

Public Policies II

Code: 42733
ECTS Credits: 10

Degree	Type	Year	Semester
4310025 Economics and Business Administration	OT	0	2

Contact

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Other comments on languages

This master is taught and evaluated entirely in English.

Use of Languages

Principal working language: english (eng)

Teachers

Pau Olivella Cunill

Emilio Padilla Rosa

Prerequisites

Fundamentals of Economics and Business I

Fundamentals of Economics and Business II

Objectives and Contextualisation

Environmental Policies

The aims of the subject are: To review the economic analysis of main environmental problems as well as the different environmental policy tools. To understand the relationship between economic, social and ecological systems. To study the analytical tools of the economics of the environment. To analyse the main current debates in the field.

Health Economics and Policy Analysis

The course will provide a broad overview of the field of health economics. It is designed to illustrate how economists analyze topics related to the production of health and the delivery of health care. We will focus on how microeconomics tools can be used to understand health-related decisions made by individuals, providers, and health authorities. It will also study the application of economics to health care policy, with a focus on how economic analysis can assist in the development of market and non-market solutions to various health care problems.

Competences

- Argue the case for and write a precise, clear and concise report of the problems presented in the English language.
- Carry out empirical studies for impact assessments of different policies: Identify existing data sources or design a data collection, application of statistical and econometric techniques that are appropriate for programme and policy evaluation, formulation of empirical strategies and the appropriate interpretation of the results.
- Carry out empirical studies.
- Carry out oral presentations in the English language.
- Contextualise economic problems through the use of formal models that enable quantitative analysis.
- Demonstrate an understanding and carry out a critical analysis of economic studies of the economic policies of international organisations such as the OECD or the European Commission in the areas indicated.
- Demonstrate an understanding of apply the main economic principles of efficiency and equity in the different areas mentioned above.
- Identify specific cases among situations in which the markets are not efficient and those in which they are, as well as public intervention that leads to efficiency and that which does not.
- Respect ethical, social and environmental values.
- Understand academic research in the areas indicated.
- Use different statistical programs to process data.

Learning Outcomes

1. Argue the case for and write a precise, clear and concise report of the problems presented in the English language.
2. Carry out empirical studies for impact assessments of different policies: Identify existing data sources or design a data collection, application of statistical and econometric techniques that are appropriate for programme and policy evaluation, formulation of empirical strategies and the appropriate interpretation of the results.
3. Carry out empirical studies.
4. Carry out oral presentations in the English language.
5. Contextualise economic problems through the use of formal models that enable quantitative analysis.
6. Demonstrate an understanding and carry out a critical analysis of economic studies of the economic policies of international organisations such as the OECD or the European Commission in the areas indicated.
7. Demonstrate an understanding of apply the main economic principles of efficiency and equity in the different areas mentioned above.
8. Identify specific cases among situations in which the markets are not efficient and those in which they are, as well as public intervention that leads to efficiency and that which does not.
9. Respect ethical, social and environmental values.
10. Understand academic research in the areas indicated.
11. Use different statistical programs to process data.

Content

Environmental Policies:

1. The economic analysis of the environment and ecological economics. The relationship between the economy and the environment. The economy and environmental problems.
2. Markets operation and environmental degradation. Justifications for public intervention with environmental policies. Microeconomic analysis of pollution.
3. Different conceptions of sustainable development and their applications.
4. Economic appraisal of environmental policies. Valuation problems.
5. Economic analysis of the environment and future generations. Ethics and ecological economics.
6. Environmental policy tools: environmental taxes.
7. Environmental policy tools: tradable permits and others.
8. The relationship between economic growth, environmental quality, and environmental policies.
9. Global environmental problems: Economics and policy of climate change.

