Master Course Program Fall Semester 2014

If you want to join an elective course please send your **registration by e-mail** to econgrad@uni-mannheim.de **no later than September 1st.**

Information for exchange students, MMM students and Business Mathematics students:
Please note that you can choose freely from our elective courses as long as you fulfill the prerequisites mentioned there. (In case of doubt, please contact the lecturers for more information about the prerequisites and to discuss if you fulfill them.) **Core courses** are **not open** for exchange students and students from other programs.

E600 Mathematics

Leduc

This course is a preparatory math course. I will thus try to make sure that you do not start the Master program without mastering what can be considered as the most basic mathematical concepts for an economics graduate student. The course will be application oriented rather than proof oriented. The plan is as follows: - Introduction to Matrix Algebra (4.5 hours) - Introduction to Vector Spaces (6 hours) - Calculus (6 hours) - Optimization (6 hours)

ECTS credits: 0.0

Start: 25.08.2014 End: 29.08.2014

Group 1:
08:30 to 13:30 in L 15, 1-6 A 001

Group 2:
14:00 to 19:00 in L15, 1-6 A001

Please note: If you are interested to participate in this course please contact Justin Leduc, Justin.leduc@gess.uni-mannheim.de

Core Courses

E601 Advanced Microeconomics

Fiocco/Tarantino

The course gives a foundation for studies of microeconomics on a graduate level. It covers classical consumer demand under certainty, utility maximization and cost minimization, choice under uncertainty, fundamentals of game theory, games under incomplete information, and different equilibrium refinement concepts. In the second part, the course addresses standard principal-agent problems under asymmetric information (adverse selection and moral hazard). General equilibrium models are also investigated.

Prerequisites: Mathematics precourse highly recommended

ECTS credits: 10.0

Start: 03.09.2013 End: 04.12.2014

Lecture:
Tuesday, 08:30 to 10:00 in L 7, 3-5 S 031
Thursday, 08:30 to 10:00 in L 7, 3-5 S 031

Exercises:
Group 1 (Khromenkova)
Wednesday, 08:30 in L 9, 1-2 003

Group 2 (Khromenkova)
Friday, 10:15 in L 9, 1-2 003

Attention:
Class on Thursday, 9 October is cancelled. The class will be postponed to B1 slot (8:30-10:00), on Friday 17th October in L7,3-5 S031.

The midterm exam will be held in L9,1-2 001 from 8:30-10:00 on October 29.

E602 Advanced Macroeconomics

Pfeifer

The course familiarizes students with the essential concepts of modern macroeconomic theory at an advanced level. A particular focus will be placed on learning how to use formal microfounded models to analyze and understand both economic growth dynamics and business cycle fluctuations. In order to guide the economic modeling, the course will use empirical data to generate stylized facts about economic growth and business cycles that useful models must aim to explain, both quantitatively and qualitatively. In terms of economic models, the following topics will be covered: - Growth Theory: the Solow Model, the

Ramsey-Cass-Koopmans Model, and Endogenous Growth Theory. - Business Cycles: the Real Business Cycle Model, the Classical Monetary Model, and the basic New Keynesian Model. During the course students will also learn the necessary techniques to solve dynamic stochastic models both analytically and numerically using Dynare. While the course will be mostly concerned with positive economic theory, students will also learn to derive and understand the normative and policy implications of the covered models.

Prerequisites: Good working knowledge of calculus (constrained optimization, multivariate Taylor expansion, geometric series)

ECTS credits: 10.0

Start: 01.09.2014

Lecture
Monday, 12:00 to 13:30 in O 048
Tuesday, 12:00 to 13:30 in L9, 1-2 001

Attention: Change in Room for the following dates:
23.09. in O 048, 12:00 to 13:30
07.10. in O 048, 12:00 to 13:30
14.10. in O 048, 12:00 to 13:30

Exercises:
Group 1 (Wang)
Monday, 17:15 to 18:45 in L 9, 1-2 003
Group 2 (Wang)
Friday, 13:45 to 15:15 in L 9, 1-2 S 031
Please kindly notice: In the first week of the lecture time, the excercises will be held in L7,3-5 - 158 (PC-Pool).

