

**Public Economics**  
Econ 470/670, Fall 2022 (3 credits)  
Class Meets: Tues/Thurs 1-2:15pm at Barry Hall 118

Dr. Veeshan Rayamajhee  
North Dakota State University  
Department of Agribusiness and Applied Economics

**Office:** Barry Hall 400A  
**Office Hours:** Th 2:30-3:45; Fri 11:30-12:45  
**Email:** [veeshan.rayamajhee@ndsu.edu](mailto:veeshan.rayamajhee@ndsu.edu)

**1. Prerequisite:** ECON 341 or BUSN 487

**2. Bulletin Description**

The economics of the public sector, including: taxation, expenditure, public goods, externalities, and program evaluation. The course will be taught from both a traditional perspective and through the lens of political economics. [I didn't write this description]

**3. Course Description**

Public economics studies the impact of government policies on economic behavior and the distribution of resources in the economy. The course will focus on questions such as: What is the logic behind government intervention? What are the intended and unintended effects of government interventions? Applications will focus on social insurance, government subsidies, and healthcare. Other topics include government debt, taxation, and fiscal federalism.

**4. Course Objectives:**

Upon successfully completing this course, you should be able to provide economic reasoning, analyze facts, and respond, both verbally and in writing, to questions related to governmental role in the economy. Specifically, you should be able to:

- 4.1. Explain theoretical rationale for governmental intervention into the economy (efficiency);
- 4.2. Using theoretical reasoning and empirical evidence, analyze the merits of a given government policy (problem solving);
- 4.3. Explain potential intended and unintended consequences of a government policy (commodity and income);
- 4.4. Understand the challenges governments at various levels face in addressing complex externality problems (problem solving).

Note: (This) indicates programmatic learning objectives (PLOs) associated with respective course goals.

**5. Required Texts, Materials, and Readings**

*Public Finance: A Contemporary Application of Theory to Policy*, 12<sup>th</sup> Edition, David N. Hyman.

eBook version of the textbook is available through inclusive access. It is your responsibility to contact the NDSU library for information regarding access. You may use older editions of the textbook, but you are responsible for matching contents with the 12<sup>th</sup> edition.

## 6. Assignments, Exams and Grading Policy

I will administer this course based on a 1000-point system. Below is a summary of your grade allocation and evaluation criterion:

	<b>Points</b>
Class participation	100
Problem Sets (2 total)	100
Grading Game (2 total)	100
Exam 1	200
Exam 2	200
Term Project - Paper	200
Term Project -Presentation	100
<b>Total</b>	<b>1000</b>

### *Grading Criterion*

<b>Grade</b>	<b>Points</b>
A	900-1000
B	800-899.99
C	700-799.99
D	600-699.99
F	0-599.99

Grades will not be curved or rounded off. 899.99 is a B, 799.99 is a C, and so on. There will be no other extra points other than what is outlined in the syllabus.

### **Class Participation (10%)**

You are expected to come to each class prepared to discuss the day's materials. Class participation can only help your grade, not hurt it. If you come to class regularly and contribute to the discussion, you will receive a full participation grade. Perfect or near perfect attendance *and* active class participation will earn you up to 50 extra points (5%).

### **Problem Sets (10%)**

A total of 100 points are allocated for 2 problem sets. You may work with one or two (max) of your classmates but you must submit your work separately. If you work together, make sure to email me who you worked with. Typically, I will allow a week to submit problem sets from the date of release. They will be due in class **before** our Tuesday meeting. ***I will not accept late assignments.*** Assignments submitted during the class time will be penalized 5 points. Solutions must be typed and printed out before you come to class. Do not write your name or any other identifying information on your problem set. I will assign codes to each submission in class for purposes of identification.

### **Grading Game (10%)**

You will grade a randomly selected problem set in class. Successful participation in each game will earn you up to 50 points (total of 100 points). I will provide detailed rules about the grading game in class. You will receive a zero if you are absent during the grading game day.

### **Exams (40%)**

There will be two exams, each worth 200 points (400 total). Exams will not be cumulative, although the second half of the course will frequently refer to topics and concepts that you learned during the first half. **There will be no make-up exams. Cheating will lead to immediate failure and further disciplinary action (see NDSU policy below).** If you have a medical emergency, please provide necessary documentation and a brief explanation (3 lines or less). The documentation can be a doctor's note or a letter from the NDSU counseling center and must include a phone number for verification purposes. If you have a valid excuse for missing an exam, the allowable points from the missed exam will be transferred to the term paper after a 10% deduction.

### Extra Credit Points in Exams

Exams may include extra credit questions that you will be able to answer only if you attend Challey Institute events on campus. The list of events can be accessed at:

<https://www.ndsu.edu/challeyinstitute/events/>

Be sure to sign in when you attend to be eligible for extra credit.

### **Term Project**

This is a capstone course. As such, you will complete a capstone project as part of this course. You will form a team of two or three (maximum) and work on a research project throughout the semester. You must pick your team by mid-September and decide on a project topic. As a team, you will produce two outputs: a presentation and a research paper.

