

**Public Policies II**

Code: 42733  
ECTS Credits: 10

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

## Contact

Name: Guadalupe Souto Nieves

Email: [guadalupe.souto@uab.cat](mailto:guadalupe.souto@uab.cat)

## Teaching groups languages

You can check it through this [link](#). To consult the language you will need to enter the CODE of the subject. Please note that this information is provisional until 30 November 2023.

## Prerequisites

Fundamentals of Economics and Business I

Fundamentals of Economics and Business II

## Objectives and Contextualisation

Economics and Monetary Policy

The goal of the module is to present and discuss the most popular time series models, as well as recent advances, that can be used to study the propagation mechanisms of macroeconomic shocks and evaluate the effects of macroeconomic policies.

Labor Market and Family Policies

This course aims to study the factors behind the changing family patterns in industrialized countries. The course will review key trends and then present basic economic theories of fertility, female labor force participation, and marriage. We will pay particular attention to how public policies (ranging from divorce laws to childcare subsidies) affect families.

Social Protection Policies

Assessing the existence and design of the welfare state, by learning the economic theory of the state intervention in order to improve citizens' wellbeing and the different programs aimed at that end. Analysing the current organization of the welfare state in different countries, and challenges and responses in a changing world.

## 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

### Economics and Monetary Policies

1. The model: Representation, estimation.
2. Tools: Impulse response functions, variance decomposition, historical decomposition.

3. Identification: short and long-run zero, sign restrictions, penalty function approach, mixed restrictions, external instruments, narrative approach.
4. Applications: Monetary and fiscal policy shocks, technology shocks, news shocks, uncertainty shocks.
5. Threshold VAR, Smooth Transition VAR.
6. Applications: Fiscal policy shocks in booms and recessions.
7. FAVAR: Representation, estimation. Application: Monetary policy.

## Labor Market and Family Policies

1. Trends in fertility, female labor force participation, and marriage
2. Models of fertility: mother's time, childcare costs, and labor market uncertainty
3. Models of female labor force participation: gender wage gap, home production, and occupations
4. Models of marriage: gains from joint consumption, home production, insurance
5. Family-friendly policies: what works and what does not.

## Social Protection Policies

1. Political Theory: social justice and the public sector
2. Economic Theory: efficiency, equity and insurance
3. Measuring welfare, poverty and inequality
4. The economic lifecycle and the need for intertemporal redistribution: the National Transfer Accounts and National Time Transfer Accounts
5. Welfare state programs: Cash benefits and in-kind benefits
6. Minimum income programs: Assessing the options

## 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	2, 3, 5, 6, 7, 8, 9, 10, 11
Resolution of exercises	37.5	1.5	2, 3, 5, 6, 7, 8, 9, 10, 11
Type: Supervised			
Tutoring and monitoring work in progress. In-class presentations	62.5	2.5	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11
Type: Autonomous			
Study, Reading, Exercise solving, Essays writing,	79.5	3.18	2, 3, 5, 6, 7, 8, 9, 10, 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.
2. Final exams are compulsory. Re-take exams are only thought for those students having previously written a first exam and failed.

## Economics and Monetary Policies

- Continuing evaluation (assignments, essays, in-class presentations and participation): 35% of the final grade
- Final evaluation (written exam and/or essay and/or oral presentation): 65% of the final grade

## Labour Market and Family Policies

- Continuing evaluation (assignments, essays, in-class presentations and participation): 35% of the final grade
- Final evaluation (written exam and/or essay and/or oral presentation): 65% of the final grade

## Social Protection Policies

- Continuing evaluation (assignments, essays, in-class presentations and participation): 35% of the final grade
- Final evaluation (written exam and/or essay and/or oral presentation): 65% of the final grade

## Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Exercises and essays	35%	27	1.08	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11
Topic Exam: Economics and Monetary Policy	21.66%	2	0.08	1, 2, 5, 6, 9, 10
Topic Exam: Labour and Family Policies	21.66%	2	0.08	1, 5, 7, 8, 9, 10
Topic exam: Social Protection Policies	21.66%	2	0.08	1, 5, 6, 7, 8, 9, 10

## Bibliography

### General References

Albanesi, S, C. Olivetti and B. Petrogolo (2022). "Families, Labor Markets and Policy". NBER Working Paper No 30685. Forthcoming in *the Handbook of Family Economics*, edited by S. Lundberg and A. Voena (Amsterdam: Elsevier)

Barr, N. (2020). *The Economics of the Welfare State*. Oxford University Press (6th Edition).

Doepke, M., A. Hannusch, F. Kindermann and M. Tertilt (2022). "The Economics of Fertility: A New Era". NBER Working Paper No 29948. Forthcoming in *the Handbook of Family Economics*, edited by S. Lundberg and A. Voena (Amsterdam: Elsevier)

Emgster, D. (2015). *Justice, Care and the Welfare State*. Oxford University Press

Glennerster, H. (2003). *Understanding the Finance of Welfare*. University of Bristol.

Greenwood, J., N. Guner and G. Vandebroucke (2017). "Family Economics Writ Large". *Journal of Economic Literature*, 55 (4): 1346-1434.

Greenwood, J., N. Guner and R. Mato (2022). "The Great Transition: Kuznets Facts for Family-Economists". NBER Working Paper No 28656. Forthcoming in *the Handbook of Family Economics*, edited by S. Lundberg and A. Voena (Amsterdam: Elsevier)

Gruber, J. (2007). *Public Finance and Public Policy*. Worth Publishers, Second Edition.

Silvestre, J. (2012). *Public Economics. Efficiency and Equity in Public Policy*. Edward Elgar.

Specific references

Specific references will be distributed for some chapters along the course.

## **Software**

No