



Faculty of Arts and Social Sciences
Economics

Syllabus

Course Approval

The syllabus was approved by the Faculty Board of Arts and Social Sciences on 9 April 2013, and is valid from the Autumn semester of 2013 at Karlstad University.

Course Code: NEAD27

Economic Policy Evaluation, 7.5 ECTS Credits

(Ekonomisk utvärderingsmetod, 7.5 Swedish credit points)

Degree Level: Master

Progressive Specialisation: A1N (Second cycle, has only first-cycle course/s as entry requirements)

Language of Instruction

Swedish or English if required by non-Swedish-speaking students or teachers.

Prerequisites

Economics 90 ECTS or including NEGB22 Econometrics 7.5 ECTS or or equivalent plus additional courses totalling at least 30 ECTS or at the G2F level or above. Upper Secondary English 6, English B, or equivalent.

Major Field of Study

NAA (Economics)

Learning Outcomes

Upon completion of the course, students should be able to:

- carry out and discuss economic evaluations of measures and regulations at an advanced level,
- explain why a measure or regulation can be judged as a welfare improvement or not based on economic welfare theory,
- describe and discuss different econometric evaluation methods such as randomised experiment, natural experiment and instrumental variables regression,
- carry out and discuss economic evaluations based on econometric effect connections and associated monetary costs and benefits, particularly the application of the socio-economic evaluation methods cost benefit analysis and cost effect analysis,
- carry out and discuss analyses and valuations of goods lacking market pricing (non-market goods),
- suggest and discuss appropriate ways of handling uncertainty in economic evaluations, and
- give an account of how costs and/or benefits occurring in the future can be treated in the evaluation of measures and regulations.

Content and Form of Instruction

The course comprises the following components:

- welfare theory as the foundation of socio-economic evaluations: the Pareto criterion and Hicks-Kaldor criterion
- econometric evaluation methods: calculating effects of measures on the basis of non-randomised observation data only
- econometric evaluation methods: cost benefit analysis and cost effect analysis

- defining and calculating of socio-economic cost
- quantifying and measuring entities such as improved health and environment: direct evaluation methods, indirect evaluation methods, the value of statistical life, quality adjusted living years (QALYs)
- uncertainty and option values in economic evaluation
- discounting and handling cost and benefit for future generations
- ethical problems: utilitarianism and the ethics of consequence

The course is based on applications derived from various areas of micro-economy, particularly those of health, environment and education.

Reading List

See separate document.

Examination

Assessment is based on a written exam and written and orally presented hand-in assignments.

Grades

One of the grades Distinction (VG), Pass (G) and Fail (U) is awarded in the examination of the course.

Quality Assurance

Follow-up relating to learning conditions and goal-fulfilment takes place both during and upon completion of the course in order to ensure continuous improvement. Course assessment is based on student views and experiences as reported in written course evaluations and/or group discussions. Students will be informed of the result of the evaluation and of the measures to be taken.

Course Certificate

A course certificate will be provided upon request.

Additional Information

Students who enrolled before 1 July 2007 will complete their studies in accordance with the requirements of the earlier admission. Upon completion students may request degree and course certificates to be issued under the current ordinance if they meet its requirements.

The local regulations for studies at the Bachelor's and Master's levels at Karlstad University stipulate the obligations and rights of students and staff.

Karlstads universitet 651 88 Karlstad, Sweden
Tel +46-54-700 10 00 Fax +46-54-700 14 60
information@kau.se www.kau.se