Module title: Contract Economics
Abbreviation: 12-M-CE-132-m01

Module coordinator: holder of the Chair of Economics, Information and Contract Economics
Module offered by: Faculty of Business Management and Economics

ECTS: 5
Method of grading: numerical grade
Only after succ. compl. of module(s)

Duration: 1 semester
Module level: graduate
Other prerequisites: --

Contents
Contract theory deals with contracts among relatively few -- often just two -- trading partners. This makes it possible to search for the optimal contract for these partners, and is the trademark of contract theory. Typical topics:

1. Static moral hazard
2. Dynamic moral hazard
3. Incomplete contracts
4. Adverse selection
5. Relational contracts and career concerns

Intended learning outcomes
After completing the course students are able to

1. explain the essential results of contract theory,
2. apply the involved methods to given simple examples on their own,
3. recognise, in which real life situations and how the results can be applied.

Courses
V + Ü (no information on SWS (weekly contact hours) and course language available)

Method of assessment
written examination (approx. 60 minutes) and presentation (approx. 30 minutes), weighted 2:1
Assessment offered: once a year, summer semester
Language of assessment: German, English

Allocation of places
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Additional information
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Referred to in LPO I (examination regulations for teaching-degree programmes)
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Module appears in
Master’s degree (1 major) Business Management (2013)
Master’s degree (1 major) Economics (2013)