second writing assignment for this course is a policy analysis. This will give you the opportunity to stay up to date with current policy changes and analyze the policy change using the information learned in the course. This assignment will be submitted through Canvas. Please see the corresponding module for more details.

The evaluation of the assignment will be based in part of the following criteria:

- The ability to convey a theme or argument clearly and coherently
- The ability to analyze critically and to synthesize the course material
- The ability to acquire and apply information from appropriate sources
- 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.

**Discussions (100 points):**

There will be online discussions for most modules. Discussion posts should be based on the module readings and materials. It can be takeaways, questions, comments, or anything else that is related. These may be posted at your convenience prior to the due date. Each time you participate, you earn up to 20 points. Posts will be graded both on your original post and responses to other student's posts. Each post must be thoughtful to be considered for the week's discussion credit. Your comments/questions should also be respectful and considerate. This exercise is meant to engage you with the rest of the class and to provide different perspectives to the topic material. Each post should be clearly written and organized; please use correct grammar, syntax, and punctuations where relevant.

**Quizzes (210 points):**

There will be timed quizzes associated with each (14) module worth 15 points each. The format of the quizzes will be multiple choice, calculations, and short answers and will be open book and open note. Quizzes will be submitted through Canvas. Quizzes will be due by 11:59pm MST on the assigned due date.

**Exams (350 points):**

Two exams (one midterm and one final) will each count for 15% and 20% respectively of the final grade. The final exam will not be cumulative. The format of the exam will be multiple choice, calculations, and short answers and will be open notes. The exam will be completed on Canvas in a proctored setting. Please see the corresponding module for more details. This course requires proctored examinations. Exams are proctored which will require planning on your part.

Proctors are individuals who administer the exam process following the guidelines provided by Colorado State University to ensure academic integrity.

**Respondus Information for the Exam:**

Respondus LockDown Browser and Monitor will proctor your exams this semester. Respondus is an online proctoring service that allows you to take your exam from the comfort of your home. You DO NOT need to create an account, download software or schedule an appointment in advance. Respondus is available 24/7 and all that is needed is a computer, a working webcam, and a stable Internet connection. Please review the Instructions for Students available here: <https://tilt.colostate.edu/testing/respondus/>. When you are ready to test, log into the Canvas, go to your course, and click on your exam. Clicking Launch Proctoring will begin the Respondus authentication process, where you will take a picture of yourself, show your ID, and complete a scan of your room. Respondus will be recording your exam session by webcam as well as recording your screen. Respondus also has an integrity algorithm that can detect search-engine use, so please do not attempt to search for answers, even if it's on a secondary device.

**COURSE WITHDRAWAL POLICY:**

Any student who wishes to withdraw from the course must submit a request directly to the Division of Continuing Education (<https://www.online.colostate.edu/degrees/>).

**CANVAS INFORMATION & TECHNICAL SUPPORT**

Canvas is where course content, grades, and communication will reside for this course.

- [Login for Canvas](#)
- [Canvas Support](#)
- For passwords or any other computer-related technical support, contact the [Central IT Technical Support Help Desk](#).
  - (970) 491-7276
  - [help@colostate.edu](mailto:help@colostate.edu)

The [Technical Requirements](#) page identifies the browsers, operating systems, and plugins that work best with Canvas. If you are new to Canvas quickly review [the Canvas Student Orientation](#) materials.

## ACADEMIC INTEGRITY & CSU HONOR PLEDGE

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

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.

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

## UNIVERSAL DESIGN FOR LEARNING/ACCOMMODATION OF NEEDS

I am committed to the principle of universal learning. This means that our classroom, our virtual spaces, our practices, and our interactions be as inclusive as possible. Mutual respect, civility, and the ability to listen and observe others carefully are crucial to universal learning.

If you are a student who will need accommodations in this class, please contact me to discuss your individual needs. Any accommodation must be discussed in a timely manner. A verifying memo from [The Student Disability Center](#) may be required before any accommodation is provided.

The Student Disability Center (SDC) has the authority to verify and confirm the eligibility of students with disabilities for the majority of accommodations. While some accommodations may be provided by other departments, a student is not automatically eligible for those accommodations unless their disability can be verified and the need for the accommodation confirmed, either through SDC or through acceptable means defined by the particular department. Faculty and staff may consult with the SDC staff whenever there is doubt as to the appropriateness of an accommodative request by a student with a disability.

The goal of SDC is to normalize disability as part of the culture of diversity at Colorado State University. The characteristic of having a disability simply provides the basis of the support that is available to students. The goal is to ensure students with disabilities have the opportunity to be as successful as they have the capability to be.

Support and services are offered to student with functional limitations due to visual, hearing, learning, or mobility disabilities as well as to students who have specific physical or mental health conditions due to epilepsy, diabetes, asthma, AIDS, psychiatric diagnoses, etc. Students who are temporarily disabled are also eligible for support and assistance.

Any student who is enrolled at CSU, and who self-identifies with SDC as having a disability, is eligible for support from SDC. Specific accommodations are determined individually for each student and must be supported by appropriate documentation and/or evaluation of needs consistent with a particular type of disability. SDC reserves the right to ask for any appropriate documentation of disability in order to determine a student's eligibility for accommodations as well as in support for specific accommodative requests. The accommodative process begins once a student meets with an accommodations specialist in the SDC.

