Course description (preliminary)

This 15-hour course provides a survey of the main achievements of contract theory. It is meant to be a first graduate course on the subject. Therefore, while it aims to cover significant recent developments in the field, it mostly stresses “classic papers” rather than yet unpublished work.

The course relies on the book we published in 2005 with MIT Press. The philosophy of the book (and therefore of this course) is to make the reader familiar with the modeling techniques of contract theory through the use of a number of key real-world applications.

The course outline is as follows:

1. Moral hazard: static one principal, one agent.
3. Dynamic moral hazard and career concerns.
4. Static adverse selection.
5. Mechanism design and auctions.
7. Implementation, incomplete contracts and authority.
General References


I. Moral hazard: static one principal, one agent


2. Moral hazard in teams, tournaments and hierarchies


3. Dynamic moral hazard and career concerns


**4. Static Adverse selection**


5. Mechanism design and auctions


6. Dynamic adverse selection


7. Implementation, incomplete contracts and authority


