

Faculty of Economics / ECONOMICS / Public finances

Course:	Public finances			
Course ID	Course status	Semester	ECTS credits	Lessons (Lessons+Exercises+Laboratory)
4163	Mandatory	1	7	2+0+0
Programs	ECONOMICS			
Prerequisites	None.			
Aims	<ul style="list-style-type: none"> • To provide students with an understanding of economic analytical methodologies for studying the public sector and the role of the state in theory and practice; • To provide a solid foundation in the concepts behind the states function, the design of social insurance and the welfare state, and the architecture of the tax system; • To enable students grasp the practical issues involved in putting these ideas into practice. 			
Learning outcomes	By the end of the course students should be able to: <ul style="list-style-type: none"> • Understand key issues in public finance; • Elaborate the controversies and challenges around the role of government in public finance; • Understand the main features and principles of fiscal policies, i.e. revenue, expenditure and budget policy and process; • Understand and critically engage with questions of public debt. 			
Lecturer / Teaching assistant	Milena Konatar, Assistant Professor			
Methodology	The course is structured as a combination of lectures, in-class activities and student presentations. It requires a substantial amount of preparation by the students and active involvement during class.			
Plan and program of work				
Preparing week	Preparation and registration of the semester			
I week lectures	Introduction to Public Finance. Tools of Normative Analysis.			
I week exercises	Introduction to Public Finance. Tools of Normative Analysis.			
II week lectures	Public Goods. Externalities.			
II week exercises	Public Goods. Externalities.			
III week lectures	Political Economy.			
III week exercises	Political Economy.			
IV week lectures	Public Expenditure Theory. Cost-Benefit Analysis.			
IV week exercises	Public Expenditure Theory. Cost-Benefit Analysis.			
V week lectures	Education.			
V week exercises	Education.			
VI week lectures	The Health Care Market.			
VI week exercises	The Health Care Market.			
VII week lectures	Social Security.			
VII week exercises	Social Security.			
VIII week lectures	Income Redistribution: Conceptual Issues.			
VIII week exercises	Income Redistribution: Conceptual Issues.			
IX week lectures	Preliminary exam (written). Taxation Theory.			
IX week exercises	Preliminary exam (written). Taxation Theory.			
X week lectures	Taxation and Income Distribution. Taxation and Efficiency.			
X week exercises	Taxation and Income Distribution. Taxation and Efficiency.			
XI week lectures	Efficient and Equitable Taxation. Consumption Taxation.			
XI week exercises	Efficient and Equitable Taxation. Consumption Taxation.			
XII week lectures	Labour Taxation. Capital Taxation.			
XII week exercises	Labour Taxation. Capital Taxation.			
XIII week lectures	Debt Financing.			
XIII week exercises	Debt Financing.			

XIV week lectures	Budget and budgetary system. Fiscal decentralization. Fiscal policy.					
XIV week exercises	Budget and budgetary system. Fiscal decentralization. Fiscal policy.					
XV week lectures	Corrective preliminary exam.					
XV week exercises	Corrective preliminary exam.					
Student workload						
Per week				Per semester		
7 credits x 40/30=9 hours and 20 minuts 2 sat(a) theoretical classes 0 sat(a) practical classes 0 excercises 7 hour(s) i 20 minuts of independent work, including consultations	Classes and final exam: 9 hour(s) i 20 minuts x 16 =149 hour(s) i 20 minuts Necessary preparation before the beginning of the semester (administration, registration, certification): 9 hour(s) i 20 minuts x 2 =18 hour(s) i 40 minuts Total workload for the subject: 7 x 30=210 hour(s) Additional work for exam preparation in the preparing exam period, including taking the remedial exam from 0 to 30 hours (remaining time from the first two items to the total load for the item) 42 hour(s) i 0 minuts Workload structure: 149 hour(s) i 20 minuts (courses), 18 hour(s) i 40 minuts (preparation), 42 hour(s) i 0 minuts (additional work)					
Student obligations	Lessons attendance is mandatory for students as well as participating in classes actively.					
Consultations	After classes.					
Literature	Rosen, H. & Gayer, T. (2013). Public Finance, McGraw Hill, 10th edition					
Examination methods	Midterm (written) - 50 points • Final exam (written) - 30 points • Clasroom participation - 20 points • Total points : 100 (in order to get a passing grade at the exam student has to gain at least 50% of total points)					
Special remarks	/					
Comment	/					
Grade:	F	E	D	C	B	A
Number of points	less than 50 points	greater than or equal to 50 points and less than 60 points	greater than or equal to 60 points and less than 70 points	greater than or equal to 70 points and less than 80 points	greater than or equal to 80 points and less than 90 points	greater than or equal to 90 points