

We shall learn how various organizations operate by discussing two or three papers each week. Students will make class presentation of these papers, and the audience are welcome to give comments or raise questions. If you raise questions about papers, please email to remind me about your questions. It counts as your grade of class participation. Homework related to the papers will be assigned. Besides submitting the scanned homework solutions to NTU COOL, students will be randomly asked to solve the homework problems in class.

Grade: class presentation (10%), class participation (10%), homework (20%), midterm (30%), final (30%).

The lectures cover the following topics:

1. Introduction

- Galenson, David W. (2002). "Masterpieces and Markets: Why the Most Famous Modern Paintings Are Not by American Artists?" *Historical Methods*, 35(2), pp. 63-75.
- Koo, Hui-wen and Pei-yu Lo (2004). "Sorting: The Function of Tea Middlemen in Taiwan during the Japanese Colonial Era," *Journal of Institutional and Theoretical Economics*, 160(4), 607–626.

2. Matching

- Roth, Alvin E. (1990). "New Physicians: A Natural Experiment in Market Organization," *Science*, 250 (December 14, 1990), 1524–28.

3. California Gold Rush

- (1) Umbeck, John. (1977). "A Theory Of Contract Choice And The California Gold Rush," *Journal of Law and Economics*, 20(2), 421–437.
- (2) Umbeck, John. (1977). "The California Gold Rush: A Study of Emerging Property Rights," *Explorations in Economic History*, 14, 197–226.

- (3) Umbeck, John. (1981). "Might Makes Rights: A Theory of the Formation and Initial Distribution of Property Rights," *Economic Inquiry*, 19, 38–59.

4. Incentive Contracts

- (4) Cheung, Steven N.S. (1969). "Transaction Costs, Risk Aversion, and the Choice of Contractual Arrangements," *Journal of Law & Economics* 12:1, pp.23–42.
- (5) Koo, Hui-wen, Chen-ying Huang and Kamhon Kan (2012), "Interlinked Contracts: An Empirical Study," *Economica*, 79:350–377.
- (6) Michael E. Staten and John Umbeck (1982), "Information Costs and Incentives to ShirK: Disability Compensation of Air Traffic Controllers," *American Economic Review*, 72: 1023–1037.

5. Mechanism Design

- (7) Leeson, Peter T. (2012), "Ordeals", *Journal of Law and Economics*, 55: 691–714.
- (8) Leeson, Peter T. (2011), "Trial by Battle", *Journal of Legal Analysis*, 3:1, 341–375.

6. Collective Punishment

- (9) Greif, Avner (1989). "Reputation and Coalitions in Medieval Trade: Evidence on the Maghribi Traders." *Journal of Economic History*, XLIX, No.4, 857–82.
- (10) Milgrom, Paul R., Douglass C. North and Barry R. Weingast (1990). "The Role of Institutions in the Revival of Trade: The Law Merchant, Private Judges, and the Champagne Fairs." *Economics and Politics*, II, 1, 1–23.

7. Property right, Commons, Public Goods

- (11a) Demsetz, Harold (1967). "Toward a Theory of Property Rights," *American Economic Review*, 57, 347–59.
- (11b) Demsetz, Harold (2002). "Toward a Theory of Property Rights II, The Competition between Private and Collective Ownership", *Journal of Legal Studies*, vol. XXXI, S653–672.

- (12) Taylor, M. Scott (2011). "Buffalo Hunt: International Trade and the Virtual Extinction of the North American Bison", *American Economic Review*, 101:7, 3162–95.
- (13) Koo, Hui-wen (2011), "Property Right, Land Prices and Investment: A Study of the Taiwanese Land Registration System," *Journal of Institutional and Theoretical Economics*, 167:3, 515–535.
- (14) Allen, Douglas W. (2002). "The Rhino's Horn: Incomplete Property Rights and the Optimal Value of an Asset", *Journal of Legal Studies*, vol. XXXI, S339–358.
- (15) Koo, Hui-wen (2011), "Deer Hunting and Preserving the Commons in Dutch Colonial Taiwan," *Journal of Interdisciplinary History*, 42:2, 185-203.
- (16) Coase, Ronald (1974), "The Lighthouse in Economics," *Journal of Law and Economics*, 17:2, 357–76.
- (17) Ostrom, Elinor and Roy Gardner (1993), "Coping with Asymmetries in the Commons: Self-Governing Irrigation Systems Can Work," *Journal of Economic Perspectives*, 7:4, 93-112.

8. Organizations in Qing Taiwan

- (18) Olds, Kelly B. and Liu, Ruey-hua (2000), "Economic Cooperation in 19th-Century Taiwan: Religion and Informal Enforcement", *Journal of Institutional and Theoretical Economics*, 156:2, 404–430.
- (19) Koo, Hui-wen (2013), "Worship Associations in Taiwan," *Australian Economic History Review*, 53:1, 1-21.

9. Path Dependence or Path Breaking

- (20) Acemoglu, Daron, Simon Johnson, and James A. Robinson (2001), "The Colonial Origins of Comparative Development: An Empirical Investigation", *American Economic Review*, 91:5, 1369-1401.
- (21) Dell, Melissa (2010), "The Persistent Effects of Peru's Mining Mita", *Econometrica*, 78:6, 1863–1903.

- (22) Olds, Kelly (2003), "The Biological Standard Of Living In Taiwan Under Japanese Occupation", *Economics and Human Biology*, 1:2, 187–206.
- (23) Banerjee, Abhijit and Lakshmi Iyer (2005), "History, Institutions, and Economic Performance: The Legacy of Colonial Land Tenure Systems in India," *American Economic Review*, 95:4, 1190–1213.

10. Anarchy

- (24) Leeson, Peter T. (2007), "An-arrgh-chy: The Law and Economics of Pirate Organization", *Journal of Political Economy*, 1049-1094.

11. A Brave New World

- (25) Lai, Chien-Yu and Thomas Yu. "Effect of Pricing on a Two-Sided Market: The Case of Ride-Sharing," working paper.
- (26) Hanna Halaburda, Guillaume Haeringer, Joshua Gans, and Neil Gandal (2022). "The Microeconomics of Cryptocurrencies," *Journal of Economic Literature* 60(3), 971–1013.

The plan for this semester is as the following.

papers		
2	24	Galenson, masterpieces and markets Koo and Lo, tea middlemen
3	3	Roth (1990)
	10	HWK 1 Umbeck (1977), Umbeck (1977)
3	17	Umbeck (1981) Cheung Koo, Huang and Kan
	24	HWK 2 Staten and Umbeck Leeson (2012)
	31	Leeson (2011) Grief (1989) Milgrom et al. (1990)
4	7	HWK 3
4	14	Midterm exam
4	21	Demsez (1967), Demsez (2002) Scott (2011)
4	28	Koo (2011) Allen (2002) Koo (2011)
5	5	Coase (1974) Ostrom and Gardner (1993) Kelly and Liu (2000)
5	12	HWK 4 Koo (2013) Acemoglu et al. (2001)
5	19	Melissa (2010) Kelly (2003) Banerjee and Iyer (2005)
5	26	HWK 5 Lai and Yu Leeson (2007)
6	2	HWK 6 Halaburda et. al (2022)
6	9	Final exam
