New Course Request  

Indiana University  

__South Bend__ Campus

Check Appropriate Boxes:  
Undergraduate credit [ ]  
Graduate credit [x]  
Professional credit [ ]

<table>
<thead>
<tr>
<th>1. School/Division</th>
<th>College of Liberal Arts &amp; Sciences</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Academic Subject Code</td>
<td>POLS</td>
</tr>
<tr>
<td>3. Course Number</td>
<td>Y511 (must be cleared with University Enrollment Services)</td>
</tr>
<tr>
<td>4. Instructor</td>
<td>Candler</td>
</tr>
<tr>
<td>5. Course Title</td>
<td>Public Economics</td>
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</tbody>
</table>

Recommended Abbreviation (Optional) (Limited to 32 Characters including spaces)

| 6. First time this course is to be offered (Semester/Year): | Spring 2009 |
| 7. Credit Hours: Fixed at [ ] or Variable from ________ to ________ |
| 8. Is this course to be graded S-F (only)? Yes [x] No [ ] |
| 9. Is variable title approval being requested? Yes [ ] No [x] |

| 10. Course description (not to exceed 50 words) for Bulletin publication: | Application of micro-and-macro-economics to the public sector. The fiscal role of government in a mixed economy, sources of public revenue and credit. Administrative, political, and institutional aspects of the budget and the budgetary process. |

| 11. Lecture Contact Hours: Fixed at [x] 3 or Variable from ________ to ________ |
| 12. Non-Lecture Contact Hours: Fixed at [ ] 0 or Variable from ________ to ________ |
| 13. Estimated enrollment: [ ] 25 of which [x] 100 percent are expected to be graduate students. |
| 14. Frequency of scheduling: [ ] annual Will this course be required for majors? Yes [x] |
| 15. Justification for new course: This course replaces V517 from the existing MPA program. Change is due to IUSB SPEA restructuring. |
| 16. Are the necessary reading materials currently available in the appropriate library? Yes [x] |

17. Please append a complete outline of the proposed course, and indicate instructor (if known), textbooks, and other materials.

18. If this course overlaps with existing courses, please explain with which courses it overlaps and whether this overlap is necessary, desirable, or unimportant.

19. A copy of every new course proposal must be submitted to departments, schools, or divisions in which there may be overlap of the new course with existing courses or areas of strong concern, with instructions that they send comments directly to the originating Curriculum Committee. Please append a list of departments, schools, or divisions thus consulted.

Submitted by:  
Linda Chen  
Department Chairman/Division Director  
Date 1/23/08

Approved by:  
John M. Piett  
Dean  
Date 2/13/08

Dean of Graduate School (when required)  
Date

Chancellor/Vice-President  
Date

University Enrollment Services  
Date

After School/Division approval, forward the last copy (without attachments) to University Enrollment Services for initial processing, and the remaining four copies and attachments to the Campus Chancellor or Vice-President.

UPS 724  
University Enrollment Services Final—White; Chancellor/Vice-President—Blue; School/Division—Yellow; Department/Division—Pink; University Enrollment Services Advance—White
Greetings, and welcome to POLS – Public economics. The course description for POLS Public economics is "Application of micro-and macro-economics to the public sector. The fiscal role of government in a mixed economy, sources of public revenue and credit. Administrative, political, and institutional aspects of the budget and the budgetary process."

Consistent with the mission of the MPA program, the objectives of this course include the following:

- to enhance competence in *organizational management*, by developing an appreciation for and an ability to use theoretical knowledge about management and public policy;
- to enhance competence in *governance*, by developing expertise in policy and management, developing an awareness of the economic and legal constraints within which leaders and managers operate, and developing the ability to understand and adapt to the ethical, social, economic, and political context of public policy;
- to enhance competence in *strategic action and analysis*, by developing the ability to use quantitative skills and developing problem solving and critical thinking skills;
- to enhance competence in coping with *globalization* and its ramifications, by developing an appreciation for the changing scope of governance and the impact of global action on public institutions from the local to the international;
- to enhance competence in *professionalization*,
  o by improving *communication* skills.

