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| **AZƏRBAYCAN DÖVLƏT İQTİSAD UNİVERSİTETİ** |
| **BEYNƏLXALQ İQTİSADİYYAT MƏKTƏBİ** |
| **BEYNƏLXALQ İQTİSADİYYAT (İNGİLİS DİLLİ) KAFEDRASI**  Fənn: **Institutional economics**  Müəllim: Qənirə Ibrahimova  Qrup: 1006  **İMTAHAN SUALLARI** |

1. **Definition of Institutional economics as a science and the sphere it studies**
2. **Who are the players in Institutional economics**
3. **What are the rules in Institutional economics**
4. **The role of Sanctions in Institutional economics**
5. **What kind of problems do the institutions solve**
6. **Classification of economic problems and measures to take**
7. **Nash equilibrium and Prisoners dilemma**
8. **Coordination problem and illustration**
9. **Cooperation problem and illustration**
10. **Distribution problem and illustration**
11. **Formal institutions and informal institutions**
12. **Efficiency of formal and informal sanctions and illustration**
13. **Describe the situations when informal institutions support formal ones**
14. **Describe the situations when informal institutions conflict with formal ones**
15. **Compare Genoa institutions vs Maghreb institutions**
16. **What is limited rationality?**
17. **How Satisfaction concept replaces Optimization concept**
18. **Behavioral routines and the ways they help us to coordinate our economic behavior**
19. **Crucial functions of economic institutions**
20. **Definition of property rights as an institution**
21. **Protection of property rights: economic agents motivation and society welfare**
22. **Good and bad property rights protection and its consequences with illustrations**
23. **Levels of property rights. Utilities and motivations referred to each level.**
24. **Situations, when a group of individuals share ownership of a resource, and problems associated with it**
25. **Reasons why government intervention in the management of the resource can lead to different results**
26. **How does the reduction of property rights protection costs affect the results of economic activity?**
27. **Richard Hornbeck “Barbed wire” case study**
28. **Strategies of farmers during wooden fence period**
29. **Strategies of farmers during barbed wire invention**
30. **What is externalities in institutional economics**
31. **Negative external effects**
32. **Positive external effects**
33. **Reasons of externalities**
34. **Coase theorem**
35. **Coase theorem applied to Farmer and herder case study (option 1 and option 2)**
36. **Transaction costs and effectiveness of property rights distribution**
37. **Nestle Evian and farmers case study**
38. **Shared property**
39. **Pros and cons of shared property**
40. **US Sardines fishing case study**
41. **US salmon fishing case study**
42. **first oil extraction in USA case study**
43. **Proper solution for shared property problems**
44. **Collective property and its pros and cons**
45. **Communal apartment case study (problems and solution)**
46. **Nepal irrigation case study (problems and solution)**
47. **Government property mode**
48. **Water protection zones case study**
49. **Why government officials decisions are often ineffective?**
50. **Argentina water system privatization case study**
51. **Describe the essence of Transaction Costs**
52. **What are the main causes of transaction costs?**
53. **Why do low production costs not guarantee a successful transaction?**
54. **What is “specific asset” and what consequences we have when investing in such assets?**
55. **How do various characteristics of transactions affect the amount of transaction costs and choice of the transaction?**
56. **Types of transaction costs**
57. **Transaction costs occurring before signing the contract**
58. **Transaction costs occurring after signing the contract**
59. **Transaction costs while repairment: self, company, private team cases**
60. **Possible causes of transaction costs**
61. **Specific assets and their types**
62. **Extortion problem when investing into specific assets**
63. **Oliver Williamson scheme of specific assets**
64. **Fundamental transformation**
65. **Uncertainty and transaction management form**
66. **Agency theory and information asymmetry**
67. **Principal and agent relationship**
68. **What are the consequences of the information asymmetry between the participants of economic interactions?**
69. **What kinds of opportunistic behavior are caused by the information asymmetry**
70. **How can the institutions reduce the risks of such opportunistic behavior**
71. **Adverse selection and the problems it causes**
72. **Signals: Spence model and possible equilibriums**
73. **Filtration mechanism**
74. **Moral risks/hazard and monitoring**
75. **The way institutions help to solve moral risk problem**