

Economics nobel prize in 2012 essay

[Business](#), [Marketing](#)



The Nobel Prize was first established by Alfred Nobel's will in 1895. It refers to a collection of awards (medal, cash and a personal diploma) that are given out internationally each year to a number of categories like physics, medicine and economics. This award is usually administered by the Nobel Foundation in Stockholm in recognition of various advances in the scientific or cultural sectors (Thorp & Showick, 16). The Nobel Prize in economics also referred to as the Sveriges Riksbank prize came into being in 1968. The prize in this field was to be given for an exceptional illustration in economic engineering and advances (Thorpe & Showick, 27).

The Sveriges Riksbank award in Economics in reminiscence of Alfred Nobel in the year 2012 was related to an essential economic predicament. The problem was how to match dissimilar agents in the best way possible with a proper method. The 2012 economic award was granted jointly to the United States of America's economists; Alvin E. Roth and Lloyd S. Shapley who answered this question. This they did with their theory of "stable allocations and the practice of market design" (Thorpe & Showick, 86). This theory attempts to relate different agents in their various transactions, in the market. For example, job seekers can be matched with the various employers, students with schools and contributors of human appendages with needy patients (Thorpe & Showick, 89).

The prize was given with a hope that the solution to the problem that existed in most economies has been found. More scholars are encouraged to come up with similar economic inventions to address the diverse economic challenges. This is fundamentally the essence of the most esteemed "Nobel prize".

References

Thorpe, Edgar, and Showick Thorpe. The Pearson General Knowledge

Manual: 2012. Delhi,

India: Dorling Kindersley, 2012. Print.