Department of Economics
Courses held in English – Fall semester 2007

Uncertainty in Macroeconomics: Part I

Vorlesung, 2st.   Krebs, Tom
Mo wtl 13.45-15.15   03.09.-03.12.2007   L7, P044

Course title: Uncertainty in Macroeconomics: Part I
Instructors: Prof. Tom Krebs, Ph.D.
Method (hours per week): lecture (2)
Course language: English
Prerequisites: The course is for second-year Ph.D. students and, with permission of the instructor, advanced undergraduates. It assumes a working knowledge of competitive equilibrium theory, the welfare theorems, and dynamic programming. See, for example, MasColell et al. (1995) and Stokey and Lucas (1989).
Examination: written, 90 min.
ECTS-Credits: 5
Course description: The course analyzes risk sharing in macroeconomic models with limited enforcement of contracts (limited commitment models). In the first part of the course, we will review standard results in general equilibrium theory that also apply to infinite-horizon models with uncertainty and sequentially complete markets (existence, first and second welfare theorem). In the second part, we will extend the analysis to infinite-horizon economies with uncertainty and limited commitment. In keeping with the macroeconomic tradition, we will emphasize recursive formulations and methods. Though the analysis is mainly theoretical, we will also discuss applications to consumption-saving of individual households, asset pricing, and the cost of business cycles. References. Mas-Colell, Whinston, M., and Jerry Green, Microeconomic Theory, Oxford University Press, 1995. Nancy L. Stokey and Robert E. Lucas, Recursive Methods in Economic Dynamics, Harvard University Press, Cambridge, Mass., 1989. Contact person: Prof. Tom Krebs, Ph.D., L 7, 3-5, room P05, Tel. 181-1762, e-mail: tkrebs<at>econ.uni-mannheim.de.

Topics in Labor Economics

Vorlesung, 2st.   Weiss, Matthias
Mi wtl 15.30-17.00   05.09.-05.12.2007   L7, P044

Course title: Topics in Labor Economics
Instructors: Alfred Garloff, Matthias Weiss
Method (hours per week): lecture (3̶ 2)
Course language: English
Prerequisites: Vordiplom, Mikro III, Makro III or equivalent
Examination: Diploma students: 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: 7̶ 5

Course description: This course adresses current research issues in labor economics at the graduate level (Ph.D. and Hauptstudium). The course can nicely be combined with "Arbeitsmarktökonomik" in the spring term bei Nicole Gürtzgen/Friedhelm Pfeiffer but that course is by no means a prerequisite for this course. We will cover selected chapters of the book "Labor Economics" by Pierre Cahuc and André Zylberberg (2004). An emphasis will lie on macroeconomic issues and their microeconomic foundation, e.g., Unemployment and Inequality (labor market matching, technological change, globalization), Institutions and Labor Market Policy, Job Search, Age, Experience, Seniority, Productivity, and Wages. The detailed syllabus will depend on students' preferences. For further information, see http://www.mea.uni-mannheim.de/weiss/topicsinlabor economics/
Contact person: Matthias Weiss, Tel. 181-1871, e-mail: weiss<at>mea.uni-mannheim.de, L13 17, room 411.

Experimental Economics

Vorlesung, 2st.   Schmidt, Carsten
Mi wtl 17.15-18.45   05.09.2007   L9, 003
Mi wtl 13.45-15.15   12.09.-05.12.2007   L9, 003

Course title: Experimental Economics
Instructor: Dr. Carsten Schmidt
Method (hours per week): lecture (2)
Course language: English
Prerequistes: Grundstudium
Examination: written, 90 minutes, participation
ECTS-Credits: 5
Course description: This course in Experimental Economics will look at what economic theory has to say about economic choices and strategic interactions and what people actually do when faced with strategic decisions. We will conduct a large number of in-class and online experiments in order to either identify systematic deviations or to confirm theoretical predictions. Beginning with the history and purposes of experimental economics, this course will cover the latest methods and survey existing experimental research. Most importantly, this course will teach students how to set up an economic experiment. For further details see http://www.sfb504.uni-mannheim.de/~cschmidt/ee07
Contact person: Dr. Carsten Schmidt, Tel.: +49 621 181 3447, e-mail: cschmidt<at>sfb504.uni-mannheim.de

~~Strategic Action in Business and Government I~~

Markets and Strategies I

Vorlesung, 4st.	Stahl, Konrad
Mo wtl 17.15-18.45 03.09.-03.12.2007	**Peitz, Martin** L7, P044
~~Do wtl 17.30-19.00 06.09.-06.12.2007~~	~~L7, P044~~
Do wtl 12.00-13.30 06.09.-06.12.2007	**L9, 003**

1. Time and location:
Lecture in the Fall Term 2007, 4 hours per week + Exercises (2 hours per week)
The first half of the course will be taught by Martin Peitz, the second half by Konrad Stahl.

