Public Economics & Decision Making Syllabus

Course Number: PSM B1720
Location: Shepard Room #107
Time: Mondays 4:50 to 6:50PM
Instructor: Brett Whysel
E-Mail: Use PEDM.Slack.com
Office: Shepard One
Office hours: By appointment

Course Description

As a future adviser to decision-makers and as a decision-maker yourself, you will draw on the tools, skills and resources covered in this course to be effective, authoritative and valued in your role. Human-made disasters and failed policies often have their roots in poor decision-making, innumeracy and ignorance of financial economic principles. This course will survey key paradigms to support wise decision-making, drawing from quantitative analysis, decision science, economics, philosophy and finance. The course is designed to be highly quantitative, interactive and rigorous. Students will apply tools and knowledge acquired in the class to weekly debates and position papers on current policy topics and to a final project that reflects the student's personal interests and/or career goals. Students will be evaluated, in part, on their ability to apply the concepts and frameworks discussed to the world's—and their community's—most urgent policy challenges.

Goals

At the end of this course, students will have:

- Acquired tools for effective economic/financial decision-making and policy analysis
- Improved numeracy, including Excel skills and interpretation of quantitative data
- Built professional communication skills, including debate, presentation and constructive, professional feedback
- Become a more informed producer and consumer of financial/economic analysis including cost-benefit analysis
- Enhanced critical reasoning, research, analytical, modeling, data visualization, writing, rhetorical and presentation skills

Topics (Subject to Change)

8/29  Introductions; debate topics, rules and rubric; key philosophical concepts (political, moral, epistemological, logical)

9/5   No class

9/12  Excel for Public Finance (model design, useful functions, graphing, formatting, macros, auditing)

9/19  Forecasting, Risk and Uncertainty (distributions, seasonality, summary statistics, Bayes' theorem, simple regressions, correlation vs. causation)

9/26  Economic Fundamentals (classical vs. behavioral economics, supply/demand, opportunity cost, game theory)

10/3  Macroeconomics (public accounts, monetary vs fiscal policy, trade, inequality, key indicators e.g. unemployment and GDP; interest rates, capitalism/socialism/communism)
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10/10  No class

10/17  No class

10/24  Market Failures (externalities, public goods, asymmetric information, public choice, moral hazard, free rider). Term paper proposals due.

10/31  Behavioral Economics (Bounded rationality, biases, heuristics, neuroeconomics)

11/7  Finance Fundamentals (Time value of money, NPV/discount rates, ROI, optionality)

11/14  Decision Analysis (wise/unwise decisions, individual and group best practices, handling uncertainty, decision trees), Cost-Benefit vs. Cost-Effectiveness Analysis

11/21  Cost-Benefit Analysis I: Your MPA

11/28  Cost-Benefit Analysis II: Case Study

12/5  Municipal Financing (debt vs. deficit, bonds, tax-exemption, disclosure, credit determinants, ratios and ratings, debt structuring, bankruptcy)

12/12  Term Papers Due (at start of class), Presentations

Typical Class Agenda (Subject to Change)

<table>
<thead>
<tr>
<th>Time</th>
<th>Responsible</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Instructor</td>
<td>Housekeeping, review of, and questions from, previous class</td>
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<tr>
<td>3</td>
<td>Audience</td>
<td>Pre-vote, pro vs. con, on debate topic</td>
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<tr>
<td>5</td>
<td>Pro #1</td>
<td>Speech</td>
</tr>
<tr>
<td>5</td>
<td>Con #1</td>
<td>Speech</td>
</tr>
<tr>
<td>5</td>
<td>Pro #2</td>
<td>Speech</td>
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<tr>
<td>5</td>
<td>Con #2</td>
<td>Speech</td>
</tr>
<tr>
<td>2</td>
<td>Con #1</td>
<td>Rebuttal</td>
</tr>
<tr>
<td>2</td>
<td>Pro #1</td>
<td>Rebuttal</td>
</tr>
<tr>
<td>2</td>
<td>Con #2</td>
<td>Rebuttal</td>
</tr>
<tr>
<td>2</td>
<td>Pro #2</td>
<td>Rebuttal</td>
</tr>
<tr>
<td>10</td>
<td>All</td>
<td>Questions and Discussion</td>
</tr>
<tr>
<td>3</td>
<td>Audience</td>
<td>Post-vote</td>
</tr>
<tr>
<td>10</td>
<td>All</td>
<td>Break</td>
</tr>
<tr>
<td>30-40</td>
<td>Instructor</td>
<td>Debate results; Introduction of following week’s debate topic; debater assignments; lecture</td>
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<tr>
<td>20-30</td>
<td>All</td>
<td>Class begins preparing pro vs. con positions (Must use concepts in lecture). For those not presenting, brief memo due prior to the start of next class.</td>
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## Potential Debate Topics

**Federal**
- Background checks for gun purchases
- Equal pay
- Obamacare
- Planned parenthood funding
- Carbon tax
- Immigration healthcare
- Religious freedom acts
- Trans Pacific Partnership
- The Fed and interest rates
- Universal basic income
- PROMESA
- Net neutrality

**Local/State**
- Property tax cap
- Plastic bag fee
- Affordable housing
- Public housing
- Subway fares that favor locals
- AirBnB
- Uber
- Horse Carriages
- Stop and Frisk
- Minimum wage
- Costumed characters in Times Square
- Cat declawing ban
- Soda ban
- Daily-Fantasy Sports
- Replace sales tax with VAT

## Required Texts

- *Public Finance and Public Policy* by Jonathan Gruber.
- *Judgment in Managerial Decision* Making by Max Bazerman.

