# PUBLIC POLICY ANALYSIS (21883) 2013-2014

Degree: AD/E-GRAU

Course: Third and fourth years

**Term:** Second

**Language of Teaching:** English

Instructor: Gabrielle Fack (gabrielle.fack@upf.edu), Off. 20 2E82

Lectures: Mondays and Tuesdays: 17:00-18:30

Practical classes: Wednesday afternoon from 16.00 to 20.30, depending on group (16.00-17.30,

17.30-19.00 and 19.00-20.30) *Office hours:* Tuesday 18.30-19.30

# I. OBJECTIVE

The objective of the course is to familiarize students with Public Economic Analysis, by focusing on specific topics with recent policy applications. For each theme, the theoretical analysis of public economic concepts will be linked with actual public policy applications. We will also put a specific emphasis on public policy evaluation, with a step-by-step critical analysis of the relevant empirical papers. By the end of the course, students should be able to understand the main questions behind the contemporary economic policy themes reviewed in the course and the basic empirical methods used in public policy evaluation.

# **II. REQUIREMENTS**

Teoria Economia I & II and Econometria I. Basic knowledge of econometrics is necessary to be able to understand and interpret the results of the empirical papers.

#### III. VALIDATION OF THE COURSE

The course is based on the principle of continuous assessment, with an important weight put on the acquisition of knowledge and skills. **This course also requires active student's participation.** 

#### **III.1 Assessment rules**

- 1. The evaluation of the course will be based on continuous evaluation in seminars (seminar assignments and participation) (30%), student presentations (20%) and the final exam (50%).
- **2. To pass the course, one must obtain a final grade equal or superior to 5.** The final grade is a weighted average of the three components of the grade (continuous evaluation in seminars, student presentation and final exam). Students who attended the course but failed can take the re-sit (*recuperació*). In this case, students have to attend the part(s) of the re-sit corresponding to the part(s) of the course that they failed: continuous evaluation and/or final exam (for students who failed the presentation part, the resit exam will count for both final exam and presentation). See rules below for the re-sit.

- 3. Each seminar assignment will consist in problem sets and reading assignments. They will help to prepare for the discussion in class. Seminar assignments will be given one week in advance (posted on aula global) and will have to be handed in the next week. Assignments are intended to grade each student's efforts to answer the questions asked, rather than his/her current level of knowledge. Assignments will be graded Satisfactory, Insufficient (if the assignment is not complete) or NA (if the assignment is not handed in). This will be translated into a grade for continuous assessment at the end of the term.
- 4. Attendance at seminars and participation is required to get a grade for a seminar (i.e. hand-in the homework without attending the seminar will result in a grade of 0 for the seminar). Seminar attendance without participation does not ensure any minimum grade (ie. if a student attends but does not participate, she/he may fail in the "continuous evaluation"). One needs to participate appropriately to ensure good grades: handing in the work and attending without participating is not sufficient to pass the "continuous evaluation" part.
- 5. Student presentations in groups on public policy questions will complement the main lectures.
- **6.** Approved partial grades are not saved (exam or participation / seminars) for subsequent academic years.
- 7. In order to be able to take the final exam, a student must have minimal grade from the seminar.

# III.2 Rules for re-sit (recuperació) exam

The re-sit exam will take place on the date scheduled in the academic calendar (the date will be published in Aula Global). A student can take the re-sit exam if and only if she/he has participated in the teaching and evaluation activities of the course during the term, but has failed to pass the course. Students who did not participate in such activities or have cancelled their participation in the evaluation of the course cannot take the re-sit exam.

It is considered that a student has participated in the teaching and evaluation activities of the course when:

- She/he has participated in the continuous evaluation of the course, handing-in the work and assisting to at least 50% of the seminars and participating in the other activities mentioned in the syllabus of the course (except for duly justified reasons).
- She/he has done the final exam.

The re-sit exam is only for students who attended and participated in the activities of the course, but failed. Students who attended the course and passed with a final grade equal or superior to 5.0 cannot take the re-sit exam.

A student who participated in the teaching and evaluation activities of the course, but failed, can take the re-sit exam for the parts of the course that he initially failed during the term: continuous evaluation, exam, or both; but the student cannot take the re-sit for a part of the course for

which her/his initial grade is already higher than 5.0 (the initial grade will be kept). The re-sit exam will therefore consist in two parts, the first part corresponding to the re-sit for continuous evaluation and the second part corresponding to the re-sit for the exam.

Finally, in order to encourage student mobility, students who took the course during the term but are studying abroad and cannot attend the re-sit exam have to contact in advance the professor responsible for the course in order to opt for an alternative exam that will take place in July. Exceptionally, if the student studying abroad cannot attend the July exam for justified reasons, an alternative date or an alternative evaluation will be arranged, under the supervision of the professor responsible for Public Economic courses at UPF and with the agreement of the coordinator of Student mobility at UPF. This particular disposition only applies to students who participate in a mobility program recognized by the University.

#### **IV. SEMINARS**

**Seminars will take place on weeks 2, 3,4,5 and 8,9.** Assignment to seminar groups will be done by the University.

#### V. OUTLINE OF THE COURSE AND PLANNING

**INTRODUCTION (WEEK 1)** 

# A. EXTERNALITIES AND REGULATION (WEEKS 1-3)

- Environmental externalities
- Smoking externalites

# B. Public goods (Week 4)

- C. Public Intervention: Education (Weeks 5&6)
  - Improving efficiency in schools
  - Education in developing countries

# D. Public intervention: Health (Weeks 7&8)

- Health insurance
- Health policies in developing countries

# E. REDISTRIBUTION (WEEKS 9&10)

- The evolution of inequalities
- Traditional programs versus In-work benefits

#### VI. GENERAL REFERENCES:

- Jonathan Gruber, "Public Finance and Public Policy", Second Edition, Worth Publishers, 2007.
- To complement Gruber's book: Joseph Stiglitz, "Economics of the Public Sector", Third Edition, W. W. Norton & Compagny, 2000.

Additional bibliography on each topic will be given during the course.