



University of Benha
Faculty of Commerce

Module outline of:
Economics ME326
Economics of Public Finance

Instructor

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Academic year: 2020-2021

Grade: 3rd

Semester: 2

1- Basic Information			
Course Level:	Course Title:	Course Code:	Prerequisite:
1	Economics of Public Finance	ME326	
Specialization: General			
Contact Hours			
<ul style="list-style-type: none"> • Lecture: 3 hours per week • Tutorial: 1 hour per week 			

2- Specialized Information	
2.1. Course Aim/s	<p>The main goal of this course is to develop an understanding of why and how the government may intervene in the economy, and to study the effect of government expenditure programs and taxation systems on the welfare and behavior of citizens. This course will include an analysis of the theoretical bases that guide government intervention in the economy; the discussion of a range of issues in public finance with a focus on current policy debates; and the presentation of empirical methods used in economics to evaluate the effect of public policies. All will be reflected in studying public finance in Egypt as the main case study.</p> <p>The course is divided into two parts:</p> <p>Part 1. The Economic Basis and the rationale for Government intervention and the structure of Government Expenditures. (Main Ref.ch.1, 2,3,4,6)</p> <p>Part 2. Taxation and other Financing of Government Expenditures: theory and Policy (Main Ref.ch.10,11)</p> <p>Note: An Analysis of the Egyptian Budget and taxation system as a case study will be conducted at each part. There will be Selections from each Chapter, used as time permits and according to the instructor's interests to help students to gain Basic Principles of Public Finance, Functions of Government, Taxation (theory & Policy) and public Policy.</p> <p>Course Objectives:</p> <ol style="list-style-type: none"> 1. Provide students the basic information in order to understand the role of government in the economic and social aspects of its society. 2. Recognize and apply the special features of externalities & public goods and their implications on the efficiencies of markets and government activities. 3. Demonstrate the effects of public expenditure on household and business sectors. 4. Appraise the actual processes and objectives of the state budget, especially the Egyptian case .

3- Intended Learning Outcomes:

By the end of the course, students should be able to:

3.1. Knowledge and Understanding:	(K1) Define the concepts and conditions of resources allocation between government and private sector. (K2) Interpret the main differences between public and private goods and services, and recognize the economics of externalities. (K3) Describe the effects of public expenditure on household and business sectors. (K4) Explain the concept and the role of state budget in achieving society goals.
3.2. Intellectual Skills:	(I1) Analyze and evaluate government intervention in the economy. (I2) Think critically and creatively in order to provide reasonable analysis of various public finance topics.
3.3. Professional and Practical Skills:	(P1) Solve the socio-economic issues of public finance.
3.4. General and Transferrable Skills:	(G1) Demonstrate the ability to deal with issues of public finance. (G2) Adopt the economic analysis that was taken before to integrate knowledge in this subject.

4- Course Content

Main Topic		Chapter No	Teaching hours		Week No.
			Lecture	Tutorial	
1	<ol style="list-style-type: none"> 1) What is public finance, Governments, and Political institutions? <ul style="list-style-type: none"> - Definitions - Ideology of Public Finance - Scope of Public Finance - Functions of Public Finance - Understanding Fiscal Policy 2) Why study public finance? 3) The Allocation of Resources Between Government and Private Use 4) Fiscal Policy: Supply Side vs. Demand side 5) The Impact of Recent Financial Crisis & Covid-19 6) Egyptian Response to the Pandemic of Covid-19 7) Economic Rationale for The Government Intervention 	1	1.5 hour Face to Face 1.5 Recorded Lecture	1 hour	1
2	<ol style="list-style-type: none"> 1) Positive and Normative Economics 2) Normative Evaluation of Resource Use: The Efficiency Criterion 3) Market Failure & Trade-Off Between Efficiency and Equity) 4) The Mixed Economy, Markets, And Politics 5) Circular Flow in the Mixed Economy 	2	1.5 hour Face to Face 1.5 Recorded Lecture	1 hour	2
3	<ol style="list-style-type: none"> 1) Externalities in theory and practice 2) Growth of Government Expenditure in Egypt 	3	1.5 hour Face to Face 1.5 Recorded Lecture	1 hour	3
4	<ol style="list-style-type: none"> 1) Public Goods, Pure public goods vs. pure private goods 2) characteristics of public goods and Free- rider Problem 3) Analysis of Public Goods in Egypt 	4	1.5 hour Face to Face 1.5 Recorded Lecture	1 hour	4

5	1) Cost-Benefit Analysis and Government Investments	6	1.5 hour Face to Face 1.5 Recorded Lecture	1 hour	5
6	1) Government Programs to Aid the Poor: The Basis and The Trade-Offs 2) Social Stability and Safety Nets 3) Economic Analysis of subsidies Effects 4) Government Subsidies and Income Support for the Poor in Egypt	7,8&9	1.5 hour Face to Face 1.5 Recorded Lecture	1 hour	6

5- Teaching and Learning Methods:

No.	Teaching / Learning Method	Selected Methods
1	Interactive Lectures including discussion	√
2	Recorded Lectures	√
3	Tutorials	√
4	Self-Study (Project / Reading Materials / Online Material /	√
5	Seminars	
6	Case Studies	√
7	Problem Solving	√
3	Others (Specify)	

6- Assessment Methods, Schedule and Grade Distribution:

No.	Assessment Method	Selected Methods	Week No.	Marks %
1	Midterm Exam (s)	√	8	20
2	Final Exam	√	13	80
3	Quizzes			
4	Assignments			
5	Presentations			0
6	Individual Projects			
7	Research and Reporting			
8	Teamwork Projects			0
10	Others (Participation)			

7- University Grading system	
34 or below	Very poor
35-49	Poor
50-64	Pass
65-79	Good
80-89	Very good
90-100	Excellent

8- List of Books and References:	
Essential Textbook	Hyman David, "Public Finance; a Contemporary Application of Theory to Policy", South-Western Cengage Learning, US, 10 th Edition, 2010.
Course Notes	Notes will be distributed to the students throughout the semester via faculty channels like: https://elearning.bu.edu.eg , and the instructor web page in university portal. (https://bu.edu.eg/staff/walaadyab4)
Extra Recommended Books	<ol style="list-style-type: none"> 1. Rosen, H. and T. Gayer (2007). "Public Finance "McGraw-Hill, Last Edition 2. Howard, M. (2001). Public Sector Economics for Developing Countries. University of the West Indies Press <p>Those and others will be shared as URLs for those who wants Further readings , but not required for exams.</p>

9- Tools and Facilities Required for Teaching and Learning:	
Facility	Lecture
White Board	√
PC/Laptop	
Data-Show	√
Laser Pointer	
Internet	√
Printer	
Copier	√

10- Plagiarism Policy:

Plagiarism, in the school's jargon called "copying and pasting", is the intentional act of replicating someone else's work (be it text, ideas, images, or any non-common knowledge) without referring to the source. One can also self-plagiarize through submitting his/her own work to more than one course without clearly notifying the professor.

Students submitting paper/assignment/presentation with plagiarized content will automatically receive a failing grade for their work.

Refer to the instructor for more information about how to avoid plagiarism.

Course Instructor: **Dr. Walaa Wageh Muhamed Diab**

Head of the Department: Associate Professor: Amira Akl