

## SUBJECT TEACHING GUIDE

### G359 - Economy and Public Treasury

#### Degree in Law First Degree in Law

Academic year 2023-2024

1. IDENTIFYING DATA					
Degree	Degree in Law First Degree in Law			Type and Year	Core. Year 1 Core. Year 1
Faculty	Faculty of Law				
Discipline	Topic: Economics				
Course unit title and code	G359 - Economy and Public Treasury				
Number of ECTS credits allocated	6	Term	Semester based (1)		
Web					
Language of instruction	Spanish	English Friendly	No	Mode of delivery	Face-to-face

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### 3.1 LEARNING OUTCOMES

- Learning outcomes in the subject that integrates this matter are:

- To That students understand the principles, concepts and basic agents of the economy and meet its implications for the regulatory activity of the State.

- To Encourage the student capacity analysis: This is a fundamentally analytic subject, where the most important is the understanding and ability to apply principles versus rote memorization of content.

- Acercar Students to managing economic-legal sources to improve their ability in seeking information and research capacity  
To acquire by students technology skills related to the use of computer tools and process of economic information :  
familiarize them with the use of new technologies of information and communication applied to learning of economics.

- Promote Students in his informative ability of principles and economic dynamics, what is required to improve other skills such as oral and written communication, teamwork, critical thinking and sensitivity to issues of social reality, economic and environmental.

### 4. OBJECTIVES

In short, there are three main objectives of matter. First, introduce the pupil in the microeconomic analysis so as to include the behavior of individual economic agents and how they interact in different types of markets . Second, offer students a succinct analysis of the causes and motivations of public sector intervention in economic activity, a delimitation of its scope and its main functions and present a study of budget and public sector failures , the first as the main instrument of action and the second as a cause of the size of the public sector, measured by different criteria. Third, introduce the concepts and basic macroeconomic instruments that allow the pupil to understand the functioning of the economy as a whole, the main problems encountered and possible solutions through public policy.

**6. COURSE ORGANIZATION**

**CONTENTS**

1	<p><b>BLOCK I. INTRODUCTION</b></p> <p>ITEM 1. economic theory.</p> <p>1.1 The principles of the economy.</p> <p>1.2 The instruments of economic analysis. How to read a graph.</p> <p>1.3 Economic models. The circular flow of income and production-possibility frontier.</p> <p>1.4 The principle of comparative advantage. Applications.</p>
2	<p><b>BLOCK II. MICROECONOMICS</b></p> <p>ITEM 2. ELEMENTAL THEORY OF SUPPLY AND DEMAND</p> <p>2.1 The demand and supply; its determinants.</p> <p>2.2 Balancing supply and demand.</p> <p>2.3 The concept of elasticity and its applications.</p> <p>2.4 Supply, demand and public policy: Taxes and price controls.</p> <p>2.5 Consumer surplus and producer surplus. Market efficiency.</p> <p>ITEM 3. THEORY OF CONSUMER CHOICE.</p> <p>3.1 The budget constraint.</p> <p>3.2 Consumer preferences. The map of indifference curves.</p> <p>3.3 consumer equilibrium.</p> <p>3.4 Particular applications of consumer equilibrium.</p> <p>ITEM 4. THE BEHAVIOR OF THE COMPANY AND THE DIFFERENT MODELS MARKET</p> <p>4.1 The production function and cost theory.</p> <p>4.2 The balance in the production and balance of a profit-maximizing firm.</p> <p>4.3 Firms in perfect competition markets</p> <p>4.4 Different market models: monopolistic competition, monopoly and oligopoly models. Introduction to game theory.</p>

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## BLOCK III. PUBLIC FINANCES

## ITEM 5. THE PUBLIC SECTOR AS ECONOMIC SUBJECT OF PUBLIC FINANCES

- 5.1 The delimitation of the Public Sector
- 5.2 The budget of the Public Sector
- Major indexes measuring 5.3 Public Sector
- 5.4 The Spanish Public Sector: International comparison.

## ITEM 6. THE THEORY OF MARKET FAILURES AND PUBLIC SECTOR INTERVENTION

- 6.1 The theory of market failures and public sector functions.
- 6.2 The allocative function of the Public Sector. optimal allocation of resources.
- 6.3 The content of the redistributors of income and wealth; preferential goods
- 6.4 The objective of economic stability and economic growth
- 6.5 Fields of public sector performance: liberal and interventionist approaches

## ITEM 7. PUBLIC GOODS AND EXTERNALITIES

- 7.1 Public goods: concept and classification.
- 7.2 The optimal provision of public goods.
- 7.3 Concept and allocative implications of externalities.
- 7.4 Public intervention in the presence of externalities. Regulation, subsidies, taxes and emission permits markets.

