

Course title	Public Economics and Finance						ECTS code	14.3.EE.FL.876				
							ECTS credits	2				
							max. students					
Name of unit administrating study	KMakr	Field of study	Economics			Field of specialisation	NONE;					
Teaching staff	Przemysław Kulawczuk, Associate Professor											
Number of hours												
Lectures	12	Classes	0	Tutorials	0	Laboratory	0	Seminars	0	Language classes	0	
Forma aktywności						Year&Type of studies*	1 SDang, 2 SDang, 3 SDang,					
Hours with the participation of the academic teacher (including office hours, exams, others):						Semester:	2, 4, 6,					
Hours without the participation of the academic teacher (student's self-study, homeworks):						Type of course:	optional					
Total number of hours:						0	Language of instruction:	English				
Teaching form	in-class learning											
Teaching methods	Lectures including multimodal presentations, Discussion, questioning, Individual projects, Collaborating, group activities, Case studies,											
Prerequisites (required courses and introductory requirements)												
Required courses	Key concepts of micro and macroeconomics required on the master's level. Fundamental knowledge on public finance and taxation. Willingness for discussions and looking for optimal policy options.											
Introductory requirements	None											
Assessment method, forms and criteria												
Assessment method	Exam											
Assessment criteria	Quality of essay, score accoring to the rules											
Course objectives												
The main aims of the course include:												
1) Understanding main concepts of public economics and finance and adressed phenomena,												
2) Have knowledge on decision alternatives in public finance and economics,												
3) Have the ability to design solutions which fit the economic situations,												
4) Know how to assess the efectiveness of pulic economics policies.												
Learning outcomes												
Knowledge	The key objective of the course is to build skills of doctoral student to design good quality tax policy instruments to stimulate labor, business and economic growth. The course participants will also recieve international dimension of the tax policies and will be able to form and evaluate different standpoints representing national interests in tax policies, especially in the area of tax harmonization and tax competition.											
Verification of learning outcomes - Knowledge												
Outcomes	written exam	oral exam	test	essay/paper /portfolio	tasks/ homeworks	individual presentation	group presentation	classroom activities	classroom discussion	individual project	group project	
E3_W01				X				X	X			
E3_W04				X				X	X			

Skills	E3_U06	The graduate student of PhD (students of the third degree): has an ability of critical evaluation of the practical usefulness of created theories and economic rules in public economics and finance
	E3_U07	Has an ability to use theoretical knowledge for the creation of innovative solutions in public economics and finance

**Verification of learning outcomes - Skills**

Outcomes	written exam	oral exam	test	essay/paper /portfolio	tasks/ homeworks	individual presentation	group presentation	classroom activities	classroom discussion	individual project	group project
E3_U06				X				X	X		
E3_U07				X				X	X		

Attitudes	E3_K02	The graduate student of PhD course in public economics and finance: participates in dissemination of new economic knowledge and finds the ways of efficient communication with the public
	E3_K04	Builds an attitude of professional, responsible and ethical relation for the creation of new economic knowledge and control over reliability of the scientific environment

**Verification of learning outcomes - Attitudes**

Outcomes	written exam	oral exam	test	essay/paper /portfolio	tasks/ homeworks	individual presentation	group presentation	classroom activities	classroom discussion	individual project	group project
E3_K02								X	X		
E3_K04								X	X		

**Course contents**

1. Impact of taxation on economics. Review of empirical research
  - 1.1. Discretionary fiscal policy. Should the tax system be used for stimulating economy? Arguments of A. Auerbach.
  - 1.2. Contrary proof. Efficient use of taxation in stimulation fiscal policy. M. Feldstein
  - 1.3. Models of tax policies. R. Saade
  - 1.4. Impact of tax policy on the GDP growth rates. Review of the research. Contrary proofs. Myles conclusions.
  - 1.5. Laffer curve and examining whether it works (Agnell & Person). consequences of changes of the curve shape. Conclusions.
  - 1.6. Impact of tax reductions on tax revenue on basis of empirical research. Gentry & Hubbard, Cullen & Gordon, Domar & Musgrave, Goolsbee and others.
2. Optimal taxation. Fundamentals of the theory and review of empirical research. Conclusions for tax policy.
  - 2.1. Ramsay problem and its further modifications. Atkinson & Stiglitz
  - 2.2. The scheme of thinking in optimizing taxation accordingly to the theory of optimal taxation. Heady
  - 2.3. Optimal tax rates. Optimal progressivity of the tax system. Gruber & Saez. Paradoxes and conclusions.
  - 2.4. Optimal taxation and effectiveness of the economy. Application of the optimal taxation to optimizing public expenditures, public debt management, and correction of competition. Auerbach, Hines, Gordon, Barro
  - 2.5. Why optimal taxation is so weak guideline for tax policy. Conclusions from electoral tax analysis. Kulawczuk
3. International tax competition and tax harmonization. The review of research and problems
  - 3.1. Harmful tax competition (OECD)
  - 3.2. Key problems of tax competition and tax harmonization in EU
  - 3.3. The concept of measurement of international tax competitiveness. Devereux and Griffith
  - 3.4. The concept of measurement of tax and labor competitiveness in manufacturing de-localization in EU. How the tax wedge works in foreign investment. Kulawczuk
  - 3.5. Results of tax harmonization. Mendoza, DIW, Kulawczuk.
  - 3.6. Conclusions and discussion: what options of tax competition and harmonization are optimal for particular EU countries and the EU as the whole.
4. Tax base and functioning of the tax incentives
  - 4.1. The review of the concepts of the tax base. Owsiak, Talvi, Vegh, Desai, Slemrod and others.
  - 4.2. Consolidated definition of the tax base.
  - 4.3. Segmentation of the tax base. Kulawczuk
  - 4.4. The concept of the optimization of the tax base. Kulawczuk
  - 4.5. The impact of tax incentives on business and consumers. The review of concepts: Mouse, Shapiro, Warda, Kulawczuk
5. Effectiveness of the tax instruments supporting R&D and technology. The review of concepts and empirical research.
  - 5.1. The concept of the tax generosity towards R&D (B index). OECD, Warda



- 5.2. Effectiveness of the tax instruments supporting R&D and technology. OECD  
5.3. Analysis if B Index measurement results in different countries and in Poland. Consequences for R&D Warda, Bąk, Kulawczuk  
5.4. Tax instruments supporting technology business and R&D. OECD  
5.5. What were the tax reasons of the failures in financing technologies by Polish enterprises in the past. Bak, Kulawczuk  
5.6. How the act on the stimulation of innovative activities in Poland can be used to stimulate innovation - presentation and discussion

Recommended reading lists

Key readings:

1. J.E. Stiglitz: Economics of the Public Sector, New York 2000
2. National Bureau of Economic Research Working Papers on Public Economics. Cambridge, USA, indicated by the lecturer

Additional readings:

Electronic materials delivered or indicated by the lecturer

Contact

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\* SS1- undergraduate studies \* SS2 - graduate studies \* SDang - doctoral studies

\*\* MSG - International Economic Relations