

Intitulé du cours

Course title – Intitulé du cours	Markets and incentives: A historical-theoretical perspective
Level / Semester – Niveau /semestre	M1 – S1
School – Composante	Ecole d'Economie de Toulouse
Teacher – Enseignant responsable	Thomas Mariotti
Other teacher(s) – Autre(s) enseignant(s)	
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Other teacher(s) – Autre(s) enseignant(s)	
Lecture Hours – Volume Horaire CM	
TA Hours – Volume horaire TD	
TP Hours – Volume horaire TP	15h
Course Language – Langue du cours	English
TA and/or TP Language – Langue des TD et/ou TP	

Teaching staff contacts – Coordonnées de l'équipe pédagogique :

Thomas Mariotti, office T. 120. Meeting by appointment only (thomas.mariotti@tse-fr.eu)

Course Objectives – Objectifs du cours :

The objective of the course is to introduce the students to the history of the theory of incentives. In the first part of the course, and as a background, we will start with the Hayek—von Mises—Lange—Lerner controversy in the 30's on market socialism and planning. We will then study how the controversy influenced the early work of Hurwicz in the 60's on mechanism design, and how this in turn led to the development of the theory of public goods, optimal taxation, and auction design. In the second part of the course, we will consider a second line of thought, starting with the seminal work of Akerlof and Rothschild and Stiglitz, where the viewpoint of an idealized central planner is progressively abandoned in favor of a more competitive and decentralized approach where several principals control different dimensions of the final economic allocation. In the third part of the course, we will examine recent developments of the theory, at the frontier of economic research.

Prerequisites – Pré-requis :

Some familiarity with basic microeconomics and game theory is required.

Practical information about the sessions – Modalités pratiques de gestion du cours :

Grading system – Modalités d'évaluation :

Students will have to write an essay on one of the papers assigned in the reading list.

Bibliography/references – Bibliographie/références :

TBA.

Session planning – Planification des séances :

Distance learning – Enseignement à distance :

No.