Public Economics Policy  
M, W 5:35 to 6:55pm

Professor William M. Rodgers III  
wrodgers@ejb.rutgers.edu  
cell: 609.240.5555

Office Hours:
Monday and Wednesday, 4:00 to 5:30pm (Location: Zoom/Webex)  
Or by appointment

Overview
This course introduces students to economic thinking and its use to identify when public policy may be merited. Students will learn how markets function, how individuals make decisions, and how firms make decisions. After learning about models of economic behavior that individuals and firms use to make decisions, students will learn when a market’s functioning can be improved. Students will then examine how public policy can assist the public, private and non-profit sectors in strengthening the decision making processes of individuals and firms, thus improving their outcomes? Most fundamentally, students will learn how to develop and evaluate the impact of public policy on the three sectors.

After completing this economics course, students will be able to understand the following:

- Understand the bases and development of human and societal endeavors across time and place.
- Understand different theories about human culture, social identity, economic entities, political systems, and other forms of social organization.
- Apply concepts about human and social behavior to particular questions or situations.

Specifically, students will understand:

- The key economic factors that drive public policy formation
- Applications of these factors to important planning, public policy, and public health decisions

Students will also be able to utilize the course’s tools of economic reasoning to study particular public policy questions or situations, using appropriate methods, evidence and arguments.

- Statistical analysis – use of Excel to perform basic analysis and PowerPoint to illustrate facts and trends
- Memo writing
- Preparing talking points for newspaper interviews and testimony for hearings
Grading, Communication and Academic Integrity Policies

Grading:

Introductory Pandemic Exercise (5%)

Pick either planning, public health, or public policy, and then pick an area within the broad area that you choose, and write a one-page summary of the President’s COVID-19 policy agenda.

Two Inventory Problem Sets (15%):

We will have two problem sets. The exercises will consist of 5 to 10 short questions, which you can complete with your classmates (still submit your own original copy). The purpose of the exercises is to make sure that students are attending and retaining information from lectures, readings, class discussions, and small-group role-play exercises.

Mid-term (25%) and Final (30%):

The mid-term and final exams will consist of definitions, short answers and essays. The final will be administered according to the University schedule.

Economic Policy Conference (20%) and Class Participation (5%):

To conclude the semester, students will participate in a presidential election economic policy conference. Several weeks prior to the conversation, students will choose a particular constituency from a list of organizations. Teams of 3 to 4 students will be formed. Based on the organization’s mission, goals and strategies, teams will develop an economic analysis of the “re-imagining” policies that President Trump and Vice-President Biden are promoting to address U.S. income and wealth inequality, economic insecurity and systemic racism.

Each research group will be required to develop a briefing book: a description of their organization, its mission, and policy agenda. Most important the briefing book will discuss how its policy agenda will reduce inequality, reduce economic insecurity, and end systemic racism.

The briefing book must also contain an opening statement and talking points that will be utilized during the presentations. The presidential briefing books will be due at the end of the capstone forum. Each group submits one copy, with a one-page cover memo that summarizes each member’s contributions.

Communication:

All readings, course updates and other announcements will be posted on the course website. You should have received an e-mail with a password and instructions on how to login to the course website. If you’ve not, this is most likely due to the fact that you are either not using your Rutgers assigned e-mail or registered for the course.

Integrity Policies:
Academic and intellectual integrity is not only at the center of the policymaking process, but are also values of the Bloustein and Rutgers communities. Because of this, we will hold all students to the following standards:

- Prompt arrival at all course sessions and meetings
- Attendance, participation, and respectful behavior in all sessions and group work
- No use of cell phones and instant messaging during lectures, discussion groups, quizzes and exams
- Completion of all group activities
- During the policy analysis preparation and discussion, no "Free Riding" off your group members.

**Statement on Academic Honesty:**

All members of our community must be confident that each person’s work has been responsibly and honorably acquired, developed, and presented. Any effort to gain an advantage not given to all students is dishonest whether or not the effort is successful. We view a violation of academic honesty as a breech of trust, and will result in a “Fail” in this class, as well as possible suspension or expulsion from the institution. When in doubt about plagiarism, paraphrasing, quoting, or collaboration, consult the course instructors.

Students are encouraged to work in small groups on the problem sets; however, they must be written/typed up individually.

**Reading Materials**

Each class will typically have a newspaper, magazine article, or blog post assigned on a current topic that is connected to the subject of that class.

We will use the online text book, MRUniversity,

[https://mru.org/principles-economics-microeconomics](https://mru.org/principles-economics-microeconomics)

Not required, but a good layman’s text to acquire is *The Naked Economist* by Charles Wheelan.

