INTERNATIONAL UNIVERSITY OF JAPAN
Graduate School of International Relations

Academic Year: 2015/2016
Term: Spring

<table>
<thead>
<tr>
<th>Course</th>
<th>Course code</th>
<th>Course title</th>
</tr>
</thead>
<tbody>
<tr>
<td>DCC 5370</td>
<td>Public Finance and Budgeting</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of Instructor</th>
<th>Lim, Seunghoo</th>
<th>Credit Number: 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instructor’s contact Information</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office#</td>
<td>307</td>
<td></td>
</tr>
<tr>
<td>Phone#:</td>
<td>414</td>
<td></td>
</tr>
<tr>
<td>Office Hours</td>
<td>Wednesday 10:30-12:30am or by appointment</td>
<td></td>
</tr>
<tr>
<td>E-mail:</td>
<td><a href="mailto:lim@iuj.ac.jp">lim@iuj.ac.jp</a>; <a href="mailto:seunghoo.lim@gmail.com">seunghoo.lim@gmail.com</a></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class Schedule Day / Time</th>
<th>Tuesday 2:40-5:50pm</th>
</tr>
</thead>
<tbody>
<tr>
<td>TAs</td>
<td></td>
</tr>
</tbody>
</table>

**Course Description:**
Public budget is the most distilled statement of what government does with its price tag attached. It is a policy document as well as a financial plan that serves control, management and planning purposes, linking considerations of raising resources from the economy and spending priorities setting. And, public budgeting is how the government decides on and executes its budgets, which not only is essentially a political process, but also requires substantial understandings and skills in financial management. This course aims to improve students’ understanding of how government at different levels manages its purse, money from taxpayers and citizens, for better results, equipping students with both theoretical perspectives and practical analytical skills. The topics covered include, but are not limited to, budgetary institutions and process, roles of key budget actors and decision-makers, budgetary constraints, budget systems and reform, key revenue sources and forecasting, capital budgeting, debt management, intergovernmental fiscal relations, and a diverse set of skills and tools in preparing and implementing budgets. Students will be given practical opportunities to evaluate a government’s budget in reference to budgeting and financial management principles learned from the class.

**Learning Objectives:**
The student in this class should learn to:

- Understand the political, economic, legal, organizational, and cultural dimensions of public budgeting;
- Describe key processes, institutions, and actors in the budget process;
- Understand the functions that public budget and budgeting serve;
- Appreciate differences in the orientation of alternative budget systems;
- Identify and discuss major revenue sources and expenditure categories of public budget;
- Understand key concepts, practices and challenges in revenue forecasting, capital budgeting and debt management;
- Assess a government’s actual budget practices according to the recommended set of budgeting standards;
- Appreciate the rationales and realities of intergovernmental fiscal relations in developing as well as developed countries; and
- Analyze budget trends of public organizations.

**Career Relevance:**
This course equips students with basic understanding of budgetary institutions, processes, and financial management in the public sector, which is required for public managers.

**Course Context or Rationalization:**
Understanding theoretical and practical issues in public budgeting and finance is a must for any public managers. This course provides necessary skills for them to be effective in fulfilling their responsibilities regarding budget preparation and execution.

**Delivery Methods:**
Each week there will be two consecutive sessions. The first one will be devoted to lecture and discussions about the required readings and learning points. During the second session, three students will present the journal articles and/or book chapters from the required readings list as indicated in the course schedule below. Each presentation/discussion will last no more than 20 minutes. During and after presentation, the class will be open to questions and discussions led by the presenting students.

**Assessment:**
Students will be expected to be full participants in shaping the character of the seminar; and this requires all students to come to class prepared to discuss the readings for each session. There are five class requirements, and they are described in more detail in Class Activities.

