

COURSE SYLLABUS

COURSE TITLE	PUBLIC FINANCE AND FISCAL POLICY IN THE EUROPEAN UNION	COD:
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YEAR OF STUDY	2-3	SEMESTER	2	COURSE STATUS (MA -MANDATORY / OP -OPTIONAL)	OP
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NUMBER OF HOURS PER WEEK		TOTAL HOURS PER SEMESTER	TOTAL HOURS OF INDIVIDUAL ACTIVITY	NUMBER OF CREDITS	EVALUATION TYPE (P-final project, O – oral examination, E- written examination, M-mixt)	LANGUAGE OF TEACHING
C	S					
3	2	35	55	3	M	ROMANIAN

COURSE HOLDER	ACADEMIC GRADE, SURNAME, NAME	DEPARTMENT
	Associate Professor Irina BILAN Associate Professor Ana-Maria BERCU	Department of Finance, Money and Public Administration

PREREQUISITE(S):	None
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COURSE OBJECTIVES	<p>GENERAL OBJECTIVE: <i>The course will provide the students with the necessary theoretical and practical knowledge in order to understand the particularities of public finance in the EU at both national (local, regional, and central) and supranational levels, the nature and impact of fiscal policy decisions, as well as the current trends/ challenges of fiscal policy in the EU, in particular the challenge of ensuring the sustainability of public finance over the long-term.</i></p> <p>SPECIFIC OBJECTIVES OF EACH CHAPTER:</p> <p>1. The fiscal systems and tax policies of the EU Member States <i>Objectives:</i></p> <ul style="list-style-type: none"> • to understand the regulatory framework for taxes in the EU • to highlight the pros and cons tax harmonization and tax competition in the EU • to emphasize the structure and particularities of indirect tax systems in the EU Member States • to emphasize the structure and particularities of direct tax systems in the EU Member States • to understand the concept of tax policy, its objectives and instruments • to grasp the coordinates of EU Member States' national and sub-national tax policies before and after the crisis • to comprehend the role of EU national and sub-national tax policies in promoting growth, convergence among EU Member States and reducing regional disparities <p>2. The public expenditure systems and expenditure policies of the EU Member States <i>Objectives:</i></p> <ul style="list-style-type: none"> • to emphasize the structure and particularities of the public expenditure systems of the EU Member States • to understand the concept of public expenditure policy, its objectives and instruments • to grasp the coordinates of EU Member States' national and sub-national public expenditure policies before and after the crisis • to comprehend the role of EU national and sub-national public expenditure policies in promoting growth, convergence among EU Member States and reducing regional disparities <p>3. Budget deficits and public debt policies in the EU Member States <i>Objectives:</i></p> <ul style="list-style-type: none"> • to comprehend the specific interconnections between budgetary revenues, expenditures, budget deficits and public debt • to understand the objectives and instruments of public debt policies and their particular nature in the EU Member States • to emphasize the particularities of public debt levels and structure in the EU Member States • to grasp public debt's effects on the real economy, with particular reference to the EU Member States
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	<ul style="list-style-type: none"> to understand the need for and content of European and national debt targets and the mechanisms/policy options for achieving them <p>4. The EU budget and the supranational fiscal policy of the EU <i>Objectives:</i></p> <ul style="list-style-type: none"> to comprehend the legal instruments of the EU's budgetary system to emphasize the recent trends and particularities of the current revenue system of the EU's budget to emphasize the recent trends and particularities of the current expenditure system of the EU's budget to understand the content of European growth policies in times of crisis and the role of the EU's budget to critically assess the arguments pro and against a fiscal union and single fiscal policy in the EMU <p>5. Sustainable fiscal policies and fiscal governance in the EU <i>Objectives:</i></p> <ul style="list-style-type: none"> to grasp the concept and evaluation methods of fiscal policy sustainability to acknowledge the need for sound and sustainable fiscal policies in the EU to emphasize the recent trends and challenges for fiscal policy sustainability in the EU to understand the content of domestic fiscal frameworks for sustainable fiscal policies in the EU Member States to understand the institutional arrangements for sustainable fiscal policies at the EU level <p>6. Challenging issues for public finance and fiscal policy in the EU <i>Objectives:</i></p> <ul style="list-style-type: none"> to grasp the state of play with regard to the adaptation of the EU taxation systems to the digital era to understand the link between financial innovation and tax evasion and their practical challenges for fiscal policy-making to understand how green fiscal policies can contribute to the goal of inclusive green European economies to emphasize the implications of Brexit and potential further EU enlargement for the EU budget and fiscal policy 														
