

Economic Policy and the Economics of the Public Sector

Code: 101084
ECTS Credits: 6

2025/2026

Degree	Type	Year
Political Science and Public Management	OB	3

Contact

Name: Pedro Luís Marques Correia Da Silva
Email: pedroluis.silva@uab.cat

Teaching groups languages

You can view this information at the [end](#) of this document.

Prerequisites

Having passed a basic Economics course, and particularly, having a basic training in microeconomics, is a prerequisite to register for this course. It is also highly advisable to have attended the "Propedeutic Course on Quantitative Methods".

Objectives and Contextualisation

- Learning the foundations of public intervention.
- Relating public intervention to voting mechanisms and decision-making in the public sector.
- Approaching the economic theory of democracy and the economic theory of bureaucracy.
- Achieving a theoretical knowledge of economic behaviour, incentives and institutions giving rise to some collective outcomes.
- Achieving a theoretical knowledge of public finance and income redistribution.
- Accessing the relevant information on goals and instruments of economic policy and public sector economics.
- Obtaining and applying the terminology and specific techniques of analysis in economic policy and public sector economics.
- Appraising social policies (social security, health, education, demographic policy and migration)

Competences

- Applying the discipline's main theories and different fields to real practical and professional problems.
- Arguing from different theoretical perspectives.
- Demonstrating good writing skills in different contexts.

- Distinguishing the discipline's main theories and different fields: conceptual developments, theoretical frameworks and theoretical approaches underlying the discipline's knowledge and different areas and sub-areas, as well as their value for the professional practice through concrete cases.
- Showing a good capacity for transmitting information, distinguishing key messages for their different recipients.
- Synthesizing and critically analysing information.
- Working autonomously.
- Working in teams and networking, particularly in interdisciplinary conditions.

Learning Outcomes

1. Analysing and explaining the economic dimensions behind public policies.
2. Analysing the management of human resources, the dynamics and sectoral structure of active population and the functioning of labour market.
3. Arguing from different theoretical perspectives.
4. Assessing the role of the public sector as an economic agent.
5. Critically analysing the impacts of reinforcement policies and subsidies.
6. Critically arguing the operations of the institutions and economic actors.
7. Critically assessing the options in the economic policies taken by the Spanish governments since the Transition.
8. Demonstrating good writing skills in different contexts.
9. Describing the central elements of the Spanish production structure: the agricultural, industrial, and service sectors.
10. Describing the ecological taxation and its relationship with the principle of sustainability.
11. Describing the Spanish foreign sector: the dynamics of import/export, foreign investments in Spain and Spanish investments abroad.
12. Describing the stages of the Spanish post-1960 economic development.
13. Diagnosing specific situations and economic problems.
14. Efficiently describing forms of public intervention concerning the economic system.
15. Explaining political principles and impact of (distributive and redistributive) tax policies on economic inequality and social equity.
16. Explaining the consequences of a fiscal reform and changes on the government's tax issues.
17. Explaining the main characteristics of the economic policies of western governments.
18. Reflecting on the proposals of current economic policies, in several fields (financial, fiscal, incomes policy, etc.) and several territories (World, Europe, Spain).
19. Showing a good capacity for transmitting information, distinguishing key messages for their different recipients.
20. Specifying the roles, dimensions and structure of the public sector in the economy.
21. Synthesizing and critically analysing information.
22. Working autonomously.
23. Working in teams and networking, particularly in interdisciplinary conditions.

Content

The analytical framework of economic policy and public sector theory is developed with an emphasis on government intervention to address market failures, followed by a critical discussion of the policies implemented and the potential inefficiencies arising from public sector involvement.

Topics:

1. The Formation of Economic Policy

Introduction to the basic conceptual framework, including policy objectives, instruments, and strategies.

2. Welfare Economics and the Role of the Public Sector

Examination of efficiency and equity, and the fundamental theorems of welfare economics.

3. Market Failures and Economic Policy

Analysis of market failures and the rationale for government intervention, with a discussion of key theories and approaches to public policy.

4. Income Distribution

Overview of competing theories on optimal income distribution and an exploration of the trade-offs between equity, efficiency, and incentives in redistribution.

5. Decision-Making Rules

Exploration of collective decision-making frameworks: unanimity and majority rules, Arrow's impossibility theorem, the median voter theorem, and conditions for political equilibrium.

6. Social Policy Analysis

Evaluation of key areas such as social security systems, minimum income programs, health economics, and education economics.

7. Public Sector Revenue and Taxation

Introduction to public revenue sources and tax policy, including desirable characteristics of tax systems—progressiveness, regressivity, and proportionality.

Activities and Methodology

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
Case studies	15	0.6	5, 1, 2, 9, 10, 12, 13, 20, 18
Lectures	30	1.2	5, 1, 6, 4, 13, 16, 17, 18, 7
Type: Supervised			
Tutorials	7.5	0.3	6, 8, 13, 19, 18, 21
Type: Autonomous			
Study, preparation and other activities	90	3.6	5, 1, 2, 6, 4, 14, 13, 18

Theoretical lectures will focus on the more important issues in each topic, referring to the relevant references in aspects not requiring their development in class.

