This course reviews the economic and political-economic literature on budget deficits. We cover theoretical and empirical papers on topics including: economic and politico-economic models of government debt; the impact of debt on growth; the effect of fiscal rules; and sovereign defaults, with emphasis on recent developments. The course is complementary with Public Finance and Macro.

This course offers a theoretical treatment of conflict. Conflict often arises even though there is some cooperative solution that would have satisfied all the relevant actors. The course studies the fundamental causes of conflict (positive analysis) and possible solutions that create cooperation (normative analysis). This course might be of interest to students in applied theory, political economy or development.

This course is about aspects of collective decision-making, both on the micro level and macro level. We briefly review some classic results from social choice, then strategic behavior in collective decision-making. The next topic is a discussion of all aspects of elections, ending with analysis of institutions. We study models of forward-looking behavior in collective decision-making and dynamics of institutions.

This course introduces PhD students to three important topics within decision-making and dynamics of institutions. We study models of forward-looking behavior in collective decision-making and dynamics of institutions.

Technology and Innovation examines the characteristics and application of technology. The course considers sources and measurement of technological change, covering research and development and invention; innovation; and diffusion of technology. The course is a seminar with lectures and class discussion and is open to Ph.D. students in the Kellogg School of Management, Social Sciences, and the McCormick School of Engineering.

This course establishes fundamental ways in which ideas differ from other goods, then uses these concepts to evaluate the origins of innovation, economic growth, firm dynamics, entrepreneurship, innovation clusters, and the diffusion of new technology. The course substantially reviews core empirical literature, including methods and data sets that are suited to studying ideas and innovation.

This course focuses on decision theory and formal theories of individual decision making, with emphasis on decision making under risk/uncertainty. We explore utility theory under uncertainty, then classic expected utility theories. Following is a review a selection expanding on the classical work in various directions, closer to the current research frontier. The selection covered may vary with available time/interests.

This course provides an introduction to the economics of organizations. To this end, it covers a variety of topics including incentives in organizations; delegation, cheap talk, and adaptation; firm boundaries,
structures, and processes. In order to understand how organizations interact in markets and influence the broader economy, we cannot view organizational practices as completely divorced from the underlying economic context.

**MECS 570-2 Economics of Organizations II: Organizational Dynamics (1 Unit)**
Practices and productivity vary both across organizations and over time, generating substantial and persistent dispersion in firm performance even within narrowly-defined industries. This course expands the discussion started in Organizational Economics I to address how these differences emerge, why they might persist. Topics include dynamic incentive provision and adaptation; hiring, promotion, turnover, other personnel policies; managerial practices and organizational performance.

**MECS 590-0 Research (3 Units)**