

UNIVERSIDAD CARLOS III

TOPICS IN PUBLIC INTERVENTION, 2017-2018

TOPICS

Week 1. Introduction

Week 2. Externalities

1.1 Theory of Externalities

1.2 Private Sector solutions to negative externalities.

1.3 Public Sector remedies for externalities

1.4 Distinctions Between Price and Quantity Approaches to Addressing Externalities

1.5 Externalities in Action: Environmental and Health Externalities

Weeks 3 and 4. Public Goods

2.1 Optimality Conditions.

2.2 Examples of inefficient provision by the state and private sector.

2.3 Crowding-out.

2.4 Different motivations to contribute.

2.5 Impure Public Goods

Weeks 5 and 6: Cost-Benefit Analysis

3.1 Measurement of cost and benefits in public projects.

3.2 Examples.

Weeks 7 and 8. Intervention of Government in Education

4.1 Failures in the provision of public education.

4.2 Redistribution and employment opportunities.

4.3 Distinct types of public intervention.

4.4 Evaluation methods for educative institutions Week 8. Test and Solution

Week 9. Problems of Asymmetric Information. Adverse Selection

5.1 Risk aversión

5.2 Actuarially fair insurance markets

5.3 Adverse selection

Week 10. Social insurance

- 6.1 Insurance market failures
- 6.2 Self insurance
- 6.3 Moral hazard in insurance markets

Week 11. Public Health

- 7.1 Basic Model
- 7.2 Free-rider problem

Weeks 12 y 13. Political Economy of Public Intervention

- 8.1 Representative democracy
- 8.2 Social Choice theory
- 8.3 Redistribution
- 8.4 Government failures.