PMAP 9381: Public Budgeting and Financial Management Theory and Research
Fall 2017
Andrew Young School of Policy Studies
Department of Public Management and Policy

Course Number: 92556  Professor: W. Bartley Hildreth
Time: Wednesday, 4:00 – 7:00 pm  Office: AYSPS 430
Location: in AYSPS as announced  Telephone: 404-413-0271
Prerequisites: doctoral standing  Email: BartHildreth@gsu.edu

This combined course is designed to provide doctoral students with an immersion into the theory and research on public budgeting and public financial management. Instead of two separate seminars as in the recent past, this semester’s offering combines the material into one course.\(^1\) Public budgeting theory and research encompasses the inquiry into the institutions, rules, roles, and decision-making behavior in acquiring\(^2\), allocating, and applying public funds in the pursuit of the public interest. Public financial management is the body of theories and practices which promote the efficient and effective use of financial resources to achieve an accountable and sustainable public service. The primary focus of this course is on American government finance. This course expects students to learn the theories and practices of these topics, assess the extant literature, and identify and explore research gaps.

At the conclusion of this course, you should be able to:
- Identify the relevant theories and practices;
- Understand related research questions and findings of research;
- Conduct a literature review on a related research topic; and,
- Develop and write a research paper on a topic that represents a gap in the scholarly literature.

**COURSE ASSIGNMENTS**

The course readings will consist of one book and many journal articles as outlined in the syllabus which may be revised during the semester. The required book is: James M. Buchanan and Richard A. Musgrave, *Public Finance and Public Choice: Two Contrasting Visions of the State*. (MIT Press, 1999; ISBN-13: 978-0-262-02462-4). This entire book must be read in the first two weeks of the class. A listing of other relevant books is provided, with the expectation that any student who wishes to stand for this field exam should be thoroughly familiar with the “primary” books at a minimum (the other books show our rich literature).

You are responsible for completing the following assignments and activities for this course. Each assignment and activity carries the following weight in determining the final grade:

- 10% Class Attendance and Participation
- 30% Discussion Leader and Theoretical Assessment Papers (3 @ 10% each)
- 20% Literature Review and Presentation

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\(^1\) Each student should have a background equivalent to a master’s course in public budgeting and finance similar to PMAP 8161 and a basic understanding of American government.

\(^2\) This course does not cover the material usually covered in advanced public economics courses, including public finance, taxation, fiscal federalism, growth, distribution analysis, and related questions.
35%    Research Proposal and Presentation
5%    Peer Review of a fellow student’s Research Proposal

All assignments must be submitted in hard copy (unless specified otherwise) and online (to the prescribed dropbox on our course website available on iCollege in a ready-to-print version). You are responsible for reading your fellow students’ Theoretical Assessment papers from the website and having access (either electronically or in hard copy) during the class session in order to advance discussions during class. Other submissions by your classmates should be read before class with similar class-time access.

All work should be prepared in accordance with styles presented by Kate L. Turabian in *A Manual for Writers of Term Papers, Theses, and Dissertations*, 5th edition (Chicago, ILL: The University of Chicago Press, 1987). Another useful online writing tool is: [http://www.grammarly.com/](http://www.grammarly.com/). If English is a second language, I encourage you to do the work early to have time for appropriate editing (by others, perhaps) to ensure that you meet this manuscript preparation standard as expected by all the major journals in our field.

Do not turn in your first draft of any assignment. Edit tightly to ensure you produce a professional work product worthy of a doctoral seminar.

**Grading of Assignments**
I use this plus/minus system: 98 to 100=A+; 93 to 97=A; 90 to 92=A−; 87-89=B+; 83-86=B; 80-82=B−; 77-79=C+; 73-76=C; 70-72=C−, etc. This may be changed as announced.

**Class Attendance and Participation**
This is a doctoral seminar with a small number of students, so class attendance and participation is vital to the success of the course and your learning experience. You are expected to come to class each week on time, to **complete and contemplate** all assigned readings, and to remain in class for the entire session. Further, you will need to access and use the course website on iCollege. Because there is an extensive literature regarding public budgeting and financial management theory and practice, each student will be responsible for serving as a discussion leader several times during the semester. Class attendance and participation is graded also.

My goal is to help guide you through the literature, but not to engage in a lecture-oriented course. Instead, we will explore topics using a discussion format. Whether it is me or a student who serves as the discussion leader, you will be responsible for contributing to the conversation each and every class period without being called upon (although that may occur). You should demonstrate the ability to critically analyze the literature, to offer constructive (professional) criticism of each other’s written and spoken word, and to persuasively argue your point of view. Public discourse is essential to meeting the learning objectives of this course and indeed to the development and understanding of the material. The best arguments are comprehensively constructed and professionally delivered. I hope that we will have spirited, though friendly debate in the classroom and that you will be challenged to make exacting arguments that are thoroughly researched and effectively persuasive.

