

Course Code	Course Name	Credits
22EC011	WELFARE ECONOMICS	04

Course Objectives

- Understand the basic concepts of welfare economics.
- Explain individual and social welfare along with major theoretical approaches.
- Analyse Pareto Optimality developed by Vilfredo Pareto.
- Examine the principles of New Welfare Economics- compensation criteria.
- Study modern contributions of Amartya Sen and Abhijit Banerjee.

Learning Outcomes

Upon successful completion of this course it is intended that a student will be able to:

- Define and explain the key concepts of welfare economics.
- Evaluate different theories of social welfare and their relevance in economic analysis.
- Apply Pareto efficiency in analysing real-world economic situations.
- Critically assess welfare policies using traditional and modern approaches.
- Analyse issues of poverty and inequality using the ideas of Amartya Sen

Unit 1 – Introduction to Welfare Economics (12Hrs)

Meaning and objectives of welfare economics; Positive and welfare economics; welfare- General and Economic welfare; Individual and Social welfare; The Neo- classical welfare economics- Bentham, Marshall and Pigou's version of welfare; Criticism of Neo-classical welfare economics

Unit 2 –Ordinal Welfare Economics (12Hrs)

Ordinal welfare economics; Pareto's welfare economics; Pareto's Social optimum and marginal conditions; Evaluation merits and demerits of Pareto's welfare economics.

Unit 3 – New Welfare Economics (12Hrs)

Compensation principle of Kaldor Hicks; Scitovsky Paradox; Scitovsky double criterion; Grand utility possibility curve.

Unit 4 – Theory of Social Choice (12Hrs)

Value judgment and Bergson Samuelson Social welfare function; Arrows theory of social Choice and Impossibility theorem; Alternative Social choice theory.

Unit 5 –Welfare Economics from Indian Economic Prospective (12Hrs)

Amatya Sen's Concept of poverty and welfare-poverty and famines, poverty and inequality, capability entitlement, choice of technique, time series and other economic ideas of welfare; Abhijit Banarjee contribution of poverty and welfare.

Reference Books:

1. Advanced Economic Theory, Micro Economic Analysis – Dr. H. L Ahuja, S. Chand & Company Ltd, 18th Revised Edition (2012).
2. Keynes & Post-Keynesian Economics- R. D Gupta & A.S Rana, Kalyani Publishers, Revised Edition (1997).
3. Micro Economics- P.N Chopra, Kalyani Publishers, 2010.
4. Micro Economics-M. L Seth, Laxami Narayan Agarwal Educational Publishers (LNA) 2009.
5. Modern Micro Economics- A. Koutsoyiannis, Macmillian-2

Websites and eLearning Sources:

1. <https://link.springer.com/book/10.1007/978-1-349-15739-6>
2. <https://oll.libertyfund.org/titles/pigou-the-economics-of-welfare>
3. <https://www.cambridge.org/core/books/welfare-theory-public-action-and-ethical-values/9B84375983D60A793E95C72BFD707237>

COs and Bloom's Taxonomy Mapping – 26EC011

Course Outcomes	On successful completion of this course, students will be able to	BTL
CO1	Remember and explain the basic concepts and principles of welfare economics.	K1, K2
CO2	Evaluate theories of individual and social welfare and their relevance in economic analysis.	K4
CO3	Apply Pareto efficiency to analyze real-world economic situations.	K3
CO4	Critically assess welfare policies using traditional and modern approaches including compensation criteria.	K5
CO5	Analyze issues of poverty and inequality using the contributions of Amartya Sen and Abhijit Banerjee.	K4

BTL (Bloom's Taxonomy Level) - K1 – Remembering, K2 – Understanding, K3- Applying, K4 – Analyse, K5- Evaluate and K6 - Create

Relationship Matrix – 26EC011

Course Outcomes	Programme Outcomes (POs)						Programme Specific Outcomes (PSOs)					Mean Score of Cos
	PO1	PO2	PO3	PO4	PO5	PO6	PSO1	PSO2	PSO3	PSO4	PSO5	
CO1	3	2	1	2	1	1	2	2	1	1	1	1.55
CO2	2	3	3	2	2	1	2	3	2	2	2	2.18
CO3	2	3	3	2	1	1	2	2	3	2	2	2.09
CO4	2	3	3	3	2	1	2	3	3	2	2	2.36
CO5	2	3	3	3	3	2	3	3	3	3	3	2.82
Total												2.2

Mean Score: 3- High, 2- Medium/Moderate, 1-Low

