

# **Master Course Program Spring 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 February 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.

## **Elective Courses**

### **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. Issues in educational policy and educational reforms shall be analyzed.

#### **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

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.

## **E508 Multiple Time Series Analysis (lecture + exercise)**

*Trenkler*

The lecture gives an introduction to multiple time series techniques and will cover vector autoregressive (VAR) processes, VAR estimation, VAR order selection and model checking. If time permits, we will also cover VARMA, Structural VAR models and so-called VEC models. The use of VAR models in forecasting, causality and impulse response analysis will be explained and illustrated using empirical examples and by discussing a selected set of research papers. The methods will be applied in computer tutorials.

Textbook: Lütkepohl, H. (2005), *New Introduction to Multiple Time Series Analysis*, Springer, Berlin, Chapters 1 - 4, 6 - 9, and 11 - 13, Appendices A - D. The list of covered research papers will be provided at the beginning of the course.

*Prerequisites:* E601 - E603 or E700 - E703 or equivalent courses for exchange students

ECTS credits: 9.5

Monday (10.02.2014-26.05.2014), 17:15 to 18:45 in L 9, 1-2 - 003

Wednesday (12.02.2014-28.05.2014), 12:00 to 13:30 in L 9, 1-2 - 003

## **E520 Seminar in Empirical Industrial Organization (block seminar)**

*Nosal*

This seminar covers recent empirical research in Industrial Organization. The reading list for the class will focus on a particular industry, such as electricity or healthcare markets. Each student will present a paper chosen from the list to the class and write a report critiquing the paper. Emphasis will be on identifying the central questions addressed in the paper, evaluating the methodology and data, and making suggestions for improvements and extensions.

Expected Competences acquired after completion of the module: Students learn to read, present, and critically evaluate recent articles at the frontier of economic research. They will also achieve an understanding of some of the institutions and distinctive features of the industry of interest, with an eye towards identifying potential research questions in this area.

*Prerequisites:* E601-E603 or E700-E703 or equivalent (the course is only suitable for Economics students)

ECTS credits: 6.0

Organizational Meeting: Friday, 21.02.2014, 15:00 to 17:00 in L 9, 1-2 - 002

Block seminar: Friday, 09.05.2014, 09:00 to 17:00 in L15, 1-6, 001

Block seminar: Friday, 16.05.2014, 09:00 to 17:00 in L9, 1-2 - 002

## **E521 Methods in Empirical Industrial Organization (lecture + exercise)**

*Schmidt-Dengler/Durrmeyer*

This course introduces students to empirical methods in Industrial Organization. The course will put a substantial amount of effort in having the students work with econometric software in analyzing actual data sets, reproducing and criticising results in previous work and learning the actual practice of econometrics as undertaken by the best applied economists. There will be “problem sets” based on the readings. They are likely to be computer and data intensive. Students should make sure you have access to the relevant computer programs, such as Stata.

*Prerequisites:* E601 or E701 Advanced Microeconomics and E603 or E703 Advanced Econometrics for Masters Students

ECTS credits: 9.0

Wednesday (12.02.2014-28.05.2014), 08:30 to 11:45 in L 7, 3-5 - P 043

## **E530 Topics in Industrial Organization (block seminar)**

*Schutz*

### **Course description:**

The seminar will cover selected topics on vertical integration and the boundaries of the firm. A reading list will be communicated at a later stage.

### **Expected Competences:**

Students should not mindlessly memorize the theories presented in this course, but rather understand where the models come from, and why they have been developed. They should also understand the limitations of these theories, and how these limitations can be overcome. The focus on model-building, and not on mindless memorization, should enable students to deepen their knowledge if they ever need to do so. In particular, students should be able to teach themselves new theories which are not presented in this course, or to build their own models when the existing literature cannot be applied.

