ECON196: Topics in Economic Research

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Overview
This course discusses recent research and policy developments. The core objective is to expose students to different aspects of research in economics and how it influences policy. The course is taught jointly by a number of faculty members in the Economics department. The course discusses developments in public finance, labor economics, game theory, experimental economics, behavioral economics, international economics and economic development. The course consists of 45 hours of lectures, 2 short papers (12-15 pages), and required weekly readings.

Administrative questions (about enrollment etc...) will be handled by the Economics Department (contact Juan Carlos Suarez Serrato, headgsi@econ.berkeley.edu).

Course Material
There is no required text for the course. Required reading material will be available through the course web site (accessible via Bspace at http://bspace.berkeley.edu, or the Econ department course list at http://emlab.berkeley.edu/econ/chpr.shtml).

You should check the web site fairly often for updates and additional material.

You will need Acrobat Reader to view some of the linked articles below. If you do not have Acrobat Reader installed on your computer, follow this link: http://www.adobe.com/products/acrobat/readstep.html.

Evaluation
Each student will write two term papers (12-15 pages), each on a topic of their choice from the list below. Papers are due by Thursday May 14, 2009 before 5pm, in the mailbox of the course readers/tutors. We strongly encourage students to turn in their papers as early as possible. Don't wait until the last week of the semester to write two 15 pages papers. You will not be able to do it and stay sane!
The tutors will be available with office hours to help you define, narrow and obtain feedback on your proposed term papers.

Readers/Tutors

Shari Eli (shari.econ196@gmail.com)
Biswo Poudel (bpoudel@berkeley.edu)

Learning Goals:
Each student, depending on their interests and approach, will hit a number of learning goals, as set forth by the undergraduate Student Learning Initiative (USLI). For instance, some students might decide to write empirical papers that require use of data and use it appropriately (QT3-4, LL2) while other papers will be more theoretical and concentrate more on PS1-2. At the very least, through the writing assignment, students will get exposed to CS1-2, CT3-4, QT1-2.

Detailed Syllabus

A star (*) denotes required reading. The contents of the syllabus are likely to change as we go along. You are urged to check regularly on the course web page (available via Bspace: http://bspace.berkeley.edu)

Introduction: Pierre-Olivier Gourinchas (January 20)

Topic 1: Behavioral Economics

The Economics of the Media: A Behavioral Take; Stefano Della Vigna (January 27)


Corporate Finance and Organizational Economics: A Behavioral Take; Ulrike Malmendier (February 03)

- *Malmendier, Ulrike and Geoff Tate, “Superstar CEOs”, forthcoming QJE. Online appendix.
- additional material:

New Theories of Preferences: Evidence, Models, and Implications; Matthew Rabin (February 10)
Behavioral Economics and Public Policy; Botond Koszegi (February 17)


Topic 2: Experimental and Theoretical Economics

Social Learning, in Theory and Experiments; Shachar Kariv (February 24)


Risk, Uncertainty and Ambiguity; Chris Shannon (March 03)


**Topic 3: Global Macroeconomics and Financial Crisis**

**Capital Flows, Bubbles, Financial Crashes and Global Imbalances; Pierre-Olivier Gourinchas (March 10)**

*Caballero, Frahi and Gourinchas, "Financial Crash, Commodity Prices and Global Imbalances", Brookings Papers on Economic Activity, Fall 2008
additional material:

**The Credit Crisis as Economic History; Barry Eichengreen (March 17)**

*Barry Eichengreen, "Bad Credit History," Current History (January 2009)

**The Credit Crisis and Economic Policy; Brad DeLong (March 31)**


**Topic 4: Econometrics**

**Predictive Regressions; Michael Jansson (April 07)**

*TBA
additional material:
○ TBA

**Topic 5: Applied Microeconomics**

**Income Inequality and Redistributive Policies; Emmanuel Saez (April 14)**

*TBA
How Good Are U.S. Jobs? **Clair Brown** (April 21)

- *TBA
- additional material:
  - TBA

**Real Wage Inequality; Enrico Moretti** (April 28)


**The Demand for Health; Ted Miguel** (May 05)