**Evaluation Requirements and Weights:**
- Budget Controversies Memo 13%
- Discussion Leader Performance (Presentations) and Class Participation 15%
- Final Exam 25%
- Final Research Paper or Budget Reform Paper 40%
- Weekly Homework 7%

The final grade will be calculated as follows:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>94% and ↑</td>
</tr>
<tr>
<td>A-</td>
<td>90% - 93.9%</td>
</tr>
<tr>
<td>B+</td>
<td>88% - 89.9%</td>
</tr>
<tr>
<td>B</td>
<td>83% - 87.9%</td>
</tr>
<tr>
<td>B-</td>
<td>80% - 82.9%</td>
</tr>
<tr>
<td>C+</td>
<td>78% - 79.9%</td>
</tr>
<tr>
<td>C</td>
<td>73% - 77.9%</td>
</tr>
<tr>
<td>C-</td>
<td>70% - 72.9%</td>
</tr>
<tr>
<td>F</td>
<td>69.9% and ↓</td>
</tr>
</tbody>
</table>

**Prerequisite:** None
Textbook(s) Required:

Reference books/Journal Articles:

Class Outline

**Week 1 [April 5, 2016] Introduction and Course Arrangements**
- Willoughby (2014), Chapter 1.
- Ryu (2014), Chapter 17.

**Week 2 [April 12, 2016] Intro to Public Budgeting: Structure and Functions**
- Willoughby (2014), Chapter 1 & 2.

**Week 3 [April 19, 2016] History and Theories of Public Budgeting & the Federal Government**
<table>
<thead>
<tr>
<th>Week 4 [April 26, 2016] State &amp; Local Budgeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Willoughby (2014), Chapter 4 &amp; 5.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Week 5 [May 3, 2016] Politics and Public Budgeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Willoughby (2014), Chapter 6, 7, &amp; 8.</td>
</tr>
</tbody>
</table>


- **Budget Controversies Memo due to the class.**
- **Final Project team members and topic due.**

### Week 6 [May 10, 2016] Bureaucracy and Public Budgeting


### Week 7 [May 17, 2016] Reforms and Public Budgeting


**Week 8 [May 24, 2016] Performance and Public Budgeting & Federalism, Intergovernmentalism, and Public Budgeting**

- Willoughby (2014), Chapter 12 & 11.


**Week 9 [May 31, 2016] Research Project Presentation**

- *Term project paper due to the class.*

**Week 10 [June 7, 2016] Final Exam**
Class Activities

1. Final Examination
   There will be one in-class examination at the end of the term (Week 10). The final exam will include some essays and/or cases to be analyzed, based on the key themes and materials from the class.

2. Weekly Homework
   There are seven homework to be submitted at the beginning of the class meetings. Each of the homework will cover the required readings for the class. On the homework, students are expected to demonstrate that they have understood the materials for the week.

3. Class Exercises
   - Article Presentations:
     During the second session, four students will present journal articles as indicated by * in the course schedule in the previous pages. The instructor will enlist volunteers for presentation at the first meeting of the class. The presenter is expected to prepare PowerPoint slides for about 15 minutes talk. The students may want to send the slides to the instructor before the class to get commented on. After the presentation, the presenters will lead the class discussion. The students will be also required to write questions that cover the assigned readings. These questions should help us discuss key ideas, how the article fits in the historical development of the approach, and how it is relevant to current budgetary debate or not. Questions that ask class members to recite factual material are not appropriate for our discussion. Rather the questions could ask about the choices made in the research, and critique and assess the readings. What are their strengths and weaknesses? How do they connect to other budgetary theories or practices? What is creative about the scholarship? How well do the research design and methods answer the research questions? How does the study advance the theory it uses, and our understanding of budgeting? What criticisms can be made of the approach and article?
     Of course, all other students are expected to participate in these discussions with their own reflections and critiques of the journal articles. Needless to remind you that in a graduate seminar such as this, students are expected to have completed the readings before the class regardless of whether they were assigned to lead a discussion or not.

   - Class Participation:
     Class participation grades are assigned by the instructor based on four criteria: (1) class attendance, (2) the extent to which you ask questions or make
comments/critiques in class that show you have done the readings, (3) your responses to questions asked by the instructor, and (4) your contributions in class on topics related to our weekly themes and discussions.

3. Budget Controversies Memo

Students will individually write a memo that describes a conflict over a budgetary or finance problem in the public sector and explains 1) what the issue about as it relates to principles and standards of public budgeting and financial management and 2) how it is (or is not being) resolved. The point here is to let your reader [instructor] know about the politics regarding how to raise or spend public moneys and what budgeting or financial management principles/standards the competing actors have tried to apply in pushing forward their respective arguments. The topic should be about a budgetary issue of a general purpose government, meaning a national, provincial, or local government of your own country or of a foreign country. There is no format for this assignment, but it should be no longer than 1,500 words, including an abstract, figures, tables and references. Both hard and soft copies of your work are due to the 5th week’s class.