*Prerequisites:* For Economics students: E601-E603 or E700-E703 or equivalent; For MMM students: none (not suitable for Business Mathematics students)

ECTS credits: 5.0

Introductory Session: Monday, 10.02.2014, 18:00 to 19:30 in L 7, 3-5 - 410

Block seminar: Friday/Saturday, 02./03.05.2014, 09:00 to 18:00 in L 9, 1-2 - 002

## **E539 The Economics of Information and Communication Technologies (block seminar)**

*Bertschek*

In the seminar we will discuss the role of information and communication technologies (ICT) for the economy with a focus on empirical micro-econometric studies. The following topics will be discussed:

- The contribution of broadband Internet to economics growth
- Labour market effects of ICT including aspects such as the change in job task compositions, workplace organisation and polarisation
- Firm success and extrovertedness
- ICT-enabled research collaboration
- User-generated content on Wikipedia
- Online advertising

Please find a complete list of the topics and relevant literature on the student portal.

*Prerequisites:* For Economics Students: E601-603 or E700-703 or equivalent; For Business Mathematics and MMM students: Applied Microeconometrics

ECTS credits: 5.0

Organisational Meeting: Friday, 31.01.2014, 11:00 in ZEW, L7, 1, room 110

Block seminar: Thursday/Friday, 08./09.05.2014 in ZEW, L7, 1, room 2

Additional meetings by arrangement.

Students interested in the seminar should send an e-mail with 2 or 3 topics they would like to work on to [bertschek@zew.de](mailto:bertschek@zew.de)

## **E561 Fiscal Policy (block seminar)**

*Born*

Goals and Contents of the module: Since the beginning of the global financial crisis, we have seen large swings in the fiscal policy stance. At first, countries countered the recessionary impact of the crisis by embarking on a massive fiscal expansion. With public debt spiraling, the focus has now shifted towards fiscal austerity. These developments have triggered heated debates among academics and policymakers, bringing fiscal policy back to the center of the economics research agenda. In this seminar, we will discuss research papers at the frontier of this debate. Topics include the correct identification of government spending and tax shocks, how to design a fiscal consolidation program, the role of the zero lower bound for interest rates, how the effects of fiscal policy are different in a currency union or in a deep recession, and the spillover effects from one country to another. Participants can either pick a topic from the list on my website or propose their own topics. More details will be given in the kick-off meeting.

**Expected Competences acquired after completion of the module:**

Ability to write an academic essay, to present academic research, to obtain empirical evidence on the basis of estimated vector autoregression models, and to discuss empirical results against the background of dynamic stochastic general equilibrium models.

A detailed syllabus will be posted at <https://sites.google.com/site/bornecon/teaching>.

*Prerequisites:* For Economics students: E601-603 or E700-E703 or equivalent; For MMM and Business Mathematics students: good foundations in macroeconomics and econometrics

ECTS credits: 5.0

Introductory Session: Wednesday, 12.02.2014, 12:00 to 13:30 in L 7, 3-5 - 410

Block seminar: Friday/Saturday, 04./05.04.2014, 09:00 to 18:00 in L 7, 3-5 - 410

**E563 Game Theory (lecture + exercise)**

*Siedlarek/Nocke*

This course provides a thorough treatment of game theoretic tools used to analyse strategic interactions. We will cover the key components of game theory and solution concepts in static and dynamic games as well as games of perfect and imperfect information.

The course then discusses models in various areas of application, such as bargaining, industrial organization, etc.

*Prerequisites:* For Economics students: E601-603 or E700-703 or equivalent; (not suitable for Business Mathematics and MMM students)

ECTS credits: 7.0

Wednesday (12.02.2014-28.05.2014), 13:45 to 15:15 in L 9, 1-2 - 002

Thursday (13.02.2014-29.05.2014, bi-weekly), 17:15 to 18:45 in L 9, 1-2 - 009

Contact person: Jan-Peter Siedlarek, [janpeter.siedlarek@gmail.com](mailto:janpeter.siedlarek@gmail.com)

**E564 Impact evaluation, treatment effects, causal analysis (lecture)**

*Wiesenfarth*

Students will have a working knowledge of recent developments in robust impact evaluation methods and skills in their application using Stata. In particular, they understand concepts of identification and causality and the different types of treatment effects. They will understand the theoretical and practical implications of different sample scenarios (random control trials, selection on observables and unobservables) and can choose the appropriate estimation strategy (matching estimator, propensity score, IV, regression discontinuity, difference in difference). They understand assumptions made and theoretical properties of the related nonparametric estimators and the pitfalls of the classical parametric estimators.

