



ÇANKAYA UNIVERSITY

Faculty of Economics and Administrative Sciences

Course Definition Form

Part I. Basic Course Information

Department Name	ECONOMICS	Dept. Numeric Code	3 1
Course Code	E C O N 4 4 6	Number of Weekly Lecture Hours	3
		Number of Weekly Lab/Tutorial Hours	0
Course Web Site	http://econ446.cankaya.edu.tr	Number of Credit Hours	3
		ECTS Credit	0 5

Course Name and Other Course Information

This information will appear in the printed catalogs and on the web online catalog.

English Name	General Equilibrium and Welfare Economics
Turkish Name	Genel Denge ve Refah Ekonomisi
Mode of Delivery	Face to face
Language of Instruction	English

Course Description

Provide a brief overview of what is covered during the semester. This information will appear in the printed catalogs and on the web online catalog.

Maximum 60 words.

This course covers, at an introductory level, some of the main topics of general equilibrium and welfare economics, such as Pareto optimal allocations and the core of a pure exchange economy, general equilibrium models of exchange and production, social welfare functions and social optima, welfare properties of general equilibrium, externalities in an exchange economy, and uncertainty in exchange.

Prerequisites (if any) <i>Give course codes and check all that are applicable.</i>	1 st	2 nd	3 rd	4 th
	E C O N 2 0 7	E C O N 2 0 8	[] [] [] [] [] []	[] [] [] [] [] []
	<input type="checkbox"/> Consent of the Instructor	<input type="checkbox"/> Senior Standing	<input type="checkbox"/> Give others, if any [] [] [] [] [] []	
Co-requisites (if any)	1 st	2 nd	3 rd	4 th
	[] [] [] [] [] []	[] [] [] [] [] []	[] [] [] [] [] []	[] [] [] [] [] []
Course Type <i>Check all that are applicable</i>	<input type="checkbox"/> Must course for dept <input type="checkbox"/> Must course for other dept.(s) <input checked="" type="checkbox"/> Elective course for dept. <input type="checkbox"/> Elective course for other dept.(s)			

Part II. Detailed Course Information**Course Objectives***Maximum 100 words.*

The aim of this course is to introduce and explore general equilibrium theory and the welfare properties of general equilibria.

Learning Outcomes*Explain the learning outcomes of the course. Maximum 10 items.*

Upon successful completion of this course, students will be able to:

1. Identify the Pareto optimal and the core allocations in a pure exchange economy.
2. Understand the characterization of general equilibrium in exchange and production models; identify the general equilibrium allocations and the general equilibrium price ratio.
3. Obtain knowledge about the existence, uniqueness and stability of the general equilibrium.
4. Acquire knowledge about social welfare functions and identify socially optimal allocations.
5. Demonstrate a thorough understanding of the main welfare theorems.
6. Learn how to deal with externalities and uncertainty in exchange economies.

Textbook(s)*List the textbook(s), if any, and other related main course material.*

Author(s)	Title	Publisher	Publication Year	ISBN
Feldman, A. M. and R. Serrano	Welfare Economics and Social Choice Theory, 2nd edition	Springer	2006	978-1441939883

Reference Books*List, if any, other reference books to be used as supplementary material.*

Author(s)	Title	Publisher	Publication Year	ISBN
Starr, R. M.	General Equilibrium Theory: An Introduction, 2nd edition	Cambridge University Press	2011	978-0521533867
Layard, P. R. G. and Walters, A. A.	Microeconomic Theory	McGraw-Hill	1987	0-07-036786-8
Moore, J. C.	General Equilibrium and Welfare Economics: An Introduction	Springer	2007	978-3540314073

Teaching Policy*Explain how you will organize the course (lectures, laboratories, tutorials, studio work, seminars, etc.)*

The teaching strategy will be mostly based on lectures and problem solving. Students are expected to participate in class discussions and are encouraged to ask questions and share their opinions. Instructor will hold regular office hours specifically to answer students' questions about the course material and assist them.

