



**JOHN GLENN**  
SCHOOL OF PUBLIC AFFAIRS

**PUBPOLM 730N: Public Finance  
Winter 2010**

**Instructor:** Robert Greenbaum  
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**Assistants:**  
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**Credit hours:** 5  
TuTh: 5:30-7:18P  
Room: Page Hall 010

**Office Hours:** TuTh 4:30-5:30 and by appointment

**TA Hours:** TBA

**Prerequisite:** PPM 830, Econ 501A, CRP 781, or equivalent

**Online course material:** Available via Carmen at <http://www.carmen.osu.edu/>

**Required Textbook:**

Jonathan Gruber (2010), [\*Public Finance and Public Policy, 3<sup>rd</sup> edition\*](#),

Note 1: An electronic-only version of the text can be purchased (\$74.95) from [CourseSmart](#).

Note 2: Use of the second edition is acceptable (for which secondhand copies are available). Just be aware that the examples will not be as updated.

Note 3: Textbook Power Point presentations, online quizzes, flashcards, and additional Internet references can be downloaded from <http://bcs.worthpublishers.com/gruber3e>.

**Course Objectives:**

This course builds on the material learned in the microeconomics course, PPM 830, by applying microeconomic tools to the study of the role of the government's fiscal policies in a mixed economy. The course will first begin with an overview of the role of the public sector in the economy and then proceed with analysis and evaluation of revenue generation methods and expenditure programs. The course will examine in detail a number of the alternatives governments utilize to raise revenues. The course will also examine governmental expenditure programs, including more detailed consideration of programs through group projects.

**Course Format:**

Class sessions will combine lectures that focus on the relevant material from the textbook readings with student participation. Additional current topical readings will be assigned throughout the term. Some class time will be devoted to problem solving. Students are required to prepare for class discussions by reading the appropriate textbook and additional readings prior to each class. Class lecture notes will be available for download on Carmen by the morning of each class. If you miss a class, make sure that you get notes from a classmate.

### Course Requirements and Evaluation:

Grades will be based on an in-class exam, homework assignments, and a collaborative group project. Each is weighted equally. Students are expected to attend all classes and participate actively. Any in-class graded assignments will count toward the homework grade.

Students are reminded to obey all Ohio State rules regarding academic misconduct, which can be found at [http://studentaffairs.osu.edu/resource\\_csc.asp](http://studentaffairs.osu.edu/resource_csc.asp).

### Preliminary Course Outline

<u>Class</u>	<u>Date</u>	<u>Topics</u>	<u>Textbook Readings</u>	<u>Turn In</u>
1	5-Jan	Course overview	Gruber Ch 1	
2	7-Jan	Microeconomic tools review	Gruber Ch 2	
3	12-Jan	Externalities and government policy	Gruber Ch 5-6	
4	14-Jan	Public goods	Gruber Ch 7	
5	19-Jan	Political Economy	Gruber Ch 9	P.P. draft
6	21-Jan	Fiscal Federalism & Budgets/Deficits	Gruber Ch 10 & 4	HW 1
7	26-Jan	Taxation & guest speaker	Gruber Ch 18	
8	28-Jan	Taxation efficiency, equity and incidence	Gruber Ch 19-20	
9	2-Feb	Taxes on labor, savings, wealth & corporations	Gruber Ch 21-24	HW 2
10	4-Feb	Tax reform	Gruber Ch 25	P.P. final
	9-Feb	<b>Exam</b>		
11	11-Feb	Education & Social Insurance & guest speaker	Gruber Ch 11-14	
12	16-Feb	Social insurance & Social Security	Gruber Ch 12-14	
13	18-Feb	Health care	Gruber Ch 15-16	
14	23-Feb	Income Inequality and Welfare Policy	Gruber Ch 17	Term Paper
15	25-Feb	Catch up and debate preparation		
16	2-Mar	Group Debate:		
17	4-Mar	Group Debate:		
18	9-Mar	Group Debate:		
19	11-Mar	Group Debate:		
	16-Mar			HW 3/4

THIS MATERIAL IS AVAILABLE IN ALTERNATIVE FORMATS UPON REQUEST. PLEASE CONTACT THE SCHOOL'S OFFICE AT 292-8696 FOR ASSISTANCE. STUDENTS WITH DISABILITIES ARE RESPONSIBLE FOR MAKING THEIR NEEDS KNOWN AND FOR SEEKING THE AVAILABLE ASSISTANCE IN A TIMELY MANNER.

\*Some possible issues for the group projects:

- Business tax incentives (TIFs, abatements, subsidies, etc.)
- Education funding
- Health care reform
- Housing policy
- Lottery/Slots/Casinos
- Pollution control
- Provision (or privatization) of a particular public service
- Streetcars/light rail for Columbus
- Social Security reform
- Public financing for stadiums
- Tax reform (income, property, sales, estate, regional taxation, etc.)
- Welfare reform