

# Cost benefit analysis of Public Decisions

## Lecturer

Filipp Ushchev (Coordinator)

## Course mnemonic

ECON-S424

## ECTS credits

5 credits

## Language(s) of instruction

English

## Course period

Second term

## Campus

Solbosch

## Course content

This module covers the following topics: role of economic analysis in policy, project and policy financing; project cycle and the public sector's involvement; investment and policy appraisal and project selection; alternative evaluation options (e.g. cost effectiveness analysis); valuation of external effects of investments; monitoring and evaluation of policies and projects

## Objectives (and/or specific learning outcomes)

Introduce the concepts, theories and tools necessary to conduct a full economic (rather than simply financial) analysis of projects and policies.

## Teaching method and learning activities

Combination of theory and case studies to be prepared by students organized in groups

## Contribution to the teaching profile

Provides an essential tool for any future economist interested in working for international organizations in financing projects. It is also useful to assess the social impacts of any policy or regulation. Since this is often done by contracts with consulting firms, this tool is also useful for those of you keen on working for consulting firms

## References, bibliography and recommended reading

Asian Development Bank (2013) Cost-Benefit Analysis for Development: A Practical guide, Manila, available

(free) at: <http://www.adb.org/sites/default/files/cost-benefit-analysis-development.pdf>

Campbell, H.F. and P.C. Brown (2003 or later edition) Benefit-Cost Analysis: Financial and Economic Appraisal using Spreadsheets, Cambridge University Press, Commonwealth of Australia (2006), Introduction to Cost-Benefit Analysis and Alternative Evaluation Methodologies, Financial Management Reference Material No.5, available at [http://www.finance.gov.au/publications/finance-circulars/2006/docs/Intro\\_to\\_CB\\_analysis.pdf](http://www.finance.gov.au/publications/finance-circulars/2006/docs/Intro_to_CB_analysis.pdf)

Commonwealth of Australia (2006), Handbook of Cost-Benefit Analysis. Financial Management Reference Material No.5, available at [http://www.finance.gov.au/publications/finance-circulars/2006/docs/Handbook\\_of\\_CB\\_analysis.pdf](http://www.finance.gov.au/publications/finance-circulars/2006/docs/Handbook_of_CB_analysis.pdf)

European Investment Bank (2013), Economic Appraisal of Investment Projects, available at <http://www.eib.org/infocentre/publications/all/economic-appraisal-of-investment-projects.htm>

European Union (2008), Guide to Cost Benefit Analysis of Investment Projects, Brussels, available at: [http://ec.europa.eu/regional\\_policy/sources/docgener/guides/cost/guide2008\\_en.pdf](http://ec.europa.eu/regional_policy/sources/docgener/guides/cost/guide2008_en.pdf)

HM Treasury (2011), The Magenta Book - Guidance for evaluation, available at <https://www.gov.uk/government/publications/the-magenta-book>

## Course notes

Université virtuelle and Syllabus

## Other information

### Place(s) of teaching

Solbosch

### Contact(s)

Prof. Antonio Estache: [aestache@ulb.ac.be](mailto:aestache@ulb.ac.be)

Prof. Andrea Colombo: [Andrea.Colombo@ulb.be](mailto:Andrea.Colombo@ulb.be)

## Evaluation method(s)

Other

### Evaluation method(s) (additional information)

Combination of lectures, case studies and presentations by students

### Determination of the mark (including the weighting of partial marks)

40% for the paper you will have to work on as a part of a team of 5

20% for your ability to communicate your assessment in an individual policy oriented note

20% for a basic theory exam designed as a multiple choice to make sure you have fully internalized the concepts

20% for your ability to conduct an individual evaluation of one of the other cases that will be assigned to you

### Main language(s) of evaluation

English

## Programmes

### Programmes proposing this course at the Solvay Brussels School of Economics and Management

MA-ECON | **Master in Economics : General** | finalité Business Economics/unit 1, finalité Business Economics/unit 2 and finalité Economic Governance and Public Policy in Europe/unit 1