### THIRD-PARTY TOOLS/PRIVACY

Please note that this course may require you to use third-party tools (tools outside of the Canvas learning management system), such as Zoom and others. Some of these tools may collect and share information about their users. Because your privacy is important, you are encouraged to consult the privacy policies for any third-party tools in this course so that you are aware of how your personal information is collected, used and shared.

### COPYRIGHTED COURSE MATERIALS

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 and 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 appropriate disciplinary or legal action.

### UNDOCUMENTED STUDENT SUPPORT

Any CSU student who faces challenges or hardships due to their legal status in the United States and believes that it may impact their academic performance in this course is encouraged to visit [Student Support Services for Undocumented, DACA & ASSET](#) for resources and support. Additionally, only if you feel comfortable, please notify your professor so they may pass along any additional resources they may possess.

## TITLE IX/INTERPERSONAL VIOLENCE

For the full statement regarding role and responsibilities about reporting harassment, sexual harassment, sexual misconduct, domestic violence, dating violence, stalking, and the retaliation policy please go to: [Title IX – Sexual Assault, Sexual Violence, Sexual Harassment](#).

If you feel that your rights have been compromised at CSU, several resources are available to assist:

- Student Resolution Center, 200 Lory Student Center, 491-7165
- Office of Equal Opportunity, 101 Student Services, 491-5836

A note about interpersonal violence: If you or someone you know has experienced sexual assault, relationship violence and/or stalking, know that you are not alone. As instructors, we are required by law to notify university officials about disclosures related to interpersonal violence. Confidential victim advocates are available 24 hours a day, 365 days a year to provide support related to the emotional, physical, physiological and legal aftermath of interpersonal violence. Contact the Victim Assistance Team at: 970-492-4242.

## RELIGIOUS OBSERVANCES

CSU does not discriminate on the basis of religion. Reasonable accommodation should be made to allow individuals to observe their established religious holidays. Students seeking an exemption from attending class or completing assigned course work for a religious holiday will need to fill out the [Religious Accommodation Request Form](#) and turn it in to the Division of Student Affairs, located on the second level of the Administration building.

Once turned in, the Division of Student Affairs will review the request and contact the student accordingly. If approved, the student will receive a memo from the Dean of Students to give to their professor or course instructor.

Students are asked to turn in the request forms as soon as the conflict is noticed. Similarly, unanticipated conflicts requiring a religious observance, such as a death in the family, can also be reviewed.

## CSU PRINCIPLES OF COMMUNITY

**Inclusion:** We create and nurture inclusive environments and welcome, value and affirm all members of our community, including their various identities, skills, ideas, talents and contributions.

**Integrity:** We are accountable for our actions and will act ethically and honestly in all our interactions.

**Respect:** We honor the inherent dignity of all people within an environment where we are committed to freedom of expression, critical discourse, and the advancement of knowledge.

**Service:** We are responsible, individually and collectively, to give of our time, talents, and resources to promote the well-being of each other and the development of our local, regional, and global communities.

**Social Justice:** We have the right to be treated and the responsibility to treat others with fairness and equity, the duty to challenge prejudice, and to uphold the laws, policies and procedures that promote justice in all respects.

## DIVERSITY AND INCLUSION

The [Mission, Vision, and Focus](#) webpage of the Office for Inclusive Excellence includes a comprehensive statement of CSU's commitment to diversity, equity, and inclusion.

## WEEKLY SCHEDULE

Lecture Week	First Module	Second Module	Discussion Post (Sunday)	Quiz (Sunday)	Exam	Writing Assignment
Week 1 (June 12 - June 18)	Module 1: Why Study Public Finance?	Module 2: What are the Theoretical Tools of Public Finance?	Discussion Post/Comment 1	Quiz 1, Quiz 2	-	-
Week 2 (June 19 - June 25)	Module 3: What are the Economic Considerations of Government Budgeting and Deficit Finance?	Module 4: When Should the Government Intervene in the Economy? A Focus on Externalities	Discussion Post/Comment 2	Quiz 3, Quiz 4	-	-
Week 3 (June 26 - July 2)	Module 5: When Should the Government Intervene in the Economy? A Focus on Public Goods	Module 6: How does the Government Decide Whether or Not to Provide Goods and Services? Cost-Benefit Analysis	Discussion Post/Comment 3	Quiz 5, Quiz 6	-	-
Week 4 (July 3 - July 9)	Module 7: Social Insurance: The New Function of Government	-	-	Quiz 7	Midterm Exam: Open from July 3 at 12:00AM MT to July 10 at 11:59PM MT	-
Week 5 (July 10 - July 16)	Module 8: Social Security	Module 9: Health Insurance I	Discussion Post/Comment 4	Quiz 8, Quiz 9	-	-



Lecture Week	First Module	Second Module	Discussion Post (Sunday)	Quiz (Sunday)	Exam	Writing Assignment
Week 6 (July 17 - July 23)	Module 10: Health Insurance II	Module 11: Taxation	Discussion Post/Comment 5	Quiz 10, Quiz 11	-	Writing Assignment 1: Agency Analysis (Due Thursday July 20 at 11:59PM MT)
Week 7 (July 24 - July 30)	Module 12: Equity Implications of Taxation	Module 13: State and Local Government Expenditures	-	Quiz 12, Quiz 13	-	-
Week 8 (July 31 - Aug 6)	Module 14: Education	-	-	Quiz 14	Final Exam: Open from July 31 at 12:00AM MT to Aug 6 at 11:59PM MT	Writing Assignment 2: Policy Analysis (Due Friday, Aug 4 at 11:59PM MT)