**Course structure:**

There will be three complimentary means of instruction: readings, a web page, and class lecture sessions. The web page will both broadly discuss the week’s material, and link you to other information relevant to the weekly subjects. Readings will include those listed on the syllabus
and drawn from the course texts, as well as various articles which will be distributed a week ahead.

**Required texts:**


To contain further student expenditure, we will also make use of (free) electronic materials available on line, through three media. First, **EBSCO Host Research Databases**, available on the Schurz Library system. To see if you can access these, try to click on the following. For off-campus access to this, you may need to reconfigure your browser:


A second very useful database is **JSTOR**. To see if you can access these, try to click on the following. For off-campus access to this, you may need to reconfigure your browser:


Second, there is a lot of useful stuff available just through normal web links. Try, for instance, this link to **American Society for Public Administration**.

**Readings**

**Date -- Topic (Readings)**

**Introduction**

29 Aug -- What is economics?

- Why 'public management economics'?
- What is economics?
  - Parkin, ch. 1
- Introduction to the course

Markets

5 Sep -- Demand and supply
- The production possibilities frontier
  o Parkin, ch. 2
- Demand and supply
  o Parkin, ch. 3

12 Sep -- Elasticity
- The conventional wisdom
- Elasticity
  o Parkin, ch. 4

19 Sep -- Efficiency and equity
- The invisible hand
- Efficiency and equity
  o Parkin, ch. 5

26 Sep -- Markets in action
- Markets in hyper-activity
  o Galbraith, "In Goldman, Sachs, we trust," p. 255-74.
- Markets in action
  o Parkin, ch. 6
  o "November's $5.15 question." The Economist, July 1, 2006, p. 30-31. EBSCO link.

3 Oct -- Consumption
• Producer manipulation?
• Utility and demand
  o Parkin, ch. 7
  o "DeBeers is it." The Economist, December 19, p. 89-90. EBSCO link.
• Possibilities, preferences and choices
  o Parkin, ch. 8

Organizations

10 Oct -- Organizing production
• Another image of the modern economy
• Organizing production
  o Parkin, ch. 9
• Output and costs
  o Parkin, ch. 10

17 Oct -- Midterm exam
• Midterm exam
• Perfect competition
  o Parkin, ch. 11

24 Oct -- Monopoly and oligopoly
• Polyarchy
• Monopoly, etc.
  o Parkin, ch. 12
  o Parkin, ch. 13
• A first look at macroeconomics
  o Parkin, ch. 20

Government

31 Oct -- Regulation and anti-trust law
• 'Social'ism
• Regulation and anti-trust law
  o Parkin, ch. 14
• Macro-economics II: measuring GDP and economic growth
7 Nov -- Externalities
  • A public purpose
    o Galbraith, "Who was Thorstein Veblen," p. 200-23.
    o "Gilding the elite." The Economist, 10 June 2006, p. 25-6. EBSCO link.
  • Externalities
    o Parkin, ch. 15

14 Nov -- Public goods and common resources
  • Keynesianism I
  • Public goods and common resources
    o Parkin, ch. 16
    o "Leaving the feeding grounds." The Economist, 7 August 1993. EBSCO link.
    o "New Zealand v, the toothfish pirates." The Economist, 13 February 1999. EBSCO link.
  • Monitoring cycles
    o Parkin, ch. 22
    o "Slow road ahead." The Economist, 28 October 2006, p. 79-80. EBSCO link.

21 Nov -- Factor markets
  • Keynesianism II
  • Demand and supply in factor markets
    o Parkin, ch. 17
    o "Slow road ahead." The Economist, 28 October 2006, p. 79-80. EBSCO link.
  • Economic growth
    o Parkin, ch. 25.

28 Nov -- Inequality
  • Another public purpose
  • Economic inequality
    o Parkin, ch. 18
  • Trading with the world
    o Parkin, ch. 33.

5 Dec -- Uncertainty and information
  • Future directions?
    o "Obituary: Ralph Harris." The Economist, 4 November 2006, p. 96. EBSCO link.
    o "Obituary: Kenneth Lay." The Economist, 8 July 2006, p. 81. EBSCO link.
- "Milton Friedman, 94, free market theorist, dies," *New York Times*, 17 November. [Online link](#).
- Uncertainty and information
  - Parkin, ch. 19

12 Dec -- Final exam