Laboratory/Studio Work*Give the number of laboratory/studio hours required per week, if any, to do supervised laboratory/studio work and list the names of the laboratories/studios in which these sessions will be conducted.*

NA

Computer Usage*Briefly describe the computer usage and the hardware/software requirements for the course.*

NA

Course Outline <i>List the weekly topics to be covered.</i>	
Week	Topic(s)
1	Review of basic microeconomics (preferences, utility maximization, production, profit maximization).
2	Pure exchange models (consumption without production). Pareto optimal allocations.
3	The core of the pure exchange economy.
4	General equilibrium.
5	Existence, uniqueness and stability of the general equilibrium.
6	The utility possibility set, social welfare functions, social optimality.
7	Midterm exam.
8	Welfare properties of general equilibrium: The first and the second fundamental theorems of welfare economics.
9	Production models (production without consumption): One- and two-sector models.
10	The first and the second fundamental theorems of welfare economics, production version.
11	Models with production and consumption: One- and two-sector models.
12	Externalities in an exchange economy.
13	Uncertainty in exchange.
14	Arrow's impossibility theorem.

Grading Policy <i>List the assessment tools and their percentages that may give an idea about their relative importance to the end-of-semester grade.</i>								
Assessment Tool	Quantity	Percentage	Assessment Tool	Quantity	Percentage	Assessment Tool	Quantity	Percentage
Take-Home Assignments	2	30						
Midterm Exam	1	20						
Final Exam	1	40						
Class Participation	1	10						

ECTS Workload <i>List all the activities considered under the ECTS.</i>			
Activity	Quantity	Duration (hours)	Total Workload (hours)
Attending Lectures (<i>weekly basis</i>)	14	3	42
Attending Labs/Recitations (<i>weekly basis</i>)	-	-	-
Compilation and finalization of course/lecture notes (<i>weekly basis</i>)	14	1	14
Collection and selection of relevant material (<i>once</i>)	1	1	1
Self-study of relevant material (<i>weekly basis</i>)	14	2	28
Take-home assignments	2	5	10
Preparation for quizzes	-	-	-
Preparation for mid-term exams (<i>including the duration of the exams</i>)	1	10	10
Preparation of term paper/case-study report (<i>including oral presentation</i>)	-	-	-
Preparation of term project/field study report (<i>including oral presentation</i>)	-	-	-
Preparation for final exam (<i>including the duration of the exam</i>)	1	20	20
TOTAL WORKLOAD / 25			125/25
ECTS Credit			5

Program Qualifications vs. Learning Outcomes Consider the program qualifications given below as determined in terms of learning outcomes and acquisition of capabilities for all the courses in the curriculum. Look at the learning outcomes of this course given above. Relate these two using the Likert Scale by marking with X in one of the five choices at the right.						
No	Program Qualifications	Contribution				
		0	1	2	3	4
1	To know the fundamental concepts in economics and associated social sciences, and relate these concepts to each other.					X
2	To know the quantitative and qualitative methods and computer skills necessary for testing hypotheses derived from economic theories for the purpose of contributing towards the solution of economic problems.				X	
3	To acquire the necessary knowledge for gathering and processing data, and for building up the scientific research capacity to guide economic policy.			X		
4	To specialize in some of the sub-disciplines of economics, and to gain interdisciplinary analytical skills by making connections between those sub-disciplines and other social sciences.				X	
5	To have the ability to question, interpret, and analyze the findings of economic studies.					X
6	To develop the ability to present in writing as a report and verbally as a presentation the knowledge acquired through education.			X		
7	To be able to work in teams, and when necessary to rise up to the challenge individually.				X	
8	To gain life-long learning and critical-thinking skills.				X	
9	To be able to assess one's need for advanced study and to make plans accordingly by using the critical and analytical thinking skills gained during undergraduate studies.					X
10	To gain the ability to use a language at least at the Level B1 of the European Language Portfolio to follow economic news and developments, and to communicate with colleagues.			X		
11	To maintain scientific, social, and ethical standards when collecting, interpreting, and disseminating economic information, and in application of economic ideas.					X
12	To be conscious of social and environmental needs.			X		
13	To develop an open-minded attitude towards new ideas and developments.				X	
14	To relate the knowledge gained through education to the cultural and historical characteristics of the society.		X			

Scale for contribution to a qualification: 0-none, 1-little, 2-moderate, 3-considerable, 4-highest