Outline: The course introduces students to the economics of networks. This area of research has emerged in the last two decades and it has introduced a set of tools for economists to incorporate network structure in the analysis of individual behaviour and economic outcomes. Topics covered include the formation of networks, the provision of local public goods, coordination, learning, trading, and financial networks. A central focus of the course is the interplay between theory and experiments.

Most readings for the course are selected chapters from the following books:


Below is the list of topics for each lecture with associated readings. Asterisks denote compulsory readings, papers without an asterisk are for students interested in learning more about each topic.

1. **What networks are and why they matter.**
   - *Jackson, M. O. Social and economic networks. Chapters 1, 2, 3.

2. **The experimental methodology.**
   - *Camerer, C. Behavioral Game Theory, chapter 1.

3. **Network formation.**


• Jackson, M.O. *Social and economic networks*. Chapter 5.

4. **Local public goods games on a network.**


• *Oxford Handbook*. Chapter 17.2.2.


5. **Strategic complementarities on a network.**


• *Oxford Handbook*. Chapter 17.2.1.


6. **Social learning.**

• *Jackson, M.O. Social and economic networks*. Chapter 8.

• *Oxford Handbook*. Chapter 17.2.5.


7. **Cooperation on a network.**

- *Oxford Handbook. Chapter 17.2.3.

8. **Trading on a network.**


9. **Financial networks.**