Course Descriptions None 2015-2016

Course Title	Institutions, Behaviour and Welfare
Course Code	EBC2015
ECTS Credits	6,5
Assessment	Whole/Half Grades

Period

Period	Start	End	Mon	Tue	Wed	Thu	Fri
5	11-4-2016	3-6-2016	X/E			X/E	

Level	Intermediate
Coordinator	Chris Woolnough For more information:c.woolnough@maastrichtuniversity.nl
Language of instruction	English
Goals	Acquiring a structured insight into the important role of institutions in the performance of the economy - Learning about the crucial roles of imperfect information, bounded rationality, transaction costs and property rights in the functioning of the economy - Being able to apply the above insights to real-life developments in the economy
Description	Institutions have always been an important subject in economics. A relatively recent approach to the study of institutions in economics is the so-called New Institutional Economics (NIE). What is new in NIE as compared to the 'old' institutional economics is its emphasis on a firm theoretical foundation and systematic reasoning. It tries to analyse the role of institutions in society in a systematic and structured way, which is comparable to the structured approach of neoclassical economics. On the other hand, its themes are essentially different from those in neoclassical economics. One important theme of NIE are the impacts of imperfect information, bounded rationality and transaction costs. Transaction costs are 'the costs of running the economic system', like costs of search for information, bargaining, making and enforcing contracts, monitoring, etc. Another main theme of NIE are the effects and origins of property rights. For example, the care and effort that you spend on your apartment or house will strongly depend on whether you own or rent it. This course offers an introduction to the basic theories of transaction costs, property rights, and contracts, and applies these theories to the functioning and performance of markets, firms, and the state. Moreover, the roles of intrinsic motivation, trust, social norms, and endogenous preferences are highlighted.
Literature	Articles and chapters from books
Prerequisites	Intermediate knowledge and understanding of microeconomics (level comparable to: course Microeconomics: Choices, Markets and Welfare) and macroeconomics (level comparable to: course Macroeconomics and Economic Policy) An advanced level of English
Teaching methods	Presentation / Lecture / Groupwork
Assessment methods	Participation / Written Exam
Evaluation in previous academic year	For the complete evaluation of this course please click http://iwio-sbe.maastrichtuniversity.nl/rapporten.asp?referrer=codeUM

This course belongs to the following programme / specialisation

Bachelor Economics and Business Economics Specialisation Economics	Year 2 Compulsory Courses
Bachelor Economics and Business Economics Specialisation Emerging Markets	Year 2 Elective Courses
Bachelor Economics and Business Economics Specialisation Economics and Management of Information	Free Electives
Bachelor Economics and Business Economics Specialisation International Business Economics	Economics Electives
Bachelor Economics and Business Economics Specialisation International Business Economics	Major Microeconomics
Bachelor Econometrics and Operations Research	Business & Economics Electives
SBE Exchange Bachelor	Bachelor Exchange Courses
SBE Exchange Master	Bachelor Exchange Courses
SBE Non Degree Courses	Bachelor Courses