

**SIMON FRASER UNIVERSITY
DEPARTMENT OF ECONOMICS**

Course: ECON 354-3 D100

Title: Comparative Economic Institutions

Semester: Spring 2022

Instructor: G. Dow

Description: We will take a broad comparative view of the institutions that people have created to solve economic problems in real societies. The course is based on four books (200-400 pages each) listed below. We will spend about three weeks on each book. The lectures will use economic theory to analyze the material presented by the authors.

Grading: There will be four exams (including the final exam), one on each book. Each exam is worth 25% of the total grade. If you miss an exam, I will shift the 25% weight from that exam to the remaining exam(s).

Required Texts: Allen W. Johnson and Timothy Earle, The Evolution of Human Societies: From Foraging Group to Agrarian State, 2d edition, Stanford University Press, 2000.

Modeling issues will include: (1) cost minimization in the context of time allocation; (2) expected utility, risk aversion, and insurance; (3) intertemporal choice when storage is possible; (4) fixed and variable costs in a model with spatial mobility; (5) the evolution of a labor market when there is competition among landowners.

Elinor Ostrom, Governing the Commons: The Evolution of Institutions for Collective Action, Cambridge University Press, 2015.

Modeling issues will include: (1) the prisoners' dilemma, the "tragedy of the commons", and free riding; (2) imperfect monitoring in the prisoners' dilemma; (3) repeated games and trigger strategies; (4) free entry and rent dissipation.

Robert C. Ellickson, Order Without Law: How Neighbors Settle Disputes, Harvard University Press, 1994.

Modeling issues will include: (1) externalities, bargaining, and the Coase Theorem; (2) the evolution of cooperation; (3) the claim that social norms maximize aggregate welfare.

Louis Putterman, The Good, The Bad, and The Economy: Does Human Nature Rule Out A Better World? Landon St., 2012.

Unlike the first three books, which present detailed case studies of small-scale societies, this book deals with broad topics including the evolution of self-interest and cooperation in human beings; laboratory experiments that explore economic behavior; and the sources of global economic inequality. We will consider what, if anything, human nature implies about the nature of economic institutions.

Prerequisites: Econ 103 and 105, and 60 units. Students who have taken ECON 387 in fall 1998 or fall 1999, or ECON 383 in fall 2001 or fall 2003 may not take this course for further credit.

**** THERE ARE NO TUTORIALS FOR THIS COURSE ****

Students requiring accommodations as a result of a disability must contact the Centre for Accessible Learning (CAL) at 778-782-3112 or caladmin@sfu.ca

All students are expected to read and understand SFU's policies with regard to academic dishonesty (S 10.02 and S 10.03). These policies are available at the following web address:

www.sfu.ca/policies

**For more information about SFU Economics, please visit our website:
www.sfu.ca/economics**