

## Applied Welfare Economics (F710294)

**Course size** *(nominal values; actual values may depend on programme)*

**Credits 3.0**                      **Study time 90 h**

**Course offerings and teaching methods in academic year 2025-2026**

A (semester 1)	English	Gent	independent work
			peer teaching
			lecture
			group work

**Lecturers in academic year 2025-2026**

Verhofstadt, Elsy	EB21	lecturer-in-charge
Van Ootegem, Luc	EB21	co-lecturer

**Offered in the following programmes in 2025-2026**

	<b>crdts</b>	<b>offering</b>
<a href="#">Bachelor of Science in Business Administration</a>	3	A
<a href="#">Exchange programme in Economics and Business Administration</a>	3	A

**Teaching languages**

English

**Keywords**

Welfare state, government intervention, measurement of well-being, employment policies, social affairs policies, Internationalisation@Home

**Position of the course**

The objective of the course "welfare economics" is twofold. On the one hand, this course wants to give the students an insight into (1) the possible reasons for government intervention and the theoretical concept 'welfare state', (2) employment and social affair in Europe and (3) the interpretation of the concept and the possibilities to measure "well-being". On the other hand, the course also wants to encourage students to think critically about a number of current problems that welfare-societies have to deal with and about the possibilities to cope with them with policy. The use of economic arguments should allow students to form a well-founded opinion on several social problems, for which the normative choice should be distinguished from the positive analysis.

This course contains elements of internationalisation@Home (I@H). I@H refers to international and/or intercultural learning experiences that are acquired at the home university. Within this course, you work in international groups.

**Contents**

We discuss why a government intervenes in the market (for efficiency reasons on the one hand and for reasons of social justice on the other hand). We indicate the difference between insurance and solidarity and discuss moral hazard and adverse selection problems. Also, we discuss employment and social affair policies in Europe.

The second part of the course deals with the measurement of wellbeing. In the welfarist tradition the focus is on income or utility. Rawls suggested a basic needs approach. Nobel Prize Winner (1998) Economics A. Sen chooses to use the concepts of 'functionings' and 'capabilities' (a non-welfarist approach). We compare and discuss these different views and their consequences for the well-being concept.

### **Initial competences**

Having knowledge of and being able to use general economic core concepts.  
Understand the relations between micro economic variables.

### **Final competences**

- 1 *Argue about government intervention in the welfare state*
- 2 Analyse possible solution for the challenges of our welfare state.
- 3 Have an nuanced opinion about different approaches of well-being
- 4 Evaluate the influence of Europe on the welfare state
- 5 Work independently and in group on welfare-economic problems.
- 6 Cooperate internationally

### **Conditions for credit contract**

Access to this course unit via a credit contract is determined after successful competences assessment

### **Conditions for exam contract**

This course unit cannot be taken via an exam contract

### **Teaching methods**

Group work, Lecture, Independent work, Peer teaching

### **Extra information on the teaching methods**

Interactive lectures with computer presentations and problem oriented education (an alternative way of learning which pays attention to learning and social skills, in which students solve practical cases in small groups) for which students' presence is required.

### **Study material**

Type: Slides

Name: Powerpoint presentations of the lectures  
Indicative price: Free or paid by faculty  
Optional: no  
Available on Ufora : Yes

Type: Reader

Name: papers  
Indicative price: Free or paid by faculty  
Optional: yes  
Available on Ufora : Yes

### **References**

#### **Course content-related study coaching**

Questions and discussions during and after the lectures.

#### **Assessment moments**

end-of-term and continuous assessment

#### **Examination methods in case of periodic assessment during the first examination period**

Written assessment with open-ended questions

#### **Examination methods in case of periodic assessment during the second examination period**

Written assessment with open-ended questions

#### **Examination methods in case of permanent assessment**

Participation, Presentation, Peer and/or self assessment, Assignment

#### **Possibilities of retake in case of permanent assessment**

examination during the second examination period is possible in modified form

#### **Extra information on the examination methods**

The continuous assessment consists of the assessment of individual assignments, group work (with peer evaluation) and the participation during the lectures.

Second term:

The permanent evaluation is replaced by an individual assignment. The student has to work on this assignment without supervision.

#### **Calculation of the examination mark**

Written exam: 50%  
Continuous assessment: 50%