# ECON90027 Public Economics

| Credit Points: | 12.5 |
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| Level: | 9 (Graduate/Postgraduate) |
| Dates & Locations: | 2016, Parkville<br><br>This subject commences in the following study period/s:<br>Semester 2, Parkville - Taught on campus. |
| Time Commitment: | Contact Hours: Three hours of classes per week Total Time Commitment: Estimated total time commitment of 120 hours per semester |

| Prerequisites: | | | |
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| | **Subject** | **Study Period Commencement:** | **Credit Points:** |
| | ECON40001 Advanced Microeconomics | Semester 1 | 12.50 |
| | OR | | |
| | **Subject** | **Study Period Commencement:** | **Credit Points:** |
| | ECON90002 Microeconomics | Semester 1 | 12.50 |

| Corequisites: | None |
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| Recommended Background Knowledge: | None |

| Non Allowed Subjects: | | | |
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| | **Subject** | **Study Period Commencement:** | **Credit Points:** |
| | ECON40011 Public Economics | Semester 2 | 12.5 |

| Core Participation Requirements: | <p>For the purposes of considering request for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Student Support and Engagement Policy, academic requirements for this subject are articulated in the Subject Overview, Learning Outcomes, Assessment and Generic Skills sections of this entry.</p> <p>It is University policy to take all reasonable steps to minimise the impact of disability upon academic study, and reasonable adjustments will be made to enhance a student's participation in the University's programs. Students who feel their disability may impact on meeting the requirements of this subject are encouraged to discuss this matter with a Faculty Student Adviser and Student Equity and Disability Support: <a href="http://services.unimelb.edu.au/disability">http://services.unimelb.edu.au/disability</a></p> |
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| Coordinator: | Dr Timothy Moore |
| Contact: | Email: **timothy.moore@unimelb.edu.au (mailto:timothy.moore@unimelb.edu.au)** |
| Subject Overview: | This subject considers the general problems associated with the role of the state in the economy. Topics will be chosen from the theory of the state; the role of the government in promoting economic growth; collective choice mechanisms; the economic analysis of bureaucracy; public goods; social insurance; national debt; and taxation issues. |
| Learning Outcomes: | On successful completion of this subject students should be able to:<br><br># Describe differences between positive and normative theories in public economics;<br># Explain the economic rationale for the existence of the state;<br># Explain the growth of the government sector over the twentieth century;<br># Derive the criteria identifying the optimal size of the government; |

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| | # Analyse different economic theories of the bureaucracy;<br># Explain the paradox of voting;<br># Analyse the positive and normative properties of collective decision-making mechanisms;<br># Explain the implications of Arrow's Impossibility Theorem for public economics;<br># Critically evaluate different models of the political business cycle;<br># Analyse the implications of countries' stocks of public debt; and<br># Explain the principles of optimal taxation. |
| **Assessment:** | 2-hour exam, taken at end of semester (70%) Three 800-word analytical assignments comprised of both long and short answers [2400 words], worth 10% each, due in Weeks 5,8 and 11 of semester (30%) |
| **Prescribed Texts:** | You will be advised of prescribed texts by your lecturer. |
| **Breadth Options:** | This subject is not available as a breadth subject. |
| **Fees Information:** | Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees |
| **Generic Skills:** | # High level of development: problem-solving; application of theory to practice; interpretation and anlaysis; critical thinking; evaluation of data and other information; statistical reasoning.<br># Moderate level of development: oral communication; written communication; synthesis of data and other information; use of computer software; accessing data and other information from a range of sources; receptiveness to alternative ideas.<br># Some level of development: collaborative learning. |
| **Related Majors/Minors/ Specialisations:** | Master of Economics electives |