

## **PUAD 630 001 Public Managerial Economics**

Instructor: Bradley L. Hardy

M: 2:35-5:15

Ward 101

Fall 2011

Office: Ward 335

Office Hours: Monday 10:00am-1pm or by appointment

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\*Instructor reserves the right to change any and all of the requirements below. Students will be alerted to any changes in the syllabus.

### **Course Objectives**

As part of the core sequence within the American University Master of Public Administration program, this course will provide an introduction to the principles of microeconomics. We will consider the basic tools of economic theory used to study markets, individual consumer behavior, and the behavior of firms. We will examine how markets work and how supply and demand interact to determine prices. We will also study the implications of market failure and the role of government in a market economy. You should leave the course with an understanding of these basic economic principles and their applicability to real world situations.

### **Course Requirements**

Coursework will be assigned via class meetings, AU email, and Blackboard. Students are responsible for:

- I. In-class assignments/Problem Sets (10%) – Students will be given in-class questions to be submitted for credit by the end of class. Students should prepare for in-class questions at each course meeting.
- II. Out-of-class assignments/Problem Sets (20%) – The out-of-class problem sets are meant to reinforce understanding of important topics based on lecture notes and readings. Five problem sets will be assigned throughout the semester.
- III. Short policy paper (15%) – This assignment will require students, in small groups, to assume the role of analysts by applying microeconomic principles to a public policy problem at the local, state, or federal level. The end product will be a short policy paper and presentation to the class.
- IV. Midterm examination (25%).
- V. Final examination (30%) – a cumulative final examination will be administered.

### **Reading Requirements**

N. Gregory Mankiw. 2010. *Principles of Microeconomics*. 6<sup>th</sup> Edition, South Western Cengage Learning.

In addition to the required course textbook, readings may be assigned from academic journals, policy analyses, and news articles. Students will be responsible for material covered through assigned readings as well as course lecture content. Lecture content will include, but not be limited to, material found in the official course text.

## Evaluation Criteria

Your grade will be determined on the following scale:

A	93-100
A-	90-92
B+	87-89
B	83-86
B-	80-82
C+	77-79
C	73-76
C-	70-72
D	60-69
F	Below 60

## Important Dates

Monday August 29 2011 – First day of classes

Monday September 5 2011 – Labor Day (No class meeting)

Monday October 17 2011 – Midterm Examination

Monday December 12 2011 (2:35 – 5:05 PM) – Final Examination

## Course Outline

**Note: This outline is a general plan for the structure of the course. Instructor reserves the right to revise elements of the course outline and syllabus as necessary. Students will be informed of changes made to the syllabus.**

- I. Week 1 Monday August 29  
Introduction to Microeconomics  
Reading: Chapters 1, 2, 3
  
- II. Week 2 Monday September 12  
Supply and Demand  
Reading: Chapter 4
  
- III. Week 3 Monday September 19  
Elasticity of Supply and Demand  
Reading: Chapter 5  
Problem Set 1 due
  
- IV. Week 4 Monday September 26  
Supply, Demand, and Government Intervention  
Reading: chapter 6

- V. Week 5 Monday October 3  
Consumer and Producer Welfare  
Reading: Chapters 7, 8, 9
- VI. Week 6 Monday October 10  
Externalities  
Reading: chapter 10  
Problem Set 2 due
- VII. Week 7 Monday October 17  
*Midterm Examination*  
Public Goods  
Reading: Chapter 11
- VIII. Week 8 Monday October 24  
Tax Design and Policy  
Reading: Chapter 12
- IX. Week 9 Monday October 31  
Costs of Production  
Reading: Chapter 13  
Problem Set 3 due
- X. Week 10 Monday November 7  
Firms in Competitive Markets  
Reading: Chapter 14
- XI. Week 11 Monday November 14  
Monopoly and Monopolistic Competition  
Reading: Chapters 15, 16  
Problem Set 4 due
- XII. Week 12 Monday November 21  
Economics of the Labor Market  
Reading: Chapters 18, 19
- XIII. Week 13 Monday November 28  
Income Inequality and Poverty  
Reading: Chapter 20
- XIV. Week 14 Monday December 5  
Policy Papers due/Presentations  
Problem Set 5 due  
Lecture or concepts remaining from weeks 1-13  
Course Review
- XV. Week 15 Monday December 12  
*Final Examination*

