



Teaching	<i>Public Economics</i>
Level and course of study	Bachelor's Degree in Business Administration and Management
Disciplinary scientific sector (SSD)	SECS-P/03
Academic Year	2024-2025
Course year	2
Total number of credits	6
Propaedeutivities	Political Economy
Lecturer	Manuela Coromaldi Nickname: Manuela Coromaldi Email: manuela.coromaldi@unicusano.it Reception hours: See the calendar on the following page of our website by checking the Videoconference times http://www.unicusano.it/calendario-lezioni-in-presenza/calendario-area-economica
Presentation	The Public Economics course aims to provide students with a good understanding of the state's role in the economy. Although conceptions of this role are very much influenced by political doctrines, knowledge of how the state actually operates in terms of spending and obtaining funds to finance it is necessary in order to be able to truly assess its actions. The course not only illustrates the basic economic concepts for the study of public economics, but also presents the analytical tools used in this discipline. Having clarified the basic notions, the course initially deals with the study of the tools of "positive" analysis, that is, it focuses on the study of the effects and explanatory theories of public economic action, arriving at the identification of cause-effect links in the choices of economic operators. It then continues with the study of the tools of 'normative' analysis, i.e. the identification of desirable or undesirable intervention policies in terms of social welfare. E-activities associated with the course develop the ability to apply the concepts.
Disciplinary learning objectives	The Public Economics course has the following learning objectives: <ol style="list-style-type: none"> 1. Review basic economic concepts for the study of the role of the state 2. Providing the tools of 'positive' analysis 3. Providing the tools of 'normative' analysis 4. Illustrate the objectives and impacts of individual items of public expenditure 5. Illustrate the logic of modern tax systems
Prerequisites	Attendance at the course requires passing only the Political Economy propaedeutic. It is therefore assumed that both the concepts of microeconomics concerning consumer and producer theory, necessary for the in-depth study of the concept of efficiency on which a large part of the course is based and those of Keynesian macroeconomics underlying the notion and calculation of gross domestic product or GDP, are clear. Furthermore, as knowledge of elementary mathematical concepts helps greatly in understanding the course content, it is highly recommended to review the notions of functions, derivatives and integrals.
Expected Learning Outcomes	Knowledge and understanding By the end of the course, the student will have demonstrated knowledge of the arguments of public economics that, making use of the microeconomic concepts of consumer theory (rational choices given preferences and budgetary constraints), production theory (production costs, choice of factor inputs) lead to the identification of efficient and fair situations for the community as a whole. The student will have realised why a distinction must be made between 'positive' and 'normative' analysis of state choices and will have acquired the ability to understand under what circumstances it is necessary to pursue one or the other type of analysis and how it can be done. Furthermore, the student will have acquired knowledge of the characteristics and impact on the economy as a whole of individual expenditure items as well as individual taxes and the tax system. Through the E-activities, students will finally have acquired the ability to formulate problems/ exercises of comparative analysis between different economic situations resulting from different state choices in terms of public expenditure and/or taxes and/or regulation. Application of knowledge

	<p>At the end of the course, students will be able to use the knowledge they have acquired about the identification of cause-effect relationships in the choices of economic actors: consumers (households), enterprises, and the state. The application of this knowledge will enable them to make independent critical judgments on the workings of the state and thus on the development needed to improve social welfare.</p>
<p>Organisation of teaching</p>	<p>The course is developed through the tools of didactic delivery (DE) and interactive teaching (DI). The pre-recorded video lectures (DE) form the core of the course and makeup, together with slides and handouts, the study materials available on the platform. Interactive teaching (DI) is carried out in the "virtual classroom" forum and includes Activities that apply the knowledge acquired in the theory lessons to the analysis of concrete cases.</p> <p>In particular, the Public Economics Course, which provides 6 course credits, has a total study load of between 150 and 180 hours, divided as follows approximately 140 hours for viewing and studying the videotaped material. approximately 20/ 30 hours for interactive teaching (activities, forums)</p> <p>It is advisable to distribute the study of the subject evenly over a period of 6 to 7 weeks, dedicating between 26 and 20 hours of study per week + a few hours of review of the basics of microeconomics and macroeconomics for a total, to be determined according to need, but which on average may amount to between 5 and 10 hours. It is advisable to carry out this revision as one encounters notions of economics that have been partially forgotten.</p>
<p>Course content</p>	<p>Module 1 - The Public Sector in a Mixed Economy (3 video-recorded theory lessons for a commitment of 20 hours - week 1) Where the following topics are covered: lecture 1. Introduction to the course - definition of mixed economy - evolution of economic thinking on the role of the state in the economy - market failures lesson 2. Public failures-definition of deregulation and privatisation-distinction between public and private organisations-curve of production possibilities lesson 3. The activities of the public sector-The consequences of public sector activity-Positive economics and normative economics-Musgrave's branches of the public sector Teaching materials by the teacher</p> <p>Module 2 -Market Efficiency (3 video-recorded theory lessons for a commitment of 20 hours - week2) Where the following topics are covered: Lesson 1. Efficiency in a single market - Exchange efficiency - Optimal consumer choice - Production efficiency lesson 2. Efficiency in product composition Lecture 3. Market Efficiency - Welfare Economics and Paretian Efficiency - Criticism of the Paretian Criterion - Fundamental Theorems of Welfare Economics Teaching materials by the teacher</p> <p>Module 3 - Market Failures (3 videotaped theory lessons for a commitment of 20 hours week 3). Where the following topics are covered: lesson 1 Prerequisites for market functioning: property rights and contract enforcement - market failures: imperfect competition lesson 2 Profit maximisation in monopoly and competition - Public goods - Externalities - Incomplete markets lesson 3 Lack of information -Unemployment, inflation and imbalance -Redistribution and deserving goods Teaching materials by the teacher</p> <p>Module 4 - Efficiency and Equity (3 video-recorded theory lessons for a commitment of 20 hours week 4) Where the following topics are covered: lesson 1 Trade-off between efficiency and equity -Social indifference curve -Utility possibility curve - Total and marginal utility function - Utility possibility curve when transfers are costly - Trade-off evaluation - Utilitarian and Rawlsian social indifference curve lesson 2 Social choices - The measurement of benefits - Compensated demand curve lesson 3. Consumer surplus - The measurement of inefficiency - The quantification of distributional effects: poverty index and poverty intensity Teaching materials by the teacher</p> <p>Module 5 - Public and Private Assets provided by the Public Sector (3 video-recorded theory lessons for a commitment of 20 hours - week 5): Where the following topics are addressed: lesson 1 Definition of public goods - Pure public goods and mixed public goods - Public goods and market failures - Free rider problem Lesson 2 Private goods provided by the public sector - Distortions associated with free provision of goods - Transaction costs - Distortions associated with uniform supply - Three methods for rationing goods provided by the public sector</p>

