

Field “Markets & Institutions”

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Field Day 2018

Markets & Institutions: Overview

Module (6 ECTS)	Course	Lecturer	Term
Seminar	many seminar options	Höffler, Münster, Prantl, Dertwinkel-Kalt	S or W
Competition Policy	Competition Policy	Höffler	S
Common Topics	Economics of Innovation	Prantl	S
Markets A	Media Economics	Münster	W
Matching & Market Design	Matching & Market Design	Westkamp	W
Topics B	Dynamic Models in Empirical IO	Vuong	S
Topics C	Industrial Economics	new colleague joining soon	W
Markets B	Information Problems in Health Care Markets	new colleague joining soon	W

Markets & Institutions: Overview

Markets & Institutions	Specialisation module Seminar Markets and Institutions	6	CC	6	18
	Specialisation module Competition Policy	6	EC	12	
	Specialisation module Specific Markets A	6	EC		
	Specialisation module Specific Markets B	6	EC		
	Specialisation module Topics in Markets and Institutions A	6	EC		
	Specialisation module Topics in Markets and Institutions B	6	EC		
	Specialisation module Topics in Markets and Institutions C	6	EC		
	Specialisation module Common Topics: Markets and Institutions/ Public Economics	6	EC		
	Specialisation module Matching and Market Design: Theory and Practice	6	EC		

Markets & Institutions: Research-oriented teaching

- current research activities in collaborative networks:
 - ▶ Center for **Social and Economic Behaviour** (C-SEB) at UoC
 - ▶ Priority Programme 1764 of the Deutsche Forschungsgemeinschaft:
“The **German Labour Market in a Globalised World**: Challenges through Trade, Technology, and Demographics”
 - ▶ Research Profile Area “**Markets and Governments**” at WISO Faculty
- see also research webpages of researchers involved in field

Summer term 2018: Economics of Innovation (Prantl)

- The course is currently listed as “Schwerpunktmodul Common Topics: Markets and Institutions/Public Economics” (see Modulhandbuch).
- This autumn, the module name will change to “Schwerpunktmodul Economics of Innovation”.
- You can currently register for the course either as part of the field “Markets & Institutions” or “Macroeconomics & Public Economics”.

Economics of Innovation: Course program

Exemplary topics of the course are:

- Uncertainty and the Value of Inventions
- The Role of Intellectual Property Rights and Science
- Innovation, Product Market Competition, Entry of New Firms
- Ideas, Knowledge Production, and Economic Growth
- Adoption and Diffusion of Technologies
- Knowledge Spillovers
- Worker Mobility, Inventor Mobility and Innovation

Economics of Innovation: Course program

Lectures:

- I. The Economics of Innovation (*see above*)
- II. **Methods of Empirical Modeling in Economic Research**
 - Causality and Causal Inference
 - Potential Outcomes, Treatments and Assignment Mechanisms
 - Effect Identification and Identifying Assumptions
 - Difference-in-Differences Methods
 - Instrumental Variables Approaches
 - Regression Discontinuity Designs, etc.

Class sessions:

- III. Discussions of recent research papers (incl. optional student presentations)

Economics of Innovation: Dates

- The course will next be taught in the **Summer Term 2018/19**:
 - ▶ First lecture on April 11th, 2018.
 - ▶ Time: Wednesdays, 8:15-9:45 and 10:00-11:30.
 - ▶ Location: WiSo-Hochhaus, 7th floor, room 710.
 - ▶ Lectures and class sessions.
 - ▶ The course will be taught in English.

Selected research papers:

- Angrist, J., P. Azoulay, G. Ellison, R. Hill, and S. Feng Lu. 2017. "Economic Research Evolves: Fields and Styles." *American Economic Review: Papers and Proceedings* 107(5): 293-297.
- Aghion, P., P. Howitt, and S. Prantl. 2015. "Patent Rights, Product Market Reforms, and Innovation." *Journal of Economic Growth*, 20(3): 223-262.
- Bloom, N., M. Draca and J. Van Reenen. 2016. "Trade Induced Technical Change? The Impact of Chinese Imports on Innovation, IT and Productivity." *Review of Economic Studies* 83 (1): 87-117.
- Galasso, A. and M. Schankerman. 2015. "Patents and Cumulative Innovation: Causal Evidence from the Courts." *Quarterly Journal of Economics* 183 (1): 317-369.
- Waldinger, Fabian. 2016. "Bombs, Brains, and Science. The Role of Human and Physical Capital for the Creation of Scientific Knowledge." *Review of Economics and Statistics* 98(5): 811-831.

