DRAFT SYLLABUS:

The Organization of Knowledge: An Economic Perspective-- A Nano PhDCourse

A. ADMINISTRATIVE INFORMATION

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Materials
I will post the readings and JSTOR links for each course date on my web site at ….

B. MINI-COURSE OVERVIEW

This is a mini-course designed to present an economic perspective on some issues central to the organization of productive knowledge. The course builds on Hayek’s observation (which guides my research) that “knowledge of the circumstances of which we must make use never exists in a concentrated or integrated form.” As a result, it is hard to know who knows what. This is true both in terms of substantive knowledge and of knowledge of “the circumstances of time and place.” Thus a central task of economic organization is to match tasks and opportunities with knowledge.

The course will study some of the organizational consequences of this problem. It will mostly focus on theoretical work and on formal ways to think through this problem, but it will also present some related empirical work. There will be inevitably some (not too tricky) math throughout, although the emphasis will be heavily on ideas. Beyond understanding the structure of organizations that aim to deal with this problem, the course will also aim to draw implications of these problems for labor markets and for industrial organization.

The course is a pretty personal view of this problem, and you may find that some of what you consider crucial aspects of knowledge (such as the always elusive ‘tacitness’ quality, or the R&D process) is not treated in the course, maybe not even mentioned.
C. SCHEDULE AND MATERIALS

The following reading list describes the main topics I aim to cover in each class. Reading them is not a prerequisite to enjoy the class.

Part I: The problem of ‘labeling’ knowledge and some solutions: Hierarchies and Codes

Session 1.1: (October 29, 2003; 1:00-2:30, E52-232)

Finding out who knows what and Implications


Session 1.2: (October 29, 2003; 2:30-4:00, E52-232)

A Solution: Knowledge-Based Hierarchies


Session 2. (October 30, 2003)

Note that this session is joint with a presentation in the Organizational Economics Workshop (2:30-4:00, E52-244)

Another Solution: Codes

Crémer, Jacques, Luis Garicano and Andrea Prat – “Codes in Organizations”
Part II: Knowledge Acquisition, Specialization and the organization of Human Capital

Session 3.1: (November 5, 2003; 1:00-2:30, E52-232)

Horizontal Specialization and Vertical Specialization: Theory and Evidence


Garicano, Luis and Thomas N. Hubbard – “Specialization, Firms and Markets: The Division of Labor within and Between Law Firms” – Mimeo, University of Chicago, September 2003.


Rosen, Sherwin – Substitution and the Division of Labor – *Economica.*

Session 3.2. (November 5, 2003; 2:30-4:00, E52-232)

Organization of Knowledge and Labor Markets
