Department of Economics
Courses held in English – Summer semester 2006

I. Grundstudium

Mikroökonomik I

Vorlesung, 2st. — Thadden, Ernst-Ludwig von
Die Veranstaltung am Donnerstag findet in englischer Sprache statt. — A 3 001
Di wtl08.30-10.00 25.04.-18.07.2006
Do wtl 10.15-11.45 27.04.-20.07.2006 — **A 3 001**

Inhalte und Lernziel: Grundlagen der Mikroökonomie: Haushaltsentscheidungen, Güternachfrage und Arbeitsangebot, Firmenentscheidungen, Produktionsangebot und Faktornachfrage, Marktgleichgewicht

Literaturhinweise: Perloff, Jeffrey M.: Microeconomics, Second Edition; Sydsaeter/Hammond: Mathematics for Economic Analysis

Die Vorlesung baut auf den Kenntnissen aus der Vorlesung Mathematik A auf, die möglichst vor Mikroökonomik I besucht werden soll

II. Hauptstudium

Makroökonomik III

Vorlesung, 2st. — Ciccone, Antonio
Di wtl15.30-17.00 25.04.-18.07.2006 — L 9 004

Course title: Makroökonomik III
Instructor: Prof. Antonio Ciccone, Ph.D.
Method (hours per week): lecture (2) + practical exercises (2)
Course language: English
Prerequisites: Grundstudium
Examination: written, 90 minutes
ECTS-Credits: 7
Course description: The course focuses on long-run macroeconomics. The central theme is the determinants of long-run economic growth and the empirical implications of theories of economic growth. The structure of the course is:
1. Some Basic Facts About Economic Growth
2. Investment
3. Economic Growth with Exogenous Savings Behavior

4. Empirical Applications
5. Consumption
6. Economic Growth with Endogenous Savings
7. New Growth Theory
8. Empirical Applications
Literature: The textbook for the course is Advanced Macroeconomics, 3rd edition by David Romer. The relevant chapters are 1-3 and 7-8.
Contact person: Prof. Antonio Ciccone, Ph.D., L7, 3-5, room 3.30, Tel.: 0621 181 1835, e-mail: antonio.ciccone<at>upf.edu

Makroökonomik III

Übung, 2st. Ciccone, Antonio
Mi wtl08.30-10.00 03.05.-19.07.2006 O 169

Topics in Dynamic Macroeconomics

Vorlesung, 2st. Ludwig, Alexander
Di wtl13.45-15.15 25.04.-18.07.2006 L 7 P043

1. Time and location:
Lecture in the Summer semester 2006, 2 hours per week.
Tuesdays, 13.45-15.15 h

2. First lecture: Tue, April 25, 13.45h

3. Office hours: tba.

4. Course homepage:
To be posted somewhere on http://www.mea.uni-mannheim.de/alexludwig/

5. Adressees:
The course is designed for advanced students in the diploma studies program. It is also designed for 2nd year students in the doctoral program.

6. Prerequisites:
Successful participation in the Macro sequence (Macro III would be nice to have).

7. Grading:
Grading will be based on a final exam (40-50 %), a short term paper (10%) (why that?, see below), problem sets (30%) and class participation (20%). The grading of students of the doctoral program is separate and has a different basis.

8. Concept for the course:
We will study variants of the two "workhorses" of dynamic macroeconomics in general equilibrium: the neoclassical growth model and overlapping generations (OLG) models. While both models will be analyzed, more room will be given to life-cycle economies (OLG type applications). For this

reason, we will also extensively study partial equilibrium models of household behavior, e.g., the dynamics of consumption, savings, labor supply and portfolio allocation decisions over the life-cycle. Once we understand this, we will return to general equilibrium. The course will be applied in a sense that (i) we will seek to compare certain model features with the data, (ii) we will implement some stuff on the computer and (iii) we will analyze policy questions. Among these policy questions are issues related to the distribution of income, wealth and consumption within and across generations, public finance questions and how demographic change will affect the economy in a global world. At the end of the course you will have learned how to solve simple models analytically and more complicated (but not too complicated) models numerically and how to use these models for policy analysis.
The course will be offered in English (unless there is a strong demand for German).