	<p>lesson 3. Efficiency conditions for public goods - Demand curves for public goods - Collective demand curve - Efficiency conditions for pure public goods - The locus of feasibility</p> <p>Teaching materials by the teacher</p>
Study materials	<p>-TEACHING MATERIALS BY THE TEACHER</p> <p>The teaching material on the platform is divided into 6 modules. They cover the entire syllabus and each contains handouts, slides and video lectures in which the lecturer comments on the slides. This material contains all the elements needed to approach the study of the subject.</p> <p>Recommended texts:</p> <p>Stiglitz J.E., Public Sector Economics vol I: Theoretical Foundations, 2nd Italian edition, Hoepli, 2003 chapters 1-5(parts); Rosen H.S.-Gayer T., Science of Finance, McGraw-Hill, 3rd edition, 2010.</p> <p>For those who feel the need to refresh and/or deepen their basic knowledge of microeconomics and macroeconomics we recommend</p> <p>Varian H.R., Microeconomics, Cafoscarina, 7th edition, 2011. Mankiw N.G.-Taylor M.P., Macroeconomics, Zanichelli, 6 edition, 2015</p>
Modalities of evaluation	<p>Verification of learning has two alternative modes, oral and written.</p> <p>1. The oral examination consists of an oral test designed to test both <u>knowledge and understanding</u> of the content of the syllabus and the <u>ability to apply</u> specific topics to concrete or hypothetical cases. To this end, it consists of three main questions and related sub-questions that are also prompted by the type of incomplete/ unclear/ off-topic/ unreasoned answers. The first question relates to notions and concepts necessary to verify understanding of the framework of today's public economics issues, i.e. to check whether one can describe efficient and fair situations for the community as a whole; the second and third questions, on the other hand, go into more detail on a specific topic of the syllabus with the aim of verifying the technical knowledge acquired and, of course, cover the entire syllabus. One of these two questions will focus on the distinction between positive and normative economics, while the other will deal with the impact of public decisions on the economy. In one of these questions (the second or third), a case, real or hypothetical, of the introduction or cancellation of a certain type of public expenditure or tax is also put forward to test the ability to apply the notions learnt. Each of the three questions is ideally given a mark of between 6 and 10 points in order to arrive at the final mark in 30s as, roughly speaking, the average of the individual marks for the three questions. An assessment of the examination paper "as a whole" then allows a decision to be made in favour of honours in the case of a totally convincing performance or for an invitation to re-sit the examination in subsequent sessions in the case of an unconvincing performance or one that is convincing only for part of the syllabus but not for the basic concepts.</p> <p>2. The written examination consists of 30 multiple-choice questions (each of which has four answers from which the student must choose and tick the one he or she considers correct) appropriately distributed over all the topics in the syllabus. Correct answers to the multiple-choice questions are worth one point and incorrect answers zero points.</p>
Criteria for the assignment of the final paper	<p>The assignment of the final dissertation will take place on the basis of an interview with the lecturer in which the student will express his or her specific interests in relation to the topics that have most interested him or her and that he or she therefore intends to study in greater depth. From the interview, the choice of the specific topic will emerge; there are no preclusions to the request for assignment of the thesis and there is no particular average for the assignment.</p>