4. Final Research Paper or Budget Reform Paper

Students as a group of three or four will develop either an original research paper or a budget reform paper. Students are free to choose on budgetary issues either in a developing or developed country, or at the international level. The group members and its topic should get approval from the instructor no later than the 5th week of the class (Your submission of a short description of the paper by May 3rd will allow Dr. Lim to give feedback and guidance on your research before receiving the final paper). The project paper should be no longer than 8,000 words, inclusive of the title, references and tables, and exclusive of appendices. The paper should use the style guide of the American Psychological Association (APA):
https://www.library.cornell.edu/research/citation/apa

☐ Research Paper:

There is a final research project in this course, which consists of two parts. The actual research component: complete with developing a theoretical framework relevant for one’s research question(s), completing a literature review and conducting hypothesis tests, writing sections on descriptive and inferential data analyses, and reporting of empirical findings and their policy/practical implications. The presentation component: all research papers are to be presented during the 9th week’s class of the semester. Both hard and soft copies of your work are due to the 9th week’s class.
Budget Reform Paper:

This assignment requires you to choose a budget reform effort that has been attempted in a government and analyze its “success” or “failure” juxtaposed against what the reform literature tells you regarding the reform’s beneficial possibilities. This assignment requires that you become familiar with the government’s attempt to initiate the reform, the implementation process and any results (good and/or bad) once attempted or implemented. You should complete a well-constructed written assessment of the budget reform experience in the government and include the following sections:

- A description of the government and brief summary of its budgeting process and statistics
- A description of the history of budget reform in the government
- A description of the reform attempted/implemented; reasons reform was attempted; politics behind the effort; challenges for implementation and ongoing success
- Some literature review about the budget reform and possibilities for advancing budgeting in governments, generally
- An objective assessment of areas of success and lack of success of the budget reform effort in the government; you should be able to justify your assessment of success/lack of success
- Your assessment of the future regarding budgeting in the government as a result of the reform process and effort
- A complete reference and resources section

You are welcome but not required to contact past and/or current government officials, managers and/or analysts to gain knowledge about the reform effort. However, you must appropriately reference any such interviews. All papers are to be presented during the 9th week’s class of the semester. Both hard and soft copies of your work are due to the 9th week’s class.

Policies and Expectations

1. Attendance

Excused absences include documented illnesses, deaths in the immediate family and other documented crises, call to active military or jury duty, religious holy days, and official University activities. Accommodations for these excused absences will be made and will do so in a way that does not penalize students who have a valid excuse. Consideration will also be given to students whose dependent children experience serious illness. I do keep track of attendance, and ask that you notify me when you are not going to be in class. Attendance is a factor in the class participation grade.
2. Readings and Class Sessions
Reading is the most important part of the class. The amount of required readings is about 70-100 pages per week, which should be manageable. The class sessions will be interactive; you learn better by participating and articulating your ideas. Thus it is important that you complete the required readings by the date assigned, and that you use the class setting to overcome any stage fright you have about public speaking. The class will be more interesting and beneficial to everyone if you take responsibility for speaking up.

3. Consultation with the Instructor
Students are encouraged to consult with the instructor if and whenever they have questions/issues with regard to the class, including, but not limited to, course readings, term paper development, class attendance, and the exam. Both direct meetings with the instructor and email communications are welcome. Please, refer to the office hours and instructor's contact information in the 1st page of this syllabus.

4. Academic Honesty
The University Honor Code (see IUJ CURRICULUM HANDBOOK) applies to all work in the course. To be acceptable, the written work you submit must reflect your own ideas and be written in your own words. Academic dishonesty includes, but is not limited to:

- **Plagiarism**: quoting or paraphrasing the ideas or opinions of others without appropriate attribution in text citations and a reference list. This includes books, journal articles, conference presentations, published or unpublished papers and web-based materials.
- **Fraud**: submitting work that was not prepared by you, or which you have previously submitted for another class.
- **Cheating**: giving help to other students, or asking them for it, on the final examination.

The consequence of academic dishonesty is a grade of F on the assignment in question, and being reported to the University Academic Honor Committee.

5. Students with Disabilities
If students need special assistance/support in regards to disabilities, please let the instructor and the Office of Academic Affairs know immediately.

6. Syllabus Change Policy
This syllabus is a guide for the course and is subject to change with advance notice. Additional readings and class discussion material may be added during the semester.