

Academic Honesty: Adherence to the UF Academic Honesty Guidelines, including the Student Honor Code, is expected. In completing the application for admission to UF, every student has signed the following statement: "I understand that the University of Florida expects its students to be honest in all their academic work. I agree to adhere to this commitment to academic honesty and understand that my failure to comply with this commitment may result in disciplinary action up to and including expulsion from the University."

Assignments and Exams: During the semester each student must identify a total of five articles from the Wall Street Journal or some other periodical germane to topics covered in class. Each article should be accompanied by an analysis of what principles discussed in class are raised. These summaries should be no more than five single-spaced typewritten pages. There are no rigid due dates for these articles. **However, students must complete at least one analysis of an article by the end of each month of the semester.**

There will be two "take-home" exams.

Grades: The distribution of your semester grade is as follows:

Two Exams (@20% each)	40%
WSJ Article analyses	20%
Participation	40%
Total	100%

The grading scale is as follows:

90% or greater -- A	77-79.99% ----- C+	60-66.99% ----- D
87-89.99% ----- B+	70-76.99% ----- C	Less than 60% --- E
80-86.99% ----- B	67-69.99% ----- D+	

Software Use: All faculty, staff and students of the University of Florida are required and expected to obey the laws and legal agreements governing software use. Failure to do so can lead to monetary damages and/or criminal penalties for the individual violator. Because such violations are also against University policies and rules, disciplinary action will be taken as appropriate. ***We, the members of the University of Florida pledge to hold our peers and ourselves to the highest standards of honesty and integrity.***

UF Counseling Services: Resources are available on-campus for students having personal problems or lacking clear career and academic goals which interfere with their academic performance. These resources include: University Counseling Center, 301 Peabody Hall, 392-1575, personal and career counseling; Student Mental Health, Student Health Care Center, 392-1171, personal counseling; Sexual Assault Recovery Services (SARS), Student Health Care Center, 392-1161x231, sexual assault counseling; and Career Resource Center, Reitz Union, 392-1601, career development assistance and counseling.

Tentative Course Outline

Section I Introduction to New Institutional Economic Theory (Readings on the class website)

This section of the course will examine the fundamental aspects of new institutional economic theory. Economic and social models of human behavior are examined, and the basic concepts and logic of economic organization are developed.

Section II Within and Among Firms: The Division of Labor (Chapters 1-6)

The section of the course examines the notion of gains from specialization and how the existence of specialization creates the need for coordinating mechanisms. Readings will focus on classic articles on this subject

Section III The Scope of the Firm (Chapters 7-13)

This section investigates a number of questions fundamental to understanding the coordination of economic activity;

1. Why do organizations (business firms) exist?
2. What explains the size and extent of organizations (business firms)?
3. What explains the scope of organization's activities? What, if any is the distinction between a firm and the market?

Exam I

Section IV The Employment Relation, the Human Factor and Internal Organization (Chapters 14-20)

The section of the course focuses on the central issue of employment relations and incentive structures within organizations. The basic principal-agent framework is used to address a number of key incentive problems.

Section V Finance and Control of the Firm (Chapters 21-27)

The final section of the course exams the problem of separation of ownership and control and possible solutions. The implicit incentive schemes between owners and managers created by alternative financial structures (debt versus equity financing) are also explored. This section draws heavily on literature from the field of financial economics.

Exam II