



## Syllabus

# Quantitative Basic Concepts - 59826

Last update 15-01-2022

HU Credits: 2

Responsible Department: Public Policy

Academic year: 0

Semester: 2nd Semester

Teaching Languages: Hebrew

Campus: Mt. Scopus

Course/Module Coordinator: Eli Morgenstern

Coordinator Email: [eli.morgenstern@mail.huji.ac.il](mailto:eli.morgenstern@mail.huji.ac.il)

Coordinator Office Hours: Monday 18:00-19:00

Teaching Staff:

Ms. Bracha Berlin Shtachelberg

Course/Module description:

The course accompanying the Economics and Public Policy - 59716 course, and will

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*focus on the relevant quantitative and economic basics for economic analysis and the course exercises. first shows that under certain conditions market economy lead to an efficient allocation of resources. Then we discuss the conditions under which market economy fail to generate an efficient allocation. Various types of government intervention to remedy those market failures are presented along side with the limitations of government involvement. The inequality as a prominent consideration for government intervention is also discussed. In the second part of the course we deal with taxes that are needed to finance government intervention. In particular, we study how to design an efficient and equitable tax system. For each and every economic policy question discussed, the presentation of an economic conceptual framework is followed by a description of the way and extent of government intervention in Israel and the developed world.*

Course/Module aims:

*The goal of this course is to provide quantitative and economic conceptual framework that enables us to discuss the effects of government intervention on the efficiency of resources allocation in a range of areas such as education, health and welfare.*

Learning outcomes - On successful completion of this module, students should be able to:

- Assess the impact of public policy on economic efficiency and inequality in various policy arenas such as education, health, welfare and taxes.*
- Justify government intervention or inaction in the markets.*
- Integrate economic considerations into policy analysis and in particular in policy papers that every student has to prepare on actual policy issue.*
- Compare the desired public policy and the actual policy in Israel and developed countries from economic perspective.*
- Examine critically economic publications that are circulated by government institutions, NGOs and international institutions.*

Attendance requirements(%):

100%

Teaching arrangement and method of instruction: Lecture

Course/Module Content:

Course contents

Introduction:

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*Tools for positive analysis*

*Market efficiency*

*Public Goods*

*Externalities*

*Moral hazard asymmetric information*

*Pension*

*Education*

*Public choice*

*Inequality*

*Designing programs for combat poverty*

*Tax Incidence*

*Efficient Taxation*

*Fair and efficient tax system*

*Local Government*

**Required Reading:**

*The central book in this course is:*

*Harvey Rosen & Ted Gayer, Public Finance, 9th Edition, McGraw Hill, International Edition.*

*Introduction:*

*Rosen and Gayer, Chapter 1*

*Tools for positive analysis*

*Rosen and Gayer, Chapter 2*

*Market efficiency*

*Rosen and Gayer, Chapter 3*

*Rosen and Gayer, Appendix*

*Public Goods*

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*Rosen and Gayer, Chapter 4*

*Externalities*

*Rosen and Gayer, Chapter 5*

*Moral hazard asymmetric information*

*Rosen and Gayer, Chapter 11 and Chapter 8, pages 177-178*

*Pension*

*Education*

*Rosen and Gayer, Chapter 7*

*Public choice*

*Rosen and Gayer Chapter 6*

*Inequality*

*Rosen and Gayer, Chapter 12*

*Designing programs to combat poverty*

*Rosen and Gayer, Chapter 13*

*Tax Incidence*

*Rosen and Gayer, Chapter 14*

*Efficient Taxation*

*Rosen and Gayer Chapter 15*

*Fair and efficient tax system*

*Rosen and Gayer Chapter 16*

*Local Government*

*Rosen and Gayer Chapter 22*

*Additional Reading Material:*

*Grading Scheme:*

*Additional information:*