The instructor and class will share additional, suggested readings. Students are encouraged to share resources.

## Resources

Students are required to join [pedm.slack.com](https://pedm.slack.com) for class interactions, updates, materials and resources. Students are strongly encouraged to bring a computer to each class.

Since graduate-level writing is expected, students are encouraged to seek assistance from the [Writing Center](https://www.columbia.edu/cu/college-of artsandsciences/centerforwriterdevelopment/).

## Debates and Group Work

After the first class meeting, students will work in pairs to analyze a current policy issue or case study using the tools and information discussed in the prior class(es), taking a pro or con position. Two pairs of students will be selected to debate pro and con positions during the following class. The remainder will 1) prepare a short position paper, presentation or other written material, due via Slack prior to the start of the following class. When in the debate audience, students are expected to participate actively with questions, comments and constructive criticisms. (See Typical Class Agenda, above.)

## Final Project

Students will work individually on a final project, including an approximately 5,000-word position paper and presentation. Each student will propose a topic relevant to the course and their personal interests and career goals by the beginning of the October 24 class. Topics are subject to the instructor's review and approval. The project will demonstrate mastery in all of the key concepts covered in class, applying relevant frameworks, concepts, analysis, evidence as well as careful reasoning and appropriate language and citations. Students will present their projects during the final class.

## Grading

- 25% Debate performance
- 25% Classroom participation, contributions, attendance and professionalism
- 25% Group assignments
- 25% Term paper + PowerPoint presentation, prepared individually
The instructor will assign letter grades according to the following scale:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Minimum Score</th>
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<tbody>
<tr>
<td>A+</td>
<td>96</td>
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<tr>
<td>A</td>
<td>86</td>
</tr>
<tr>
<td>B+</td>
<td>76</td>
</tr>
<tr>
<td>B</td>
<td>65</td>
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</tbody>
</table>

Deadlines are firm: late submissions will not be accepted and will earn a grade of 0.

**Policy on attendance:**
Students are expected to **attend every class** session of each course in which they are enrolled and to be on time. An instructor has the right to drop a student from a course for excessive absence. Instructor may treat lateness as equivalent to absence. No distinction is made between excused and unexcused absences. The College Bulletin sets the default policy that a student may be dropped if absent more than 4 classes (for classes meeting twice per week) or 2 classes (for classes meeting once a week).

Early in the semester the Registrar requests instructors to report any students who have not attended even a single class; these students will be dropped from the course.

**Policy on Academic Integrity:**
As stated in the CUNY Policy on Academic Integrity: Plagiarism is the act of presenting another person’s ideas, research or writings as your own. The following are some examples of plagiarism:
- Copying another person’s actual words without the use of quotation marks and footnotes attributing the words to their source;
- Presenting another person’s ideas or theories in your own words without acknowledging the source;
- Using information that is not common knowledge without acknowledging the source;
- Failing to acknowledge collaborators on homework and laboratory assignments;
- Internet plagiarism includes submitting downloaded term papers or parts of term papers, paraphrasing or copying information from the internet without citing the source, and “cutting & pasting” from various sources without proper attribution;
- A student who plagiarizes may incur academic and disciplinary penalties, including failing grades, suspensions, and expulsion.

A complete copy of the CUNY Policy on Academic Integrity may be downloaded from the College’s homepage. Instructor will determine academic sanctions. Violations of academic integrity will result in a written report to the Office of Academic Integrity.

**Accommodation of Disability:**
The Office of Student Disability Services (SDS) is dedicated to providing students with disabilities equal access to the College curriculum. The Office ensures that, upon request, qualified students with disabilities are provided reasonable and effective accommodations, as mandated by law, as well as appropriate support services.

Students who contact SDS and indicate that they have a disability or believe that they might qualify for services will be asked to make an appointment for an intake interview with SDS staff. To qualify for services, students must register with SDS by providing appropriate documentation from a qualified professional describing the nature of their disability and functional limitations. Although academic adjustments are mandated by law, the College is not required to alter demonstrably essential academic requirements of a course of study nor is the College mandated to lower or effect substantial modifications of reasonable academic standards. Early planning is essential for many of the resources, adjustments and accommodations; students are asked to contact SDS at the earliest possible date.