
ECONOMICS OF THE WELFARE STATE (M.Sc.)

Credits

- Master Economics (6ECTS)
- Master Public Economics (6ECTS)
- Master of Science in Finance, Accounting, Taxation & Supplements (6ECTS)

Examination

Written Exam (120 minutes)

Content

The lecture deals with the economic analysis of public finances. A focus lies on public spending. Besides a brief overview of the history of the welfare state, the lecture discusses theoretical grounds for public intervention. The analytic part of the lecture examines how the government can provide welfare increasing income insurance, how to optimally reallocate resources and how to decrease poverty.

Table of contents

1. Introduction
 - (a) Fundamentals of public finance
 - (b) The history of the welfare state
 - (c) Fundamental theorems of welfare economics
2. Insurance
 - (a) The welfare state as insurance
 - (b) Insurances and market failure
 - (c) Public insurance of labor income
3. Redistribution
 - (a) Taxation and inequality
 - (b) Equality and efficiency
 - (c) Public provision of private goods
 - (d) Poverty reduction