

**ECON492 Senior Capstone Seminar:
Cost-Benefit and Local Economic Policy Analysis
Fall 2017**

Instructor: Dr. Anita Alves Pena

Contact:

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Class Meetings:

Clark C 141

TR 12:30-1:45pm

Regular Student Office Hours and Policy:

TR 1:45-2:30pm on class days, and by appointment

Course Website:

login at <http://canvas.colostate.edu>

Make sure that your email is set to receive announcements from this system. In the uncommon circumstance that I have to cancel regular class or office hours, I will announce this on the course website. University closures are announced via the University alert system.

Textbook:

Cost-Benefit Analysis, 4th Edition

Anthony Boardman, David Greenberg, Aidan Vining, and David Weimer

Other class materials, including the current Fort Collins Strategic Plan, will be made available online via Canvas.

Course Objectives/Intended Learning Outcomes:

In this seminar, we will examine applications of economic tools to local economic decision-making especially that in Fort Collins. The goal is to use and apply the tools that you have learned and skills that you have gained as an economics major. Seminar participants will learn about techniques of cost-benefit analysis and will complete a team-based research project (paper and presentation) that uses applied economic methodologies (cost-benefit analysis) to analyze local parameters and provide policy recommendations about selected local issues.

After completing the course, a successful student should be able to:

1. synthesize and apply the tools of cost-benefit analysis in a written economic analysis of an issue applicable to a local economy
2. work with a team to evaluate and analyze policy information, local circumstances, and data related to an economic research issue
3. make effective and professional oral presentations on policy issues using economic analysis and on technical material in general

Prerequisites:

Senior status, ECON 304, 306 and 335 (or concurrent registration)

Grading:

Grades will be based on:

- class and workgroup participation including in-class CBA examples (10%)
- three methods/chapter presentations in groups (15%)
- four short quizzes on chapter readings/presentations (10%)
- three short “update” presentations and one-page research update summaries (15%)
- final project presentation (10%)
- critiques of other groups’ final presentations (5%)
- final project paper (25%)
- performance on the (online) Economics Department Assessment Tests (10%)

Final letter grading will follow the traditional system that *does* include plus and minus grades with cutoffs for plus and minus determined at the instructor’s discretion at the end of the course.

The formula is a standard weighted average where each category is scaled by the total number of points available. If for example you receive 80/100 on the final project paper, you should multiply this by 0.25 to see the contribution of the paper to your final score. The same goes for other categories, and adding these gets to the final score. This is a 400-level course, and the work level and grading is according to that standard.

The principal focus of this course is team research papers and presentations applying economic analysis to local policy issues in Fort Collins. The groups therefore will evaluate strategic initiatives for the City. *Students should be aware that final projects will be circulated to the City and may be published online or in print in relevant forums.* Grades for the paper and presentation will be the same for each group member (unless a problem becomes evident with a group member in which case the rest of the group *should notify the instructor in a timely manner so that a resolution can be determined*). Expanded guidelines for papers and paper presentations will be presented separately and also posted on Canvas. The paper should be turned in both on paper and electronically through the assignment function of Canvas (Vericite link). Papers turned in after 4:30PM on the due date will have 10 percentage points deducted for each 24-hour period late (10 percentage points deducted for any period of time up to 24 hours late, 20 percentage points for between 24 and 48 hours late, etc.). *You should include a signed CSU honor pledge with your submission: “I have not given, received, or used any unauthorized assistance.”* This must be signed by each group member. Presentation slides are due by email to the instructor at 12NOON on the day of the presentation, and are subject to the same percentage point reduction rules.

You should therefore expect to be actively involved. The main purpose of class is to help you prepare your research paper. Attendance and participation in class is therefore critical. You are expected to arrange your schedule so that you attend class at the scheduled time on a regular basis. Part of class sessions will often be time spent working with your group, and I will be noting who is participating. Specifically, group work will feature progress reports and directions

by/for each team, and will generally serve as a forum for collaborative discussions of research problems and solutions.

The final presentation critique is based on attendance at the presentations of others and a (maximum) one page typed critique per presentation of the *methods* used in each project.

Each group will be responsible for presenting/teaching chapter material for *two* chapters over the course of the semester, and *all* students should be completing the chapter readings. Expanded guidelines for chapter material presentations will be presented separately and also posted on Canvas. Presentation slides are due by email to the instructor at 12NOON on the day of the presentation, and also are subject to the same percentage point reduction rules as for the projects.

