

MANAGERIAL ECON & STRATEGY (MECS)

MECS 499-0 Independent Study (1 Unit)

MECS 530-0 Platforms and Two-Sided Markets (1 Unit)

This course considers platforms and two-sided markets. Topics to be covered include: digital platforms and ecommerce, pricing in two-sided markets, competition between platforms, incentives for buyers and sellers to participate in two-sided markets, platforms with search, platforms and incentives for investment, two-sided markets with network effects, and technology platforms. The course will examine public policy toward platforms and two-sided markets, including regulation and antitrust.

MECS 540-1 Political Economy I: Budget Deficits: A Political Economy View (1 Unit)

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.

MECS 540-2 Political Economy II: Conflict and Cooperation (1 Unit)

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.

MECS 540-3 Political Economy III: Social Choice and Voting Models (1 Unit)

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.

MECS 540-4 Political Economy IV: Topics in Development Economics (1 Unit)

This course introduces PhD students to three important topics within development economics and political economy, reviewing the frontier of the literature, the latest questions, methods most prevalently used, and the evidence thus far. The class focuses on empirical methods and their connection with theory. The course goal is assisting students as they transition into the research phase of their career.

MECS 549-1 Technology and Innovation I (1 Unit)

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.

MECS 549-2 Technology and Innovation II (1 Unit)

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.

MECS 550-1 Economic Theory I: Decision Theory (1 Unit)

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 certainty, 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.

MECS 550-2 Economic Theory II: Advanced Topics in Game Theory (1 Unit)

This course deeply covers a current research area in game theory with recent, fruitful developments. Besides covering the topic, the course provides students perspective over an entire subliterature. Students see how a field developed over time, consider alternative development options, and learn what early work influenced followup research. Instructors focus on topics for which they have expertise and active research.

MECS 550-3 Economic Theory III: Doing Research in Economic Theory and Related Areas (1 Unit)

This course assists students in transitioning to the role of researchers via exploration and development of research topics. The first half uses professor-chosen topics, focusing on cutting edge theoretical/experimental work in Contracts, Incentives, and Mechanism Design. The course then focuses on student-chosen areas. Students benefit both from instructor assistance and the process of making/receiving comments from other students.

MECS 551-1 Health Economics I (1 Unit)

This course will expose students to both seminal and cutting edge research in health economics. The pedagogy includes lecture, student presentations of research papers, and original student projects. Prerequisites: ECON 410-1, ECON 410-2, ECON 410-3 (Microeconomics); ECON 480-1, ECON 480-2, ECON 480-3 (Introduction to Econometrics); MECS 551-1 is required before enrolling in MECS 551-2.

MECS 551-2 Health Economics II (1 Unit)

This course will expose students to both seminal and cutting edge research in health economics. The pedagogy includes lecture, student presentations of research papers, and original student projects. Prerequisites: ECON 410-1, ECON 410-2, ECON 410-3 (Microeconomics); ECON 480-1, ECON 480-2, ECON 480-3 (Introduction to Econometrics); MECS 551-1 is required before enrolling in MECS 551-2.

MECS 560-1 Static Optimization in Economics (1 Unit)

This course provides essential tools for those planning to create or apply economic theory. The course can be divided very broadly into feasibility, optimization, and fixed-point theory. More specific topics include linear programming, Karush-Kuhn-Tucker conditions, Brouwer and Kakutani fixed-point theorems, and supermodularity, with illustrations of uses in finance, game theory, general equilibrium, and matching.

MECS 560-2 Dynamic Optimization in Economics (1 Unit)

The goal of this course is to introduce students to dynamic optimization techniques for both discrete and continuous time stochastic problems. In particular, the course will present results in discrete time dynamic programming and consider their applications in a range of topics. Specific examples include search models, bandit problems, and dynamic games.

MECS 560-3 Research in Economics (1 Unit)

This course introduces first-year PhD students to the economics research environment. With an emphasis on breadth, and minimal prerequisite knowledge at the graduate level, students are exposed to the process

of forming and answering research questions. The course involves multiple faculty providing their perspective on successful approaches to research by highlighting significant recent works in their respective fields of interest.

MECS 570-1 Economics of Organizations I: Organizations and Markets (1 Unit)

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)