*Prerequisites:* For Economics students: E601-E603 or E700-E703 or equivalent; For Business Mathematics students: advanced knowledge of econometrics (not suitable for MMM students)

ECTS credits: 5.0

Monday (10.02.2014-26.05.2014), 12:00 to 13:30 in L7, 3-5 - P 043

## **E571 Monetary Theory (lecture + exercise)**

*Winschel*

### **Goals and Contents of the module:**

The goal is to provide an introduction to the current models used in the conduct of monetary policy.

### **Expected Competences acquired after completion of the module:**

Students should acquire the knowledge about the basic models. We will use some standard software to solve and simulate the model we discuss.

*Prerequisites:* E600-E603 or E700-E703 (or equivalent)

ECTS credits: 9.0

Tuesday (11.02.2014-27.05.2014), 13:45 to 15:15 in L 9, 1-2 - 003

Thursday (13.02.2014-29.05.2014), 13:45 to 15:15 in L 9, 1-2 - 003

## **E574 Internet Economics (block seminar)**

*Peitz/Wang*

The rapid development of Internet provides not only new business models and life styles but also a novel area for economists to explore. In this seminar, students will present research papers on related topics including two-sided market, price dispersion, information congestion, search engine pricing, and so on.

*Prerequisites:* Industrial Organization / Game Theory

ECTS credits: 5.0

Introductory Session: Thursday, 13.02.2014, 10:00 to 12:00 in L 9, 1-2 - 002

Block seminar: Saturday, 12.04.2014, 09:00 to 18:00 in L 9, 1-2 - 002

## **E575 Uncertainty-driven Business Cycles (block seminar)**

*Pfeifer*

Since the beginning of the global financial crisis there has been a large increase in economic uncertainty as evidenced e.g. by the heightened volatility of financial markets. An important source of uncertainty has been fiscal and monetary policy: will governments increase government spending to stimulate the still stagnant economies or will they cut spending to curb the excessive budget deficits? Will central banks around the globe keep pursuing unconventional monetary policies or will they raise interest rates to accommodate inflationary fears?

The microeconomic real options theory implies that in the wake of heightened uncertainty, investments should be delayed until uncertainty has resolved. Numerous policy-makers and academics have thus argued that heightened (policy) uncertainty is chiefly responsible for the slow recovery of the US economy due to inducing a "wait-and-see" effect that hampered investment in capital and consumer durables.

In this seminar, we will discuss research papers at the frontier of this debate. Topics include  
i) how to measure economic uncertainty  
ii) what the evidence on the size of aggregate and idiosyncratic uncertainty is,  
iii) how to separate exogenous changes in uncertainty from endogenous responses to bad economic times  
iv) what effects do various types of uncertainty have on the business cycle  
v) what is the macroeconomic (general equilibrium) transmission mechanism through which uncertainty affects aggregate variables

Participants can either pick a topic from the list on my website or propose their own topics. More details will be given in the kick-off meeting.

*Prerequisites:* E601-E603 or E700-E703 (or equivalent)

ECTS credits: 5.0

Introductory Session: Wednesday, 12.02.2014, 13:45 to 15:15 in L 7, 3-5 - P 043

Block seminar: Thursday/Friday, 10./11.04.2014, 09:00 to 18:00 in L 7, 3-5 - 410

## **E576 Economic Modeling - Historical and Methodological Perspectives (block seminar)**

*Svorenck/Engelmann*

### **Goals and Contents of the module:**

During the last two centuries, the way economic science is done has changed radically: it has become a social science based on mathematical models in place of words. The goal of this seminar is to illuminate the nature and the implications of these changes, explain how economists create(d) their models and how they reason with them. The participants can choose a project based on a series of case studies covered in the chapters of Mary Morgan's widely acclaimed book *The World in the Model : How Economists Work and Think* (2012). In addition, students will have to delve into the more technical details of the models that are not covered in the book.