E603 Advanced Econometrics

Frölich

The goal of the module is to offer advanced treatment to econometric theory and to serve as the gate way to further advanced theoretical and applied econometric modules offered in the economics graduate program at the Department of Economics in Mannheim.
The module offers a revision of undergraduate level econometrics before moving on to extensive coverage of large-sample theory and some organizing estimation principles such as GMM and Extremum estimators. Asymptotic properties of these estimators are also the focus of the module as well as non-linear models and the treatment of serial correlation.

ECTS credits: 10.0

Start: 03.09.2014 End: 04.12.2014

Lecture:
Wednesday, 12:00 to 13:30 in L15, 1-6 A001
Thursday, 12:00 to 13:30 in L 7, 3-5 001

Exercises:
Group 1 (Unte)
Wednesday, 17:15 to 18:45 in L 9, 1-2 003

Group 2 (Unte)
Friday, 12:00 to 13:00 in L 9, 1-2 003

Elective Courses

E504 International Trade and Tax Policy Analysis (lecture + exercise)

Janeba

This course deals with trade and public policies in open economies with a focus on recent policy debates. At the same time we provide foundations for policy analysis by studying theoretical models. A tentative list of topics and questions is as follows:
1. How does trade affect wages and unemployment?
2. Is free trade good for the environment?
3. How do firms respond to trade liberalization?
4. Does trade integration increase or decrease tax competition?
5. Who lobbies for trade protection?
6. Does international trade erode culture?
7. Is international tax competition welfare improving?
8. Does globalization shrink the welfare state?

Prerequisites: for Economics students: E700, E701, E702, E703 or equivalent; for MMM and Business Mathematics students: Business Economics I and II or equivalent

ECTS credits: 7.0

Start: 02.09.2014 End: 02.12.2014

Tuesday (weekly), 13:45 to 15:15 in L 7, 3-5 - 001

Thursday (exercise; every fortnight), 08:30 to 10:00 in L 9, 1-2 003
Exercise (Briand) starts on 04.09.2014

E506 Human Capital Formation (seminar)

Pfeiffer

Goals and Contents of the module:
In the seminar education and human capital formation will be discussed from a theoretical and empirical point of view. We will study initial life conditions, the role of investments by the individual, the family and educational institutions and their expected returns. Especially optimal investments into human capital over the life cycle are examined together with the role of families and educational institutions in financing and producing skills. The intentions, structure and limitations of important empirical studies in the field, like SOEP, PISA or NEPS will be investigated, together with educational policies and reforms.

Expected Competences acquired after completion of the module:
Ability to write, present and defend an academic essay.

Prerequisites: For Economics students: E601-603 or E700-E703 or equivalent and interest in research on the economics and econometrics of education and human capital formation; For MMM and Business Mathematics students: good knowledge in microeconomics and basic econometrics, interest in research on the economics and econometrics of education and human capital formation

ECTS credits: 5.0

Start: 03.09.2014 End: 03.12.2014
Wednesday, 15:30 to 17:00 in ZEW, room 310

Contact person:
Friedhelm Pfeiffer, Phone 0621 1235-150, Email: pfeiffer@zew.de

In case you would like to participate in the seminar, please contact me via email. In response I will send you a list of seminar topics and further application procedures.

E518 Information and Incentives (lecture + exercise)

Levy

This course focuses on the principal-agent model, i.e. the strategic interaction between two players (the principal and the agent), one of which (the agent) has superior information. We will examine how the principal optimally designs a contract that induces the agent to reveal his private information (adverse selection model) or to provide effort (moral hazard model). We will then explore extensions, in particular in the field of labour economics (multi-tasking, multi-agent moral hazard…), as well as dynamic extensions. We will also discusses other applications, in corporate finance, industrial organization etc.

Prerequisites: none

ECTS credits: 6.0

Start: 03.09.2014 End: 03.12.2014

Lecture:
Wednesday, 08:30 to 10:00 in L7, 3-5, P043
Excercise:
Wednesday, 10:00 to 10:45 in L7, 3-5 P043

Attention: changed times
Wednesday, October 29th from 8:30 until 11:30 am in room L7, 3-5 P043
Wednesday, November 5th from 8:30 until 11:30 am in room L7, 3-5 P043

E526 Development Economics (lecture)

