



## COURSE DATA

### DATA SUBJECT

**Code:** 44162  
**Name:** Public economics  
**Cycle:** Master's Degree  
**ECTS Credits:** 5  
**Academic year:** 2025-26

### STUDY (S)

Degree	Center	Acad. year	Period
2203 - Master's Degree in Economic Policy and Public Economics	Facultat d'Economia	1	First quarter

### SUBJECT-MATTER

Degree	Subject-matter	Character
2203 - Master's Degree in Economic Policy and Public Economics	Public economics	COMPULSORY

### COORDINATION

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## SUMMARY

Matter of Public Economics Masters in the discipline EPPE has projected economic analysis in the field of public sector through the study of selected topics of interest, with a critical vision and practice-from the traditional to the Treasury. Most Masters students in EPPE has previously studied in their undergraduate studies, some introductory material to public economics, public economics and public finance. These are the names used in our discipline over recent years that show an evolution in the perspective of analysis used but ultimately dealing with the same problem area, but extended through the in-depth study of public performances topical as in the case of public regulation. We also emphasize the fact that we will not focus exclusively on traditional monetary flows the Treasury whose interest was only in those public performances with reflection in the public budget for its character of income or expense. We are interested in analyzing any public intervention in the economy, regardless of whether plasma to a greater or lesser extent in the budget document. Therefore, our goal here is not to be form analysts whose expertise in public affairs is exclusively on finding a balanced budget from a purely accounting perspective. Our goal is another, rather to provide the student with the tools of analysis necessary to optimize public decision taking as a basic premise or adequacy respect to citizen preferences being aware, of course, the limited resources available in the public realm.



With this approach we divide the subject into three parts. The first attempt to justify public sector intervention in economy and in-depth analysis of certain traditional market failures such as public goods, merit goods and external effects. For this specific case studies in which current public regulation acquires prominence, as is the case, among others, those relating to the environment, health, education, infrastructure, social services, etc. will be discussed. Of course, and given that the existence of market failures is neither necessary nor sufficient condition for public intervention, the possible failures of the public sector will be analyzed in the field of collective decision making. The failure of the public sector can be found in the very formation of individual preferences of citizens in implementing collective decisions, or perhaps at some intermediate stage of the process, as the revelation of preferences or in the choice and implementation of the decision rule in such collective decision making.

The second part focuses on the public revenue side. This section must necessarily begin with an introduction on tax design that establishes the bases and tax principles on which there is a general consensus, emphasizing the ideal distribution criteria of the tax burden based on the objectives set by the public sector. It seems important to us to also deal with the socio-political approach to this source of income, analyzing citizen perception and tax acceptance and compliance. We will try to understand and integrate in a multidisciplinary way the attitudes and behaviors of citizens in their double role as users of public services and taxpayers. We also analyze in this part the trends and alternatives in the main blocks of taxation -income and consumption- from a historical and future perspective. We will put an end to this part with the treatment and growth of regulatory taxes, a controversial instrument increasingly used by the public sector to modify behavior and correct market failures.

On the other hand, the need to evaluate public actions has become increasingly important in economic science in general and the public in particular taking into account that further evaluations are lacking market. Therefore, the last part will be dedicated to a presentation of the technical evaluation of public policies, however, will continue in another subject of this master.

## PREVIOUS KNOWLEDGE

## RELATIONSHIP TO OTHER SUBJECTS OF THE SAME DEGREE

There are no specified enrollment restrictions with other subjects of the curriculum.

## OTHER REQUIREMENTS

## COMPETENCES / LEARNING OUTCOMES

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Analizar la presencia de efectos externos en distintos ámbitos geográficos, especialmente en un entorno globalizado, así como la necesidad de actuación a escala nacional y supranacional, categorizando las interrelaciones internacionales que desembocan en la presencia de bienes públicos globales.

Aplicar las técnicas de evaluación de efecto de tratamiento en las intervenciones públicas, así como el uso de datos.



Desarrollar la capacidad crítica, impulsar la inquietud y el interés investigador; buscar, ordenar, analizar y sintetizar la información económica, seleccionando aquella que resulta pertinente para la toma de decisiones en política económica.

Desarrollar la capacidad de trabajo en equipo, coordinación de tareas, liderazgo y compromiso con el grupo en el desarrollo de actividades de análisis de los problemas económicos y sus soluciones.

Distinguir los elementos que condicionan las relaciones entre el sector público y el sector privado en una economía, analizando la incidencia que el sector público mantiene sobre la actividad económica, así como sobre el comportamiento de los agentes.

Fomentar, en contextos académicos y profesionales del ámbito de la política económica, el avance tecnológico, social o cultural dentro de una sociedad basada en el conocimiento y en el respeto a: a) los derechos fundamentales y de igualdad de oportunidades entre hombres y mujeres, b) los principios de igualdad de oportunidades y accesibilidad universal de las personas con discapacidad y c) los valores propios de una cultura de paz y valores democrático.

Saber cómo proyectar sobre problemas concretos sus conocimientos y saber resumir y extraer los argumentos y las conclusiones más relevantes para su resolución.

