ALLAMA IQBAL OPEN UNIVERSITY, ISLAMABAD

**(Department of Economics)**

**WARNING**

1. **PLAGIARISM OR HIRING OF GHOST WRITER(S) FOR SOLVING THE ASSIGNMENT(S) WILL DEBAR THE STUDENT FROM THE AWARD OF DEGREE/CERTIFICATE IF FOUND AT ANY STAGE.**
2. **SUBMITTING ASSIGNMENT(S) BORROWED OR STOLEN FROM OTHER(S) AS ONE’S OWN WILL BE PENALIZED AS DEFINED IN THE “AIOU PLAGIARISM POLICY”.**

## Course: General Equilibrium & Welfare Economics (9307)

## Level: BS Economics Semester: Spring, 2025

## Please read the following instructions for writing your assignments. (AD, BS, BEd, MA/MSc, MEd, MPhil and PhD)

1. All questions are compulsory and carry equal marks but within a question the marks are distributed according to its requirements.

2. Read the question carefully and then answer it according to the requirements of the questions.

3. Handwritten scanned assignments are not acceptable.

4. Upload your typed (in Word or PDF format) assignments on or before the due date.

5. Late assignments can’t be uploaded on LMS.

6. Your own analysis and synthesis will be appreciated.

7. Avoid irrelevant discussion/information and reproducing from books, study guides, or allied material.

## Total Marks: 100 Pass Marks: 50

**ASSIGNMENT No. 1**

**(Units 1-5)**

Q.1 Describe the various basic properties of Walrasian Equilibrium. (20)

Q.2 Discuss the following: (20)

1. Bargaining Ability
2. Competitive Exchange

Q.3 Discuss the equilibrium & efficiency. And also illustrate the implications of the first Welfare Theorem. (20)

Q.4 Write a note on different Technologies and Pareto efficiency in Production. (20)

Q.5 Briefly explain the second Theorem of Welfare Economics. (20)

**Total Marks: 100 Pass Marks: 50**

**ASSIGNMENT NO: 2**

**(Units 6-9)**

Q.1 Describe the State-Contingent Commodities and also discuss efficiency with Production. (20)

Q.2 Discuss the following; (20)

1. Fair Allocations
2. Efficiency and Equity

Q.3 Describe the social choice and Arrow’s Theorem. (20)

Q.4 Describe the measurability and comparability for the “Utilitarian Form” in social choice & welfare. (20)

Q.5 Discuss the investment theory of the Firm and the role of Time. (20)