9. On the term papers
Ph.D students will also be asked to write a short term paper in which they develop own research ideas. These ideas need not be necessarily closely related to the topics treated in class but should have something to do with macroeconomics.

Course title: Topics in Dynamic Macroeconomics
Instructor: Dr. Alexander Ludwig
Method (hours per week): lecture (2)
Course language: English
Prerequisites: Vordiplom
Examination: final exam, term paper, problem sets, class participation
ECTS-Credits: 5
Course description: see above
Contact person: Dr. Alexander Ludwig, Mannheim Research Institute for the Economics of Aging (MEA), L13, 17, E-mail: Ludwig<at>econ.uni-mannheim.de

Strategisches Handeln in Wirtschaft und Politik II

Vorlesung, 4st.			Stahl, Konrad	
Mo	wtl17.15-20.30	24.04.-17.07.2006	Rall, Wilhelm	L 7 P044

SIZE: Laboratory Course, 4hrs.
FIRST CLASS: Monday, April 24

TIME AND LOCATION: Monday, 17.15 – 20.30, P 044
COACHING SESSION: Thursday 15.30 3-07

OFFICE HOURS: Stahl: Monday 14.00 – 15.00 or on appointment (181-1880)
Rall: on appointment

ADRESSEES:
The course is part of the course sequence under the same title, as well as of the elective in business studies entitled “Information and Competition”. First and second year doctoral students are especially welcome.

PREREQUISITES.
Microeconomics I – III or equivalent, Strategic Action in Business and Government I or equivalent.

GRADES:
The grade for the course is based on active participation in class (30%) and the presentation of solutions to the case problems presented below, in form of four team papers (30 %), and the preparation of final slides on the case presentation, based on the discussion in class.

CONCEPT OF THE COURSE SEQUENCE:
The course sequence consists of three blocks. The four hour lecture course on strategic action I in the winter semester; a block seminar held either at the end of the winter semester or just before the beginning of the summer semester; and the present interactive four hour case study course held in the summer semester. Participation in both the seminar and the summer course necessitates participation in the winter semester course (or equivalent). Participation in the seminar is recommended, but not required for participation in the summer course.

The philosophy that has led to the course sequence is the following: The analysis of a real life strategic planning problem necessitates the reduction of the problem to its essentials. The winter semester course is designed to equip the student with the tools relevant for the analysis of such strategic problems at the level of the firm, as well as the level of an industry. Depending on the industry structure, both are prerequisites for the analysis of regulatory and competition policy.

Emphasis is placed not only on the reception of existing models but also on the generation of new ones that are appropriate for the analysis of specific real life problems. In contrast to the presentation of recipes, the winter semester course is designed towards to equip the student with micro theoretic and game theoretic tools to solve strategic problems.

This concept is deepened within the block seminar and the case study course. Towards this we have developed a novel case study based interactive teaching concept that does not end with the student’s understanding of the many existing modelling approaches, but continues with the development of specific models intended to give specific answers to specific strategic planning problems taken from current consulting experience.

More specifically, in the block seminar held we ask the student to explain carefully selected case data with the theoretical approaches discussed in the winter semester course. In the present case study course the student is challenged with the development of new modelling approaches. Towards this, we present a sequence of five cases from different industries.

We will form teams of students. The teams will compete against each other in developing answers to two strategic questions raised at the end of each case presentation. The first question will involve a decision problem for a key industrialist in the relevant industry; and the second one a regulatory or competition policy decision problem for that industry.