## ITEM 8: THE THEORY OF COLLECTIVE CHOICE:

- 8.1 The theory of social choice: direct democracy
- 8.2 The public choice: representative democracy
- 8.3 The public sector failures
- 8.4 Theories about the growth of public spending

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## BLOCK IV. MACROECONOMY

## ITEM 9. THE BASICS OF MACROECONOMICS

- 9.1 Macroeconomics, macroeconomic policy and its objectives.
- 9.2 Equality between income and spending in the economy: the circular flow of income.
- 9.3 Definition, calculation and components of GDP.
- 9.4 GDP as an indicator of economic welfare.

## ITEM 10. Macroeconomic I PROBLEMS: GROWTH

- 10.1 The uneven economic growth in the world
- 10.2 Productivity as a key determinant of living standards
- 10.3 The factors determining productivity
- 10.4 The economic policy and its influence on growth

## ITEM 11. Macroeconomic II PROBLEMS: UNEMPLOYMENT AND INFLATION

- 11.1 Definition and measurement, causes of unemployment and its different types.
- 11.2 Policies to combat unemployment.
- 11.3 Concept and costs, causes of inflation and its different types.
- 11.4 Policies to combat inflation

## ITEM 12. MONEY, THE CENTRAL BANK AND MONETARY POLICY

- 12.1 Functions and types of money
- 12.2 The central bank and the instruments of monetary control
- 12.3 Commercial banks, the reserve ratio and monetary multiplier
- 12.4 The balance of the money market. Trouble controlling the money supply

**7. ASSESSMENT METHODS AND CRITERIA**

Description	Type	Final Eval.	Reassessn	%
Monitoring, presentation and overcoming lab seminar	Laboratory evaluation	No	Yes	10,00
Final Exam: Test of theoretical knowledge	Written exam	Yes	Yes	60,00
compulsory reading test	Written exam	No	Yes	10,00

Mid term Evaluation test	Written exam	No	Yes	20,00
Continuous assessment test				

Continuous assessment test				
Continuous assessment test				100,00
TOTAL				
Observations				
<p>As is apparent from the above table:</p> <ul style="list-style-type: none"> <li>• 60% of the rating results from a written final exam on the whole subject. The exam has two parts: the first is a test of theoretical knowledge (40% of score) and the second of two problems to choose one (20% of score). It is necessary to prove a basic knowledge (at least 4 of 10) in each of the parts to pass the subject.</li> <li>• The remaining 40% corresponds to the activities subject to continuous evaluation whose percentage breakdown is as follows: 10% to the presentation and overcoming the lab, another 20% to overcome the test of continuous assessment in December and the remaining overcoming test test on the required reading to be done in week 13. 10% for that you can apply this formula evaluation the student must obtain the written final exam a minimum score of four points 10</li> </ul> <p>The requirements to the final exam are:</p> <ul style="list-style-type: none"> <li>• attendance at a minimum of 10 practices and 80% of theoretical classes;</li> <li>• overcoming tests on the required reading;</li> <li>• Also, students should perform the lab proposal on the website of the subject. All these activities will be evaluated before the end of classes.</li> </ul> <p>Recovery of claims relating to lasPEC, required reading and lab achieved overcoming the following assessable activity and / or written exam in February or September</p> <p>The recovery of evaluable credits for the final exam will be done by passing the written examination of the September</p>				
Observations for part-time students				
<p>Part-time students will receive 100% of the grade in the theoretical and practical examination of the entire subject in January or February calls</p>				

**8. BIBLIOGRAPHY AND TEACHING MATERIALS****BASIC**

- Para los bloques temáticos 1, 2 y 4 (Introducción, Microeconomía y Macroeconomía)  
Mankiw, G. y Taylor M. (2017) Economía. Ed. Paraninfo, edición 2017.
- Para el bloque temático 3 (Hacienda Pública).  
Bustos, A. (2017) Curso Básico de Hacienda Pública. Madrid. 4ª edición. Ed Cívitas-Thomson Reuters  
Mankiw, G. y Taylor M. (2017) Economía. Ed. Paraninfo, edición 2017  
Rosen, H.S. (2007) Hacienda Pública. Madrid. Mc Graw Hill. 7º edición