The objective of practical classes is that of applying the issues discussed in theoretical lectures to the situation in different countries or regions. Practical classes will be developed with working groups.

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.

Assessment

Continous Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Two written exams and one case studies	35%, 35%, 30%	7.5	0.3	5, 1, 2, 6, 3, 4, 8, 14, 11, 9, 10, 12, 13, 20, 15, 16, 17, 19, 18, 21, 22, 23, 7

CONTINUOUS ASSESSMENT

Evaluation of the course will be on a continuous assessment basis with the following criteria:

1. Two written exams, to be carried out on established dates, with weighs 35% each.
2. One case study, to be delivered on established dates, with weighs 30%.

In case plagiarism is detected, the grade assigned to the activity will be 0.

The instructor will set the dates along the first week of the course. Students will strictly respect the above-mentioned dates. Otherwise, they will not be evaluated.

To pass the subject the following conditions must be met:

- Students must have taken the two written exams, and have obtained an average grade of 3.5 or above.
- The average grade of the whole set of evaluation activities must be 5.0 or above.

Those students who participate in 1 or less evaluation activities will be qualified as "Non assessable"

Grade revision process

After all grading activities have ended, students will be informed of the date and the way in which the course grades will be published. Students will be also be informed of the procedure, place, date and time of grade revision following University regulations.

Retake process

According to the article 112.3 of the UAB Academic Regulations, those students who fail the subject can retake it in a unique exam, in the date scheduled by the Faculty, if they have participated at least in 2/3 of the evaluation activities obtaining a grade of 3.5 or above.

UNIQUE ASSESSMENT

Students who opt for this assessment modality must:

1. Submit a written work on one of the topics of the course contents (15% of the final grade). The detailed description of the content and the formal aspects of said work will be announced on the virtual campus at the beginning of the course. The date of presentation of the work is the same as the official one established by the faculty for the final exam.
2. Make an oral presentation, lasting 10 minutes, of the work detailed in 1) (15% of the final grade). Said presentation will be made on the same date established by the Faculty for the final exam, and once the exam described in section 3).
3. Take an exam in which theoretical and practical knowledge, and analytical capacity of the different concepts worked during the course must be demonstrated (70% of the final grade). Said exam will take place on the official date established by the Faculty.

Grade revision process

The final grade revision will follow the same procedure as in the case of continuous assessment.

Retake process

The same system established for continuous assessment will be applied.

For this course, Artificial Intelligence (AI) technologies may be used only as support for tasks such as literature or information searches, text correction, and translations within the case study. Students must clearly identify all parts generated with AI, specify the tools employed, and include a critical reflection on how these tools have affected both the process and the final outcome of the activity. Failure to be transparent about AI use in this graded activity will be regarded as academic dishonesty and may lead to partial or total loss of marks, or more severe sanctions in serious cases.

Bibliography

Basic references:

Rosen, H. and T. Gayer, 2014. Public Finance. McGraw-Hill.

Sanchez Andres, A. 2021. Introducció a la Política Económica. Available on-line for UAB users:
https://bibcercador.uab.cat/permalink/34CSUC_UAB/1eqfv2p/alma991000847739706709

Stiglitz, J. and Rosengard, 2016. Economics of the public sector. Norton & Company.

Other references:

Friedman and Friedman. 1980. Free to Choose. Harcourt.

Harvey, D. 2005. A Brief History of Neoliberalism. Oxford University Press.

Madden and Marcuse. 2016. In Defense of Housing. Verso

Harvey, D. 2010. A Companion to Marx's Capital. Verso

McConnell, Brue and Macpherson. 2017. Contemporary Labor Economics. McGraw-Hill.

Graeber, D. 2018. Bullshit jobs. Simon & Schuster.

Federici. 2012. Revolution at Point Zero. Housework, Reproduction and Feminist Struggle. PM Press.

Piketty. 2014. Capital in the XXIst Century. Harvard University Press.

Zucman. 2015. The Hidden Wealth of Nations. The University of Chicago Press.

Samuelson and Nordhaus. 2010. Economics. McGraw-Hill.

Skidelsky. 2018. Money and Government. Yale University Press.

Mazzucato. 2014. The Entrepreneurial State. Anthem Press.

Rodrik. 2012. The Globalization Paradox. Oxford University Press.

Kindleberger. 2005. Manias, Panics and Crashes. John Wiley & Sons.

Stiglitz. 2016. The Euro. Norton & Company.

Software

No specific software is used, beyond a word processor and basic spreadsheets.

Groups and Languages

Please note that this information is provisional until 30 November 2025. You can check it through this [link](#). To consult the language you will need to enter the CODE of the subject.

Name	Group	Language	Semester	Turn
(SEM) Seminars	1	Spanish	second semester	morning-mixed
(SEM) Seminars	51	English	second semester	afternoon
(TE) Theory	1	Spanish	second semester	morning-mixed
(TE) Theory	51	English	second semester	afternoon