LITERATURE:
The main reference text for the course will be Tirole, J. (1989): *The Theory of Industrial Organization*, Cambridge, MA: MIT Press, German translation Oldenbourg (1994)

SESSIONS:

Date	Subject
April 24	Modelling Tools
May 8	An Exemplary Case Discussion: Strategic Vertical Interaction in the Automotive Industry
May 15	Cont'd
Mai 22	Presentation Case 2: Restructuring the Automotive Distribution Sector
June 5	Pentecost Holiday
June 12	Discussion Theory Case 2: Industry Players' Strategy,
June 19	Discussion Theory Case 2: Public Policy Presentation Case 3: Capacity Expansion in the Polyolefine Industry
June 26	Discussion Theory Case 3: Industry Players' Strategy
July 3	Discussion Theory Case 3: Public Policy Presentation Case 4: Transformation of the Touristic Industry
July 3	Discussion Theory Case 4: Industry Players' Strategy
July 10	Discussion Theory Case 5: Public Policy Presentation Case 5: Organisation of Urban Public Transportation
July 17	Discussion Theory Case 4: Industry Players' Strategy
July 24	Discussion Theory Case 5: Public Policy Questions and Answers

Course title: Strategisches Handeln in Wirtschaft und Politik II
Instructor: Prof. Konrad Stahl, Ph. D., Prof. Dr. Wilhelm Rall
Method (hours per week): laboratory course (4)
Examination: final exam, problem sets, class participation
ECTS-Credits: 9
Course description: The analysis of a real life strategic planning problem necessitates the reduction of the problem to its essentials. The course is designed to equip the student with the tools relevant for the analysis of such strategic problems at the level of the firm, as well as the level of an industry which typically is the relevant level for the analysis of regulatory and competition policy. Emphasis is placed not only on the reception of existing models but also on the generation of new ones that are appropriate for the analysis of specific real life problems. In contrast to the presentation of recipes, the course is intended to present approaches to micro and game theoretically based generic thinking about solutions to strategic problems. For further details see above.
Contact person: Prof. Konrad Stahl, Ph. D., Tel. 181-1875, kos<at>econ.uni-mannheim.de

Topics in Labor Economics

Vorlesung, 3st.		Weiss, Matthias	
Mi 14-tgl 08.30-10.00	03.05.-12.07.2006	Garloff, Alfred	L 7 P043
Mi wtl 13.45-15.15	26.04.-19.07.2006		L 9 003

Course title: Topics in Labor Economics
Instructors: Dr. Alfred Garloff (ZEW), Dr. Matthias Weiss (MEA)
Method (hours per week): lecture (3)
Course language: English
Prerequisites: Vordiplom, Mikro III, Makro III or equivalent
Examination:
Hauptstudium: final exam (60%), participation in class (20%), occasional problem sets (20%).
PhD students: final exam (50%), participation (15%), problem sets (15%), presentation of one topic (20%)
ECTS-Credits: 7
Course description: This course adresses current research issues in labor economics at the graduate level (Ph.D. and advanced Hauptstudium). We will cover selected chapters of the book "Labor Economics" by Pierre Cahuc and André Zylberberg (2004). An emphasis will lie on macroeconomics issues, e.g., Unemployment and Inflation: Macroeconomics and the Natural Rate of Unemployment. Job Reallocation and Unemployment: The Matching Model. Technological Change and Globalization: Effects on Employment and the Wage Structure. Institutions and Labor Market Policy. Age, Experience, Seniority, Productivity, and Wages. The detailed program will depend on students' preferences. For further information, see http://www.mea.uni-mannheim.de/weiss/topicsinlaboreconomics/
Contact person: Dr. Matthias Weiss, Tel. 181-1871, e-mail: weiss<at>mea.uni-mannheim.de, L13 17, Room 313.

Corporate Finance for Economists II

Vorlesung, 1st.		Kalckreuth, Ulf von	
Di 14-tgl15.30-17.00	25.04.-18.07.2006		L 9 002

Die Vorlesung findet auf Englisch statt.

