



UNIL | Université de Lausanne
 Institut de hautes études en
 administration publique
 bâtiment IDHEAP
 1015 Lausanne

Master PMP – IDHEAP – SA 2024 Orientation “Public Finance & Economics (PFE)”

Objectives

The main objective of the PFE Program is to offer students a consistent program providing them with the conceptual understanding and technical competences to deliver the necessary normative solutions to the main challenges the public sector is currently facing. A more specific objective is also to train them to use quantitative methods that are essential to that aim. It moreover equips students with the skills and knowledge required to pursue doctoral studies.

Teaching language: English.

Time of the year: Autumn

Obligatory courses

	Course Name	ECTS	Instructor	Teaching Language	Semester
Obligatory courses (18 Credits)	Introduction to applied econometrics	3.0	Christopher Grigoriou	E	SA
	Contract economics and organization of public services	3.0	L. Athias	E	SA
	Urban Economics and Public Services	3.0	O. Schöni	E	SA
	Fiscal Federalism and Equalization	3.0	Marko Köthenbürger	E	SA
	Fiscal Policy	3.0	Nils Soguel	E	SA
	Empirical analysis of public policies	3.0	Christopher Grigoriou	E	SA

Sous réserve de modifications.

Version 09.04.2024

Faculté de droit, des sciences criminelles et d'administration publique
 Institut de hautes études en administration publique

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Introduction to applied econometrics - SA 2024

Course held in English

Teaching Staff: Christopher Grigoriou,

Senior Lecturer at IDHEAP, Professeur remplaçant HEC-Lausanne

E-mail: christopher.grigoriou@unil.ch

Year: × 2. Year

Type: × Course

Semester: Autumn

ECTS: 3

Quantitative analysis and introduction to econometrics

Objective

This course is an introduction to applied econometrics. At the end of this lecture, students will be comfortable with basic quantitative analysis and will be able to read, interpret and comment studies relying on econometric analysis as well as performing by themselves simple but consistent empirical work.

Content

The course relies on theoretical presentations, empirical applications from the literature and practical exercises to be performed in class.

A large part of the lecture is dedicated to learn how to read and interpret the output of econometric applications as well as to the questions of identification and causality which are central to applied econometrics and in particular to any impact analysis. Practical exercises give the opportunity to the student to test by themselves the theoretical content from one of the most commonly used econometrics software (STATA).

Literature

- Bourbonnais R. (2005) *Econométrie*, Paris : Dunod.
- Cadoret I., Benjamin C., Martin F., Herrard N. & Tanguy S. (2004), *Econométrie appliquée*, Paris & Bruxelles : De Boeck.
- Wooldridge J.M. (2002) *Econometric Analysis of Cross Section and Panel Data*, Cambridge: MIT Press.

Evaluation

First try: 50% will rely on a study-case and 50% on an examination.

- X Document à rendre (Deg)
- X Ecrit de 2h avec documentation hors session

Retake exam:

- X Written 2h00 with documentation

Exam Language:

- X English

Contract Economics and Organization of Public Services - SA 2024

Course held in English

Teaching Staff : Laure Athias, Université de Lausanne
E-mail: laure.athias@unil.ch

Year: x 2. Year

Type: x Course

Semester: Autumn

ECTS: 3

Subject

Contract Economics and Organization of Public Services

Objective

This course is a one-semester course covering several prominent theories of contracting, but this is not a standard course in contract theory. Instead, the theories are chosen because of their existing and potential applications - as applied theory in the field of public economics. More precisely, the aim of this course is to present recent developments in the economics of contract and to show how this theoretical framework can be applied to the question of the organization of public services provision.

Examples of the type of questions we will answer: What organizational choices for public services? For what efficiency? Are there any organizational choices that outperform all other possible organizational choices? Are there any kinds of public services that should absolutely stay in the hands of the public sector? How can we address the problems of quality, environmental concerns, and performance of public services? How to regulate network industries? What drives demand side impediments?

There are no prerequisites for this course. Although not required, it is expected that most students take the companion course in econometrics "Introduction to applied econometrics" (as econometric issues will be tackled in order to test theoretical hypotheses).

Content

The course consists of the following topics:

The make-or-buy tradeoff: A Transaction Cost Economics perspective

- Theoretical framework: The transaction cost theory
- Specificities of public services and the make-or-buy tradeoff
- The importance of history and culture

Regulation of network industries: A theory of incentives perspective

Public procurement and sustainability concerns

Literature

Slides and research articles tba in class.

Books or book chapters :

Athias L. et Pasquier M. (2023), "Gouvernance", in N. Soguel et al. (éd.) *Modèle IDHEAP d'administration publique en Suisse*, EPFL Press, chapitre 8.

