

**COURSE DATA****Data Subject**

Code	36714
Name	Economía del sector público
Cycle	Grade
ECTS Credits	6.0
Academic year	2023 - 2024

Study (s)

Degree	Center	Acad. year	Period
1335 - Degree in Political and Public Administration Sciences	Faculty of Law	2	Second term
1930 - D.D. in Law-Political and Public Adminis. Sciences 2021	Faculty of Law	3	Second term
1931 - D.D. in Sociology-Political and Public Adminis. Sciences	Faculty of Social Sciences	3	Second term

Subject-matter

Degree	Subject-matter	Character
1335 - Degree in Political and Public Administration Sciences	10 - Economía del sector público	Obligatory
1930 - D.D. in Law-Political and Public Adminis. Sciences 2021	4 - Asignaturas obligatorias de tercer curso	Obligatory
1931 - D.D. in Sociology-Political and Public Adminis. Sciences	3 - Asignaturas obligatorias de tercer curso	Obligatory

Coordination

Name	Department
DALMAU LLISO, JUAN CARLOS	110 - Applied Economics

SUMMARY

Economics of the Public Sector is a compulsory course assigned to the Department of Applied Economics. It is taught in the second year of the Political Science and Public Administration degree, with a load of 6 ECTS credits. In order to achieve a coherent learning of the knowledge of this subject, students must have previously taken and passed the subject Political Economy, of basic training, in the first year. It is complemented with other compulsory subjects related to the public sector, specifically



Public Finance and Financial Administration. This course aims to introduce the student to the analysis of a fundamental agent in the economy, such as the public sector, applying an economic perspective. Specifically, it characterizes the public sector, analyzes why it should intervene in the economy, studies the problems that may arise from its intervention and goes into detail on the growth of the public sector. From the point of view of public revenue, some basic aspects of taxation theory are analyzed, such as incidence, efficiency and equity, as well as the main lines of tax design in the different areas of taxation: income, wealth and consumption. With regard to public expenditure, after its economic characterization, its main exponents are analyzed, especially education, health and pensions. We also study one of the actions that has proliferated the most in the public sector in recent years, namely public regulation, going on to review the concept of public budget, its phases and classifications, as well as public indebtedness as a means of financing the public sector. Finally, certain issues of interest regarding the functions of the public sector in a framework of fiscal federalism are addressed.

PREVIOUS KNOWLEDGE

Relationship to other subjects of the same degree

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

Other requirements

OUTCOMES

1335 - Degree in Political and Public Administration Sciences

- Students must have acquired knowledge and understanding in a specific field of study, on the basis of general secondary education and at a level that includes mainly knowledge drawn from advanced textbooks, but also some cutting-edge knowledge in their field of study.
- Students must be able to apply their knowledge to their work or vocation in a professional manner and have acquired the competences required for the preparation and defence of arguments and for problem solving in their field of study.
- Students must have the ability to gather and interpret relevant data (usually in their field of study) to make judgements that take relevant social, scientific or ethical issues into consideration.
- Students must be able to communicate information, ideas, problems and solutions to both expert and lay audiences.
- Students must have developed the learning skills needed to undertake further study with a high degree of autonomy.
- Pensamiento crítico.
- Trabajo en equipo.
- Saber analizar las principales técnicas de gestión en la Administración Pública y diseñar estrategias de mejora organizativa y aseguramiento de la calidad de los servicios públicos ante los retos del nuevo entorno digital.



- Conocer y saber analizar el entorno económico, la dimensión económica del sector público y las técnicas de gestión económica de proyectos.

LEARNING OUTCOMES

- To know the reasons for state intervention in the economy and its limitations.
- To know how to apply the techniques for the evaluation of public projects.
- To have the necessary knowledge to analyze the economic effects of taxes and public expenditures.
- To interpret the composition of public budgets and to apply modern techniques of budget programming.
- To know the foundations and reasons for the decentralization of public revenues and expenditures and to be able to analyze their efficiency.
- To be able to interpret the political process by applying the techniques of economic analysis.