There will be quizzes as scheduled on chapter material that will take place in the *first 10 minutes* of class. If you are late, you will *not* be able to make-up the quiz or receive extra time.

The Economics Assessment Tests at the end of the term will cover microeconomics and macroeconomics. Each test consists of 20 multiple choice question, and must be completed within an hour. These tests evaluate your comprehension of and achievement in microeconomics and macroeconomics as a finishing senior in our program and therefore the material is not directly only that of the senior seminar class itself.

There are no extra credit activities. *Therefore, please do not ask me for extra credit at the end of the course.* It is your responsibility to understand the grading scheme above from the beginning of the semester and to plan accordingly.

Contact Hours and Expectations for Work Outside of Instructional Time:

This is a three credit course taught over 2.5 hours per week. The federal credit hour definition requires two hours of outside work (reading textbook chapters, research) for each contact hour of instructional time. You therefore should plan to spend at least 5 hours per week of outside time. You should expect this general level of intensity throughout the term though some weeks may be more or a less depending on what is happening in your research.

Policy on Section Attendance:

You are expected to be present in class and are responsible for material covered whether or not that material is posted online. If you miss class, it is your responsibility to find out *from your classmates* what you missed in order to catch up and to turn in any materials that are due *early*. You should be aware that many class sessions incorporate group-based work, and therefore you may lose class credit for absences regardless of the reason. The only exception is that students are exempted from attending class for University sanctioned activities or for religious observances *with appropriate official documentation* as per University policy (<http://catalog.colostate.edu/general-catalog/academic-standards/academic-policies/>).

Other Course Policies:

Disruptive behavior is not tolerated and is grounds for being asked to leave. This includes the use of cell phones and reading newspapers, email, and other unrelated material in class. Offensive or threatening treatment of an individual is especially not tolerated. Disruptive

students will be referred to University officials. *In general, I will expect that you will be respectful of me and your classmates and that you will take the course seriously.*

Department Statement on Copyright:

Please do not share material from this course in online, print or other media. Course material is the property of the instructor who developed the course. Materials authored by third parties and used in the course are also subject to copyright protections. Posting course materials on external sites (commercial or not) violates both copyright law the CSU Student Conduct Code. Students who share course content without the instructor's express permission, including with online sites that post materials to sell to other students, could face disciplinary or legal action.

Academic Integrity:

This course will adhere to the CSU Academic Integrity Policy as found on the Student Responsibilities page of the CSU General Catalog and in the Student Conduct Code. At a minimum, violations will result in a grading penalty in this course and a report to the Office of Conflict Resolution and Student Conduct Services.

As per university policy, "Any student found responsible for having engaged in academic misconduct will be subject to academic penalty and/or University disciplinary action" (General Catalog, <http://catalog.colostate.edu/general-catalog/policies/students-responsibilities/>). As such, any academic dishonesty in this course may result in a grade of "F" for the course and may be reported to the Office of Conflict Resolution and Student Conduct Services. Please be aware that the General Catalog specifically identifies the following examples of academic dishonesty: cheating, plagiarism, unauthorized possession or disposition of academic materials, falsification, and facilitation of cases of academic dishonesty. Plagiarism is defined as follows: "Plagiarism – Plagiarism includes the copying of language, structure, images, ideas, or thoughts of another, and representing them as one's own without proper acknowledgment and is related only to work submitted for credit; the failure to cite sources properly; sources must always be appropriately referenced, whether the source is printed, electronic or spoken. Examples include a submission of purchased research papers or homework as one's own work; paraphrasing and/or quoting material without properly documenting the source" (General Catalog, <http://catalog.colostate.edu/general-catalog/policies/students-responsibilities/>).

Accommodations:

Students requesting special accommodations should contact Resources for Disabled Students (RDS) at 970-491-6385. Accommodations for quizzes/exams will not be granted without pre-approval from RDS. If this applies to you, please make arrangements immediately.

Title IX:

CSU's Discrimination, Harassment, Sexual Harassment, Sexual Misconduct, Domestic Violence, Dating Violence, Stalking, and Retaliation policy designates faculty and employees of the University as "Responsible Employees." This designation is consistent with federal law and guidance, and requires faculty to report information regarding students who may have experienced any form of sexual harassment, sexual misconduct, relationship violence, stalking or retaliation. This includes information shared with faculty in person, electronic communications or in class assignments. As "Responsible Employees," faculty may refer students to campus

resources (see below), together with informing the Office of Support and Safety Assessment to help ensure student safety and welfare. Information regarding sexual harassment, sexual misconduct, relationship violence, stalking and retaliation is treated with the greatest degree of confidentiality possible while also ensuring student and campus safety.