## Policy on Problem Sets, In-Class Assignments, and Exams

**In-class assignments and Problem Sets:** In-class problem sets are due by the end of the class meeting when administered, and out-of-class problem sets are due by the following class meeting, unless otherwise noted. Every student must submit their own individual problem set for credit. The purpose of in-class and out-of-class problem sets is to reinforce concepts introduced during the lecture and in the readings. Students are encouraged to collaborate with classmates on out-of-class problem sets, with the expectation that you are acquiring the necessary understanding of the material. The two lowest in-class and out-of-class problem set grades will be dropped. Thus, there are no make-ups provided for late or missing assignments. This does not include the “Policy Brief” assignment, midterm, or final examination. Grades are based on the number of earned points relative to total possible points per assignment.

**Midterm and Final Examinations:** Students are expected to adhere to American University policies regarding excused absences for course examinations. Make-up mid-term and final examinations are given only for excused absences or if the student has obtained the instructor’s approval. Make up examination format may differ from the original examination, though the content will be equivalent. Midterm and final examinations are to be completed independently, without consulting any outside sources.

### Academic Integrity

Students are expected to adhere to policies and procedures specified in American University’s handbook on academic integrity (<http://www.american.edu/academics/integrity/>). Students should complete work independently on midterm and final examinations. In many instances, collaboration will be permitted on in-class and out-of-class assignments. This is an opportunity to engage in productive group-oriented work, where all individuals benefit via gains from trade across various skill-sets. For your benefit, be sure you understand the material throughout the semester and seek out assistance through the instructor or the course tutor should difficulties arise. Students suspected of cheating will be referred to the SPA Dean’s office for adjudication.

**FROM THE AMERICAN UNIVERSITY ACADEMIC REGULATIONS (80.00.00) ACADEMIC INTEGRITY CODE SECTION .01:** “BY ENROLLING AT AMERICAN UNIVERSITY AND THEN EACH SEMESTER WHEN REGISTERING FOR CLASSES, STUDENTS ACKNOWLEDGE THEIR COMMITMENT TO THE CODE. AS MEMBERS OF THE ACADEMIC COMMUNITY, STUDENTS MUST BECOME FAMILIAR WITH THEIR RIGHTS AND THEIR RESPONSIBILITIES. IN EACH COURSE, THEY ARE RESPONSIBLE FOR KNOWING THE REQUIREMENTS AND RESTRICTIONS REGARDING RESEARCH AND WRITING, EXAMINATIONS OF WHATEVER KIND, COLLABORATIVE WORK, THE USE OF STUDY AIDS, THE APPROPRIATENESS OF ASSISTANCE, AND OTHER ISSUES. STUDENTS ARE RESPONSIBLE FOR LEARNING THE CONVENTIONS OF DOCUMENTATION AND ACKNOWLEDGMENT OF SOURCES. AMERICAN UNIVERSITY EXPECTS STUDENTS TO COMPLETE ALL EXAMINATIONS, TESTS, PAPERS, CREATIVE PROJECTS, AND ASSIGNMENTS OF ANY KIND ACCORDING TO THE HIGHEST ETHICAL STANDARDS, AS SET FORTH EITHER EXPLICITLY OR IMPLICITLY IN THIS CODE OR BY THE DIRECTION OF INSTRUCTORS.”

## **Academic Resources**

Students experiencing difficulty with course-related concepts should utilize resources in place to facilitate better understanding of the material. The department has tutors available for PUAD 630 throughout the week during the Fall 2011 semester. Also, the instructor will be available during office hours and by appointment to answer course-related questions.

**Academic Support Center:** Graduate students can also receive assistance with their coursework through the Academic Support Center within the Office of Campus Life in room 243 of the Mary Graydon Center. The phone number is (202) 885-3360.

**Disability Support Services:** If you believe you have a disability requiring an accommodation, you can contact Disability Support Services within the Office of Campus Life in Room 206 of the Mary Graydon Center. The phone number is (202) 885-3315.