Course Objectives: The objective of this course is to introduce students to public finance and provide them with the tools to examine the role of government in the economy. Throughout the course, we will address four questions of public finance: When should the government intervene in the economy? How might the government intervene? What is the effect of those interventions on economic outcomes? Why do governments choose to intervene in the way that they do? This course is designed to help you evaluate public policy issues involved in taxation and spending functions of government. This course will be a good preparation for students considering careers or further study in economics, law, business, public administration, geography, land-use planning, political science, international relations, and many others that involve public policy analysis.

Student Learning Outcomes:

By the end of the semester, students should be able to:

1. Understand the rationale behind government expenditure programs.
2. Understand some of the methodologies used in the evaluation of government activities.
3. Use public finance theory to analyze the efficiency and equity aspects of major tax instruments and tax reform.
4. Understand the structure and character of public finance systems in the U.S. and elsewhere.
5. Describe some of the empirical research related to taxation and government expenditure.
6. Analyze data related to government using basic statistical methods including regression analysis.
7. Write policy essays related to public finance topics covered in class.

Required Textbook:
Other Reading Assignments: These will be provided to students on the class Webcampus page or as handouts during class.

Background and Reference Books:


http://www.urban.org/loopress/publications/211534.html


http://mitpress.mit.edu/catalog/item/default.asp?tttype=2&tid=11424


https://he.palgrave.com/companion/Tresch-Public-Sector-Economics/

WebCampus: There is a class web site available through the University WebCampus. To access the class page through WebCampus, go to https://wcl.unr.edu/ and login using your UNR NetID for the username and your NetID password for the password. You should be able to see this course in the course list after you login. I’ll put course related material (Powerpoint slides, assignments, announcements, interesting articles, etc.) on the web site so you should check this site regularly.
**Grading:** The course grade is based on attendance and participation (10%), two homework exercises (5% each), two case studies (15% each), a midterm exam (25%), and a final exam (25%). Final exam is scheduled to take place on Thursday, May 11, 2017, 8:00am -10:00am. Attendance to all class sessions is mandatory.

Your final grade will be calculated according to the following scale:
- 90-100% = A
- 80-89% = B
- 70-79% = C
- 60-69% = D
- 59% or less = F

**Late Assignments and Missed Exams:** Students are expected to complete the assignments by the announced due dates. Failure to do so will result in zero credit for that assignment. There will be no make-up exams without prior approval except under extremely unusual circumstances.

**Case Studies:** The objective here is to provide students with basic research experience. Students will write short essays related to these case studies. There will be one case study related to government budget and one related to government revenues. I’m planning to have one of the case studies to have a data analysis component for which we will have about two sessions at the computer lab. More information on the case studies and computer lab sessions will be provided later.

**Class Courtesy:** Late arrival should be an exception. When that happens please sit close to the entrance so that you don’t not disturb class. Early departure should be an exception (such as in an emergency or with prior consultation. Cell phone use is strictly prohibited.

**Students with Disability:** If you have a disability and will be requiring assistance, please contact me or the Disability Resource Center (Thompson Building Suite 101) as soon as possible to arrange for appropriate accommodations.

**Academic Integrity:** Honesty and personal integrity are key facets of the University of Nevada community. The issue of academic integrity is taken very seriously at the University and the College of Business. Since the majority of students take pride in total academic integrity, it is hoped that you, as a student, will take action to influence the practice of integrity in academic community. I understand that students feel pressure to perform well in their classes, and I will do everything that I can to ensure that you have the resources necessary to succeed. However, cheating on exams and course assignments will not be tolerated, and students who fail to comply with the University’s academic standards (http://www.unr.edu/student-conduct/policies/university-policies-and-guidelines/academic-standards/policy) will be subject to the maximum university penalties. Please read below the academic standards regarding class conduct and visit the university website if you are unfamiliar with the actions which constitute academic dishonesty.
Class Conduct: A student may be dropped from class at any time for negligence or misconduct, upon recommendation of the instructor and with approval of the college dean. Students may also be dropped for non-attendance upon indication of the instructor.

Note that disrupting the class, such as talking during class or using your cell phone, arriving late or leaving early without an excuse could result in a dismissal from the class in which case the student would be reported to the Office of Student Conduct and the College Dean.
Course Outline:

1. Introduction

Week 1 – Week 2 (January 24 – February 2)
Definitions
Why Study Public Finance? Chapter 1
Theoretical and Empirical Tools of Public Finance: Chapters 2, 3 (very brief summary)
Budget Analysis and Deficit Financing: Chapter 4

2. Externalities and Public Goods

Week 3 – Week 5 (February 7 – February 23)
Externalities: Chapters 5, 6
Public Goods and Political Economy: Chapters 7, 9
State and Local Public Finance: Chapters 10, 11

3. Social Insurance and Redistribution

Week 6 – Week 8 (February 28 – March 16)
Social Insurance Principles: Chapter 12
Social Insurance Programs: Social Security and Health Insurance, Chapters 13, 15 and 16

Week 9, Spring Break (March 18 – 26) – No Classes

Midterm Exam (Thursday, March 30)

4. Taxation

Week 10 – Week 16 (March 28 – May 9)
Introduction: Chapter 18
Equity and Efficiency Implications: Chapters 19, 20
Behavioral Effects of Income Taxation: Chapters 21, 22
Corporate Taxation: Chapter 24
Fundamental Tax and Budget Reform: Chapter 25

Final Exam (Thursday, May 11, 2017, 8:00am - 10:00 am)

Instructor reserves the right to make changes to the class syllabus to meet class needs.