**Expected Competences acquired after completion of the module:**

In this seminar, students learn to comprehend, present, critically evaluate and historically situate core economic models. As a result, they should gain knowledge of history of modern economics and better understand the practice of economic modeling.

*Prerequisites:* For Economics students: E700, E701, E702, E703 or E601, E602, E603 or equivalent; For MMM and Business Mathematics students: good foundations in economic theory

ECTS credits: 5.0

Introductory Session: Tuesday, 11.02.2014, 10:00 to 12:00 in L 9, 1-2 - 002

Block seminar: Thursday, 01.05.2014, 10:00 to 20:00 in L 7, 3-5 - P 043

Block seminar: Saturday, 17.05.2014, 10:00 to 20:00 in L 7, 3-5 - P 043

**E577 Macroeconomics of Inequality (lecture)**

*Findeisen*

**Goals and Contents of the module:**

The rapid and unanticipated growth of earnings inequality in many developed economies in the last 30 years, most notably in the U.S., U.K. and also in Germany, has triggered controversial debates. This course deals with the causes of economic inequality. We start by reviewing the basic facts about the evolution of income and wage inequality in the EU and the US in the last decades. We then subsequently discuss the role of technology, education, international trade and offshoring as determinants of inequality. We draw on many recent academic papers (theoretical and empirical) from the fields of Macroeconomics, Labor Economics and International Trade.

**Expected Competences acquired after completion of the module:**

Understanding of the key facts of income inequality in developed economies. Understanding of the different mechanisms leading to inequality, esp. the role of technology, education, international trade and offshoring as determinants of inequality. Formal understanding of theoretical and empirical approaches to study inequality.

The last three meetings are reserved for the class presentations.

*Prerequisites:* E601-603 or E700-703 (or equivalent)

ECTS credits: 5.0

Wednesday (12.02.2014-28.05.2014), 15:30 to 17:00 in L 9, 1-2 - 002



## **E578 Economic Growth: From Theory to Evidence (lecture)**

*Ciccone*

### **Goals and Contents of the module:**

Review of growth theories and the empirical evidence in these theories.

### **Literature:**

The lecture will be based on the book: 'Introduction to Modern Economic Growth' by Daron Acemoglu and on research articles

*Prerequisites:* E601-603 or E700-703 or equivalent

ECTS credits: 5.0

Thursday (13.02.2014-29.05.2014), 10:15 to 11:45 in L 9, 1-2 - 003

## **E580 Natural Experiments in History (seminar)**

*Cinnirella*

### **Goals and Contents of the module:**

In this seminar the students will be confronted with the theoretical and empirical literature which exploits natural experiments in history to identify the role of institutions, geography, culture, and religion in long-run growth. Aim of the seminar is also to understand to what extent and through which mechanisms history matters for economic development.

### **Expected Competences acquired after completion of the module:**

The students will acquire the ability to understand and critically discuss studies which establish causal relationships in long-run growth. In particular the students will be able to identify the critical assumptions and the possible weaknesses of identification strategies and to discuss the robustness and external validity of the results.

*Prerequisites:* E601-603 or E700-703 (or equivalent)

ECTS credits: 5.0

Tuesday (11.02.2014-27.05.2014), 12:00 to 13:30 in L 9, 1-2 - 002

## **E581 International trade (lecture + exercise)**

*Liu/Nocke*

This course will focus on the determinants, patterns and effects of international trade. It will cover the core trade models as well as their empirical applications. A tentative list of topics includes trade with monopolistic competition, the interrelation between trade and factor markets, trade and innovation, and other closely related topics.

*Prerequisites:* E601-603 or E700-703 (or equivalent)

ECTS credits: 7.0

Wednesday (12.02.2014-28.05.2014), 17:15 to 18:45 in L 9, 1-2 - 002

Friday (14.02.2014-30.05.2014), 10:15 to 11:45 in L 7, 3-5 - P 044