Winter Semester 2019/2020

Economics of Governance I: Introduction (33096/33097 – 3 SWS)
(Governanceökonomik I: Einführung)

1. Objectives
The main aim of this course is to demonstrate how fundamental and specific insights and methods from economics and related disciplines can be utilized for the design and the analysis of governance structures. Moreover, the course aims to enable students to (i) apply such insights and methods in order to independently analyse selected aspects of governance structures and to (ii) design well-founded selected parts of simple governance structures.

2. Intended Learning Outcomes
At the end of this course students should
- have some basic understanding of how fundamental and specific insights and methods from economics and related disciplines can be utilized for the design and the analysis of governance structures,
- have some basic understanding of rational choice theory, behavioral decision theory, non-cooperative and cooperative game theory and collective choice theory,
- be able to apply insights and methods from economics and related disciplines in order to independently analyse selected aspects of governance structures, and
- be able to design well-founded selected parts of simple governance structures.

3. Pre-requisites
3.1 Required
- ‘Interaktive Einführung in das ökonomische Denken’ or
- ‘Einführung in die Volkswirtschaftslehre’ or
- an at least equivalent course to one of the above mentioned courses

3.2 Recommended
- Fallstudienseminar in englischer Sprache (‘Interactive Case-Study Seminar: Fundamentals of Decision Theory’)
- ‘Mikroökonomik I’
4. Teaching and Learning Strategies

This is a classical lecture and tutorial course comprising of 12 lectures (90 minutes) and 5 tutorials (90 minutes). At the end of the course on demand an additional ‘Question & Answer’ session will be offered on Wednesday, 22 January 2019, 13:30-14:00 (Room: RW S 66). Lecture slides and the tutorials’ material will be made available on the e-learning server.

5. Schedule

During the semester 12 lectures and 5 tutorials will be provided. These will take place as follows:

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<thead>
<tr>
<th>Lecture/Tutorial</th>
<th>Day</th>
<th>Date</th>
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<tr>
<td>01</td>
<td>Wednesday</td>
<td>16 Oct</td>
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<td>22 Jan</td>
<td>12:00 – 13:30</td>
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6. Assessment

Economics (BA) and IWE students & P&E (BA) students aiming for an accreditation under Module E6 or Ö6:

- One hour unseen written examination. If the total number of participating students for the written examination is less than five, an oral examination may replace the written one. (Students will be informed about the form of examination as soon as possible.)
- The date of the examination can be found on https://www.bwl5.uni-bayreuth.de/de/studiendekan/Klausurtermine/.
- Students have to register for the examination via CAMPUSonline. Only if students cannot register via CAMPUSonline they can register via e-mail by sending an e-mail to Feriha Esen: feriha.esen@uni-bayreuth.de. This e-mail must only contain the title of the course, the student’s surname, first name, ID number, and degree of study as well as a brief indication why registration via e-mail is required.
- The registration deadline is one week in advance to the date of the examination. Later registrations will not be accepted.
P&E (BA) students aiming for an accreditation as a 'V-Seminar' (2 LP):
- Instead of the one hour examination mentioned above students have to write a shorter examination (‘Teilklausur’). Further details will be provided on request.

P&E (BA) students aiming for an accreditation as a 'V-Seminar' (8 LP):
- In addition to the one hour examination (or oral examination) mentioned above students have to write a short seminar paper (‘Kleine Hausarbeit’). Further details will be provided on request.

