

## Incentives and Regulation

Course title - Intitulé du cours	Incentives and Regulation
Level / Semester - Niveau /semestre	M2 / S2
School - Composante	Ecole d'Economie de Toulouse
Teacher - Enseignant responsable	Daniel GARRETT
Lecture Hours - Volume Horaire CM	30
TA Hours - Volume horaire TD	
TP Hours - Volume horaire TP	
Course Language - Langue du cours	Anglais
TA and/or TP Language - Langue des TD et/ou TP	

### **Teaching staff contacts - Coordonnées de l'équipe pédagogique :**

Daniel Garrett dfgarrett@gmail.com T582 Meetings by appointment: send me an e-mail.

### **Course's Objectives - Objectifs du cours :**

The objective of the course is to understand theoretical models relevant to regulation. The focus is on developing the modern tools of contract theory to this end. This includes the study of adverse selection and moral hazard.

### **Prerequisites - Pré requis :**

Students should be comfortable with calculus and integration. Other experience with agency theory is also very helpful, but not required.

### **Practical information about the sessions - Modalités pratiques de gestion du cours :**

Students are expected to attend all classes, barring exceptional circumstances.

### **Grading system - Modalités d'évaluation :**

The grade will be determined as a combination of (a) problem sets on contract theory models, (b) an exam on solving contract theory models, and (c) a short essay on an applied topic related to regulation.

### **Bibliography/references - Bibliographie/références :**

The main text book is 'A Theory of Incentives in Procurement and Regulation', 1993, MIT Press. Other references in contract theory will be provided.

### **Distance learning – Enseignement à distance :**

Depending on whether classroom teaching is possible, remote teaching would be implemented. Lectures can be recorded and re-watched. One-on-one "office hours" (via Zoom) will be encouraged and become more important to ensure discussion of material.