2. First lecture:
Monday, September 3, 2007

3. Office hours:
tba

4. Adressees:
The course is designed for advanced (and capable) students in the diploma studies program. It is also designed for 2nd year students in the doctoral program.

5. Prerequisites:
Successful participation in the micro sequence. In particular, basic notions of game theory as acquired in the micro sequence are useful.

6. Grading:
Grading on the basis of a final exam (50 %); problem sets throughout the course (30%), class participation (20%).
The grading of students of the doctoral program is separate and has a different basis.

7. Concept for the course:
It is a too complex task to analyze strategic planning problems without an appropriate reduction to a more abstract environment. This makes a formal analysis very important and often essential. This course shall enable the student to gain such an understanding from a business strategy and competition policy perspective. Importantly, the student is not only expected to understand existing models but more general principles and mechanisms at work. Hence, models can be adapted to tackle concrete problems. Students are provided with a toolkit and are encouraged to *think strategically*. This course covers the fundamentals of the theory of industrial organization. These are complemented by case studies and background knowledge of competition policy.

This lecture is part of a series of courses (which are otherwise offered by the chair of Professor Stahl), This series is not restricted to the presentation and understanding of models, but culminates in the development of new models which provide answers to current questions about firm behaviour from a business strategy or competition policy perspective.

Markets and Strategies I can be taken in isolation or as part of a sequence.

The course will be offered in English. This facilitates the access to the original literature. The course is demanding, time intensive, and requires an active participation of the students.

8. Literature:
There are a number of helpful introductory textbooks available. In particular,

Cabral, L.M. (2000): *Introduction to Industrial Organization*, Cambridge, MA: MIT Press.

is compact and good to read. You may also want to consult

Pepall, L., D. Richards und G. Normann (2002): *Industrial Organization: Contemporary Theory and Practice*, Mason, OH: South-Western Thomson Learning (or later edition).

These two books are organized well but cover only elementary material. At the opposite end are the following two, very useful books:

Tirole, J. (1988): *The Theory of Industrial Organization*, Cambridge, MA: MIT Press. This book is a classic and much more demanding than the two books recommended above. Some (but surprisingly few) topics are missing or not up-to-date. It continues to be an excellent source book, in particular for Markets and Strategies II.

Motta, M. (2003): *Competition Policy: Theory and Practice*, Cambridge, UK. This book covers only some of the topics, but it covers most aspects of competition policy.

Anybody who wants to improve or refresh his or her knowledge of game theory may want to consult the corresponding chapter in Tirole (1998) or the book

Gibbons, R. (1992), *A Primer in Game Theory*, Harvester Wheatsheaf (identical to: *Game Theory for Applied Economists*, Princeton University Press).

Working papers and articles will be recommended for doctoral students. Lecture notes to some of the course topics will be made available (preliminary chapters).

9. Organization of the course:

Part I
1. Introduction
2. Preliminaries
3. Market Power
4. Sources of Market Power
5. Market Segmentation
6. Market Power and Asymmetric Information

Part II

7. Market Entry and Reactions to Entry
8. Collusion, Cartels and Horizontal Mergers
9. Vertically Related Markets
10. R&D and the Protection of Intellectual Property
11. Network Effects, Standards, and Systems Competition
12. Intermediation

