



## PRESENTACIÓN

**Breve descripción:** This course is an introduction to the interrelated fields of public finance and public policy. Its purpose is to give you a profound overview of the responsibilities and limitations of government in a market economy. It will cover a scope of important topics in traditional public finance, ranging from public goods, externalities, unwanted markets, and asymmetric information, to the quest for social justice in terms of social insurance, moral hazard, and social mobility. Public choice and political economy concepts are further applied to evaluate how politics affects societal efficiency and income distribution, attempting to explain the functioning of government itself.

- **Titulación:** International Economics & Finance; Economics & Data Analytics; Economics & Law; Economics, Leadership & Governance
- **Módulo/Materia:** 1.3.3 Sector Público
- **ECTS:** 6 (150 hours)
- **Curso, semestre:** 3<sup>rd</sup> year, 2<sup>nd</sup> semester
- **Carácter:** Cumpulsory
- **Profesorado:** Martin Rode
- **Idioma:** English
- **Aula, Horario:** Tuesday: Aula 6, 10:00-12:00; Thursday: Aula 5, 10:00-12:00;

## RESULTADOS DE APRENDIZAJE (Competencias)

- BC5: Students have developed the learning skills necessary to undertake further studies with a high degree of autonomy.
- CG1: Understand different areas of economic analysis, both theoretical and/or applied.
- CG3: Reason and express personal opinions coherently in oral contexts and/or through the writing of economic texts.
- CG5: Communicate results and analyses relevant to economics or business, orally or in writing.
- CG6: Understand the various environments in which economic work is carried out: the economic situation, markets, historical, legal, or humanistic contexts.
- CG7: Draw normative conclusions relevant to economic policy based on positive knowledge.
- SC7: Pose and answer relevant questions in the field of Spanish and/or global economics with a global view of the knowledge acquired.
- SC9: Understand the historical evolution of the economy.
- SC11: Understand the role of the public sector in market failures.
- SC13: Understand how state revenues and expenditures are structured.

## PROGRAMA

**Part 1: Basic concepts of public finance**

**Part 2: Responsibilities of government: Efficiency**

1. Public Goods
2. Social costs and benefits



# Universidad de Navarra

3. Restraint on personal choice
4. Information and efficiency

## Part 3: Responsibilities of government: Social justice and the rule of law

1. Social insurance and moral hazard
2. Social justice and taxation
3. Social justice without government
4. The rule of law: protection of life and property

## Part 4: Limitations of government

1. Voting and the common-pool problem
2. Politics and efficiency
3. Politics and income distribution
4. People in government

## Part 5: The growth of government

## ACTIVIDADES FORMATIVAS

### Required activities:

- Class participation (in-person)
- Reading assignments and text search
- Presentation and essay hand-in
- Final exam

## EVALUACIÓN

### Grade composition

- *Final exam*: 50%
- *Group presentation*: 20%
- *Group essay*: 20%
- *Contributions in class*: 10%

### Grading activities

- Theoretical lectures are imparted and compulsory!
- The *final exam* will be based on the theoretical lectures. All lectures will be made available on ADI.
- *Group presentations* are to be given in groups of several students (assigned by the teacher at random) on a specific topic and a corresponding set of papers. These are all related to the topics covered in class. Presentations (and essays) are to effectively summarize the current state of knowledge in this specific area in the form of a brief literature review. Via an individual literature search, each group is to take the review further than what is offered in the original papers. Please take note that this is a group activity. Presentations will be 15 minutes each, followed by 5 minutes of questions from the teacher, and a 5 minute round-off discussion in class.
- The *group essay* is to be written by each group of students with a maximum of 5.000 words. The essay will be based on the presentation. The ethical standards of a scientific working style apply, and the use of AI in the creation of content must be duly acknowledged. [Citation style for papers](#).



# Universidad de Navarra

- *Contributions in class* are evaluated with 1 point towards the final mark. Students are expected to actively participate in the lectures and debates.

**Essay hand-in:** 26.04 (deadline: 23:59:59 CET) via ADI. One hand-in on behalf of the whole group.

**Presentation dates:** 10.03 (Groups 1-3); 12.03 (Groups 4-6); 17.03 (Groups 7-9);

## CONVOCATORIA ORDINARIA

- TBA

## CONVOCATORIA EXTRAORDINARIA

- TBA

## HORARIOS DE ATENCIÓN

Dr. Martin Rode ([martinrode@unav.es](mailto:martinrode@unav.es))

- Despacho 2070, Edificio Amigos. Planta 2 (hilera)
- Horario de tutoría: By appointment on Monday 12:00-14:00 and Thursday 12:00-14:00.

## BIBLIOGRAFÍA

- Hillman, Arye L. (2019). *Public finance and public policy: A political economy perspective on the responsibilities and limitations of government*. Cambridge University Press, 3rd edition.