**ASSIGNMENT INSTRUCTIONS**

**Required Readings**
I have identified required readings for each week. For each required reading item, you should identify and be able to comment on the following items:
1. Research question(s)
2. Unit of analysis
3. Dependent variables
4. Research design
5. Primary data source(s)
6. Methodology

I may call on you to respond to these points on one or more of the required readings each week. Thus, do not forget or overlook all the required reading assignments.

**Discussion Leader Role and Theoretical Assessment Papers**

**Assignment**
You are expected to be the Discussion Leader on three session topics during the semester and for each of those times to prepare a Theoretical Assessment Paper. One must be completed in September.

**Basic Questions to Address in the Theoretical Assessment Paper**
In addition to the standard types of items listed above for each of the required readings, you are to address the following three summary issues from the designed body of literature:
1. What do we know from this body of literature and research about the phenomena being examined?
2. What don’t we know about the phenomena that we should know?
3. Based on #1 and #2, what questions or issues should future research focus on – in other words, what research questions would be most ‘productive’ based upon your answers in question #1 and #2?

**Requirements**
This Discussion Leader assignment requires you to: (1) be responsible for three class session topics; (2) complete all readings for each assigned class including the required ones and any others that may be expected of you; (3) complete a well-constructed written assessment (5-8 pages; double spaced; 1-inch margins top, bottom, right and left, 12 point font only) of the theory and concepts of the day; (4) answer the three Basic Questions listed above; and, (5) lead the class discussion based on the questions and your paper. To allow all students time to prepare for each class, your paper must be posted to the “Discussion Leader” section of the course website on Monday evening (by 6:00 p.m.) prior to that Wednesday’s class session when you will lead the discussion. All students must have read the Discussion Leader’s paper and come to class ready to respond to the questions posed and the analysis provided by the Discussion Leader. Each Discussion Leader role assignment (the paper and the class session) counts for 10 percent each (for a total of 30 percent) of the course grade.

**Due Date**
During the first class session we will assign sessions, so come with your preferences. Your Theoretical Paper must be submitted electronically to the course website on the Monday evening (by 6 p.m.) prior to the class session you are responsible for leading. Someone will have a short period to prepare their first paper in order to serve as a discussion leader for the early class session, so a volunteer would be appreciated.
**Literature Review and Presentation**

**Requirements**
This assignment requires you to conduct a literature review on a public budgeting or public financial management topic that will help you identify a question for the Research Proposal that you will develop for the course. For this assignment, you should identify the theories and practices that underpin your topic, analyze the strengths and weaknesses of research designs in the current literature, and identify areas that need further exploration. Your paper should be a well-constructed written assessment that is 8-10 pages; double spaced; 1-inch margins top, bottom, right and left, 12 point font; and, printed single-sided. This written and oral assignment is worth 20% of your course grade.

**Due Dates:**
- September 12 (6:00 p.m.) – submit your topic preference to me for approval/revision;
- October 1 (6:00 p.m.) – post your (draft) literature review for everyone to read before the upcoming class session on iCollege;
- October 4 (class) – be prepared to give a brief presentation (10 minutes) of your Literature Review;
- October 10 (6:00 p.m.) – email your Literature Review to me for grading (and place on iCollege).

**Research Proposal and Presentation**

**Requirements**
This assignment requires completion of a research proposal (20-25 pages; double-spaced; 1-inch margins top, bottom, right and left; 12 point font; and, printed single-sided) that is worth 35 percent of your course grade and must have the following sections:
- A description of the public budgeting or public financial management behavior to be studied and the importance of the proposed research to extant theory and research;
- A brief section summarizing the literature review you conducted earlier in this course;
- A statement of the research question and its importance to the field;
- A conceptual framework; a model of relationships among defined dependent and independent variables; a consideration of controls; hypotheses statements;
- An explanation of the research methodology to be pursued; data requirements, existing data sets to be used and an explanation of how primary data, if needed, will be collected; statistical methodologies to be used; and
- A complete reference and resources section.

While it is not necessary to collect data for this project, data collection and analysis are not forbidden. The goal is for you to master the literature on a topic in public budgeting and public financial management, develop a model for understanding the behavior of interest, and present a reasonable method of analysis to extend the literature.