7. Lecture Programme

1. Governance, Organizations, and Institutions
   [4]: 33; [5]: 164, 171, 177 f.; [6]: 1-36; [7]: 62; [11]: 3; [12]: 1-15; [13]: 5 f.; [15]: 3-18; [18]: 5f., 12 f.; [21]: 21-23; [22]: 4-7; [28]: 12-20, 60-62; [44] (optional reading); [47] (optional reading); [49]: 1-3 (optional reading)

2. Theory and Empirical Evidence of Rational Decision-making
   [1]: 5-42; [2]: 17-57; [3]: 9-14, 17-20; [10]: 240-242; [19]: 51-64, 79-87; [29]: 3-57 (optional reading), 103-143 (optional reading); [31] (optional reading); [36] (optional reading); [37] (optional reading); [38]: 3-51 (optional reading); [39] (optional reading); [41]: 11-31 (optional reading); [43]: 5-13 (optional reading); [45] (optional reading); [55] (optional reading); [57] (optional reading)

3. Non-cooperative Strategic Decision-making
   [1]: 43-101; [2]: 58-98; [23]: 11-52; [30] (optional reading); [40]: 3-445 (optional reading)

4. Cooperative Strategic Decision-making
   [2]: 99-120; [30] (optional reading); [53] (optional reading)

5. Collective Decision-making Mechanisms and Their Properties
   [1]: 102-139; [2]: 121-137, 146-187; [8]: [9]: 3-11; [14]; [17]; [20]: 17-20, 52-57; [24]: 65-113 (optional reading); [26]; [27]: 1-35; [31] (optional reading); [32] (optional reading); [34] (optional reading); [35] (optional reading); [40]: 615-635 (optional reading); [41]: 275-297; [42] (optional reading); [48] (optional reading); [51]: 1-30 (optional reading), 55-127 (optional reading); [52] (optional reading); [56] (optional reading)

6. Manipulation of Collective Decision-making Mechanisms: Strategic Behavior and Agenda Control
   [1]: 148-166; [2]: 139-145; [24]: 137-195; [27]: 98-103; [40]: 635-639 (optional reading); [54] (optional reading); [56] (optional reading)

7. Judgment Aggregation
   [16]; [50] (optional reading)
Note: The numbers in brackets refer to numbers of the sources below and the relevant page numbers.

8. Literature

8.1 Required Core Reading

Concerning the core reading for the course there exists in some respect a choice between the two following books:


However, even though there is a significant overlap of the content of both books, making a choice for one of these books still implies that students will have to read selected pages of the other book.

8.2 Required Supplementary Reading

In addition to the core reading students will be required to read selected parts of the following sources:

8.3 Optional Supplementary Reading

In addition to the required reading students might find it helpful or informative to read selective parts of the following sources:


Note: All required and some of the optional sources for the course is available on the e-learning server.

9. Accreditation

- Economics (BA):
  Modulbereich Spezialisierung (SPEZ): Institutionen und Governance (under the new examination regulations from WiSe 2016/2017 onwards)
  Modulbereich Spezialisierung VWL (SVWL): „Public Management und Governance“ (under the previous examination regulations until SoSe 2016)

- IWE (BA):
  Modulbereich Individueller Schwerpunkt (ISP): Schwerpunktbereich: Institutionen und Governance (IG) (under the new examination regulations from WiSe 2016/2017)
  Modulbereich Spezialisierung SP B: Spezialisierungsmodulbereich IGME: Institutionen, Governance, Markt und Entwicklung (under the previous examination regulations until SoSe 2016)
- P&E (BA):
  Modulbereich E: Economics / Modul E6: Spezialisierung (under the current examination regulations from SuSe 2019 onwards)

  Modulbereich E: Economics / Modul E6: Spezialisierung (under the previous examination regulations from WiSe 2015/2016 until WiSe 2018/2019)

  Modulbereich Ö: Ökonomie / Modul Ö6: Veranstaltungen eigener Wahl (under the previous examination regulations until SoSe 2015)

  Modulbereich V: Verzahnung Philosophie/Ökonomie (under the previous examination regulations until SoSe 2015)

10. **Responsible Student Assistant for the Course**

All requests regarding the course should, in the first instance, be addressed to:

- Feriha Esen:
  E-mail: feriha.esen@uni-bayreuth.de

*Document last revised: 12 November 2019*