Course Syllabus

Applied microeconomics: Theory and Empirics

Academic year 2018-19

Department of Economics, European University Institute

Instructors: Michèle Belot (Michele.belot@eui.eu); Philipp Kircher (Philipp.kircher@eui.eu)

Dates: t.b.d.

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.

Course outline

1. Sorting and marriage


2. Discrimination (statistical, preferences, implicit)


3. Technological change, growth, and inequality


4. Standards of living and Welfare

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


5. Health choices in the presence of infectious diseases


6. Status


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

7. Poverty and bounded rationality

- Mani, Mullainathan, Shafir and Zhao (2013), Poverty Impedes Cognitive Function, Science, Volume 341