

Introduction

Economic and Fiscal Policy

Today

- Introduction
- Learning outcomes
- Structure of the course
- Grading & Assessment
- Learn
- Questions?

Introduction

- Severin Rapp (<https://www.wu.ac.at/vw1/m/severin-rapp>)
- Institute for Macroeconomics, Research Institute Economics of Inequality
- Household finance, bequests, wealth inequality
- Contact
 - srapp@wu.ac.at
 - D3, Ground floor
 - +43 (1) 31 336-6357
 - Office hours: by appointment
 - [severin-rapp@github.io](https://github.com/severin-rapp)

Expectations

- Course contents
- Learning outcomes
- Style of instruction
- Fellow students
- ...

[https://www.menti.com/alfia
v5dnhg1](https://www.menti.com/alfia-v5dnhg1)



Learning outcomes

- Students will:
 - Improve Critical thinking
 - Learn to effectively read academic publications in economic policy and engage in policy analysis (comparative approach, literature based)
 - Use scientific evidence to support arguments
 - Improve debating skills

Structure

Week of...	Topic	Debate	Assignment
06/03	Introduction		
13/03	Government and the market		Klein (2022) Hall and Soskice (2001)
20/03	Politics in economic policy		
27/03	Institutions in economic policy		
17/04	Growth		
24/04	Income inequality	Gender quotas	Heckman (2006)
08/05	Wealth inequality	Inheritance taxation	
15/05	Social mobility	Educational tracking	
22/05	Globalisation	Job guarantee	Harper (2014) Eurofound (2021)
05/06	Demographic change	Funded pensions	
12/06	COVID-19	Fiscal rules	
19/06	Exam		

Equity and efficiency

- Governments and markets
 - What role can governments assume in economic policy?
 - To what extent can economic theory provide guidance on the justification of government intervention?
- Politics in economic policy
 - What are the implications of democracy for economic policy?
 - How do economic policy preferences come about?
- Institutions in economic policy
 - What are institutions in economic policy?
 - How can we classify economic policy institutions?
 - What institutions can help to reconcile efficiency with equity?

Outcomes

■ Growth

- What factors/institutions affect economic growth?
- What is the state of economic growth in Austria?
- How does the interplay between science and policy making work in view of growth policy?

■ Income inequality

- Should economic policy care about inequality?
- How can we measure income inequality?
- What are the dimensions of inequality?
- What drives income inequality?

Outcomes

- Income inequality
 - Should economic policy care about inequality?
 - How can we measure income inequality?
 - What are the dimensions of inequality?
 - What drives income inequality?
- Wealth inequality
 - How and why is wealth inequality different from income inequality?
 - What historical patterns does wealth inequality follow?
- Intergenerational mobility
 - What concepts exist to understand intergenerational mobility?
 - Which factors account for intergenerational persistence?
 - How can policy increase intergenerational social mobility?

Challenges

- Globalisation
 - What are the economic consequences of globalisation?
 - Are modern trade agreements still fostering efficiency?
- Demographic change
 - What drives demographic change?
 - What are the challenges associated with the changing demographic structure?
 - How can economic policy avert adverse consequences of demographic change?
- COVID19
 - What challenges arise from COVID-19 for economic policy and public finance?
 - How will inequality respond to the pandemic?

Grading & Assessment

- Exam (40%)
- Debate (30%)
- Cumulative assignments (5*6%)
- In-class participation (+5%)
 - List entry end of class

Grade	Score
1	88% - 100%
2	76% - 87%
3	64% - 75%
4	51% - 63%
5	0 - 50%

Debate

■ Idea:

- Discuss merits and drawbacks of specific policy proposals
- 2 groups on each issue, declare group preferences by end of this class
- each group has 7 mins to make a case for their position
 - Questions (groups, audience and me)
 - Statement from discussants
- Starting literature according to the syllabus
- Grading by team

■ Handouts:

- Your side of the argument (so 1 handout by each group for each topic respectively, totals 2 per debate)
- Submission to srapp@wu.ac.at 1 week in advance for feedback (voluntary), upload to learn platform the day of the presentation, .doc format
- Bullet points possible, but full sentences and proper referencing
- 1 pager (excl. References)

Debate

- A good debate:
 - Includes a well structured (!) line of argumentation
 - Structure arguments visibly and rhetorically (topic sentence, explanation, example/evidence)
 - Separate arguments one from another
 - Covers the starting literature, with supplements where necessary
 - Use evidence
 - make sure that additional sources conform to scientific standards
 - focused and analytical approach that directly addresses the question
 - Is more than reading aloud the handout
 - An well-crafted handout – structured (!) overview over essential arguments with appropriate APA-Style referencing

Reading

- Academic literature that we will discuss in class
- Read the texts with the asterisks and complete the respective tasks on learn platform
- Specific guidelines on length of the assignment etc. will be provided with the task. Usually ~250-300 words or less

Finally...

- Questions?