A fundamental aspect of scholarship is peer review. Therefore, you will be assigned a peer reviewer (so it will not be a blind process) whose job it will be to review the research proposal and write a critique. This critique should focus on the positive elements of the draft but also identify limitations of the literature review and research proposal. As a peer reviewer, you are expected to offer appropriate clarifications and improvements. The peer review is to be submitted to me and the author. The author is to carefully consider each point made by the peer reviewer and to make a professional decision on incorporating the suggestions into the final paper, or responding otherwise if asked.
Due Dates
- November 13 (6:00 p.m.) – Author submits draft to Peer (and me), both by email;
- November 17 (6:00 p.m.) – Peer Review due back to the Author (and me);
- November 26 (6:00 p.m.) – Author submits revised draft to class website so all can download;
- November 29 (class) [and December 6, if needed] – Author makes presentation to class and responds to questions in a spirit of improving the research proposal (for a total of 30 minutes);
- December 10 (6:00 p.m.) – Author submits final paper by email to me (and iCollege) for grading.

COURSE POLICIES AND PROCEDURES

Academic Honesty
The course syllabus and design is built upon the contributions of other scholars and instructors.

GSU guidelines on academic honesty will be enforced in this course, and you should be familiar with the GSU Code of Conduct and Policies that is available on the web at http://www2.gsu.edu/~wwwfhb/sec409.html, as well as in the GSU Graduate Catalog. It is your responsibility to ask questions if you are unclear about what is appropriate. Academic dishonesty violations will result in a minimum penalty of a ‘0’ on the assignment.

Professional Courtesy
Our class begins promptly at 4:00 pm and continues until 7:00 pm, unless I announce other plans. Please respect the learning experience of other class members and observe all common courtesies due a classroom setting. You should be seated by the appointed start time of the class and be sure to silence your smart/cell phone, avoid eating in the classroom, and remain in your seats except for the mid-point 10-minute break. During class, you should not check/write emails, browse the Internet, or work on non-class related materials on computers or smart/cell phones. Any lack of professional decorum can result in discharge from the class and/or a grade penalty as necessary to protect the learning environment for others.

Accommodation
Students who wish to request an accommodation for a disability may do so by registering with the Office of Disability Services. Students may only be accommodated upon issuance by the Office of Disability Services of assigned Accommodation Plan and are responsible for providing a copy of that Plan to instructors of all classes in which an accommodation is sought.

Incompletes
Incomplete or “I” grades are permitted in only rare circumstances. I reserve the right: (1) to require documentation and proof of the need for an “I” grade, before agreeing to an “I” grade; (2) to require the completion of different and/or additional course requirements and/or (3) to impose a grade penalty for an Incomplete. Please let me know as soon as you see a problem developing so that we can consider the best means of addressing it.

Office Hours
I expect to be in or around my campus office most Monday, Tuesday and Thursday afternoons from 2:00-4:00 pm, unless meetings occur elsewhere. It is best to schedule an appointment by phone (call 404-413-0271) or by email (at BartHildreth@gsu.edu, but not the iCollege system). I try to respond to my emails within 24 hours during the work week.
CLASS SCHEDULE & READING ASSIGNMENTS

The course syllabus provides a general plan for the course; deviations may be necessary.

WEEK 1 (August 23, 2017): Introduction

Budgetary Politics


Financial Management


WEEK 2 (August 30): Public Finance


WEEK 3 (September 6): Positive Theory


WEEK 4 (September 13): Incrementalism and Process Models

WEEK 5 (September 20): Budgetary Institutions

WEEK 6 (September 27 – expect it to be rescheduled due to ABFM): Budgetary Rules and Information
Tsai, Pi-Han (2013). “State Fiscal Rules and Composition Changes in Public Spending Before the Election,”

WEEK 7 (October 4): Budgetary Outcomes

WEEK 8 (October 11): Budget Reform

WEEK 9 (October 18): Municipal Securities – Overview and Debt Issuers
WEEK 10 (October 25): Financial Intermediation and the Underwriting Process

Financial Intermediation


Underwriting


WEEK 11 (November 1): Ratings, Insurance and Institutions

Credit Ratings


Bond Insurance


Fiscal Institutions/Management


**WEEK 12 (November 8): Investors and Trading Secondary Market**


**Investor Behavior and Tax-Exemption**


**WEEK 13 (November 15): Topical Issues**


**WEEK 14 (November 29): Presentations**

[With the December 6 exam period reserved if needed to complete the presentations]
BOOKS ON PUBLIC BUDGETING

Primary Books


Other Books (in chronological order)

President’s Commission on Economy and Efficiency (1912). The Need for a National Budget (U.S. Government Printing Office).
Burkhead, Jesse (1962). Government Budgeting (Wiley)
Rubin, Irene (2002). Balancing the Federal Budget: Eating the Seed Corn or Trimming the Herds? (Chatham House).
Forsythe, Dall W. and Donald J. Boyd (2012). *Memos to the Governor: An Introduction to State Budgeting* (Georgetown University Press).


