

## Liverpool John Moores University

Title: PUBLIC FINANCE  
Status: Definitive  
Code: **6068BUSAE** (100313)  
Version Start Date: 01-08-2011

Owning School/Faculty: Liverpool Business School  
Teaching School/Faculty: Liverpool Business School

Team	Leader
Cliff Baker	Y

**Academic Level:** FHEQ6  
**Credit Value:** 12.00  
**Total Delivered Hours:** 24.00  
**Total Learning Hours:** 120  
**Private Study:** 96

### Delivery Options

Course typically offered: Semester 1

Component	Contact Hours
Lecture	22.000
Online	2.000

**Grading Basis:** 40 %

### Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Presentation	AS1	Coursework: (i) Group Presentation	40.0	
Report	AS2	(ii) project (2500 words	60.0	

### Aims

*To present the theoretical issues of public finance as a basis for discussion of current policy issues*

### Learning Outcomes

After completing the module the student should be able to:

- 1 Review the economic rationale of the modern state and the economic significance of its political process.
- 2 Distinguish between public good and externality roles for government and be able to assess corrective actions
- 3 Assess the traditional social optimality approach and the public choice, process orientated approach to public finance
- 4 Examine the theoretical and empirical analysis of public expenditure growth
- 5 Assess the application of theory to key issues in public policy

### Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

Presentation	1	2	3	4	5
Report	1	2	3	4	5

### Outline Syllabus

*Government Expenditure: Rationale, public goods, externalities optimality conditions.*

*Evaluating Public Finance Policy: Consumer surplus, welfare criteria and market failure.*

*Social Choice Theory: Theoretical and empirical analysis of public expenditure growth. Public choice theory. The Economic Theory of Politics and neo marxist approaches. Mechanisms of accountability and control. Public expenditure and income distribution. Fiscal Federalism*

### Learning Activities

Classes comprising both lectures and discursive elements. Group work including a series of small group presentation.

### References

<b>Course Material</b>	Book
<b>Author</b>	Bailey, S.J.
<b>Publishing Year</b>	2002
<b>Title</b>	Public Sector Economics
<b>Subtitle</b>	theory, policy and practice
<b>Edition</b>	2nd edition
<b>Publisher</b>	Basingstoke: Palgrave
<b>ISBN</b>	0333929535

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<b>Course Material</b>	Book
<b>Author</b>	Brown, C.V. & Jackson, P.M.
<b>Publishing Year</b>	1990
<b>Title</b>	Public Sector Economics
<b>Subtitle</b>	
<b>Edition</b>	4th edition
<b>Publisher</b>	Oxford: Basil Blackwell
<b>ISBN</b>	0631162089

<b>Course Material</b>	Book
<b>Author</b>	Cullis, J. & Jones, P.
<b>Publishing Year</b>	1998
<b>Title</b>	Public Finance and Public Choice
<b>Subtitle</b>	
<b>Edition</b>	2nd edition
<b>Publisher</b>	Oxford: Oxford University Press
<b>ISBN</b>	0198775792

<b>Course Material</b>	Book
<b>Author</b>	McNutt P.A.
<b>Publishing Year</b>	2002
<b>Title</b>	The Economics of Public Choice
<b>Subtitle</b>	
<b>Edition</b>	2nd edition
<b>Publisher</b>	Cheltenham: Edward Elgar
<b>ISBN</b>	1852785144

<b>Course Material</b>	Book
<b>Author</b>	Rosen, H.S.
<b>Publishing Year</b>	2002
<b>Title</b>	Public Finance
<b>Subtitle</b>	
<b>Edition</b>	6th edition
<b>Publisher</b>	Columbus Ohio: McGraw Hill
<b>ISBN</b>	0071121234

<b>Course Material</b>	Book
<b>Author</b>	Winer S.L. & Shibata H. Ed
<b>Publishing Year</b>	2002
<b>Title</b>	Political Economy & Public Finance
<b>Subtitle</b>	The Role of Political Economy in the Theory & Practice of Public Economics
<b>Edition</b>	
<b>Publisher</b>	Cheltenham: Edward Elgar
<b>ISBN</b>	1843761181

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<b>Course Material</b>	Book
<b>Author</b>	Stiglitz J.E.
<b>Publishing Year</b>	2000
<b>Title</b>	Economics of the Public Sector
<b>Subtitle</b>	
<b>Edition</b>	3rd
<b>Publisher</b>	New York: W. Norton
<b>ISBN</b>	0393966518

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## Notes

The module presents the theoretical issues of public finance as a basis for the evaluation of current public policy. Both the traditional social optimality and the modern public choice approaches will be adopted.

The first coursework is a group presentation enabling formative feedback to be given to assist the student to prepare for an individual project, which is the terminal summative assessment.