Kaufmann

The purpose of this course is to provide students with analytical and empirical tools that enable them to understand the functioning of markets and institutions in Less Developed Countries (LDCs). The methodological approach emphasizes the role of information and incentives in examining from a microeconomic point of view how LDCs cope with market imperfections. Particular emphasis is placed on program evaluation and on the empirical analysis of education, health and microcredit policies. For each topic, recent theoretical contributions are proposed and compared to existing empirical evidence, in order to train the student to develop a research process that goes from the formulation to the test of hypotheses.
1. Introduction to the course
2. Program Evaluation: Theory
3. Program Evaluation: Applications
3.1 Education Programs and Policies in Developing Countries
3.2 Health Policies in Developing Countries
4. Economics of the Family
5. Risk and Insurance

Prerequisites: E601-603 (or equivalent) for all Master's elective courses
Econometrics at the Master level

ECTS credits: 5.0

Start: 02.09.2014 End: 02.12.2014

Tuesday, 08:30 to 10:00 in L 7, 3-5, P044

E533 Auction Theory (lecture + exercise)

Tröger

The goals are (i) to provide an understanding of the incentives involved in strategic bidding in auction mechanisms, and of the properties of equilibria, (ii) to show how various auction mechanisms are useful in public procurement, regulatory market design, retailing, art sales, and many other contexts, and (iii) to teach the principles of optimal auction design. Summary of course description: I. Introduction: Why rules matter in markets with private information. II. The independent-private-values model. III. The first-price auction. IV. Asymmetries and Pareto inefficiency. V. The second-price and English auctions. VI. Revenue comparison of standard auctions. VII. Revenue comparison with risk-averse bidders. VIII. The revenue equivalence theorem. IX. Optimal-auction design. X. The winner's curse.
Included are several experiments in which auctions are played in class.

Prerequisites: for Economics students: E601 Advanced Microeconomics
Mathematics students: Game Theory (not suitable for MMM students)

ECTS credits: 7.0

Start: 05.09.2014 End: 02.12.2014

Tuesday, 10:15 to 11:45 in L7, 3-5 P043
Friday , 08:30 to 09:15 in L9, 1-2 - 003

There will be an exercise class on 6th October, 13:30 to 15:00 in L7,3-5, P043

E550 New Economic History: Methods and Results (lecture)

Streb

Goals and Contents of the Module:
Scholars of "New Economic History" (or "Cliometrics") use modern economic theory and econometrics to analyze economic problems in history. In this course, we study research papers of "new Economic Historians" to understand their methods and results, and, what is more, learn how to organize our own empirical research projects. With regard to content, we will concentrate on the globalization period in the 19th century.

Expected Competences acquired after Completion of the Module:

- Ability to assess the strengths and weaknesses of established research projects in economic history
- Ability to design own research projects

Requirements for the Assignment of ECTS Credits and Grades:

- Written Exam (90 minutes) (weighting 2/3)
- midterm essay only for doctoral students (weighting 1/3)

Further information: An extensive reading list will be provided at the beginning of the course.

Prerequisites: E702, E703, E802, E803, E805, E806

ECTS credits: 5.0

Start: 01.09.2014 End: 01.12.2014
Monday, 17:15 to 18:45 in L 9, 1-2 - 002

E566 Strategic Information Transmission for Masterstudents (block seminar)

Honryo

Students are required to pick one paper in selected topics and give a presentation to discuss the paper's strengths and weaknesses. Based on comments that they receive in the presentation, students are required to write a report summarizing the seminar paper. Topics include cheap talk games, persuasion games, and their application to economics, political economics, and finance. To make a presentation in class based on a paper of your choice on strategic information transmission, I recommend that you pick a paper from the list I will distribute. Students are required to pick one paper in selected topics and give a presentation to discuss the paper's strengths and weaknesses. Based on comments that they receive in the presentation, students are required to write a report summarizing the seminar paper.

Prerequisites: Knowledge of non-cooperative game theory under incomplete information.

ECTS credits: 6.0

Organizational Meeting: Wednesday, 03.09.14, 13:45 to 15:15 in L7, 3-5, P 043
Seminar: Saturday, 15.11.2014, 09:00 to 18:00 in L9, 1-2, 003

E567 Duration Analysis (lecture)

Bergemann

Duration Analysis has become a core subject of econometrics. It reflects that dynamic aspects of economic behavior have become more important in economic theories. Duration analysis makes it possible to model dynamic transitions of individuals, firms or other entities from one state to the other. In this course we will introduce the key concepts of duration analysis and the theoretical foundations of duration models. We cover non-, semi- and fully parametric duration models, including competing risk models, stock-and-flow sampling and unobserved heterogeneity. Herby we pay special attention to the identification of the models discussed in

class. We also put a particular emphasis on applications using the statistical software Stata. Applications for duration models can be found in many different fields in economics such as finance, health and labor economics.