Course title: Strategic Action in Business and Government I
Instructor: Prof. Konrad Stahl, Ph.D., Prof. Dr. Martin Peitz
Method (hours per week): lecture (4) + practical exercises (2)
Course language: English
Examination: final exam, problem sets, class participation
ECTS-Credits: 11
Course description: It is a too complex task to analyze stategic planning problems without an appropriate reduction to a more abstract environment. This makes a formal analysis very important and often essential. This course shall enable the student to gain such an understanding from a business and public policy perspective. Importantly, the student is not only expected to understand existing models but more general principles and mechanisms at work. Hence, models can be adapted to tackle concrete problems. Students are provided with a toolkit and are encouraged to think strategically. This course covers the fundamentals of industrial organization. These are complemented by case studies and background knowledge of competition policy. This lecture is based on a newly developed didactic concept; it is part of a series of courses (which are otherwise offered by the chair of Professor Stahl), which is not restricted to the presentation and understanding of models, but culminates in the development of new models which provide answers to current strategic questions from a business or public policy perspective. The course will be offered in English (unless there is a strong demand for German). This facilitates the access to the original literature. The course is demanding and requires an active participation of the students.
Contact person: Prof. Konrad Stahl, Ph.D., Tel. ++49-621-181-1875, e-mail: kos<at>econ.uni-mannheim.de; Prof. Dr. Martin Peitz, Tel. ++49-621-181-1835m, E-mail: martin.peitz<at>i-u.de

**Strategic Action in Business and Government I
(Coaching Session)**
Übung, 2st.   Stahl, Konrad
Raum und Zeit siehe Aushang

Competition Policy

Vorlesung, 2st.	Miklós-Thal,	
Di wtl 15.30-17.00 04.09.-04.12.2007	Jeanine	L7, P031

Course title: Competition Policy
Instructor: Prof. Jeanine Miklós-Thal, Ph.D.
Method (hours per week): lecture and case discussion sessions (2)
Course language: English
Prerequisites: The course is suitable for diploma students with a good knowledge of microeconomic theory and for doctoral students.
Examination: written, 90 minutes + oral presentation
ECTS-Credits: 5
Course description: The aim of this course is to provide an introduction to competition policy for economists. The course will deal with the three main areas of competition policy: cartels, anti-competitive actions by dominant firms, and mergers. The first part of the course will consist of lectures dealing with competition law and the microeconomic concepts relevant to the application of competition policy. In the second part, we will discuss a number of actual antitrust and merger cases. Students will be required to actively participate in these discussions, acting either as representatives of the competition authority or on behalf of the involved firm(s). Literature: Motta, Massimo (2004), Competition Policy - Theory and Practice, Cambridge University Press. Whinston, Michael (2006), Lectures on Antitrust Economics, MIT Press.
Contact person: Prof. Jeanine Miklós-Thal, Ph.D., Tel. 181-1833, room 3.22, E-mail: jeaninethal<at>gmail.com

Seminar "Public Choice and International Organisations"

Seminar, 2st.	Vaubel, Roland	
Do wtl 13.45-15.15 20.09.-06.12.2007		L7, P043

Course title: Seminar "Public-Choice and International Organisations"
Instructor: Prof. Dr. Roland Vaubel
Method, hours per week: seminar (2)
Course language: English on demand
Examination: written, 90 minutes
ECTS-Credits: 6
Course description: Topics for seminar papers were posted on the chair's message board at the end of May.
Contact person: Prof. Dr. Roland Vaubel, Tel.: 0621/181 1816, e-mail : vaubel<at>rumms.uni-mannheim.de, L 7, 3-5, room 2-12

Föderalismus und Steuerwettbewerb

Vorlesung, 2st.   Janeba, Eckhard
Di wtl 13.45-15.15   04.09.-04.12.2007   L7, P043

Course title: Föderalismus und Steuerwettbewerb
Instructor: Prof. Dr. Eckhard Janeba
Method (hours per week): lecture (2)
Course language: English on demand
Prerequisites: Vordiplom
Examination: written, 90 min.
ECTS-Credits: 5
Course description: This course deals with issues in fiscal federalism, such as the interaction between regional governments within a federation, as well as between central and regional governments. Particular emphasis is given to intergovernmental grants and tax competition (vertical and horizontal), where fiscal decisions of governments are interdependent through the mobility and overlap of tax bases in the form of cross-border shopping, capital mobility or labor migration. The course starts with an overview of institutional arrangements (deutscher Finanzausgleich, EU), which is followed by identification of the main conceptual issues and questions (e.g., which level of government should collect what type of taxes and provide which service?). In the main part of the course the fundamental findings of the theoretical and empirical literature are presented and discussed. Students are expected to read original articles supplementing lectures.
Contact person: Prof. Dr. Eckhard Janeba, Tel. 1795, e-Mail: janeba<at>rumms.uni-mannheim.de, L7, 3-5, room 2.29

