# Public Finance

## Dott. Davide Cipullo

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course aims to analyse the reasons, the procedures, and the effects of public intervention in the economy. In particular, it aims to explore the timely and most relevant topics in the field of public finance, such as the reasons and the spheres of public intervention, the tools for its implementation, the differences between positive and normative analysis of public intervention.

At the end of the course, students will be able to:

1. Know and understand the key concepts and problems related to the economic role of the State;

2. Analyse and discuss the key features of fiscal systems as a whole and in their separate parts; study, from a historical perspective, the fiscal systems of a State, and compare them with the rest of the international scenario;

3. assess – with a high degree of autonomy though generally – the effects of fiscal reforms, with a focus on taxes, and federalism, from an afficiency perspective, an equity perspective, and a political feasibility perspective;

4. present the output of their analysis, giving their contribution to the debate upon the latest topics related to public finance;

5. carry out an in-depth analysis of the concepts explained during the course and the topics related to them.

***COURSE CONTENT***

The course is structured into six parts, divided as follows:

*i. reasons for public intervention in the economy and the main spheres of intervention*

*II. fundamentals of taxation theory*

*III. fiscal federalism*

*iv. social choice and political economy theories*

*V. public debt; pensions; public healthcare*

*VI. taxation systems in Italy and abroad*

***READING LIST***

H. ROSEN-T. GAYER, Public Finance, McGraw Hill Education. You are welcome to buy any edition of the textbook.

Chapters: 2, 3, 4, 5, 6, 9, 10 11, 12, 13 (pp.270-280), 14 (pp. 296-313), 15 with Appendix A, 16, 20, 22 (pp. 499-510)

The exam will be based on the material from the slides. The slides are not self explanatory and attending lectures is highly recommended. The textbook is intended to provide a wider understanding of the course program and is essential for the non attending students.

All the material required for the exam will be available on Blackboard.

***TEACHING METHOD***

Frontal lectures (60 hours), held by Dott. Cipullo. Meetings with experts are possible.

***ASSESSMENT METHOD AND CRITERIA***

Written exam (duration: 60 minutes), consisting in three open-ended questions based either on the theory or on simple exercises (similar to the ones explained in class). Assessment criteria: acquisition of critical thinking skills, ability to apply the key concepts presented during the course, and use of appropriate terminology (communication skills). There will be a mid-term text (voluntary) to be scheduled around the middle of the course.

***NOTES AND PREREQUISITES***

Students should have a good knowledge of microeconomics, mathematics, and statistics.

Please refer to the most recent edition of the Faculty of Economics Student Guides for information on formal prerequisites that students need to satisfy in order to take the exam.

*Office Hours*

Contact the instructor via e-mail to schedule an appointment.