Athias L., Macina M. et Wicht P. (2019), "Public Private Partnerships: A Swiss Perspective", in A. Ladner et al. (éd.) *Swiss Public Administration: Making the State Work Successfully*, Springer International Publishing, pp. 187-204.

Athias L. and Chever L. (2018), The Relative Efficiency of Competitive Tendering, in Saussier Stéphane, de Brux Julie (eds.) *The Economics of Public-Private Partnerships: Theoretical and Empirical Developments*, Springer, pp. 113-133.

Laffont J.J. and Tirole J. (1993), *A Theory of Incentives in Procurement and Regulation*, MIT Press.

Laffont J.J. and Tirole J. (2012), *Théorie des incitations et réglementation*, Economica, Paris.

Saussier S. and Yvrande-Billon A. (2007), *Economie des coûts de transaction*, Ed. Repères.

Williamson O. (1985), *The Economic Institutions of Capitalism*, The Free Press/Macmillan, New York.

Williamson O. (1994), *Les Institutions de l'économie*, InterEditions, Paris.

Evaluation

Exam Language

× English

First try

× Document à rendre (Deg) and

× Contrôle continu

Re try

× Travail personnel à rendre hors session (R)

Fiscal Federalism and Equalization - SA 2024

Course held in English

Teaching Staff: **Marko Köthenbürger**, Professor of Economics, KOF Swiss Economic Institute and ETH Zurich.

E-Mail : koethenbuerger@kof.ethz.ch

Year: x 2. Year

Type: × Course

Semester: Autumn

ECTS : 3

Objective

The course provides a basic understanding of the positive and normative implications of fiscal federalism and the associated fiscal flows between governments. The course starts out with a review of the rationale for why a decentralized government structure is needed and how fiscal flows should be organized in order to guarantee an efficient functioning of the public sector. Following the normative analysis, the course discusses (i) the redistributive and incentive effects of actual transfer systems that are used to allocate funds to different governments within federations and (ii) the political economy of reforming fiscal flows.

Content

The course consists of the following topics:

- Fiscal Decentralization: Rationale
- Fiscal Transfers in Federations: Normative Analysis
- Redistributive and Incentive Effects of Fiscal Transfers
- Practice of Fiscal Equalization
- Political Economy of Reform

Literature

Avenir Suisse (2013), Irrgarten Finanzausgleich, Kantonsmonitoring 5, Zürich.

Avenir Suisse (2017), NFA2 – Für eine Revitalisierung des Schweizer Föderalismus, Zürich. (also available in french)

Boadway, R. (2004), The Theory and Practice of Equalization, CESifo Economic Studies, 50, 211-254.

Boadway, R. and A. Shah (2009), Intergovernmental Fiscal Transfers - Principles and Practice, World Bank, Washington D.C.

Bundesrat (2014), Wirksamkeitsbericht 2012–2015 des Finanzausgleichs zwischen Bund und Kantonen (Rapport sur l'évaluation de l'efficacité 2012–2015 de la péréquation financière entre la Confédération et les cantons), Bern.

Gruber, J. (2022), Public Finance and Public Policy, 7th ed., Worth Publisher, New York.

Evaluation

First try

Exam: oral in-class presentation (50%) and
 X E Written 2 Hours during Session (50%)
 Documentation: No

Version 16.04.2024

Calculator: No

Retake Exam

X (E) R written 2 Hours

Documentation: No

Calculator: No

Exam Language

X English

Fiscal Policy (FISP) - SA 2024

Politique budgétaire

Course held in English

Teaching Staff : Nils Soguel

E-Mail : nils.soguel@unil.ch

Year: 2. Year

Type: x Course

Semester: x Autumn

ECTS: 3

Subject

Which are the instruments of fiscal policy? How do they influence the macro performance of the economy?

Aim of the course

In this course, as a participant, you will:

Learn how to analyse a fiscal policy.

Understand how to take relevant actions and how to respond to questions such as:

- Should the State increase spending to stimulate employment and growth?
- What must be considered in terms of the sustainability of the State's finances?
- What are the dominant variables which influence the financial situation of a government?
- Does a State's debt level influence the macroeconomic performance of a country?

Take a concrete case study: depict and analyze the fiscal situation of a Swiss canton.

Content

Fiscal policy is, along with monetary policy, one of the main levers of a government's political economy. Fiscal policy involves using particular fiscal measures, including tax policy, expenditure policy and debt policy, to influence the business cycle. The impact of these various measures on different activity sectors of the State is therefore significant. They also greatly affect households and businesses.

These policies are subject to intense theoretical debates. The practical repercussions of these debates are monumental. Up until the end of the 1930s, the main goal of public sector financial management was to ensure the financing of public services. Government spending was not then considered a variable able to influence the level of economic activity.