WEEKLY TOPICS	<table border="1"> <thead> <tr> <th style="text-align: center;">NAME OF THE CHAPTERS</th> <th style="text-align: center;">NO OF HOURS</th> </tr> </thead> <tbody> <tr> <td>1. The fiscal systems and tax policies of the EU Member States</td> <td style="text-align: center;">5</td> </tr> <tr> <td>2. The public expenditure systems and expenditure policies of the EU Member States</td> <td style="text-align: center;">5</td> </tr> <tr> <td>3. Budget deficits and public debt policies in the EU Member States</td> <td style="text-align: center;">5</td> </tr> <tr> <td>4. The EU budget and the supranational fiscal policy of the EU</td> <td style="text-align: center;">10</td> </tr> <tr> <td>5. Sustainable fiscal policies and fiscal governance in the EU</td> <td style="text-align: center;">5</td> </tr> <tr> <td>6. Challenging issues for public finance and fiscal policy in the EU</td> <td style="text-align: center;">5</td> </tr> </tbody> </table>	NAME OF THE CHAPTERS	NO OF HOURS	1. The fiscal systems and tax policies of the EU Member States	5	2. The public expenditure systems and expenditure policies of the EU Member States	5	3. Budget deficits and public debt policies in the EU Member States	5	4. The EU budget and the supranational fiscal policy of the EU	10	5. Sustainable fiscal policies and fiscal governance in the EU	5	6. Challenging issues for public finance and fiscal policy in the EU	5
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BIBLIOGRAPHY	<p>Books and research papers</p> <ol style="list-style-type: none"> Allard, C. et al. (2015), Towards a Fiscal Union for the Euro Area, <i>IMF Staff Discussion Note 13/09</i>, Washington, Available at https://www.imf.org/external/pubs/ft/sdn/2013/sdn1309.pdf Andrieu, M. et al. (2015), Reforming Fiscal Governance in the European Union, <i>IMF Staff Discussion Note 15/09</i>, Available at http://www.imf.org/external/pubs/ft/sdn/2015/sdn1509.pdf Arestis, P., Sawyer, M., (editors) (2014), <i>Fiscal and Debt Policies for the Future</i>, Palgrave Macmillan, ISBN: 978-1137269522 Ayuso-i-Casals, J. et al. (2009), <i>Policy Instruments for Sound Fiscal Policies</i>, Palgrave Macmillan, ISBN: 978-1-349-55200-9 Beetsma, R. M. W. J., Badinger, H., Nitsch, V. (2015), <i>Fiscal policy in the EU: an overview of recent and potential future developments</i>, Routledge international handbooks
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6. Bordo, M.D., Markiewicz, A., Jonung, L. (2011), A Fiscal Union for the Euro: some lessons from history, *NBER Working Paper*, No. 17380, Available at <http://www.nber.org/papers/w17380.pdf>
7. Buti, M., Franco, D. (2005), *Fiscal Policy in Economic and Monetary Union: Theory, Evidence and Institutions*, Edward Elgar Pub, ISBN: 978-1845420178
8. Constanze, A., Röhrig, C. (2016), *Green Taxes as a Means of Financing the EU Budget: Policy Options*, The Greens/European Free Alliance, available at https://green-budget.eu/wp-content/uploads/2016-10-20_FINAL_Policy-Options-for-Ecological-European-own-resources.pdf
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16. Galí, J., Perotti, R. (2013), *Fiscal policy and monetary integration in Europe*, *Econ Policy*, Vol. 18 (37), pages 533-572
17. Ghosh, A., Ghosh, C. (2014), *Public Finance*, 2nd Edition, PHI Learning, ISBN: 978-81-203-4998-8
18. Hallerberg, M., Strauch, R.R., von Hagen, J. (2009), *Fiscal Governance in Europe*, Cambridge University Press, ISBN: 978-0-521-13826-0
19. Hallett, A.H., Hutchison, M.M., Hougaard Jensen, S.E (2011), *Fiscal Aspects of European Monetary Integration*, Cambridge University Press, ISBN: 978-0-521-17827-3
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EVALUATION	Conditions	<p>1. Attendance is expected for this course, though not strictly enforced. Although the textbook serves mostly as a reference for this course, a lot of the class materials are drawn from other sources. As a result, the students might not be able to understand some of the materials if they miss classes.</p> <p>2. Participation in the classroom is essential. Even though a student's grade is not dependent on classroom participation, it will become a factor when making decision on borderline cases.</p> <p>3. Any student who completes less than 60% of the assignments will receive an F for the course.</p>																			
	Criteria	<p>Grading Scale</p> <table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 60%;">90 - 100%</td><td style="text-align: right;">A</td></tr> <tr><td>80 - 89%</td><td style="text-align: right;">B</td></tr> <tr><td>70 - 79%</td><td style="text-align: right;">C</td></tr> <tr><td>60 - 69%</td><td style="text-align: right;">D</td></tr> <tr><td>0 - 59%</td><td style="text-align: right;">F</td></tr> </table> <p>Grading Philosophy</p> <table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 60%;">Superior work, professional</td><td style="text-align: right;">A</td></tr> <tr><td>Above average student work</td><td style="text-align: right;">B</td></tr> <tr><td>Average student work</td><td style="text-align: right;">C</td></tr> <tr><td>Below average student work</td><td style="text-align: right;">D</td></tr> <tr><td>Failure</td><td style="text-align: right;">F</td></tr> </table>	90 - 100%	A	80 - 89%	B	70 - 79%	C	60 - 69%	D	0 - 59%	F	Superior work, professional	A	Above average student work	B	Average student work	C	Below average student work	D	Failure
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	Composition of the final grade	Activity Final Project Ongoing examination Total	Percentages 50% 50% 100%
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