Introductory literature: Copeland, Weston and Shastri: Financial Theory and Corporate Policy, 4th ed., Boston etc., Addison-Wesley, 2005; Ross, Westerfield and Jaffe: Corporate Finance, 7th ed., Boston etc., McGraw-Hill, De Matos: Theoretical Foundations of Corporate Finance, Princeton University Press, Princeton and Oxford, 2001; Hull: Options, Futures, and Other Derivatives, 5th ed., London etc., Prentice Hall, 2002.

Further reading will be assigned during the course.

Course title: Corporate Finance for Economists II
Instructor: Dr. Ulf von Kalckreuth
Method (hours per week): lecture (1)
Course language: English

Prerequisites: Vordiplom, a solid background in micro theory (at the Micro III level) and a basic understanding of econometrics
Examination: 45-minute written exam
ECTS Credits: 2.5
Course description: This is the second part of a 2 semester introductory course on the real investment and finance decisions of private companies. The first sessions will be devoted to valuation problems, then we will consider issues arising from information asymmetry. Although the course naturally builds on the first part, newcomers should be able to follow with the help of the lecture notes. These are available on the dotLRN system.
We will treat the following topics:
(1) The Black and Scholes model of option pricing
(2) Valuation of equity and the probability of default (Merton model)
(3) The efficiency of capital markets
(4) New equity
(5) Dividend behaviour
(6) Bank finance
(7) Investment under financing constraints
We will cover theoretical and empirical aspects alike.
Contact person: Dr. Ulf von Kalckreuth, Deutsche Bundesbank, Economic Research Centre, Wilhelm-Epstein-Str. 14, 60431 Frankfurt/Main, Tel.: 069 9566 2217, E-mail: ulf.von-kalckreuth<at>bundesbank.de, Homepage: www.von-kalckreuth.de

Comparative Public Finance and Globalization

Vorlesung, 2st. Janeba, Eckhard
Di wtl10.15-11.45 25.04.-18.07.2006 L 7 001

Course title: Comparative Public Finance and Globalization
Instructor: Prof. Dr. Eckhard Janeba
Method (hours per week): lecture (2)
Course language: English
Prerequisites: Vordiplom
Examination: written, 90 min.
ECTS-Credits: 5
Course description: This class deals with the role of different institutions across countries and its impact on the size and composition of government activity, both from a theoretical and empirical viewpoint. We also review how institutions change over time as the world becomes globalizes. At the beginning of the class students are introduced to the major political economy approaches used to study the above topics.
Contact person: Prof. Eckhard Janeba, L 7, 3-5, room 229, Tel: 181 - 1795, mail: janeba<at>uni-mannheim.de

Econometrics II

Vorlesung und Übung, 4st. Hoderlein, Stefan
Mo wtl10.15-11.45 24.04.-17.07.2006 Brüggemann, Ralf L 7 P043
Di wtl12.00-13.30 25.04.-18.07.2006 L 7 P044

Die Veranstaltung wird in Englisch stattfinden.

Course title: Econometrics II
Instructor: Prof. Stefan Hoderlein, Ph.D., Dr. Ralf Brüggemann
Method (hours per week): lecture (4)
Course language: English
Prerequisites: Vordiplom
Examination: written, 180 min
ECTS-Credits: 9
Course description: This course consists of two parts: Microeconometrics and Time Series Econometrics. In the microeconometric part we analyze classical models and methods for binary and categorical dependent variables, for limited dependent variables and for models of selection in a rigorous fashion. Moreover, we consider modern semi- and nonparametric methods for these type of models. The Time Series part will focus on multivariate Time Series. Univariate Time Series will also be discussed, but play a minor role. Models featuring stationary and nonstationary data generating processes will both be examined. Time permitting there will also be a introduction to computer programing on both subjects.
Contact person: Prof. Stefan Hoderlein, Ph.D., Tel. 181-3333, e-Mail: stefan_hoderlein<at>yahoo.com, L7, 3-5, room 126.

