

Economics of Public Policy
Fall Semester (August 24-November 30)
Tuesdays, 6:30-9:30
Room 314

Contact Information

Instructor: Marc Goldwein
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Office Hours: Available by request via Zoom or phone. I'm also available almost any time by email.

Instructor Bio

Marc Goldwein is the Senior Vice President and Senior Policy Director for the Committee for a Responsible Federal Budget, where he guides and conducts research on a wide array of topics related to fiscal policy and the federal budget. He is frequently quoted in a number of major media outlets and works regularly with Members of Congress and their staffs on budget-related issues.

Previously, Marc served as Associate Director of the National Commission on Fiscal Responsibility and Reform (The Fiscal Commission) and senior budget analyst on the Joint Select Committee on Deficit Reduction (The Super Committee). He has also conducted research for the Government Accountability Office, the World Bank, the Historian's Office at the Social Security Administration, and the Institute of Governmental Studies at UC Berkeley. In addition to his work at the Committee, Marc teaches economics at the University of California DC and at Johns Hopkins University and serves on the Business Advisory Council for Martha's Table. Marc has received awards for Excellence in Teaching and been featured in the Forbes "30 Under 30" list for Law & Policy. He holds a BA and MA from Johns Hopkins University.

Course Description

Economic thinking provides an important set of tools for almost every aspect of public policy making. This course aims to offer students a basic understanding of economics and its importance in public policy making. The class will begin by providing a broad-based introduction to economics that offers students an understanding of microeconomic and macroeconomic theory including a discussion of when markets can work to achieve policy goals and when "market failures" call for government intervention. The class will then use these economic tools and theories in order to survey several specific policy areas – including health policy, tax policy, and the national debt.

Learning Goals and Objectives

As a part of this course, students will be expected to:

- Develop an understanding of macro- and micro-economic principles
- Be able to apply economic principles to an understanding of a wide variety of public policies
- Learn and understand why and how the government is involved in tax, health, retirement, fiscal, and many other policy areas
- Discuss as part of your class participation how the weekly substance or skills learned applied to the work of their internship.

- *Experience a cultural, historical, policy or other event in the District of Columbia that relates to this course – this may occur partially on a remote basis, depending on the public health situation.*
- *Be able to communicate persuasively in writing and orally.*
- *Be able to critically examine competing arguments, and use empirical evidence to research and apply theory to practice*

Course Materials and Accessibility

Students will be required to complete a number of readings prior to each class. They will come from:

- N. Gregory Mankiw, “Principles of Economics.” Sixth Edition. Available used on [Amazon](#).
- Additional readings, often available online, provided by email.

Grading Policy

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| Homework #1 | 15% |
| Homework #2 | 15% |
| Midterm | 20% |
| Final | 30% |
| Class Participation* | 20% |

Course Responsibilities and Assignments

- **Attendance:** Students are expected to attend classes in general, and attendance will be taken in part for the purpose of COVID contact tracing, if that becomes necessary. IF you are unable to attend class for any reason let me know as soon as you can. Most importantly, if you must miss class for COVID-related reasons – quarantine or isolation – Professor Diascro will make arrangements for you to attend class via Zoom. You can reach Professor Diascro at Jennifer.diascro@ucdc.edu.
- **Participation:** Students are expected to complete readings before the start of each class and serve as active participants and discussants during each class.
- **Turning in assignments:** All assignments can be turned in either by email or paper, and must be turned in no later than the beginning of the class in which they are due. In general, late assignments will be accepted only for partial credit. Exceptions may be made for illness, deaths in the family, or other unforeseen events. If circumstance makes turning in an assignment on time impossible, please let me know in advance.
- **Academic misconduct:** UCDC has a zero-tolerance policy for cheating, plagiarism, and any other form of dishonesty. Students should refer to their home campus Student Code of Conduct for the regulations that apply to them. The burden is on each student to know what behaviors constitute cheating and plagiarism. Ignorance of these behaviors is not an adequate defense.
- **Sexual harassment:** The University of California is committed to creating and maintaining a community where all individuals who participate in University programs and activities can work and learn together in an atmosphere free of harassment, exploitation, or intimidation. Every member of the community should be aware that the University prohibits sexual harassment and sexual violence, and that such behavior violates both law and University policy. The University will respond promptly and effectively to reports of sexual harassment and sexual violence, and will take appropriate action to prevent, to correct, and when necessary, to discipline behavior that violates this policy on Sexual Harassment and Sexual Violence.
- Students who wish to speak confidentially about an incident of sexual misconduct should