Prerequisites: E603 or E703

ECTS credits: 5.0

Start: 01.09.2014 End: 01.12.2014
Monday, 10:15 to 11:45 in L9, 1-2, 003

Contact Person: Prof. Dr. Annette Bergemann, E-mail: annette.bergemann@uni-mannheim.de, L 7, 3-5, room 145, Tel. 181-1930

Please note the change in dates:
The class on September 8th will be forwarded to Friday, September 5th from 13.45 to 15:15 in room L9, 1-2, 002.

There will also be a change in room to L7, 3-5, room 158 on 15.9. , 6.10. , 3.11. and 1.12. Otherwise class will take place as stated above.

E582 Theory of Science for Economists (lecture)

Vaubel

1. The meaning of science
1.1.Unity versus diversity of scientific method
1.2.Logical versus empirical analysis
1.3.Induction versus deduction
1.4.Verification versus falsification
2. Normative theory of science
2.1.Case study versus generalisation?
2.2.Completeness versus simplification?
2.3.Methodological individualism versus Holism?
2.4.Plausible assumptions versus good predictions
2.5.Monopoly or competition of scientific method
2.6.Value-free science?
3. Historical analysis of science
4. The transmission of scientific change to economic policy

Prerequisites: Generally allowed to take courses from the Master's in Economics program. No prerequisites. Also eligible for exchange students, economics students from Heidelberg and students of other subjects than economics.

ECTS credits: 2.5

Start: 01.09.2014 End: 24.11.2014

Monday (every fortnight), 12:00 to 13:30 in L9, 1-2 002

E583 Empirical Public Finance and Economic Policy (lecture)

Peichl/Siegloch

The course covers empirical methods needed for research in Public Economics and Economic Policy, with emphasis on combining theoretical models with empirical evidence for optimal policies. Topics include efficiency costs and incidence of taxation, income and capital taxation, behavioral responses to taxes and transfers and labor market policies.

Prerequisites: E601-603 (or equivalent)

ECTS credits: 5.0

Thursday, 10:15 to 11:45 in EO 242

E585 Topics in Multiple Time Series Analysis (Seminar)

Trenkler

In this seminar students work on applied or methodological projects related to multiple time series analysis. Thereby, they can extend and broaden their background acquired during the lecture on multiple time series analysis. The potential topics refer e.g. to VARMA models, structural VARs, Bayesian VARs and factor models. It is expected that students independently acquire the necessary knowledge regarding the relevant model classes, methods and/or implementations.

Prerequisites: Lecture on Multiple Time Series Analysis and a successful exam in Basic Econometrics are a pre-requirement for participating in the seminar.

ECTS credits: 6.0

Start: 01.09.2014 End: 01.12.2014
Monday, 15:30 to 17:00 in L9, 1-2 002
The maximum number of participants in the seminar is limited to 14. The enrolment takes place between 28 and 31 July. Further details on the enrolment, the seminar and the topics will be posted on the seminar's webpage in due time.

Please note:
A separate registration is required. If you are interested to participate in the course, please contact Prof. Trenkler directly between the 28 and 31 July.

Contact person: Prof. Dr. Carsten Trenkler, e-Mail: trenkler@uni-mannheim.de, L7, 3-5, room 105, Tel. 181-1852

E587 The Economics of Technical Change (lecture)

Saam

Technical change is a main driver of economic growth and of the evolution of consumption and working habits. We will investigate the drivers and consequences of technical change in the context of growth theory, mainly the Schumpeterian modelling framework by Aghion and Howitt and models of biased technical change. We will analyse in depth the drivers and effects of the spread of information and communication technologies (ICT) throughout the economy from both a theoretical and an empirical perspective.

Prerequisites: E601-603 (or equivalent)

ECTS credits: 5.0

Start: 04.09.2014 End: 04.12.2014

Thursday, 12:00 to 13:30 in L9, 1-2 003

Further information about the literature and the content on the course will be published by August on www.zew.de/staff_msa

E588 Topics in International Macroeconomics (lecture + exercise)

Dr. Dominik Menno

This course will be concerned with international macroeconomics. In the first part we will look at international business cycles and risk sharing. In the second part of the course we will look at the distribution of wealth across countries and on the dynamics of countries' foreign asset positions from both a long term and shorter term perspective. Towards the end of the course, one of the optional topics (see below) will be covered according to students preferences.

