



**LUND**  
UNIVERSITY

School of Economics and Management

## **NEKG51, Economics: Public Economics, 7.5 credits**

*Nationalekonomi: Offentlig ekonomi, 7,5 högskolepoäng*  
First Cycle / Grundnivå

---

### **Details of approval**

The syllabus was approved by The Board of the Department of Economics on 2011-06-07 and was last revised on 2015-11-10. The revised syllabus applies from 2015-11-10, spring semester 2016.

### **General Information**

This is a single subject intermediate course in economics belonging to the 'Public Economics' specialisation. The course is also an optional sub-course within NEKG11 'Intermediate Economics'. The course is optional within a number of undergraduate programmes at Lund University.

*Language of instruction:* English

Teaching is in English. (In some semesters the course can be taught in Swedish, see the appropriate application catalogue)

*Main field of studies*

Economics

*Depth of study relative to the degree requirements*

G1F, First cycle, has less than 60 credits in first-cycle course/s as entry requirements

### **Learning outcomes**

#### **Knowledge and understanding**

Students shall:

- have a good understanding of methods of normative analysis (welfare theory),
- be familiar with methods of positive analysis of public policy issues,
- be able to describe the functioning of a market economy regarding efficiency and distributional aspects,
- be able to explain the motives for and against public sector activities.

### **Competence and skills**

Students shall have the ability to independently be able to apply economic tools analysing public expenditures (public goods, publicly provided private goods, social insurance and transfers) as well as their financing (taxes, fees, debt). Students shall also be able to communicate and explain their analyses and conclusions clearly and unambiguously.

### **Judgement and approach**

Students shall have developed the ability to pursue further studies in the subject and should be able to search for and evaluate information with a high degree of independence.

### **Course content**

The course focuses on the relationship between the government and the market in terms of both equity and efficiency. More specifically, the course will give the necessary economic tools to judge when the government should intervene, how the intervention can be done efficiently and which problems can arise due to imperfect information and other deviations from a perfect market environment.

The course begins by discussing arguments for and against government involvement in different situations, and proceeds by covering a range of the many tools at the disposal of policy makers for jointly maximizing welfare and equity, keeping track of both the spending and the financing of the public sector. Topics covered include public goods, externalities, public insurance, income redistribution, efficient and equitable taxation, retirement policies, debt management, fiscal federalism and the constraints on fiscal policies imposed by globalization. Part of the course is also devoted to how collective decisions are made and the challenges involved in a collective decision process.

### **Course design**

1. Teaching: Teaching consists of lectures and seminars.

### **Assessment**

1. Examination: Written exams take place at the end of the course. There will be further opportunities for examination close to this date. The examination also consists of assignments during the course. Each part of the examination must be passed.

2. Limitations on the number of examination opportunities: –

The University views plagiarism very seriously, and will take disciplinary action against students for any kind of attempted malpractice in connection with examinations and assessments. Plagiarism is considered to be a very serious academic offence. The penalty that may be imposed for this, and other unfair practices in examinations or assessments, includes suspension from the University for a specified period.

*Subcourses that are part of this course can be found in an appendix at the end of this document.*

## **Grades**

Marking scale: Fail, E, D, C, B, A.

1. Grading: The official grading scale is A, B, C, D, E and Fail.
2. Weighting grades from different parts of the course: –
3. Grading scales for different parts of the course: –

## **Entry requirements**

At least 20 ECTS-credits from the introductory course in economics, of which at least 7.5 ECTS-credits in microeconomics are needed for admission till all intermediate courses in economics.

## **Further information**

1. Transitional regulations: The course replaces NEKB29 "Public Economics".
2. Limitations in the period of validity: –
3. Limitations: The course cannot be included in the same degree as the sub-course in public economics in NEKG11 "Economics: Level 2" or NEKB29 "Public Economics".
4. Similar courses: The course has the same content as the sub-course in public economics in NEKG11 "Economics:Level 2".
5. Limitations in renewed examination: –

## Subcourses in NEKG51, Economics: Public Economics

Applies from H11

1101 Public Economics, 7,5 hp  
Grading scale: Fail, E, D, C, B, A