Course Syllabus

Applied microeconomics: Theory and Empirics

Academic year 2019-2020

Department of Economics, European University Institute

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Prerequisites:

1st year sequence in Microeconomics and Econometrics

Description

This course will cover frontier topics in the area of Applied Microeconomics. We will present both theoretical and empirical approaches to the topics. Roughly, we aim to highlight one empirical and one theoretical contribution to each topic (which means that only a selected set of papers from the extended reading list is covered, the remainder is for your interest and self-study). Topics are chosen to present frontier topics in the current economic debate, though they also reflect an idiosyncratic assessment of what constitutes interesting social problems. The course aims to get participants to think both about the empirical challenges associated with research on these topics, as well as to think about possible models and mechanisms underlying the phenomena we discuss. Theory and empirics are not always tightly coupled (in the sense of testing the theory, or even structural estimation). The idea is to present noteworthy highlights of the research on both dimension, though the link between them will be stressed. The hope is to inspire participants to think about both models and empirical strategy in their own future research, the combination of which seems to be valued in the profession. Attendance is mandatory to pass this course. The course will be assessed via a take home exam on the papers covered during class. (This can be substituted by submission of a grant proposal if that proposal is strongly related to the material covered in class, is new, and has not be submitted as assignment in another course or previous university exams/thesis elsewhere. If you want to pursue this, please get in touch with us prior to the assignment of the take home exam.)

Course outline

1. Discrimination (statistical, preferences, implicit)


2. Technological change, growth, and inequality


3. Standards of living and Welfare


Neighborhood Effects on the Long-Term Well-Being of Low-Income Adults


4. **Status**


Heffetz, O. and R.H. Frank, Preferences for Status: Evidence and Economic Implications, Chapter 3 in Handbook for Social Economics


5. **Health choices in the presence of infectious diseases**