Course Contents:

- (a) The facts of international business cycles
- (b) The basic one-good model (or Intertemporal Trade Models)
- (c) Multi-good models (Intratemporal and Intertemporal Trade Models)
- (d) Incomplete markets and risk sharing
- (e) International Capital Flows (Facts and theory)
- (f) Optional: Financial Integration and International Business Cycle Transmission
- (g) Optional: Limited commitment and default
- (h) Optional: Sticky prices

Prerequisites: E601-603, General requirements: Macroeconomics: Growth theory and business cycle theory Econometrics, Computational skills: Matlab (or similar) and how to solve growth models in Dynare (or similar)

ECTS credits: 9.0

Start: 02.09.2014 End: 02.12.2014

Tuesday, 15:30 to 17:00 in P 043 L7, 3-5
Tuesday, 12:00 to 13:30 in 003 L9, 1-2

E590 Methods in Empirical Microeconomics (lecture + excercise)

Takahashi

The course introduces empirical methods widely used in applied micro research, which includes but not limited to limited dependent variable models, difference-in-differences, regression discontinuity, and multilevel models. We will also discuss some recent empirical papers which have adopted these methods to address important economic questions. Also, we replicate some of the results obtained in published work in exercise session.

Prerequisites: E601-603 (or E700-E703)

ECTS credits: 9.0

Start: 05.09.2014 End: 05.12.2014

Friday, 10:15 to 11:45 in L 15, 1-6 A001
Friday, 12:00 to 13:30 in L7, 3-5 158

E592 Behavioral Contract Theory (Blockseminar)

Weinschenk

In this Block seminar we investigate how concepts of behavioral economics, such as loss aversion and time inconsistent preferences, can be fruitfully applied to classical economic problems like moral hazard, optimal pricing, and insurance. Each student is required to give a presentation and write a seminar paper.

Prerequisites: E601 Advanced Microeconomics; Also suitable for MMM students and Business Mathematics students

ECTS credits: 5.0

Organizational meeting:
Fr., 05.09.2014, 16:00-17:30 in L9,1-2 003
Blockseminar:
08.11.2014, 9:00-17:00 in L7,3-5 031
22.11.2014, 9:00-17:00 in L7,3-5 031

E593 Cultural Diversity and Economic Outcomes (Blockseminar)

Cinnirella

The intensity of fractionalization and polarization across ethnic, linguistic, and religious groups has been associated with different economic outcomes such as economic growth, innovation, the quality of governance, the provision of public goods, and the prevalence of civil conflicts. In this seminar we explore in detail the economic costs and benefits of having a culturally diversified society. In particular we explore the effect of immigration on wages, productivity, innovation, and crime in the receiving country; the effect of ethnic, linguistic, religious fractionalization on conflicts, the production and allocation of public goods, and innovation. Finally we investigate the interrelationship between social capital, trust, and development. In the seminar we shall put particular emphasis on the econometric approaches used to identify causal effects.

Prerequisites: E601-603 (or equivalent) for all Master's elective courses E700-E703, E801-E806 for all PhD courses

ECTS credits: 5.0

Please note the change in dates:

Organizational meeting:
03.09.2014, 12:00-13:30 in L9,1-2 002
Blockseminar:
28.11.2014, 13:30-18:00 in L9,1-2 002
29.11.2014, 09:00-17:00 in L9,1-2 002

E594 Field Experiments in Labor Economics

Riener

This course gives an overview of recent developments in field experimental research in labor economics.

Prerequisites: E601-603

ECTS credits: 5.0

Organizational Meeting:
01.10.2014, 13:45-15:00 in L9, 1-2 room 003
Blockseminar:
23.11.2014, 08:30-17:00 in L7, 3-5 room S 031

A list of literature for the seminar presentations will be provided at the start of the course.

E595 Advanced Topics in Experimental Economics

Riener

This course gives an overview of recent experimental economics research.

Prerequisites: E601-603 (or equivalent)

ECTS credits: 5.0

Organizational meeting:
02.10.2014, 15:30-16:45 in L9, 1-2 room 003
Blockseminar:
30.11.2014, 08:30-17:00 in L7, 3-5 room S 031

A list of literature for the seminar presentations will be provided at the start of the course.