Some of you may want to acquire a traditional microeconomics textbook. Below is a popular option:

Frank and Bernanke's *Principles of Microeconomics: Brief Edition*, 2nd. ed

All other materials will be posted on the course’s Canvas website.
Organization of the Course and Tentative Class Schedule

**Week 1**  
**Wednesday September 2**

What is public policy? Why is it important? How is economics used to form and evaluate policy?

Readings

Canvas Introduction Folder: Syllabus, Background Sheet, and Student Survey

https://mru.org/courses/principles-economics-microeconomics/introduction-microeconomics

CARES Act: https://home.treasury.gov/policy-issues/cares


**Week 2**  
**Tuesday September 8 and Wednesday September 9**

T Sep 8  
No formal class. Complete “Thought Question”. See introduction powerpoint

W Sep 9  
Where does demand come from? Why does demand curve look the way it does? Why does it move?

Readings

https://mru.org/courses/principles-economics-microeconomics/demand-curve-shifts-definition


**Week 3**  
**Monday September 14 and Wednesday September 16**

Demand as marginal benefit curve. Elasticity of demand. Calculating elasticity. Why is elasticity important?

Application: Federal Minimum Wage

Readings

https://mru.org/courses/principles-economics-microeconomics/elasticity-demand-definition

CBO Report: https://www.cbo.gov/publication/55681

**Week 4**  Monday September 21 and Wednesday September 23

What is supply? Where does supply come from? Why does supply curve look the way it does? Why does it move? Elasticity of supply.

Application: Unemployment Insurance and Child Care Subsidy

Readings

https://mru.org/courses/principles-economics-microeconomics/supply-curve-definition-example

https://mru.org/courses/principles-economics-microeconomics/supply-curve-producer-surplus-definition


**Week 5**  Monday September 28 and Wednesday September 30

W Sep 30  Handout Problem Set #1

Demand and supply together. Equilibrium. Shortages and surpluses.


Readings

https://mru.org/courses/principles-economics-microeconomics/equilibrium-price-supply-demand-example


**Week 6**  Monday October 5 and Wednesday October 7

Consumer and Producer Surplus. Welfare economics.

Application: Universal Basic Income

Readings

https://mru.org/courses/principles-economics-microeconomics/demand-curve-consumer-surplus-definition
https://sports.yahoo.com/universal-basic-income-explained-154143618.html

W Oct 7 Mid-term Review
Submit Problem Set #1

Week 7  **Monday October 12 and Wednesday October 14**

M Oct 12 Mid-Term Exam

W Oct 14 Economic Policy Conference Organization

Week 8 **Monday October 19 and Wednesday October 21**

Government involvement in markets, taxes and tariffs.

Application: Biden and Trump Tax Policy

Readings

https://mru.org/courses/principles-economics-microeconomics/taxes-subsidies-definition-tax-wedge

https://mru.org/courses/principles-economics-microeconomics/tariffs-quotas-protectionism-definition


Biden Tax Plan: https://taxfoundation.org/reviewing-joe-bidens-tax-vision/

Week 9  **Monday October 26 and Wednesday October 28**

Government involvement in markets, taxes and tariffs, cont.

Application: Biden and Trump Trade Policy


Week 10  **Monday November 2 and Wednesday November 4**

Market Failure: Market power. Monopoly and Monopsony.

Application: Microsoft and Big Box Retailers

Readings
Week 11    Monday November 9 and Wednesday November 11

M Nov 9   Market Failure: Information Asymmetry, Externalities, and Public Goods

Readings

https://mru.org/courses/principles-economics-microeconomics/adverse-selection-asymmetric-information-definition

https://mru.org/courses/principles-economics-microeconomics/public-goods-example-asteroid-defense


W Nov 11  Economic Policy Conference Preparation
          Problem Set #2 handed out

Week 12    Monday November 16 and Wednesday November 18

M Nov 16  Economics of Discrimination

Gender: https://www.rsfjournal.org/content/5/5/168

W Nov 18  Economics of Discrimination cont.

Race: https://www.rsfjournal.org/content/5/5/198

Week 13    Monday November 23 and Wednesday November 25

M Nov 23  The Phillips and Wage Curves

W Nov 25  The Phillips and Wage Curves, cont.

Readings

<table>
<thead>
<tr>
<th>Week 14</th>
<th>Monday November 30 and Wednesday December 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>M Nov 30</td>
<td>Economic Policy Conference Preparation</td>
</tr>
<tr>
<td>W Dec 2</td>
<td>ECONOMIC POLICY CONFERENCE: Session #1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Week 15</th>
<th>Monday December 7 and Wednesday December 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>M Dec 7</td>
<td>ECONOMIC POLICY CONFERENCE: Session #2</td>
</tr>
<tr>
<td>W Dec 9</td>
<td>PROBLEM SET #2 DUE - REVIEW SESSION FOR FINAL</td>
</tr>
</tbody>
</table>