



LUND
UNIVERSITY

School of Economics and Management

NEKG52, Economics: Public Economics and the Welfare State, 7.5 credits

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

Details of approval

The syllabus was approved by The Board of the Department of Economics on 2022-09-13 and was last revised on 2022-11-29. The revised syllabus applies from 2022-11-29, spring semester 2023.

General Information

This is a single subject intermediate course in economics belonging to the specialisation in 'Public Economics, and Health and Labour Economics'. 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

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,

- understand the development of the Swedish welfare state politically and economically.

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 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. The Nordic welfare state is analyzed both empirically and theoretically, with a special emphasis on the case of Sweden. The course gives the necessary economic tools to judge when government interventions are motivated, how these interventions can be done efficiently, and which problems can arise due to imperfect information and other deviations from a perfect market environment. The course includes a history of the development of the Swedish welfare state and considers arguments for and against the Nordic welfare state model. The course proceeds by covering a range of the many tools at the disposal of policymakers 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, environmental policy, public insurance, income redistribution, efficient and equitable taxation, retirement policies, privatization and quasi-markets, 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: The examination consists of a written exam and mandatory and/or voluntary home assignments. The written exam takes place at the end of the course. There will be further opportunities for examination close to this date. Each part of the examination must be passed.
2. Limitations on the number of examination opportunities: –

The examiner, in consultation with Disability Support Services, may deviate from the regular form of examination in order to provide a permanently disabled student with a form of examination equivalent to that of a student without a disability.

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. Grade (Definition), Points or percentage out of maximum points, Characteristic
 A (Excellent), 85–100, A distinguished result that is excellent with regard to theoretical depth, practical relevance, analytical ability and independent thought.
 B (Very good), 75–84, A very good result with regard to theoretical depth, practical relevance, analytical ability and independent thought.
 C (Good), 65–74, The result is of a good standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.
 D (Satisfactory), 55–64, The result is of a satisfactory standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.
 E (Sufficient), 50–54, The result satisfies the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought, but not more.
 U (Fail), 0–49, The result does not meet the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought. Students have to receive a grade of E or higher in order to pass a course.
2. Weighting grades for 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 to all intermediate courses in economics.

Further information

1. Transitional regulations: The course replaces NEKG51 "Public Economics".
2. Limitations in the period of validity: –
3. Limitations: The course cannot be included in the same degree as the sub-course "Public Economics and the Welfare State in NEKG11 "Economics: Level 2", the course NEKG51 "Public Economics" or the course NEKB29 "Public Economics".
4. Similar courses: The course has the same content as the sub-course "Public Economics and the Welfare State" in NEKG11 "Economics:Level 2".
5. Limitations in renewed examination: –

Subcourses in NEKG52, Economics: Public Economics and the Welfare State

Applies from V23

2302 Public Economics and the Welfare State, 7,5 hp
Grading scale: Fail, E, D, C, B, A