

TEACHING GUIDE

ECONOMY OF THE WELFARE STATE

GRADO EN ECONOMÍA (INGLÉS)

ACADEMIC YEAR 2026-27

Publication date: 05-07-2026



I.-Subject Identification

Type	OPTATIVA
Teaching period	4 course, 2Q semester
Nº of credits	6
Language in wich the subject is taught	English

II.-Presentation

The emphasis in the course Economics of the Welfare State will be on acquiring the necessary theoretical and empirical skills to engage in the rigorous economic analysis of social policies. Topics at the forefront of public economics will be covered. These include efficiency, redistribution, insurance and incentives. The traditional literature has focused on the trade-off between efficiency and equity with particular emphasis of the distortionary effects of redistributive policies. While this is an important trade-off, the modern literature has shown that the issues are much more complex due to the interaction between insurance and incentives. This course provides an introduction to this more recent literature and relates it to the ongoing debate about the welfare state and its challenges. The emphasis will be on combining theory and data to evaluate the effectiveness and equity of policies in this area. Students should have completed a course in intermediate level microeconomics and another one in quantitative techniques or possess equivalent knowledge in order to completely benefit from this course.

III.-Learning outcomes

CT01. Ability to analyse and synthesise
 CT02. Ability to organise and plan
 CT06. Ability to analyse and search for information from different sources
 CT07. Ability to solve problems
 CT09. Ability to work in a team
 CT18. Leadership
 CT20. Environmental and social awareness
 CB02 . That students are able to apply their knowledge to their work or vocation in a professional manner and have the skills that are typically demonstrated through the preparation and defense of arguments and problem solving within their field of study.
 CB03 . That students have the ability to gather and interpret relevant data (usually within their field of study) to express judgments that include a reflection on relevant topics related to social, scientific or ethical areas.
 CB04 . That students are able to transmit information, ideas, problems and solutions to both specialized and non-specialized audience.
 CE01. Ability to put knowledge of economics into practice
 CE02. Information search and research skills
 CE03. Design and management of projects relating to different areas of economics
 CE06. Ability to learn and apply the different qualitative techniques used in economics
 CE10. Understanding of economic policy objectives and instruments
 CE11. Understanding how the public sector of an economy works
 CE14. Ability to convert an empirical problem into an area of research and reach conclusions

- Key for degrees not adapted to RD 822/21: **CB** - basic competences, **CG** - generic competences, **CE** - specific competences, **CT** - transversal competences.
- Key for degrees adapted to RD 822/21: **CON** - knowledge, **COM** - competences, **HAB** - skills.



IV.-Contents

IV.A.-Syllabus

Welfare State: concept, evolution and political, institutional and economic foundations

- 1) Introduction to the Welfare State (concepts, evolution and models).
- 2) The challenges of the Welfare State in the 21st century.
- 3) The Welfare State in Spain.

Welfare State: cash benefits

- 4) Employment Policies.
- 5) Programmes for the Fight against Poverty and Inequality.
- 6) Pension Systems.

Welfare State programs: benefits in kind

- 7) Health Systems.
- 8) Education Systems.

The following themes will be dealt with in a cross-cutting manner, with the exception of theme 1:

Topic 1. The Welfare State: basic concepts, objectives and evolution.

Topic 2. Economic foundations of the Welfare State.

Topic 3. Efficiency and equity in Welfare State programmes.

Topic 4. The sustainability of the Welfare State.

IV.B.-Training activities

Type	Title
Lectures	Units 1 - 7

V.-Student workload	
Theoretical sessions	38
Resolution of exercises, problems, case studies, etc.	18
Practical sessions in experimental, technological and clinical laboratories, fieldwork, etc.	0
Tests and/or exams	4
Academic tutorials	30
Related activities: conferences, seminars, etc.	18
Preparation of theoretical sessions and self-study	36
Preparation of practical tasks, exercises, case studies, projects, etc.	32
Preparation for tests and/or exams	4
Total student workload	180

VI.-Methodology and academic programme		
Type	Period	Content
Theoretical sessions	Week 5 to Week 6	Unit 4
Theoretical sessions	Week 7 to Week 8	Unit 5
Theoretical sessions	Week 9 to Week 10	Unit 6
Theoretical sessions	Week 11 to Week 12	Unit 7
Theoretical sessions	Week 1 to Week 2	Unit 1
Theoretical sessions	Week 3 to Week 4	Unit 3
Theoretical sessions	Week 2 to Week 3	Unit 2

VII.-Assessment methods

The general assessment method is continuous as established in the *Regulation for the Assessment of Learning Outcomes* of Rey Juan Carlos University.

All the assessment systems established in the degree report must be employed, except for those that have a minimum weight of 0%, which can be used by professors in the academic years they consider relevant. Each assessment system may be applied through one or more assessment activities, consistent with the system. No assessment activity can exceed individually 60% of the overall grade for the subject.

