

## 27418 - Public economics I

### Información del Plan Docente

Academic Year	2017/18
Faculty / School	109 - Facultad de Economía y Empresa
Degree	417 - Degree in Economics
ECTS	6.0
Year	2
Semester	Second semester
Subject Type	Compulsory
Module	---

### **1.General information**

#### **1.1.Introduction**

#### **1.2.Recommendations to take this course**

#### **1.3.Context and importance of this course in the degree**

#### **1.4.Activities and key dates**

### **2.Learning goals**

#### **2.1.Learning goals**

#### **2.2.Importance of learning goals**

### **3.Aims of the course and competences**

#### **3.1.Aims of the course**

#### **3.2.Competences**

### **4.Assessment (1st and 2nd call)**

#### **4.1.Assessment tasks (description of tasks, marking system and assessment criteria)**

### **5.Methodology, learning tasks, syllabus and resources**

#### **5.1.Methodological overview**

The methodology followed in this course is oriented towards achievement of its learning objectives. It is based on theoretical and practice classes by the teacher, active participation of students in face to face classes, reading, study and discussion of teacher's recommended texts by students and students resolution of several evaluation test throughout the semester. It is expected that this methodological strategy favors a suitable comprehension of the fundamentals of the course, as well as the development of communicative skills and critical thinking of students.

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Classroom materials will be available via Moodle. These include a repository of the course syllabus, slides used in classrooms, schedule of lessons, as well as other learning resources designed by teachers. Further information regarding the development of the course and evaluation criteria will be provided on the first day of class.

### 5.2.Learning tasks

Students are offered several activities devoted to help them to achieve the main objectives of the subject. These include:

- 1.- Lectures, bibliographical orientation and design of the exercises booklet by teacher.
- 2.- Autonomous work by students which includes problems resolution and exams preparation.
- 3.- Practice sessions where students present and discuss the extra class and autonomous work corresponding to each practical session.
- 4.- Tutorials devoted to solve students'doubts and to follow-up students'work
- 5.- Assessment of students'progress by means of evaluation tests.

Face to face classes			Extra class work
Theoretical issues	Practical issues	P6	Autonomous students'work and tutoring
30 h.	30 h.	4 h.	86 h.

### 5.3.Syllabus

The course will address the following topics:

Topic 1: Public Sector and Public Economics

Nature of the Market and Nature of the 'Public', Functions and Instruments of Governments, Spanish Public Sector, Public Economics as a branch of Economics.

Topic 2: Tools for Normative Analysis

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Welfare Economics; Pareto Efficiency; Efficient Allocation and Market Failures, Social Equity Criterion and Social Optimum, Taxonomy of Market Failure.

Topic 3: Contribution of the Public Sector to Economic Efficiency (I): Public Goods.

Essential Characteristics of Public Goods, Taxonomy of Public Goods, Optimal Provision of Public Goods, the Allocative Role of Government in the Provision of Public Goods.

Topic 4: Contribution of the Public Sector to Economic Efficiency (II): Externalities.

Essential Characteristics of Externalities, Taxonomy of Externalities, Optimal Provision of Goods Causing Externalities, the Allocative Role of Government in the Correction of Externalities.

Topic 5: Contribution of the Public Sector to Economic Efficiency (III): Increasing Returns to Scale and Imperfect Information.

Causes and Economic Consequences of the Lack of Competition; Public Intervention in Sectors with Increasing Returns to Scale; Origin and Consequences of Imperfect Information; Public Intervention in a Context of Imperfect Information.

Topic 6: Contribution of the Public Sector to Social Equity.

Equity and Social Welfare; Normative and Positive Theories on the Redistribution Function of Governments: Utilitarianism, Neocontractualism, Redistribution as a Source of Efficiency and Non-Individualist Approaches; Public Expenditure Programs to Fight against Poverty.

Topic 7: The Collective Choice Processes and the Behavior of Individuals acting in the Political Process.

The Choice of Voting Rule; Implications of the Majority Voting Rule; Behaviour of Individuals Acting in the Political Market: Political Parties, Voters, Bureaucrats and Pressure Groups.

### 5.4. Course planning and calendar

Specific calendar with the course planning and key dates will be supplied by teacher at the beginning of the semester.

### 5.5. Bibliography and recommended resources

ROSEN, H.S.: *Hacienda Pública*, 7ª edición. Madrid: McGraw Hill, 2007.

Other bibliography

ALBI, E.; GONZALEZ PARAMO, J.M. y ZUBIRI, I.: *Economía Pública I*, 3ª edición. Barcelona: Ariel Economía, 2009.

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BUSTOS, A.: *Lecciones de Hacienda Pública*, 5ª edición . Madrid: Editorial Colex, 2010.

STIGLITZ, J.E.: *La economía del Sector Público*, 4ª 3ª edición. Barcelona: Antoni Bosch editor, 2016