



## Course and Examination Fact Sheet: Spring Semester 2021

### 6,250: Democratic Choice and Social Welfare

ECTS credits: 3

#### Overview examination/s

(binding regulations see below)

Decentral - Group examination paper with presentation (all given the same grades) (60%)

Examination time: term time

Decentral - Written examination (40%, 60 mins.)

Examination time: term time

#### Attached courses

Timetable -- Language -- Lecturer

[6,250,1.00 Democratic Choice and Social Welfare](#) -- Englisch -- [Gizatullina Alia](#)

#### Course information

#### Course prerequisites

Microeconomics II is recommended

#### Learning objectives

1. Understanding the key concepts of social choice.
2. Learn how to reason formally about democratic decision-making.
3. Being able to apply these concepts and to discuss real-world challenges to "fully" democratic decision-making.

#### Course content

How can democratic decision-making lead to socially desirable outcomes? And, importantly, how can we even evaluate whether it does so? For example, is majority voting socially desirable? Or should the votes of individuals from less populous regions have more weight (which may have contributed to Trump's victory in the 2016 US presidential election)? Or should the votes of younger individuals have more weight (which may have changed the outcome of the Brexit referendum)? And should there be particular minority rights for, e.g., members of ethnic minorities or individuals with disabilities? More generally, what is the relation between democratic decision-making and individual liberties? Looking into the future, should we go for an algorithmic democracy that uses our traceable digital activities to compute the optimal collective decision?

Questions like these are best studied using the tools from two related fields: social choice and, to a lesser extent, public choice. Social choice offers a theoretical framework for the analysis of whether and how we can aggregate individual opinions, preferences, interests or utility levels to reach a collective decision. Public choice studies collective decision-making as well, but focuses on the different political actors rather than the possibility of collective decisions. These two fields both lie at the intersection of economics, philosophy, and political science. They have been shaped by three Nobel laureates in economics: Kenneth Arrow, James Buchanan, and Amartya Sen.

The goal of the lectures part is to introduce the social choice framework and discuss (i) some voting paradoxes, (ii) Arrow's Impossibility Theorem, which is arguably the most important and disturbing result in the social sciences, (iii) the special appeal of majority voting, (iv) the role of private information and the chances of it being truthfully revealed, and (v) the difficulty in finding collective decision rules that guarantee minimal individual liberties. (vi) some strategic voting models.

#### Course structure

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## Course literature

Lecture notes and the extra material posted on Canvas

## Additional course information

In the case of the President's Board having to implement new directives due to the SARS-CoV-2 pandemic in SpS2021, the course information listed above will be changed as follows:

- The course is conducted online via the platform Zoom;
- The recordings of the course will not be saved;
- The lecturer informs via StudyNet on the changed implementation modalities of the course;

The examination information listed below would be changed as follows:

- The presentation and written examination are conducted online and are being recorded

## Examination information

### Examination sub part/s

#### 1. Examination sub part (1/2)

##### Examination time and form

Decentral - Group examination paper with presentation (all given the same grades) (60%)

Examination time: term time

##### Remark

Group of 1-2 students

##### Examination-aid rule

Term papers

Term papers must be written without anyone else's help and in accordance with the known quotation standards, and they must contain a declaration of authorship which is a published template in StudentWeb.

The documentation of sources (quotations, bibliography) has to be done throughout and consistently in accordance with the chosen citation standard such as APA or MLA.

For papers in law, the legal standard is recommended (by way of example, cf. FORSTMOSER, P., OGOREK R. et SCHINDLER B., *Juristisches Arbeiten: Eine Anleitung für Studierende*, newest edition respectively, or according to the recommendations of the Law School).

The indications of the sources of information taken over verbatim or in paraphrase (quotations) must be integrated into texts in accordance with the precepts of the applicable quotation standard, while informative and bibliographical notes must be added as footnotes (recommendations and standards can be found, for example, in METZGER, C., *Lern- und Arbeitsstrategien*, newest edition respectively).

For any work written at the HSG, the indication of the page numbers is mandatory independent of the chosen citation standard. Where there are no page numbers in sources, precise references must be provided in a different way: titles of chapters or sections, section numbers, acts, scenes, verses, etc.

##### Supplementary aids

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##### Examination languages

Question language: English

Answer language: English



## 2. Examination sub part (2/2)

### Examination time and form

Decentral - Written examination (40%, 60 mins.)

Examination time: term time

### Remark

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### Examination-aid rule

Extended Closed Book

The use of aids is limited; any additional aids permitted are exhaustively listed under "Supplementary aids". Basically, the following is applicable:

- At such examinations, all the pocket calculators of the Texas Instruments TI-30 series and mono- or bilingual dictionaries (no subject-specific dictionaries) without hand-written notes are admissible. Any other pocket calculator models and any electronic dictionaries are inadmissible.
- In addition, any type of communication, as well as any electronic devices that can be programmed and are capable of communication such as notebooks, tablets, mobile telephones and others, are inadmissible.
- Students are themselves responsible for the procurement of examination aids.

### Supplementary aids

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### Examination languages

Question language: English

Answer language: English

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## Examination content

1. Written closed-book exam: some problems and open questions similar to the one considered in class
2. Group paper with presentation and discussions: apply formal reasoning similar to the one we will study in class and propose a solution to a real life problem

## Examination relevant literature

Lecture slides, extra material posted on Canvas



### Please note

Please note that only this fact sheet and the examination schedule published at the time of bidding are binding and takes precedence over other information, such as information on StudyNet (Canvas), on lecturers' websites and information in lectures etc.

Any references and links to third-party content within the fact sheet are only of a supplementary, informative nature and lie outside the area of responsibility of the University of St.Gallen.

Documents and materials are only relevant for central examinations if they are available by the end of the lecture period (CW21) at the latest. In the case of centrally organised mid-term examinations, the documents and materials up to CW 12 are relevant for testing.

Binding nature of the fact sheets:

- Course information as well as examination date (organised centrally/decentrally) and form of examination: from bidding start in CW 04 (Thursday, 28 January 2021);
- Examination information (regulations on aids, examination contents, examination literature) for decentralised examinations: in CW 12 (Monday, 22 March 2021);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised mid-term examinations: in CW 12 (Monday, 22 March 2021);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised examinations: two weeks before the end of the registration period in CW 14 (Thursday, 8 April 2021).