Mikroökonometrie

Vorlesung, 2st. Brüggemann, Ralf
Fr wtl10.15-11.45 28.04.-21.07.2006 L 7 031

In der Vorlesung werden Modelle für qualitativ und begrenzt abhängige Variablen, Modelle zur Analyse von Verweildauern und Hazardraten-Modelle besprochen. Die praktische Anwendung dieser Modelle und empirische Beispiele werden diskutiert. Die erlernten Methoden werden in Übungen am Computer angewandt.

Vorlesungen und Übungen werden in englischer Sprache gehalten.

Course title: Microeconometrics
Instructor: Dr. Ralf Brüggemann
Method (hours per week): lecture (2) + computer tutorials (1)
Course language: English
Prerequisites: Grundlagen der Ökonometrie
Examination: written, 90 min.
ECTS-Credits: 6

Course description: The lecture gives an introduction to models for qualitative and limited dependent variables and will cover logit and probit models for binary dependent variables, multinomial logit and probit models for unordered and ordered categories. In addition, models for censored and truncated data and models with sample selection problems as well as models for duration data will be discussed. The use of these models will be explained and illustrated using empirical examples. The methods will be applied in computer tutorials.
Course outline:
1. Introduction and Overview
2. Models for qualitative dependent variables
   - Binary choice models (probit and logit)
   - Measures of fit and specification tests
   - Multinomial logit and probit models for unordered categories
   - Multinomial logit and probit models for ordered categories
3. Models for limited dependent variables
   - Models for truncated data
   - Models for censored data
   - Selection bias
4. Count data and duration models
   - Count data models
   - Duration models
   - Hazard rate models

Contact person: Dr. Ralf Brüggemann, Tel. 181-1846, e-Mail: brueggem<at>wiwi.hu-berlin.de, L7, 3-5, room 1.06

Übung zur Mikroökonometrie

Übung, 2st.		Brüggemann, Ralf	
Mo	14-tgl 15.30-17.00 08.05.-10.07.2006		L 7 031
Mo	14-tgl 15.30-17.00 08.05.-10.07.2006		L 7 158

Multiple Time Series Analysis

Vorlesung und Übung, 4st.		Brüggemann, Ralf	
Mi	wtl10.15-11.45 26.04.-19.07.2006		L 15 A 001
Fr	wtl13.45-15.15 28.04.-21.07.2006		L 7 031
Fr	wtl13.45-15.15 28.04.-21.07.2006		L 7 158

Es werden Vektorautoregressionen (VAR), Vektorfehlerkorrekturmodelle und strukturelle VAR-Modelle vorgestellt. Neben der Schätzung, der Spezifikation und der Diagnose dieser Modelle werden auch die empirischen Anwendungsmöglichkeiten wie z.B. Prognose, Kausalitätsanalyse und Impuls-Antwort-Analyse besprochen. Die erlernten Methoden werden in Übungen am Computer angewandt. Kenntnisse in univariater Zeitreihenanalyse sind hilfreich, aber für diesen Kurs nicht unbedingt erforderlich.

Vorlesungen und Übungen werden in englischer Sprache gehalten.

Course title: Multiple Time Series Analysis
Instructor: Dr. Ralf Brüggemann
Method (hours per week): lecture (3) + computer tutorials (1)
Course language: English
Prerequisites: Grundlagen der Ökonometrie
Examination: written, 135 min.
ECTS-Credits: 8
Course description: 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. Nonstationary systems with integrated and cointegrated variables as well as structural VARs will also be treated. The use of VAR models in forecasting, causality and impulse response analysis will be explained and illustrated using empirical examples. The methods will be applied in computer tutorials. Background knowledge of univariate time series methods is helpful but not required. Textbook: Lütkepohl, H. (2005), New Introduction to Multiple Time Series Analysis, Springer, Berlin, Chapters 1-4 and 6-9, Appendices A-D.
Course outline:
1. Introduction and Overview
2. Stable Vector Autoregressive Processes
3. Estimation of Vector Autoregressive Processes
4. VAR Order Selection and Model Checking
5. Vector Error Correction Models
6. Estimation of Vector Error Correction Models
7. Specification of VECMs
8. Structural VARs and VECMs
Contact person: Dr. Ralf Brüggemann, Tel. 181-1846, e-Mail: brueggem<at>wiwi.hu-berlin.de, L7, 3-5, room 1.06

