



## Outline of Course

### **Section I. An Introduction to the Study of Organisation**

*An overview of the issues, concepts, style of approach of the course (Reading 1 Coursepack CP)*

### **Section 2: The Framework of Scientific Communication**

*How to ask the key questions to aid understanding of why, how and in what way organisation of production changes*

Issues: Working with the readings (**Reading 2 CP**)

Analysing and constructing an argument (**Reading 3 CP**)

Working with Economic Conceptual Frameworks (**Reading 4, 5 CP**)

### **Section 3: The Foundational Toolbox for the Economic Analysis of Organisation**

*What formal concepts of economics can help us to analyse organisation?*

Part 1: The Logic of Choice (**Reading 6, 7 CP**)

Part 2: The Heterogeneity of Roundabout Production (**Reading 8 CP**)

### **Section 4: The Orders of Organisation**

#### ***Part 1: The Complex Order - The Theory of the Competitive Market Process***

*How does the competitive market coordinate the decisions of individuals?*

Issues: How knowledge affects organisation (**Reading 9,10 CP**)

How to overcome the knowledge problem (**Reading 11CP**)

The Meaning and Morality of Competition (**Reading 12 CP**)

#### ***Part 2: Learning, Entrepreneurship and The Market Process***

*What is the role of the entrepreneur in the evolution of an organisation?*

(**Reading 13 CP**)

#### ***Part 3: Organising Economic Experiments – A Dynamic Theory of the Boundaries of a Firm***

*What is a firm? And why and how do firms adapt to change?*

Issues: Transaction Costs and the Creation of the Firm (**Reading 14,CP**)

Organisation and Corporate Governance (**Reading 15 CP**)

Why & How Do Firms Change Structure? (**Reading 16, 17 CP**)

What are the Limits of the Boundaries of a Firm? (**Reading 18 CP**)

### **Section 5: Exploring the Context of the Boundaries of the Firm**

#### ***Part 1: Innovation: Organisation Structure as a Conduit of Change***

*What type of organisational structure promotes successful innovation?*

(**Reading 19 CP**)

#### ***Part 2: The Dynamics of Intervention***

*What is the role of governmental policy in the evolution of organisations?*

(**Reading 20, 21 CP**)

## Relevant Reading

### Core Reading:

There will be a coursepack of key readings for each section of this course. Lectures are to be seen as a complement to the student's understanding of these readings. I will give you the price when it is available to me. It is my aspiration that students will have the opportunity to get the lecture notes prior to the relevant lectures. We will discuss how we will achieve this later.

In addition to the coursepack, throughout the year a number of other readings will be used. At the start of each section these articles will be indicated to the class. These would form the basis of supplementary reading by students and as such are their own responsibility.

### Secondary Texts & General Reading:

The following references are some of the books etc. that I myself have used to shape my thoughts over the years.

Edith Penrose. *The Theory of the Growth of the Firm*. (1959) 338Penr

FA Hayek, The Use of Knowledge in Society, *American Economic Review*, XXXV. No. 4, Sept. 1945, 519-30.

FA Hayek. *The Counter-Revolution of Science Studies*. (1955) 300.1Haye

FA Hayek. *The Essence of Hayek*. Ed. Chiaki Nishiyama. (1984). 330.Hayen

FA Hayek. *The Road to Serfdom*. (1986) 335 Haye

GB Richardson. *Information and Investment*. (1991) 332.6Rich

Israel Kirzner, *Competition and Entrepreneurship*. 338.5Kirz

Israel Kirzner, *Discovery and the Capitalist Process*. 338Kirz

Israel Kirzner, *How Markets Work: Disequilibrium, Entrepreneurship and Discovery*. 338.5Kirz

James Buchanan & G.F. Thirlby, *LSE Essays on Cost*. 338.5Buch

James Buchanan, *Cost and Choice: An Inquiry in Economic Theory*. 330Buch

Ludwig Von Mises. *Human Action*. (1949)

Ludwig Von Mises. *Liberalism*. (1929)

Ludwig Von Mises. *The Ultimate Foundation of Economic Science*. (1962)

All of the above works by Mises are available free of charge in E-book form at [www.mises.org](http://www.mises.org)

Nathan Rosenberg, *How the West Grew Rich*. 330.9Rose

Oliver Williamson & Scott Maskin, *Transaction Cost Economics*. 338.5Will

Oliver Williamson & Sidney Winter, *The Nature of the Firm: Origin, Evolution and Development*. 338.7Will

Richard Langlois & Paul L. Robertson, *Firms, Markets and Economic Change: A Dynamic Theory of Business Institutions* 338.5 Lang

Sanford Ikeda: *The Dynamics of the Mixed Economy*. Interlibrary Loan

A number of study guides, working papers etc at available at [www.mises.org](http://www.mises.org) and [www.hayekcenter.com](http://www.hayekcenter.com) which students may also find of interest. I will refer and email downloads during the year.

## Course Assessment

20% of the marks available for this course will be allocated to a 2,000 word project to be submitted in the second term. **(Appendix 5 CP)** There will be an end of year summer examination that will account for 80% of your overall marks. The exam will be essay based, examples for which will be given to you during the year. Please note the information note on completing coursework

The structure of the summer and autumn exams is as follows:

Section	Choice of Questions	% of Marks
A	4 out of 7	100%

*“The examination structure maybe changed on review by external examiners any change will be notified to students as soon as possible.”*

### The Criteria of Examination Success\*\*

In this course via the assignment and the summer examination the following will be the marking criteria on which I judge a student’s capabilities:

**A – Answer** (Does the work answer the question or address the issue?)

**F – Flow** (Does each statement follow sensibly from its predecessor, providing a coherent structure?)

**A – Argument** (Is there a convincing line of argument running through the work?)

**E – Evidence** (Are claims supported by relevant evidence and/or theory from the literature?)

**\*\* See coursepack (Appendix 2,3)**

*It is my aspiration to work through last year’s Summer examination as a form of preparation for both the assignment and end of year examination. (See appendix 4).*

## General Information

Students read for a degree. The teaching, and other support provided by the Department of Economics and the University are designed to aid students in achieving this goal. Therefore, the ultimate responsibility for fulfilling the reading requirement lies with the student.

The Department of Economics aims to provide the highest quality student support and welcomes any suggestions that will help us improve the service we provide. Where a student believes that the support offered by the Department or the University do not meet his/her expectations there are a number of ways in which the matter can be raised. There are the course lecturers, class representatives, class advisors, the Student Services office, departmental and faculty staff-student committees, the examinations appeals committee and the Student's Union.

Students are responsible for all material in readings, lectures and handouts. Missed handouts may be collected from the lecturer during office hours. Students should obtain missed lecture notes from a student colleague.