Saber participar en debates y discusiones, dirigirlos y coordinarlos y ser capaces de resumirlos y extraer de ellos las conclusiones más relevantes y aceptadas por la mayoría.

Students should apply acquired knowledge to solve problems in unfamiliar contexts within their field of study, including multidisciplinary scenarios.

Students should be able to integrate knowledge and address the complexity of making informed judgments based on incomplete or limited information, including reflections on the social and ethical responsibilities associated with the application of their knowledge and judgments.

Students should possess and understand foundational knowledge that enables original thinking and research in the field.

## **DESCRIPTION OF CONTENTS**

### **1. The Role of the Public Sector in the Economy**

- 1.1 Market Efficiency and Public Sector Intervention
- 1.2 Dimension of the public sector: growth and indicators
- 1.3 Budgetary analysis and financing of the public deficit.



## **2. Intervention for efficiency reasons. Analysis of practical cases of public intervention**

- 2.1 Subsidies to R&D and the promotion of business innovation
- 2.2 When the market is incapable of providing public goods: The provision of public goods in developing countries
- 2.3 When the market fails due to information asymmetries: Financial market failures and the policy response to the financial crisis
- 2.4 The danger of the paternalistic state: Cases of apparent irrationality or complexity in individual behavior.

## **3. Public Spending and Income Redistribution**

- 3.1 The Role of the Public Sector in Redistribution
- 3.2 Basic Public Services
- 3.3 Public Transfers
- 3.4 Social Protection Standards
- 3.5 Employment Policies

## **4. Problems in the internal behavior of the public sector**

- 4.1 Problems in individual preferences with respect to the public sector
- 4.2 Problems in collective decision making
- 4.3 Problems in the functioning of public administrations
- 4.4 The case of public corruption

## **5. Tax design, configuration and distribution of the tax burden**

- 5.1 The selection of tax instruments
- 5.2 Principles of tax burden sharing
- 5.3 Tax efficiency
- 5.4 Equity and distributive justice
- 5.5 Dichotomy between efficiency and equity



- 5.6 Progressive taxation and redistribution of income through the tax system
- 5.7 Some contradictory results: regressivity in modern tax systems

## **6. Citizen perception, acceptance and tax compliance**

- 6.1 The socio-political approach: financial sociology
- 6.2 Citizen perception problems: the tax illusion
- 6.3 Key factors in the acceptance of tax payment
- 6.4 The degrees of tax non-compliance: avoidance, evasion and fraud
- 6.5 Tax pressure, tax burden and tax effort
- 6.6 Measuring citizen perception: public opinion polls
- 6.7 Tax non-compliance due to citizen dissatisfaction in the provision of public goods

## **7. Trends and alternatives in income and consumption taxation**

- 7.1 Historical evolution of direct and indirect taxation
- 7.2 The personal expenditure tax as an alternative to the income-consumption model
- 7.3 The dual income tax
- 7.4 The linear income tax
- 7.5 The negative income tax
- 7.6 The rise and prominence of VAT in modern tax systems

## **8. Regulatory Taxes: correction of market failures**

- 8.1 Rationale and rise of excise taxes
- 8.2 Traditional excise taxes
- 8.3 The use of taxes to modify dietary behaviors
- 8.4 Taxes versus subsidies in behavior modification
- 8.5 The proliferation of charging for the use of public goods and services
- 8.6 Environmental taxes and charges
- 8.7 New regulatory tax proposals or trends



## 9. Public Policy Evaluation: a general approach

- 9.1 Introduction
- 9.2 Objectives of evaluation
- 9.3 Types of evaluations
- 9.4 Evaluation planning
- 9.5 Evaluation management

## 10. Evaluation methods

- 10.1 Qualitative evaluations
- 10.2 Quantitative evaluations: Impact evaluation

### WORKLOAD

#### PRESENCIAL ACTIVITIES

Activity	Hours
Theory	25,00
Seminar	25,00
<b>Total hours</b>	<b>50,00</b>

#### NON PRESENCIAL ACTIVITIES

Activity	Hours
Attendance at other activities	0,00
Individual or group project	10,00
Independent study and work	0,00
Preparation of lessons	35,00
Preparation for assessment activities	30,00
Resolution of case studies	0,00
<b>Total hours</b>	<b>75,00</b>

### TEACHING METHODOLOGY

There will be theory sessions where the teacher will explain the contents, followed by practical sessions where questions about the topics discussed and/or case studies drawn from the more or less current study actually arise.

Is intended to have a participatory class where students feel confident to question the teacher and propose real cases you know that can enrich the discussion in class, understanding the topics explained in more lectures.



The teacher may propose to undertake some work applied to practical cases the student's choice.

Throughout the course there will be extraordinary sessions given by external professors specialized in some of the topics that have been developed in the program.

## EVALUATION

The evaluation was conducted through a triple process:

Written tests consisting of one or more tests that consist of theoretical and practical questions.

Assessment practices from drawing works, oral presentations, problem solving and active participation in practical classes activities.

Continuous student evaluation, based on the Regular class attendance and classroom activities, participation and level of involvement in the teaching-learning process.

## REFERENCES

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