The English economist John Maynard Keynes modified this idea by highlighting the impact of fiscal policy on the level of economic activity. As a result, since the 1930s, most developed countries have had fiscal stimulus policies during periods of recession or slower growth.

However, beginning with the crisis that followed the oil crisis of 1973, neoclassical theoreticians demonstrated the limits of fiscal policy and, in particular, the harmful effects of recurring deficits and government debt. The current crisis gives us a practical demonstration of this. It confirms the usefulness of having efficient brakes to spending and debt. It is indeed when the State debt level leaves wide room for maneuvering that governments are able to combat macroeconomic fluctuations and promote growth.

References

Administration fédérale des finances (2019). Principes applicables à la gestion des finances. Berne : AFF [téléchargeable].

Landais, B. (1998). Leçons de politique budgétaire. Paris: De Boeck.

Langdana, F.K. (2002). Macroeconomic Policy: Demystifying Monetary and Fiscal Policy. New York: Springer.

Makin, A.J. (2018). The Limits of Fiscal Policy. New-York: Springer Nature, Palgrave Macmillan.

Shaw, G.K. (1972). Fiscal Policy. London: Macmillan.

Soguel, N. (2020). Comprendre et gérer les finances de ma collectivité. Lausanne: PPUR. Open access.

Evaluation

Type of Exam first try

x Document à rendre (Deg)

Written dissertation at the end of the semester; an oral presentation during class hours.

Second try:

x Travail personnel à rendre (Deg) hors session

Exam Language:

X English

Urban Economics and Public Services - SA 2024

Economie urbaine et politiques publiques

Course held in English

Teaching Staff: Olivier Schöni

E-Mail: olivier.schoni@unil.ch

Year: x 2. Year

Type: x Course

Semester: x Autumn

ECTS: 3

Objective

The design and implementation of public policies, especially in a decentralized context, must take into account economic and social disparities at the regional and local level.

The objective of this course is to define and use the main concepts and principles of urban economics to assess the impact of public policies at the regional and local level. By the end of the semester, the student will have acquired:

- An understanding of the major principles of urban economics that are relevant for the spatial evaluation of public policies,
- The ability to structure and analyze spatial data in Stata.

Content

- Week 1: Course introduction, spatial equilibrium, and the monocentric city model
- Week 2: Spatial equilibrium across cities and regions
- Week 3: Challenges and spatial inequalities
- Week 4: Governments and public policies
- Week 5: Spatial data analysis in Stata
- Week 6: Identification strategies using spatial data
- Week 7: Empirical evaluation of public policies

References

Glaeser, Edward L., 2008. Cities, Agglomeration, and Spatial Equilibrium, Oxford University Press.

O'Sullivan, A. 2018. Urban Economics, 9th edition, McGraw-Hill

Evaluation Outline

Type of Exam First try

X Document à rendre (Deg) : Individual writing work

Retake Exam

X Travail personnel à rendre hors session examens (R) : Individual writing work

Exam Language

X	Français
X	Allemand
X	Anglais
X	Italien

Empirical analysis of public policies - SA 2024

Analyse empirique des politiques publiques

Course held in English

Teaching Staff: Christopher Grigoriou, Senior Lecturer at IDHEAP,
E-mail: christopher.grigoriou@unil.ch

Year: x 2. Year

Type: x Course

Semester: x Autumn

ECTS : 3

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Empiric analysis of public policies

Objective

This is a course on empirical analysis of public policies. The purpose of the course is to be able to use applied econometrics dealing with 'panel' data sets to realize proper impact analysis of public policies. We will apply it to panel data settings involving 'fixed' and 'random' effects. We will perform applications from public economic empirical literature. At the end of the course, students are able to use quantitative techniques, including econometrics of panel data, with a focus on impact analysis.

Content

The course relies on panel data econometrics presentation, specific issues, methodology, advantages of such estimates, interpretations, tests. Technical topics to be studied include specification, estimation, and inference in the context of models that include individual (firm, person, etc.) and/or time effects.

The practical part will cover data analysis with Stata, including (1) how to manage large databases, (2) study cases taken from public economics literature, and (3) a short paper to be prepared and presented from an impact analysis relying on quantitative analysis.

References

Econometric Analysis of Cross Section and Panel Data, Jeffrey M. Wooldridge, the MIT press, 2nd edition, November 2010.

Evaluation Outline

First try

There will be a continuous examination, based on a short paper presenting an impact analysis relying on quantitative analysis.

x Document à rendre (Deg)

Retake exam

- x Travail individuel à rendre hors session (DEi R)
A short paper presenting an impact analysis relying on quantitative analysis.

Exam Language

- x English