Health Economics and Policy Analysis

1. What is Health Economics

1.1 Differential characteristics of health economics

1.2 The organization of a health care system

1.3 Structure of a health care system

2. Demand for health and health care

2.1 Value of life and quality of life

2.2 Demand for health

3. Health insurance

3.1 Basic concepts

3.2 Uncertainty and risk

3.3 Insurance

4. Contracts and asymmetric information

4.1 Introduction: Hidden action vs. hidden type.

4.2 Hidden action (moral hazard).

4.2.1 The doctor-patient sphere

4.2.2 Risk adjustment in capitated systems

4.2.3 Moral hazard in insurance

4.3 Asymmetric information (adverse selection)

4.3.1 Adverse selection in Private Health Insurance

4.3.2 The interaction between NHS and voluntary PHI

4.3.3 Imperfect information and competition

5. Yardstick competition and regulation

5.1.1 Relative performance evaluation

5.1.2 Introducing hospital choice

Methodology

The activities that will allow the students to learn the basic concepts included in this course are:

1. Theory lectures where the instructor will explain the main concepts.

The goal of this activity is to introduce the basic notions and guide the student learning

2. Problem Sets

In some subjects, a problem set which students will have to solve individually or in teams will be included in every unit. The goal of this activity is twofold. On one hand students will work with the theoretical concepts explained in the classroom, and on the other hand through this practice they will develop the necessary skills for problem solving.

3. Practice lectures

The aim of this activity is to comment on and solve any possible doubt that students may have had solving the problem assignment. This way they will be able to understand and correct any errors they may have had during this process.

4. Essay writing

In some subjects students will produce written essays on the topics proposed

5. Tutoring hours

Students will have some tutor hours in which the subject instructors will help them solve any doubts they may have.

Annotation: Within the schedule set by the centre or degree programme, 15 minutes of one class will be reserved for students to evaluate their lecturers and their courses or modules through questionnaires.

Activities

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
Lectures with ITC support	37.5	1.5	10, 5, 7, 6, 8, 2, 3, 9, 11
Resolution of exercises	37.5	1.5	10, 5, 7, 6, 8, 2, 3, 9, 11
Type: Supervised			
Tutoring and monitoring work in progress. In-class presentations	62.5	2.5	1, 10, 5, 7, 6, 8, 2, 3, 4, 9, 11
Type: Autonomous			
Study, Reading, Exercise solving, Essays writing,	79.5	3.18	10, 5, 7, 6, 8, 2, 3, 9, 11

Assessment

1. The module consists of a number of different subjects or parts taught by different professors. The final mark for the module will consist of the average of the marks of each subject within the module.

- The module is considered successfully passed if:
 - the mark for each subject within the module is higher than or equal to 3.0 (in a 0 to 10 scale), and
 - the final mark for that module is higher than or equal to 5.0 (in a 0 to 10 scale).

IMPORTANT: In order to pass each subject, students must attend at least 80% of the lectures (special cases, with appropriate justification, will be considered individually by the professors together with MEBA coordinators).

- If the module is not successfully passed, the MEBA coordinators will ask the student to re-take the exams for those subjects that, according to the coordinators and the professors opinions, may help the student to successfully pass the module.

If after the re-take exams the student successfully passes the module, her or his mark for that module will be upgraded accordingly, otherwise the previous grade will remain valid. Two restrictions apply for the results after retaking:

- the highest mark for any subject retaken is 6.0; and
- the final grade of the module after the re-take exams cannot be higher than 7.0.

The calendar for the re-retake exams will be announced along with the grades report

1. The mark -between 0 and 10- for each subject will be computed by each professor based on his or her own criteria and on the student's performance. As a general rule, 35% of the mark will correspond to the assessment of the continuous work of the student during the course, and 65% will consist of a comprehensive final examination. The duration and nature of the final examination is decided by each professor.
1. Final exams are compulsory. Re-take exams are only thought for those students having previously written a first exam and failed.

Environmental Policies

1. Individual written essays (35%)
1. Final exam (65%)

IMPORTANT: In order to pass each subject, students must attend at least 80% of the lectures (special cases, with appropriate justification, will be considered individually by the professors together with MEBA coordinators).

Health Economics

1. Continuing evaluation (assignments, in-class presentations and participation): 30% of the final grade
2. Midterm written examination: 30% of the final grade
3. Final evaluation (written exam): 40% of the final grade

IMPORTANT: To pass this course, students must attend at least 80% of the lectures (special cases, with appropriate justification, will be considered individually by the professors together with MEBA coordinators).

Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Exercises and essays	35%	27	1.08	1, 10, 5, 7, 6, 8, 2, 3, 4, 9, 11
Topic Exam: Environmental Policies	21.66%	2	0.08	1, 10, 5, 6, 2, 9
Topic Exam: Health Economics and Health Policies	41.33%	4	0.16	1, 10, 5, 7, 8, 9

Bibliography

Environmental Policies:

- **Main books**

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Jacobs, M. (1991) *The Green Economy*. Pluto Press, London.

