PSI 308 Public Finance
3 credit hours

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Course Description
Introduces the basic concepts used to describe and measure government decision-making as it pertains to economics. This course examines the effects of fiscal policy on its resources, incomes, prices, and employment. Students successfully completing this course will be able to: 1) understand the characteristics, functions, and interactions of public and private institutions; 2) explain fundamental economic theory and terminology as it relates to public finance; 3) apply economic theory to current policy problems; and 4) analyze and apply economic data to the study of a public policy problem. Prerequisite: ECO 203.

Required Text

Course Objectives
One of the most hotly debated topics in the history of American politics has been the question of the proper use of public funds. What is the proper use of our tax dollars? How do we meet the need for public service to our citizens while avoiding onerous taxation? What are the constitutional requirements to the public that must be funded by tax dollars? How far beyond those basic requirements should we extend public funding? These are very difficult questions to answer, and the response to them is generally a matter of perspective.

It is not the purpose of this course to make each student an expert in public policy. However, it is the objective of this course to provide each student a basic understanding of the environment in which public funding decisions are made, knowledge of the limited tools available to implement those decisions, and an appreciation of the difficult task that faces public servants as they wrestle with those decisions.

During the eight-week session a combination of readings from the text, case studies, and a focused look at a specific public funding project will be utilized to provide each student with a sound perspective of public finance concepts and practical applications. Each student will take on a project that will be seeking public funding. Drawing from knowledge gleaned from the readings, class discussion, and the case studies, a final paper will be presented that will make a strong case for the use of public resources (tax dollars) to fund the project. The project paper will be approximately 10 pages in length, double-spaced, and will include required elements for making a successful appeal to a government agency for public funding.

During the course of the next 8 weeks the project will be broken down into 8 one-week sections of work. The readings, short exams, case studies, class discussion, and comments from the instructor will assist each student in completing each section. You do not want to get behind in
the readings or the work on each section. This project cannot be adequately completed in the final two weeks of the term! If you will keep current on your readings and complete each section on time, you should have no problem doing well on your project.

The project will constitute 60% of your final grade. You will not be required to hand in each section of your work as you complete it. I will simply want to see the completed presentation paper at the end of the term. However, you may feel free to submit any portion of your work to me for review at any time. I will be happy to make comments and suggestions as you progress in the completion of your project. There will also be occasional homework assignments made. These will represent 10% of your final grade. You are required to turn this homework in on the date due (it will be graded.) There will also be three (3) brief exams covering essential material that we will have gone over in class. Each of these exams is worth 10% of your overall grade. These homework assignments and exams are meant to assist you in understanding the principles that we are covering in class and to aid you in the completion of your term project. They will serve to guide your thinking in public finance areas that you will need to reference in the project.

You will note that the readings reflected in the reading guide do not include all chapters of the text. This text is, in my opinion, a classic text on public finance. It is more than adequate not only for an upper division undergraduate course in public finance, but also for a graduate course in the subject. I will not ask you to attempt work that is beyond the scope of this course description. In particular, we will not spend time of the statistical evaluations used by the writer of the text. However, I will expect you to reflect in your project paper a mastery of the information in the assigned chapters. If you have any questions about the readings, please do not hesitate to contact me via e-mail or phone.

Grading
Final grade will be determined by the following scale, based on the score given to your project presentation:
100 – 90 = A
89 – 80 = B
79 – 70 = C
69 – 60 = D
<60 = F

The Doane College Academic Integrity Policy will be adhered to in this class. In the course of your preparation for papers, examinations, projects, and presentations you will be asked to work with others and/or rely on the opinions, writings, or research of others. This is perfectly acceptable and in most instances is expected. However, when you use another’s words, ideas, or opinions –cite it! I fully expect that your ideas will from time to time spring from the ideas of others. Let me know when you are using those ideas, and whose ideas they are. The use of other sources without proper citation is unfair to the source and to you. It will result in failure of the project, examination, or paper in which the reference was used and will possibly result in failure of the course.