History of Currency Regimes in the 19th and 20th Centuries

Vorlesung, 2st.			Buchheim,	
Mo	wtl10.15-11.45	24.04.-17.07.2006	Christoph	L 7 P044

Course title: History of Currency Regimes in the 19th and 20th Centuries
Instructor: Prof. Dr. Christoph Buchheim
Method (hours per week): lecture course (2)
Course language: English
Examination: written, 90 minutes
ECTS-credits: 5
Course description: Quite a few different currency regimes have been in existence since the 19th century. Among these were bimetallism, the silver and gold standard of the pre-WW I period, the gold-exchange standard in the interwar period, administratively managed currencies with inconvertibility after the Great Depression, the Bretton Woods system of the paper standard with convertibility and fixed exchange rates, and finally the paper standard with convertibility and floating exchange rates. In addition there are several currency unions. In this course we will explore the characteristics of the currency regimes mentioned as well as their consequences for monetary stability, international trade and capital flows.

Furthermore the causes of the transformations of currency regimes from one state into another are analyzed. Finally the question will be asked, if the total development of currency regimes since the 19th century can be interpreted as a learning process of societies with regard to the proper handling of an international paper standard. The course is open to doctoral and advanced students in economics. There will be written examinations at the end of the term. Doctoral students will in addition have to prepare a paper on a related subject which will be presented in one of the sessions.
Introductory reading: Barry Eichengreen, Globalizing Capital. A History of the International Monetary System, Princeton 1998; Andrew Britton, Monetary Regimes of the 20th Century, Cambridge 2001
Contact person: Prof. Dr. Christoph Buchheim, Tel. 181-1902, e-mail buchheim<at>rumms.uni-mannheim.de; L7, 3-5, room P 11; office hours: Tuesday, 11.00-12.30 h

Computational Economics

Vorlesung, 2st. Kübler, Felix
Mi wtl10.15-11.45 26.04.-19.07.2006 L 9 002

Die Veranstaltung findet in englischer Sprache statt.

Course title: Computational Economics
Instructor: Prof. Felix Kübler, Ph.D.
Method (hours per week): lecture (2)
Course language: English
Prerequisites: Vordiplom, knowledge of Fortran or C, strong interest in macro-economics; this lecture is supposed to accompany the seminar 'Computational methods'.
Examination: There will be weekly assignments which will be graded
ETCS Credits: 5
Course description: The class discusses basic algorithms for solving economic models.
Outline:
- Introduction to numerical analysis
- Solving non-linear equations (Newton's method, homotopy methods)
- Projection methods (interpolation, policy function iteration, dynamic programming).
Contact person: Prof. Felix Kübler, Ph.D.; Tel. 181-1836; e-Mail: fkuebler<at>rumms.uni-mannheim.de; L7, 3-5, room 3.12

Optimal Control Theory & Applications in Economics

Seminar, 2st. Kübler, Felix
Mi wtl17.15-18.45 26.04.-19.07.2006 L 7 P043

Siehe Aushang am Lehrstuhl

Course title: Optimal Control Theory & Applications in Economics
Instructor: Prof. Felix Kübler, Ph.D.
Method (hours per week): seminar (2)
Course language: English
ETCS Credits: 6
Contact person: Prof. Felix Kübler, Ph.D.; Tel. 181-1836; e-Mail: fkuebler@rumms.uni-mannheim.de; L7, 3-5, room 3.12