Economics of Innovation: Readings

Selected introductory readings:

- Aghion, P. and P. Howitt. 2009. *The Economics of Growth*. Cambridge, USA: MIT Press. Selected chapters.
- Jones, Charles and Dietrich Vollrath. 2013. *Introduction to Economic Growth*. New York, USA: W. W. Norton and Company. Selected chapters.
- Scotchmer, S.. 2004. *Innovation and Incentives*. Cambridge, USA: MIT Press. Selected chapters.
- The Economist. 2018. *Taming the Titans* and *Coping with Techlash - Silicon Valley, we have a problem*. January 20th, 2018: 11 and 21-26.

Selected readings on empirical modeling:

- Blundell, R., and M. Costa Dias. 2009. "Alternative Approaches to *Evaluation in Empirical Microeconomics*." *Journal of Human Resources* 44(3): 565-593.
- Imbens, G. W. and D. B. Rubin. 2015. *Causal Inference for Statistics, Social, and Biomedical Sciences - An Introduction*. New York, USA: Cambridge University Press. Selected sections.
- Wooldridge, J. M.. 2010. *Econometric Analysis of Cross Section and Panel Data*. Cambridge, USA: MIT Press. Selected sections.

August/November 2018: Seminar (Prantl)

- Seminar topic: “The Behaviour and Decisions of Entrepreneurs and Inventors”
- You will be able to register for the seminar either as part of the field “Markets & Institutions” or “Macroeconomics & Public Economics”.
- Timing: Seminar in November 2018 with kick-off meeting in August 2018.

Summer term 2018: Dynamic Models in EIO (Vuong)

- Block course “Dynamic Models in Empirical Industrial Organization”:
 - ▶ Dynamic programming
 - ▶ Industrial economics in the dynamic context
 - ▶ Model set-ups, estimation techniques and applications to specific markets
- You will be able to register for the course as part of the module “Schwerpunktmodul Topics in Markets & Institutions B” in the field “Markets & Institutions”.
- Dates: 11.04. (12 noon - 2 pm), 12.04., 13.04., 19.04., 20.04. 25.04., 26.04. 27.04., 04.06., and 06.06.2018.
- Location: SSC Building, room R 4.211.

Field “Markets and Institutions”

Prof. Johannes Münster

- My teaching focusses on Media Economics.
- Lecture “Media Economics”: every winter semester.
- Regular seminars.
- (I also teach Advanced Micro in the research track, every winter term.)
- This summer term, I am on a sabbatical (Forschungssemester).

- Content media:
 - print: newspapers, magazines, books,
 - audiovisual: film, broadcast TV, radio, video channels
- Platform media:
 - wireline telecom, wireless telecom
 - cable & satellite TV platforms
- Internet media:
 - ISPs
 - search engines
 - online news media
 - social media

- Why study media markets?
 - Worldwide media revenue $\approx 7\%$ of world GDP
 - Share of discretionary income $\approx 20\%$
 - Share of discretionary time $> 50\%$
- IO perspective on media markets:
 - high fixed costs, low marginal cost
 - two-sided markets
- Policital economy perspective on media markets

(Modul Specific Markets A, Lecture & Exercise, every winter term)
Syllabus

- 1 Media's impact on markets, politics, and social outcomes (media effects research econ' style: randomized experiments, DID, IV, RD designs)
- 2 Structure and performance of media markets (cost structure, optimal pricing, two-sided markets)
- 3 Political Economy of Media Markets (media bias, media power, media concentration and diversity)

Topics of recent seminars

- News media and political polarization
- The digital transformation of media markets
- Media concentration
- Economics of internet media
- Political economy of media markets
- Two-sided markets

- Anderson, Strömberg & Waldfogel (eds.) 2016, The Handbook of Media Economics, Vol. 1A and 1B, Elsevier.
- Bundeskartellamt 2016, Arbeitspapier Marktmacht von Plattformen und Netzwerken.
- Allcott, H., & Gentzkow, M. (2017). Social media and fake news in the 2016 election. Journal of Economic Perspectives, 31(2), 211-36.