Pearce, D.W., Turner R.K. (1990) *Economics of Natural Resources and the Environment*. Harvester Wheatsheaf, London.

Books of readings

Bergh, J.C.J.M van den (ed.) (1999). *Handbook of Environmental and Resource Economics*. Edward Elgar, Cheltenham.

Mollica, D., and Campdell, T. (2009). *Sustainability*. Ashgate, Burlington.

Stavins, R. N. (ed.) (2019) *Economics of the Environment, Selected Readings*, W. W. Northon and Company, New York and London. (Seventh edition).

There are several journals, which you can refer to. These include:

Ecological Economics, Environmental Values, Environmental and Resource Economics, Energy Policy, Energy Economics, Energy Policy, Journal of Environmental Economics and Management, Land Economics, Environment and Planning (A) and (C), Environment & Development Economics, Journal of Environment and Development.

Extended bibliography

Unit 1:

Boulding, K.E. (1966) "The Economics of the Coming Spaceship Earth" H. Jarrett (ed.), *Environmental Quality in a Growing Economy*, pp. 3-14. Baltimore, MD: Resources for the Future/Johns Hopkins University Press.

Daly, H. E. (1987) "The Economic Growth Debate: What Some Economist Have Learned But Many Have Not", *Journal of Environmental Economics and Management*, Vol. 14 (4), pp. 323-336.

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Kapp, K. W. (1976) "The open system character of the economy and its implications", in Kurt Dopfer (ed.) *Economics in the Future: Towards a New Paradigm*, Macmillan, London.

Unit 2:

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Ayres, R.U., Kneese, A. V. (1969) "Production, Consumption, and Externalities", *American Economic Review*, Vol. 59 (3), pp. 282-297.

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Mishan E.J. (1971) "The postwar literature on externalities: An interpretative essay", *Journal of Economic Literature*, Vol. 9 (1), pp. 1-28.

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Pigou A. C. (1920) *The Economics of Welfare*. Macmillan and Co, London.

Unit 3:

Alcántara, V., Padilla, E. (2003) "Key sectors in final energy consumption: an input-output application to the Spanish case", *Energy Policy*, Vol. 31, pp. 1673-1678.

Bergh, J.C.J.M van den, Verbruggen, H. (1999) "Spatial sustainability, trade and indicators: an evaluation of the 'ecological footprint'", *Ecological Economics*, Vol 29, pp. 61-72.

Daly, H.E. (1997) "Georgescu-Roegen versus Solow/Stiglitz", *Ecological Economics*, Vol. 22 (3), pp. 261-270. (and answers of Solow, R.M. and Stiglitz, J.E.)

Hamilton, K., Clemens, M. (1999), "Genuine savings rates in developing countries", *World Bank Economic Review*, Vol. 13: 333-356.

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Naredo, J.M. (1999), "Sobre la "sostenibilidad" de los sistemas", Ch. 5 of Naredo, J.M. and Valero, A. (dir), *Desarrollo Económico y Deterioro Ecológico*, Fundación Argentaria/Visor dist., Madrid.

Pearce, D.W., Atkinson, G.D. (1993) "Capital Theory and the measurement of sustainable development: an indicator of "weak" Sustainability", *Ecological Economics*, Vol. 8, pp. 103-108.

Solow, R.M. (1992) "Sustainability: An Economist's Perspective", *National Geographic Research and Exploration*, Vol. 8, pp. 10-21.

Victor, P. A. (1991), "Indicators of sustainable development: some lessons from capital theory", *Ecological Economics*, Vol. 4, pp. 191-213.

Wackernagel, M., Rees, W. (1997) "Perceptual and structural barriers to investing in natural capital: economics from an ecological footprint perspective", *Ecological Economics*, Vol. 20 (1), pp. 3-24.

Units 4 and 5:

Arrow, K.J., Cline, W.R., Mäler, K.J., Munasinghe, M., Stiglitz, J.E. (1995) "Intertemporal Equity and Discounting" en Munasinghe, M. (ed), *Global Climate Change: Economic and Policy Issues*, World Bank Environment Paper, n. 12, Washington.

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Unit 8:

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Software

No