The sum of non re-evaluable activities cannot exceed 40% of the overall grade for the subject and, in general, should not have an established minimum grade (except for practical activities in which, strictly speaking, the conditions of the ordinary call cannot be reproduced in the extraordinary call).

Those students who do not manage to pass the subject in the ordinary call, or do not attend this first call, may attend the extraordinary call only for failed re-evaluable assessment activities.

The distribution and characteristics of the assessment activities are described below.

VII.A.-Description and weight of the assessment activities

Ordinary Call Assessment:

It consists of:

- An exam, which will be a multiple-choice test and/or true/false questions, and/or questions involving reasoning or conceptual understanding, and/or problem-solving tasks*, accounting for 60% of the final grade. A minimum score of 5 out of 10 is required to pass this component. The exam will be held on the date set by the Faculty.
- Practical coursework, consisting of problem-solving tasks and/or written assignments, and/or press article commentaries, readings related to the syllabus, short quizzes, etc. This component will represent 40% of the final grade, does not require a minimum passing mark, and will be conducted throughout the course.

Total: 100%

Extraordinary Call Assessment:

Students will only take the exam. The mark obtained for the practical coursework during the ordinary call will be retained. If a student did not complete the practicals during the ordinary call, they will have the opportunity to submit them by the date of the exam.

Early Call Assessment:

It will consist of a single test, which may include multiple-choice questions, true/false statements, and/or reasoning or conceptual questions, and/or problem-solving tasks.

The review of the exam will be conducted in accordance with the university's regulations, and the date and time will be announced by the lecturer at least 48 hours in advance.

Lecturers responsible for each group may establish specific conditions for applying the weighting system, provided they remain within the limits defined in the syllabus, which will determine the student's final grade.

Students will be informed in detail at the beginning of the course—either via the virtual campus or during in-person classes—about all aspects related to assessment activities.

VII.B. Assessment of students with academic exemption from class attendance

Having Academic Exemption from Class Attendance (DAAC) does not imply that students are automatically exempt from participating in the continuous assessment activities or in the training activities of compulsory attendance as established in the teaching guide. Once the exemption has been granted, students must contact the subject's teaching staff, who will propose the adaptations he/she may consider relevant, as long as they guarantee the acquisition and adequate assessment of the learning goals established. Students must maintain adequate communication with the teaching staff so that they may provide information on the dates for training and assessment activities, if these are not established in the programme and available for students at the time of achieving the exemption.

Subject with possibility of academic exemption: Yes.

VII.C. Review of assessment activities



In accordance with the Regulation for the Assessment of Learning Outcomes of Rey Juan Carlos University.

VII.D.-Students with a disability or special educational needs

In order to guarantee equal opportunities, non-discrimination, universal accessibility and academic success, students with disabilities or especial education needs may request curricular adaptations to follow their studies. These adaptations will be provided by the Unit of Attention to People with Disabilities of Rey Juan Carlos University, in accordance with the regulation which regulates the service for the Attention of People with Disabilities at the University. This Unit will issue a report for curricular adaptations, so that students with disabilities or special education needs must contact the service (at e-mail discapacidad.programa@urjc.es) in order to provide relevant information for different educational alternatives.

VII.E.-Academic behaviour, academic integrity and honesty

Rey Juan Carlos University is fully committed to the highest standards of academic integrity and honesty, so studying at the URJC means assuming and subscribing to the values of integrity and academic honesty set out in the University's Ethical Code. To support this process, the University has Rey Juan Carlos University's Academic Conduct Regulation as well as different tools (anti-plagiarism, supervision...) that offer a collective guarantee for the full development of these essential values.



VIII.-Teaching resources and materials

Basic bibliography

Main Bibliography

Tax by design. The Mirrlees Review. Institute for Fiscal Studies, 2011.

H Rosen and T Greyer: Public Finance, McGraw-Hill. Last edition.

J Simon and C Nobes (2011) Economics of Taxation , Fiscal Publications, 11th ed.

J Gruber, Public Finance and Public Policy, Worth Publishers, Last edition.

Reference literature

L Kaplow (2008), The Theory of Taxation and Public Economics, Princeton University Press

J E Stiglitz (2000), Economics of the Public Sector, New York and London: Norton 3rd ed

B Salanié (2003) The Economics of Taxation, MIT Press

Consultation bibliography

IX.-Professors

Name and surname	IVÁN HUASCAR AYALA GARCÍA
E-mail address	ivan.ayala@urjc.es
Department	Economía de la Empresa (ADO), Economía Aplicada II y Fundamentos Análisis Económico
Campus	Madrid - Quintana
Category	Profesor/a Ayudante Doctor/a
Academic degree	Doctor
Person responsible for the subject	Yes
Tutorial timetable	Para consultar las tutorías póngase en contacto con el/la profesor/a a través de correo electrónico
Number of quinquennia	1
Number of sexennia	0
No. of positive evaluations by Docencia	1