contact UCDC's Counseling Services at UCDCCounseling@gmail.com. Students who wish to report sexual misconduct or to ask questions about UCDC policies and procedures regarding sexual misconduct may do so with any UCDC faculty or staff, or contact Debbie Deas, Director of Student Services (debbie.deas@ucdc.edu, 202-872-8937). **Please note that because the University California is legally obligated to investigate reports of sexual misconduct, the confidentiality of reported misconduct cannot be guaranteed.**

- Students with disabilities In compliance with the Federal Rehabilitation Act of 1973, as amended (Public Law 93- 112) and the Americans with Disabilities Act of 1990 (Public Law 101-336), University of California policy prohibits unlawful discrimination on the basis of disability in its programs, services, and activities. If you require accommodation for class, please let me know at our first meeting (if not earlier) so the necessary arrangements can be made.

Course Syllabus

Below is a working syllabus with the topics and readings which will be covered each week. Readings listed below each class are to be done before class. Reading assignments are subject to change.

Topics are listed by week. The below reading list will change as the semester progresses and there are real-time changes in public policy. Some classes may be used for review sessions and exams.

1) Introduction to Economics and Public Policy.

- **Read** Mankiw, Principles of Economics. Chapter 1: Ten Principles of Economics

2) Microeconomics 101

- In Mankiw, Principles of Economics. Part II: How Markets Work
 - **Read** carefully all of Chapter 4 (esp the summary page), the first full section of Chapter 5 (The Price Elasticity of Demand and its Determinants), Figures 1-5 in Chapter 5, the Summaries of Chapter 5 and 6.
 - **Skim** remainder of Part II
- **Skim** Mankiw, Principles of Macroeconomics. Chapter 8: The Costs of Taxation

3) Market Failures. Externalities, public goods, monopolies, and information asymmetry.

- **Read** Mankiw, Principles of Economics. Chapter 10: Externalities
- **Read** Mankiw, Principles of Economics. Chapter 11: Public Goods and Common Resources
- **Read** <http://www.econlib.org/library/Enc/Monopoly.html>
- **Read** http://home.cerge-ei.cz/kalovcova/files/VSE_MI_S2009/lecture12.pdf

4) Short- and Long-Run Macroeconomics. Measuring national income in the short-run and long-run, understanding market failures.

- **Skim** Mankiw, Principles of Economics, Chapter 23, **Read** "Components of GDP"
- **Skim** Chapter 25, **Read** "Productivity: Its Role and Its Determinants", especially the box on the Production Function
- **Skim** Chapter 28
- **Read** Chapter 33 and 34 – only skim "case studies" and "in the news" sections (**assignments may change, check for email**)
- **Skim** Chapter 35, especially the first "The Phillips Curve" section; **read** all boxes

5) Economic Growth

- **Read**
<http://qed.econ.queensu.ca/pub/faculty/clintonk/econ223/3%20Solow%20growth%20model.pdf>
- **Read** introduction and conclusion of <http://www.nber.org/papers/w3223.pdf>
- **Read** <http://www.econlib.org/library/Enc/EconomicGrowth.html>

6) Recessions and Recoveries

- **Readings TBD – will be mostly focused on the COVID Crisis**

7) Deficits, Debt, Public Investments, and Budgeting. Read

- **Readings TBD**

8) Social Security, UBIs, and other Cash Transfers.

- **Readings TBD**

9) Health Care Policy.

- **Readings TBD**

10) Tax Policy. Tax rates, tax expenditures, tax increases, and tax reform.

- **Readings TBD**

11) Special Topics (mini-lessons based on interests of the class)