

Course Descriptions None 2026-2027

Course Title Institutional Economics
 Course Code EBC2015
 ECTS Credits 6,5
 Assessment Whole/Half Grades

Period	Start	End	Mon	Tue	Wed	Thu	Fri
5	12-4-2027	4-6-2027	X		L	X	

Level Intermediate
 Coordinator Alexander Vostroknutov For more information: a.vostroknutov@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.

Transitional Regulations

<ul style="list-style-type: none"> Bachelor Economics and Business Economics - Economics and Management of Information [2024-2025 or earlier] Bachelor Economics and Business Economics - International Business Economics [2024-2025 or earlier] 	<ul style="list-style-type: none"> From 2025-2026 onwards, education and exam/resit opportunities are offered. 		
Alternative options may be available. See the Bachelor EER 2025-2026 Appendix I Article 16 for more information.			
Academic Year	Education	Exam/Resit	Replacement(s)
2025-2026 onwards	X	X	See the Bachelor EER 2025-2026 Appendix I Article 16 for more information

Teaching methods Presentation / Lecture / Groupwork

Assessment methods Participation / Presentation

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 - Economics	Year 2 Compulsory Courses
Bachelor Economics and Business Economics - Emerging Markets	Year 2 Disciplinary Courses
Bachelor Economics and Business Economics - Emerging Markets	Year 3 Elective Courses
Bachelor Economics and Business Economics - Economics and Management of Information	In transition - Year 2+3 Elective Courses
Bachelor Economics and Business Economics - Economics and Management of Information	Year 3 Economics Elective
Bachelor Economics and Business Economics - Economics and Management of Information	Year 3 Free Elective
Bachelor Economics and Business Economics - International Business Economics	In transition - Maj Accounting - Economics Elec
Bachelor Economics and Business Economics - International Business Economics	In transition - Maj Finance - Economics Elec
Bachelor Economics and Business Economics - International Business Economics	In transition - Maj Inf Mgmt - Economics Elec
Bachelor Economics and Business Economics - International Business Economics	In transition - Maj Marketing - Economics Elec
Bachelor Economics and Business Economics - International Business Economics	In transition - Maj Micro - Core Courses
Bachelor Economics and Business Economics - International Business Economics	In transition - Maj Org - Economics Elec
Bachelor Economics and Business Economics - International Business Economics	In transition - Maj SCM - Economics Elec
Bachelor Economics and Business Economics - International Business Economics	In transition - Maj Strategy - Economics Elec
Bachelor Economics and Business Economics - International Business Economics	Year 3 Economics Elective
Bachelor Econometrics and Operations Research	Year 3 Elective Courses
SBE Exchange Bachelor	Bachelor Exchange Courses
SBE Exchange Master	Bachelor Exchange Courses
SBE Non Degree Courses	Bachelor Courses