Any student who may be the victim of sexual harassment, sexual misconduct, relationship violence, stalking or retaliation is encouraged to report to CSU through one or more of the following resources: Emergency Response 911, Deputy Title IX Coordinator/Office of Support and Safety Assessment (970) 491-1350, Colorado State University Police Department (non-emergency) (970) 491-6425. For counseling support and assistance, please see the CSU Health Network, which includes a variety of counseling services that can be accessed at: <http://www.health.colostate.edu/>. The Sexual Assault Victim Assistance Team is a confidential student resource that does not have a reporting requirement: <http://www.wgac.colostate.edu/need-help-support>

Syllabus and Reading List:

(This schedule is subject to change and will be revised later in the semester if necessary.)

All chapters listed are required reading *for all students* on the class dates listed.

[Tuesday, August 22] Introductions AND Chapter 1. Introduction to Cost-Benefit Analysis

[Thursday, August 24] Chapter 2. Conceptual Foundations of Cost-Benefit Analysis AND Group work

[Tuesday, August 29] Chapter 3. Economics Foundations of Cost-Benefit Analysis AND Group work

[Thursday, August 31] Chapter 4. Valuing Benefits and Costs in Primary Markets AND Group work

[Tuesday, September 5] UPDATE PRESENTATIONS AND ONE-PAGE SUMMARY #1

[Thursday, September 7] Career Center presentation (to be confirmed)

[Tuesday, September 12] Chapter 5. Valuing Benefits and Costs in Secondary Markets AND QUIZ (Chapters 1-4)

[Thursday, September 14] CBA example and discussion (to be turned in at end of period)

[Tuesday, September 19] Chapter 6. Discounting Benefits and Costs in Future Time Periods AND Group work

[Thursday, September 21] Chapter 7. Dealing with Uncertainty: Expected Values, Sensitivity Analysis, and the Value of Information AND Group work

[Tuesday, September 26] UPDATE PRESENTATIONS AND ONE-PAGE SUMMARY #2

[Thursday, September 28] CBA example and discussion (to be turned in at end of period)

[Tuesday, October 3] Chapter 8. Option Price and Option Value AND Group work

[Thursday, October 5] Chapter 9. Existence Value AND QUIZ (Chapters 5-8)

[Tuesday, October 10] Chapter 10. The Social Discount Rate AND Group work
[Thursday, October 12] Chapter 11. Predicting and Monetizing AND Group work

[Tuesday, October 17] UPDATE PRESENTATIONS AND ONE-PAGE SUMMARY #3
[Thursday, October 19] Chapter 12. Valuing Impacts From Observed Behavior: Experiments and Quasi-Experiments AND Group work

[Tuesday, October 24] Chapter 13. Valuing Impacts from Observed Behavior: Direct Estimation of Demand Curves AND QUIZ (Chapters 9-12)
[Thursday, October 26] Chapter 14. Valuing Impacts from Observed Behavior: Indirect Market Methods AND Group work

[Tuesday, October 31] Chapter 15. Contingent Valuation: Using Surveys to Elicit Information About Costs and Benefits AND Group work
[Thursday, November 2] Chapter 16. Shadow Prices from Secondary Sources

[Tuesday, November 7] Chapter 19. Distributionally Weighted Cost-Benefit Analysis AND QUIZ (Chapters 13-16)
[Thursday, November 9] RESEARCH PRESENTATIONS

[Tuesday, November 14] RESEARCH PRESENTATIONS
[Thursday, November 16] PRESENTATION EVALUATIONS due online before 12NOON SHARP AND Community policy issue video and discussion in class

[Monday, November 20 to Friday, November 24] FALL RECESS

[Tuesday, November 28] Group work with attention to implementing feedback from presentations
[Thursday, November 30] Group work with attention to implementing feedback from presentations

[Tuesday, December 5] Group work and required exit surveys/wrap-up in class, FINAL PAPERS (including all changes based on your presentation) DUE 4:30PM SHARP; submit on Canvas AND provide hardcopy with original signature page (with *all* group member signatures) to Clark C306
[Thursday, December 7] NO CLASS MEETING, ECON ASSESSMENT TESTS (BOTH MICRO AND MACRO) OPEN ONLINE

IMPORTANT: Both exams are due online before WEDNESDAY, DECEMBER 13 8:30PM SHARP