

# UCSC To Open Public Finance Graduate Program In Fall

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A new graduate program in economics at UCSC is expected to become one of the best public finance programs in the nation.

Richard and Peggy Musgrave, respected public finance experts who wrote the leading text on the subject, have been recruited from Harvard and Vassar, respectively, for the new program, to begin in fall.

Also joining the economics faculty in fall will be Ronald Grieson, who specializes in urban aspects of public finance.

Grieson's expertise in urban finance, Richard Musgrave's fame in public finance, and Peggy Musgrave's knowledge of cost benefit analysis, combined with current UCSC faculty member Jacob Michaelson's expertise in economics of bureaucracies and professor Robert Adams' grasp of state and local finance, will make an illustrious and well-rounded program, according to economics professor Sven Arndt.

One reason for the new masters of science program in

applied economics is student demand. Despite the campus' "laid-back" image, economics is one of its fastest growing majors.

"Students have changed," explained Arndt, who is chairman of UCSC's Economics Board of Studies. "The students who used to come to Santa Cruz weren't too career oriented because they could get jobs just by having bachelor's degrees from the University of California."

But, the image of flaky students persists now that they are hustling for jobs, Arndt notes. "Part of the problem is that we have dramatized the 'foggy' image of the campus. When I was looking for pictures to use in the brochure (describing the graduate economics program) all I could find were views of the ocean, pictures of cows and views of students lounging around in trees and picking their ears."

Enrollment for fall is higher than expected and should reach a steady long-term enrollment of about 37 master's degree candidates and 50 candidates in a new five-year pathway to the degree, according to Arndt.

The mood of Californians as well as excellent job prospects should motivate students to enroll in the program, Arndt predicted.

"In this state in which public expenditure and taxation issues are foremost on people's minds, we expect to attract a lot of students."

So far, coordinators have attracted 15 students for fall quarter, a figure they are pleased with considering that they were only given the go-ahead to recruit in January, after many university graduate program application deadlines had already passed.

"We missed a goodly chunk of students," said Arndt, because they had missed deadlines for applying for needed financial aid.

The master's program will differ from conventional master's of business administration programs in that it will be less comprehensive and diversified.

Most masters programs, Arndt observed, "offer enormous specialization, a variety a small campus like ours couldn't offer."

What will be offered are 16 graduate courses in economics. Students will be required to take four "core" theory courses in microeconomic theory, macroeconomic theory, cost-benefit analysis and econometrics. Principles learned in the four basic courses will be applied in the remaining classes in such subjects as labor, the economics of energy, private finance, and industrial organization. Thus, the title "applied economics."

In addition to offering the master of science degree to students who have received bachelor's degrees, a new "3-2" program will be offered to confer a bachelor of arts as well as a master of science in economics.

UCSC students will be able to receive the two degrees in five years by completing graduate work before receiving their bachelor degrees.

"What the combination program does is to sacrifice breadth for depth," Arndt explained, because students will take graduate economics courses instead of history, literature or sociology courses they would usually take.

The five-year program is suited to highly motivated students with definite career goals, and entry requirements will be stringent, Arndt said.

Jobs should abound for graduates, he predicts.

Master degree holders with knowledge of public finance will be qualified to prepare economic analyses for local governments and planning commissions, as well as for state and federal agencies, according to Arndt.

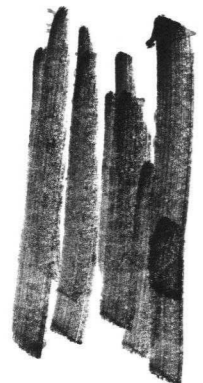
And, federal treasury and commerce secretaries are not the only financiers who hop back and forth between government and private industry.

Arndt said such job changes are frequent among less illustrious economists, and master degree holders should be prepared for myriad jobs.

Graduates wishing to enter the private sector of the economy should be able to find jobs as financial analysts for large corporations and banks, Arndt said.

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