**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)**  
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**Duration**  
1 semester

**Module level**  
graduate

**Other prerequisites**  
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**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)