International Financial Policy / Währungspolitik

Vorlesung, 3st.   Vaubel, Roland
Mi 14-tgl 13.45-15.15   19.09.-05.12.2007   L7, P043
Fr wtl 10.15-11.45   14.09.-07.12.2007   L7, P043

Course title: International Financial Policy / Währungspolitik
Instructor(s): Prof. Dr. Roland Vaubel
Method, hours per week: lecture (3)
Course language: English
Examination: written, 135 minutes
ECTS-Credits: 7
Course description: International Financial Policy
1. Foundations of exchange rate theory
2. Exchange rate policy and the international monetary system
3. European monetary integration
4. Official international liquidity
5. International capital movements and international debt
Contact person: Galina Boeva, Tel. 181-1817, E-mail: gboeva<at>rumms.uni-mannheim.de, L7, 3-5, room 2-09

Econometrics I und Econometrics II (CDSE)

Vorlesung und Übung, 6st.	Mammen, Enno	
Di wtl 10.15-11.45 04.09.-11.12.2007	Trenkler, Carsten	L7, 031
Do wtl 10.15-11.45 06.09.-13.12.2007		L7, 031
Do wtl 12.00-13.30 06.09.-13.12.2007		L7, 031

Course title: Econometrics I + II
Instructors: Prof. Dr. Enno Mammen, Prof. Dr. Carsten Trenkler
Method (hours per week): lecture (4) + practical exercises (2)
Prerequisites: Prerequisites are the content of the course "Grundlagen der Ökonometrie" (Basic Econometrics) as well as basic knowledge in matrix algebra and probability theory.
Examination: written, 180 min
ECTS-Credits: 11
Course description: This course provides an up-to-date presentation of econometric methods for the analysis of cross-sectional data, time-series data and panel data at the graduate-level. The course will discuss commonly used inference methods for linear and nonlinear specifications, including linear and nonlinear regression models, Maximum Likelihood estimation, instrumental variables regression, GMM estimation, and (Quasi-)Maximum Likelihood estimation, and qualitative and limited dependent variable models. The course covers the basic asymptotic distribution theory for nonlinear estimators. In the accompanying exercise sessions, the participants will practice the use of these methods using the econometric packages TSP and Stata.
Contact person: Prof. Dr. Enno Mammen, Tel. 181-1927, eMail: emammen<at>rumms.uni-mannheim,de, L 7, 3-5, Zi. 1.29/30

Finanzmarktökonometrie/Financial Market Econometrics

Vorlesung und Übung, 4st.	Pigorsch, Uta	
Di wtl 10.15-11.45 04.09.-04.12.2007		L7, 001
Do wtl 10.15-11.45 06.09.-06.12.2007		L7, P044

Course title: Finanzmarktökonometrie/Financial Market Econometrics
Instructor: Prof. Dr. Uta Pigorsch
Method (hours per week): lecture (2) + (computer) tutorials (2)
Prerequisites: Grundlagen der Ökonometrie (Basic Econometrics)
Course language: English on demand
Examination: written, 90 min.
ECTS-Credits: 7
Course description: The lecture deals with the statistical properties of financial market data and econometric methods that can be used to analyse these data. Our focus is on stock return data. We will study procedures to test for dependence in the return data and become familiar with methods to model the mean and the volatility of financial data series. To this end, we apply both nonparametric as well as parametric test procedures, deal with system modelling and testing in relation to the CAPM and focus on time series methods and models. In particular, ARMA and GARCH models will be covered. Empirical illustrations and exercises are incorporated into the lecture.

Course Outline:
1. Introduction
Definitions, Time Series and Stochastic Processes, Typical FM-Data
Properties
2. Analysis and Modelling of (the Mean of) Stock Returns
EMH, Nonparametric Independence Tests, Filter and Trading Rules,
Autocorrelation Tests, Variance Ratio Tests, ARMA Models, CAPM, APT
3. Volatility Modelling
ARCH Models, GARCH Models, Stochastic Volatility, Value-at-Risc
Contact person: Prof. Dr. Uta Pigorsch, L7, 3-5, room 1.10, Tel. 181-1843, E-
Mail: uta.pigorsch<at>uni-bonn.de

