

- Faculté des sciences économiques
- www.unine.ch/seco

Microeconomic Policy (5ER2028)

Filières concernées	Nombre d'heures	Validation	Crédits ECTS
Master en économie appliquée	Cours: 4 ph	Voir ci-dessous	6

ph=période hebdomadaire, pg=période globale, j=jour, dj=demi-jour, h=heure, min=minute

Période d'enseignement:

- Semestre Automne

Equipe enseignante

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Contenu

While providing an overall view of public policy analysis and its economic tenets, the course will focus on analytical tools, in particular Cost-Benefit Analysis. The course will cover the following topics:

- Principles of welfare economics
- Equilibrium, efficiency and equity
- Ethical and economic concepts of policy analysis
- Tools of public policy analysis
- Provision of public goods
- Externalities and other sources of market failure
- Uncertainty and its impacts on policy decisions

Forme de l'évaluation

Final grade is based on a 2-hour written during the exam session at the end of the semester. Class presentations and participation in weekly quizzes are rewarded by a participation bonus added to the final grade.

With the exception of a simple calculator no documents or connected objects are allowed during the exams. Any violation of these rules will be considered as fraud, leading to the withdrawal of unauthorized items and possibly exam failure.

Modalités de rattrapage

2-hour written exam during the exam session, with no bonus.

For justified absences in the final exam (in January), the student can request that their participation bonus be transferred to the following exam session (in August). The request needs to be done at the latest, 2 weeks after the date of the first exam. All bonuses will expire after the following exam session (August).

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Documentation

Main textbooks:

- The Economic Analysis of Public Policy, 2nd ed., W. K. Bellinger, 2015. Routledge.
- Cost-Benefit Analysis, 5th ed., Boardman, Greenberg, Vining & Weimer, 2018. Cambridge University Press.

Other helpful textbooks:

- Intermediate Public Economics, 2nd ed., J. Hindriks & G.D. Myles, 2013. MIT Press.
- The Microeconomics of Public Policy Analysis, Friedman, Lee S., 2002. Princeton University Press.
- Policy and Choice: Public Finance Through the Lens of Behavioral Economics. Congdon, W.J., Kling, J.R. & Mullainathan, S., 2011. Brookings Institution.

Further readings based on journal articles and extracts will be made available during the term.

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Pré-requis

Bachelor-level intermediate microeconomics

Forme de l'enseignement

Lectures: 4 hours per week

Office hours: upon request by e-mail

Objectifs d'apprentissage

Au terme de la formation l'étudiant-e doit être capable de :

- Explain the policies that allow (partial) correction of market failures: how and when the government is supposed to intervene.
- Indicate by using the competitive benchmark, the four main market failures: public goods, externalities, market power and asymmetric information.
- Formulate critical points of view on policy implementation and unintended consequences.
- Generalise the economic notions of individual decision making to society as a whole.
- Analyse policies using microeconomic tools and concepts. Using as a benchmark the Arrow-Debreu competitive model.
- Present the results of a cost-benefit analysis.
- Identify differences between efficiency and equity by means of social welfare functions.
- Outline new tools in microeconomic policy analysis: experiments.

Compétences transférables

- Communicate arguments in favor or against a policy in a structured debate.
- Apply knowledge to new situations
- Discuss complex issues and interactions
- Carry out a critical analysis
- Carry out critical and evidence-based analyses