DESCRIPTION OF CONTENTS

1. The Public Sector: Economic Characterization

Delimitation of the Public Sector
Characterization and structure of the Public Sector
Functions of the Public Sector
Main measurement indicators of the Public Sector

2. The Public Budget

Definition, functions and principles of the public budget
Phases of the budget cycle
Budget classifications
Budgetary stability and expenditure rule

3. Analysis of the Main Market Failures

Concept and modalities of market failures
Public goods and protection needs
External effects
Imperfect competition: the natural monopoly



4. Collective Choice and Public Sector Behavior

The economic theory of politics
Voters, politicians, lobbyists and bureaucrats
The growth of the Public Sector

5. Public Spending

Spending on education
Health care spending
Pension spending
Redistribution and public spending

6. Public Revenues

Classification of public revenues
Taxation principles
The distribution of the tax burden: profit and ability to pay criteria
Tax incidence

7. Income Taxation

The concept of income and its measurement
Treatment of the different sources of income
Problems posed by progressivity
Alternative income taxation proposals
The Corporate Income Tax: justification, incidence and translation
Modalities and techniques of integration between personal income tax and corporate income tax.

8. Wealth Taxation

Fundamentals of wealth taxation
Taxes levied on the transfer of property
Taxes on net wealth
Taxes levied on certain assets

9. Consumption Taxation

Consumption taxation as an alternative
General sales taxes
VAT: nature, types and basic characteristics
Excise taxation

**10. Multilevel Public Finance**

The functions of the public sector in a framework of fiscal federalism

The principles of tax decentralization

Intergovernmental transfers

Multilevel public finance in Spain

The community budget and tax harmonization within the European Union

WORKLOAD

ACTIVITY	Hours	% To be attended
Theoretical and practical classes	60,00	100
Attendance at events and external activities	8,00	0
Development of group work	7,00	0
Development of individual work	7,00	0
Study and independent work	26,00	0
Readings supplementary material	14,00	0
Preparing lectures	14,00	0
Preparation of practical classes and problem	14,00	0
TOTAL	150,00	

TEACHING METHODOLOGY

The development of the course is mainly structured around theoretical and practical sessions. Depending on the type of session (theoretical or practical), one didactic method or another will be chosen. In the theoretical sessions, with a duration of 2 hours, the professor will highlight the fundamental aspects of each subject and will guide the study through the basic and complementary bibliography, which must be consulted in order to complete and deepen the subject. The predominant teaching method in the theoretical classes will be the participative master class. In the practical sessions, which have a duration of 2 hours, readings and exercises will be proposed to apply the theoretical concepts learned. These practical classes will be developed following different teaching strategies according to the contents discussed in the corresponding theoretical session. In addition to working on the contents of the program, several assignments will be proposed that the student will have to deliver in the form and date that will be detailed throughout the course.

EVALUATION

The evaluation of the students' learning in this subject will be carried out through a double process: a written exam at the end of the term, which will evaluate the level of achievement of the learning results and especially those focused on the specific competences of the subject regarding contents and application; the continuous evaluation of the activities developed by the students during the course, based on their participation and involvement in the teaching-learning process. The written exam at the end of



the term will consist of a part with multiple-choice questions and another part with some development questions. The total result of this test will represent 70% of the final grade.

In the continuous evaluation of the activities developed by the student during the course, attendance, punctuality, attitude and active behavior in class discussions, in short, the student's contribution to the learning process with his participation in the discussions, may be taken into account. These will be non-recoverable. On the other hand, the continuous evaluation will also include the evaluation derived from the exercises, papers, reports, oral presentations, etc. that may be requested during the course. The purpose of this evaluation is to develop the students' competences and to stimulate their daily work. These activities will have the character of recoverable in second call through the exam. The result of the continuous evaluation will represent 30% of the final grade.

The final grade will be the weighted sum of the evaluation of the written exam (70%) and the continuous evaluation of the activities developed by the student during the course (30%).

The faculty responsible for the subject may determine the possibility of changing, motivated, the mode of final exam when it is forced to perform the test on a different date to the official in application of the rules for the case of coincidence of exams in the Regulation of Evaluation and Qualification of the Degrees and Masters of the University of Valencia, or any other cause established by regulation (e.g. cases of force majeure justified). In these cases, the new type of exam to be taken will have to maintain the same level of demand and difficulty as the one taken for all purposes to the rest of the group.

Students who have followed the continuous evaluation and have been evaluated of this, in the event of not taking the final test on the official date of examination (both in 1st and 2nd call), will obtain the grade of NOT PRESENTED.

REFERENCES

Basic

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- STIGLITZ, J.E.; ROSENGARD, J.K. (2016): La Economía del Sector Público, 4ªed., Antoni Bosch editor, Barcelona (disponible online en Biblioteca de Sociales)



Additional

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- ESTELLER, A. (coordinador) (2014): Economía de los impuestos, McGraw-Hill, Madrid
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- ROSEN, H.S. (2007): Hacienda Pública. Mc Graw Hill, Madrid
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