### **Term Paper (20%)**

Pick a policy issue of your interest and a relevant federal or state level policy (for example, the *Inflation Reduction Act* of 2022). Write a term paper critically analyzing the bill's merits and deficiencies. If the bill is complex, you may focus on specific aspects of the bill that interests you. The paper should be eight to ten pages (excluding references, figures, or tables), double spaced, in Times New Roman font, size 12, and have 1-inch margins on all sides (right/left/top/bottom). It must include three sections:

- Introduction: introduce a policy; identify the problem it proposes to solve.
- Policy Evaluation: Use concepts taught in class (for example, externalities, public goods, unintended consequences, etc.) to evaluate the strengths and weaknesses of the policy. Use data/facts to support your claims.
- Reform Proposal: Discuss how the policy can be further strengthened or improved. You may also advocate that the policy be repealed. Provide reasoning and facts to support your claims.

Your submission must include relevant citations. The paper must be written using the APA style. Please schedule an appointment with the NDSU Center for Writers (<http://www.ndsu.edu/cfwriters/>) as soon as possible for assistance. Plagiarism will result in failure and further disciplinary action. See section on Academic Honesty for details.

### **Paper Presentation (10%)**

You will present your term project findings to the class. Each presentation must be 8-12 minutes. I will adjust allotted time depending on the class size. Presentation slides are expected. Handouts may be used. There will be an individual penalty of 20% for absence during the team's presentation.

## **7. Classroom Norms**

COVID-19: You must follow NDSU guidelines regarding public health measures. If you have a viral infection, please be sure to wear a mask. **Please do not come to class if you have COVID-19.**

Use of tablets and laptops is allowed for learning purposes. Because class participation is vital for your success in this course, it is your responsibility to make sure to avoid online distractions (facebook, twitter, messaging). I reserve the right to change this policy if I find that it creates significant negative externalities. Misuse of this privilege will affect your class participation grade. **Phone usage in class is not permitted.** Doing so will lead to a reduction in your class participation grade.

## **8. Academic Honesty:**

All students taking any course in the College of Agriculture, Food Systems, and Natural Resources are under the Honor System (<http://www.ag.ndsu.edu/academics/honor-system-1>). The Honor System is a system that is governed by the students and operates on the premise that most students are honest and work best when their honesty, and the honesty of others, is not in question. It functions to prevent cheating as well as penalize those who are dishonest. It is the responsibility of the students to report any violations of the honor pledge to the instructor, honor commission or the Dean of the College of Agriculture, Food Systems, and Natural Resources.

The academic community is operated on the basis of honesty, integrity, and fair play. NDSU Policy 335: Code of Academic Responsibility and Conduct applies to cases in which cheating, plagiarism, or other academic misconduct have occurred in an instructional context. Students found guilty of academic misconduct are subject to penalties, up to and possibly including suspension and/or expulsion. Student academic misconduct records are maintained by the Office of Registration and Records. Informational resources about academic honesty for students and instructional staff members can be found at [www.ndsu.edu/academichonesty](http://www.ndsu.edu/academichonesty).

## **9. Students with special requirements:**

Any students with disabilities or other special needs, who need special accommodations in this course are invited to share these concerns or requests with the instructor as soon as possible. The

instructor may ask for verification and that, plus other assistance, can be requested from Disability Services in NDSU Library Suite 17 (231-8463). <http://www.ndsu.edu/disabilityservices/>.

## 10. Veterans and military personnel:

Veterans or military personnel with special circumstances or who are activated are encouraged to notify the instructor as early as possible.

## 11. Well-being Resources on Campus and in the Community

As a member of the NDSU community, resources are available for you should you need help in dealing with adverse reactions to things happening in the world today. A variety of resources are listed below:

### For students on campus and remotely (telehealth):

Counseling Services: 701-231-7671

Disability Services: 701-231-8463

Student Health Service: 701-231-7331

### In a crisis or emergency situation:

Call University Police: 701-231-8998

Call 911 Go to a Hospital Emergency Room

Go to Prairie St. Johns for a Needs Assessment: 701-476-721 (510 4th St. S.)

Call the FirstLink Help Line: 1-800-273- TALK (8255) or 2-1-1

Call Rape and Abuse Crisis Center: 701-293-7273

## 12. Important Dates

August 31, Wednesday	Last day to add classes via Campus Connection
August 31, Wednesday	Last day for no-record drop of classes @ 100% refund
August 31, Wednesday	Last day to withdraw to 0 credits @ 100% refund
September 5, Monday	Labor Day holiday (no classes/offices closed)
September 6, Tuesday	Financial Aid applied to Student Accounts
September 12, Monday	Last day to submit request to audit, pass/fail
October 14, Friday	Undergraduate fall graduation application due
October 14, Friday	Graduate student Intent to Graduate due
October 14, Friday	Grades of Incomplete convert to F
October 27, Thursday	Spring/ Summer registration begins
November 10, Thursday	Last day to drop classes with 'W' record
November 10, Thursday	Last day to <a href="#">withdraw to zero credits</a> for Fall
November 11, Friday	Veteran's Day (no classes/offices closed)
November 18, Friday	Fall commencement participation deadline
November 23-25, Wed-Fri	THANKSGIVING- no classes (offices open on Friday)
December 5-9, Mon-Fri	Dead Week
December 12-16, Mon-Fri	Final Examinations
December 16, Friday	Commencement