Zeitreihenanalyse - Time Series Analysis

Vorlesung und Übung, 3st.   Trenkler, Carsten
Mo 14-tgl 15.30-17.00   10.09.-03.12.2007   L7, 001
Mo 14-tgl 15.30-17.00   08.10.-03.12.2007   L7, 158
Mi   wtl 08.30-10.00   05.09.-05.12.2007   L7, 031

Course title: Zeitreihenanalyse - Time Series Analysis
Instructor: Prof. Dr. Carsten Trenkler
Method: (hours per week): lecture (2) + tutorials (1)
Prerequisites: Grundlagen der Ökonometrie (Basic Econometrics)
Course language: English on demand
Examination: written, 90 min.
ECTS-Credits: 6
Course description: The lecture gives an introduction to applied univariate
time series techniques and will cover AR(I)MA, ADL and GARCH
processes. We will discuss model specification and diagnosis, forecasting,
unit root testing, and estimation of dynamic causal effects. The methods will
be applied in computer tutorials. Textbook: Stock, J.H. and Watson, M.W.
(2007), Introduction to Econometrics, Pearson, Chapters 14,15,16.3 and
16.6. Some additional material will be taken from Lütkepohl, H. and Krätzig,
M. (2004), Applied Time Series Econometrics, Cambridge University Press
and Enders, W. (2004), Applied Econometric Time Series, Wiley.
Course Outline:
1. Introduction and Overview
2. Autoregressions and ARMA Models
3. ADL Models and Forecasting
4. Model Selection and Diagnosis
5. Nonstationarity: Trends, Unit Root Tests, Breaks
6. Estimation of Dynamic Causal Effects
7. Volatility Clustering and GARCH Models
Contact person: Prof. Dr. Carsten Trenkler, e-Mail: trenkler<at>uni-
mannheim.de, L7, 3-5, room 105, Tel. 181-1852

Comparative Public Finance and Globalization

Vorlesung, 2st.   Janeba, Eckhard
Mi wtl 10.15-11.45 05.09.-05.12.2007   L7, 031

    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 globalized. 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@uni-mannheim.de

Competition Policy

Vorlesung, 2st.   Miklós-Thal,
Di wtl 15.30-17.00 04.09.-04.12.2007   Jeanine   L7, 031

    Course title: Competition Policy
Instructor: Prof. Jeanine Miklós-Thal, Ph.D.
Method (hours per week): 10 lectures (2) + 4 case discussion sessions (2)
Course language: English
Prerequistes: The course is suitable for diploma students with a good knowledge of microeconomic theory and for doctoral students.
Examination: written, 90 minutes, and oral presentation
ECTS-Credits: 5
Course description: The aim of the course is to provide an introduction to competition policy for economists. The course will deal with the three main areas of competition policy: cartels, anti-competitive actions by dominant firms, and mergers. The first part of the course will consist of lectures dealing with competition law and the microeconomic concepts relevant to the application of competition policy. In the second part, we will discuss a number of actual antitrust and merger cases. Students will be required to actively participate in these discussions, acting either as representatives of the competition authority or on behalf of the involved firm(s). For further details see http://thal.vwl.uni-mannheim.de/1145.0.html.
Contact person: Prof. Jeanine Miklós-Thal, Ph.D., L7, 3-5, Room: 3.32, Tel: 0621-181-1833, e-mail: jeaninethal<at>gmail.com

Internationale Makroökonometrie

Vorlesung und Übung, 2st.   Weber, Enzo
Di   wtl 15.30-17.00   04.09.-04.12.2007   L9, 002

Course title: Internationale Makroökonometrie
Instructor: Dr. Enzo Weber
Method: lecture (1) + exercises, computer tutorials (1)
Prerequisites: Grundlagen der Ökonometrie; univariate time series analysis recommended
Course language: English on demand
Examination: written, 45 min.
ECTS-Credits: 3,5
Course description: This lecture focuses on the empirical analysis of topics from international macroeconomics. Amongst others, these include issues like cross-country interest rate connections, exchange rate determination or convergence processes, for which economic approaches are discussed. As a second component, time series techniques as the relevant methodology are introduced in the theoretical part, covering single-equation approaches, vector autoregressive processes, cointegration and multivariate volatility models. Economic and econometric principles are then combined in empirical examinations carried out in regular computer tutorials, going along with the theoretical lectures.
Contact person: Dr. Enzo Weber, L7, 3-5, room 1.08, phone: 181-1844, e-Mail: eweber<at>wiwiss.fu-berlin.de