Workers find jobs via personal acquaintances, firms collaborate to introduce new technologies, doctors prescribe new drugs based on conversations with colleagues, farmers learn about crops from neighboring farms, while pupils strive to conform to the work ethic of their peers at school. Our opportunities and our choices are shaped by the connections we have. The awareness that connections matter leads us to invest in them. And these investments give rise to networks of friendship, the world wide web, the network of collaboration among firms, and many other networks which we see around us. These observations have inspired an exciting new research programme in economics which examines the origins and the implications of networks. The lectures in this course provide a rigorous introduction to this research.

**Topics**
1. Introduction
2. Network formation: Strategic and Random Graph Models
3. Games on networks
4. Networks and markets
5. Conflict, contagion and network resilience

**Textbook**

**Recommended Books**
James Rauch and Alessandra Casella (2001), *Networks and Markets.*
Fernando Vega-Redondo (2007), *Complex Social Networks.*
Duncan Watts (1999), *Small Worlds.*
David Easley and Jon Kleinberg (2010), *Networks, Crowds and Markets.*
Articles


31. Westbrock, B. (2010), Natural concentration in industrial research collaboration, *Rand Journal*