

Truman State University  
**ECON 411: Economics of Public Expenditures, Fall 2017**

**Professor:** Matthew S. Wilson. My office is MC 207B, and my office hours are 12:20-1:20 on MWF and 10:30-2 on TTh. Phone: (660) 785-4828. Email: mwilson@truman.edu. See Blackboard for the course website, which includes a link where you can email me anonymously.

**Textbook:** *Public Finance*, 10<sup>th</sup> edition, by Harvey S. Rosen and Ted Gayer is the required textbook for the course. There is an electronic version available to Kindle users that is substantially cheaper than the physical textbook. Lectures will frequently be based on the book and exercises may be assigned as homework problems.

**Course description:** “This course analyzes the economic impact and influence of government activity on the economy. Topics of discussion include: public goods theory; public expenditure analysis and evaluation; public choice and fiscal politics; fiscal federalism and the relationships among governments at different levels, including transfers and grants; social insurance and welfare programs, as well as cost-benefit analysis.” –from the course catalog.

**Class:** Attendance is part of your grade. Sanctioned absences will be excused; see the university policy for the definition of sanctioned absences. However, you need to provide proof of your reason for missing class in order to avoid losing points. For instance, if you don’t come to class because you are sick, then you should send me a copy of a doctor’s note. If you are a student-athlete and have a game that conflicts with a class, then you have to get a signed note from your coach or some other proof that confirms your excuse. Even if your absence is excused, it remains your responsibility to catch up on the material that you missed in class. Your attendance grade is  $\left(100 - \left(\frac{1}{3}\right)N^3 - \left(\frac{1}{2}\right)N^2 - \left(\frac{1}{6}\right)N\right)\%$ , where  $N$  is the number of unexcused absences. *No laptops in class, and no texting. Phones should be either silent or off; they cannot be used during class. Attendance points may be subtracted if you break these rules.*

**Grades:** Your grade depends on exams and homework as follows:

10%	Attendance	
15%	Homework	
25%	Midterm 1	(Short Answer – September 20. Problems – September 22)
25%	Midterm 2	(Short Answer – October 25. Problems – October 27)
25%	Final Exam	(See end of syllabus)

Homework and due dates will be assigned in class. With absolutely no exceptions, homework will not be accepted after the answer key is posted. If you cannot attend class on the day that homework is due, remember that it is always possible to turn in your homework early. It can be submitted by email if necessary (no Google docs). If you require a make-up exam, you must

inform me by email before the regularly scheduled exam begins. I may decide to have the make-up exam be different than the original. There is no guarantee that the make-up exam will be scheduled at a time that works for you. For more details on grading, see the Grade Policy document posted on the course website.

**Academic Integrity:** All exams are closed-book, closed-note. During an exam, you may only use a pencil, pen, eraser, a non-graphing calculator, and a copy of the exam. Cell phones must be turned off during exams. Copying off another student is prohibited on all assignments. A statement from the University: “ACADEMIC HONESTY – Personal and scholarly integrity are expected of everyone in the class. Failure to live up to those responsibilities, risks earning a failing grade on the assignment/examination or a failing grade for the course. The University policy on academic dishonesty as published in the Student Conduct Code and General/Graduate Catalog applies.”

### **More University Policies**

“Notice of Compliance – In compliance with federal law and applicable Missouri statutes, the University does not discriminate on the basis of sex, disability, age, race, color, national origin, religion, sexual orientation, or veteran status in admission to or employment in its education programs or activities. The University complies with the regulations implementing Title VI and Title VII of the Civil Rights Act of 1964; Title IX of the Education Amendments Act of 1972; Title II of the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; and other state and federal laws and regulations.”

“If you have a disability for which you are or may be requesting an accommodation, you are encouraged to contact both your instructor and the Disability Services Office (x4478) as soon as possible.”

“As an instructor, one of my responsibilities is to help create a safe learning environment on our campus. I also have a mandatory reporting responsibility related to my role as a faculty member. I am required to share information regarding sexual misconduct or information about a crime that may have occurred on Truman’s campus with the University. Students may speak to someone confidentially by contacting University Counseling Services at 660-785-4014 (660-665-5621 for after-hours crisis counseling.)”

### **Course Outline:**

Week 1 – Chapter 1: Introduction and Chapter 2: Tools of Positive Analysis

Week 2 – “Theory of Choice” in Appendix

Week 3 – Chapter 6: Political Economy

Weeks 4 and 5 – Chapter 3: Tools of Normative Analysis

Week 6 – Chapter 4: Public Goods

Weeks 7 and 8 – Chapter 5: Externalities

Week 9 – Chapter 14: Taxation and Income Distribution

Week 10 – Chapter 15: Taxation and Efficiency

Week 11 – Chapter 8: Cost-Benefit Analysis

Weeks 11 and 12 – Corruption

Week 13 – Chapter 13: Expenditure Programs for the Poor

Week 14 – Chapter 9: The Health Care Market

Week 15 – Selected Topics (to be announced)

I may adjust the outline during the course, though I will announce any changes in class.

## **FINAL EXAM**

Tuesday, December 12, 1:30-3:20