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I. The Structure of Ph.D. Studies in Economics at CERGE-EI

The Center for Economic Research and Graduate Education (CERGE) is a research and educational institute of Charles University. In close cooperation with the Economics Institute (EI) of the Academy of Sciences of the Czech Republic, CERGE-EI offers a Ph.D. program in Economics, accredited by the Ministry of Education, Youth and Sport of the Czech Republic, to students from the Czech Republic and other Central and Eastern European (CEE) and former Soviet Union countries. Economic research is an integral part of CERGE-EI activities.

A. Contents and Organization of Graduate Study at CERGE-EI

Further details on the program can be found in the handbook for graduate students.

The basic mission of CERGE-EI is to perform graduate studies in Economics and to train future university faculty and researchers and public administration representatives. The main idea of establishing the doctoral program curriculum is to transfer the modern Western system of Ph.D. study in Economics, as it is applied in the United States and some Western European countries, to the local environment and incorporate it into the structure of Czech university education within Charles University. The program offers economic education at a level comparable with world standards directly at Charles University, without the necessity of more expensive study abroad. Besides this fact, the best students may be offered the opportunity to visit (for up to one academic year) an appropriate university in the United States or Western Europe. This experience may enlarge their scope of knowledge significantly.

During the first two years of study courses are taught by the local and visiting faculty. Studies are conducted entirely in English. The duration of the doctoral study is four years. The first two years offer primarily systematic knowledge of theory; for the latter two years the students work on their dissertation. The transfer from study to independent research work is gradual and begins during the second year of study.

B. Core Study – The First Two Years

In the first year of study the students follow a common curriculum designed to provide a strong foundation in Microeconomic Theory, Macroeconomic Theory, Statistics and Econometrics, and English. This curriculum is standard for the PhD study in Economics. The study is divided into three semesters: the fall semester (FS), the spring semester (SS), and the summer semester (SuS). In view of the fact that many newly recruited students do not have an extensive background in modern Economics equivalent to "western" standards, and also that their knowledge of Mathematics and English are frequently at different levels, a preparatory semester is organized for potential students. It allows CERGE-EI to provide the students with some basic tools as an introduction to the program and to achieve a standard level of competence.

The second year of formal study at CERGE-EI provides students with the opportunity to investigate more specific fields of interest. Several courses (usually five) are offered each of the two semesters, and the second year students must enroll for a minimum of three. The students participate in a seminar series and are now expected to begin their own research.

Having completed both the first and second years, students must pass a General (comprehensive) examination. After the first year, the students must pass Microeconomic Theory, Macroeconomic Theory, and Econometrics; after the second year they must show proficiency in at least two specialized fields by passing General (field) exams in their chosen areas of interest.

C. Specialized Study – Third and Fourth Years

During the spring semester of the second year and the fall semester of the third year, the students have to choose the topic of their dissertations. A tentative chair as a supervisor is then assigned. By the middle of the third year (at the latest), they formulate a thesis proposal and public defense is required together with state doctoral examination. For students who passed all General examinations with distinction, the main importance will be placed on the defense of the thesis proposal. Those with less than distinctive examination results can also expect additional detailed questions from respective fields. After having successfully defended the proposal, a three-member dissertation committee is appointed which guides and supervises the study and research work.

At least one member of the dissertation committee has to be an employee of CERGE or EI, and at least one of the members has to be a professor from some other university. Under the guidance of this committee the student works on his or her dissertation. In the fourth year the students present their third year work at the Dissertation workshop and prepare for the defense of the dissertation. The study is concluded by the public defense of the doctoral dissertation.
D. Study Program

Here we present the courses designed for the preparatory semester and the first and second year of study. (One lecture/exercise unit is 45 minutes long.)

Preparatory semester

<table>
<thead>
<tr>
<th>Course</th>
<th>Lecture hours / exercise hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Macroeconomics 0</td>
<td>4/2, Exam</td>
</tr>
<tr>
<td>Microeconomics 0</td>
<td>4/2, Exam</td>
</tr>
<tr>
<td>Mathematics</td>
<td>4/2, Exam</td>
</tr>
<tr>
<td>English</td>
<td>0/4</td>
</tr>
</tbody>
</table>

Notes: Upon completion of the preparatory semester, the final selection of students is made to enter the doctoral program in the fall, based on final exam results.

First year

<table>
<thead>
<tr>
<th>Semester</th>
<th>Fall</th>
<th>Spring</th>
<th>Summer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Macroeconomics I, II, III</td>
<td>4/2, Exam</td>
<td>4/2, Exam</td>
<td>4/2, Exam</td>
</tr>
<tr>
<td>Microeconomics I, II, III</td>
<td>4/2, Exam</td>
<td>4/2, Exam</td>
<td>4/2, Exam</td>
</tr>
<tr>
<td>Statistics</td>
<td>4/2, Exam</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Econometrics I and II (Applied)</td>
<td>4/2, Exam</td>
<td></td>
<td>4/2, Exam</td>
</tr>
<tr>
<td>Academic Writing I, II</td>
<td>0/4, Credit</td>
<td>0/4, Credit</td>
<td></td>
</tr>
</tbody>
</table>

Notes: After completing the first year, each student must pass the General examination in the fields of Microeconomics, Macroeconomics and Econometrics.

Second Year

<table>
<thead>
<tr>
<th>Semester</th>
<th>Fall</th>
<th>Spring</th>
<th>Summer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced Macroeconomics I, II</td>
<td>4/2, Exam</td>
<td>4/2, Exam</td>
<td></td>
</tr>
<tr>
<td>Econometrics III, IV</td>
<td>4/2, Exam</td>
<td>4/2, Exam</td>
<td></td>
</tr>
<tr>
<td>Economics of Transition I, II</td>
<td>4/2, Exam</td>
<td>4/2, Exam</td>
<td></td>
</tr>
<tr>
<td>Financial Markets I, II</td>
<td>4/2, Exam</td>
<td>4/2, Exam</td>
<td></td>
</tr>
<tr>
<td>Health Economics (Topic)</td>
<td>4/2, Exam</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial Organization I, II</td>
<td>4/2, Exam</td>
<td>4/2, Exam</td>
<td></td>
</tr>
<tr>
<td>Labor Economics (Topic)</td>
<td>4/2, Exam</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monetary Economics I, II</td>
<td>4/2, Exam</td>
<td>4/2, Exam</td>
<td></td>
</tr>
<tr>
<td>Public Economics (Topic)</td>
<td>4/2, Exam</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Academic Writing III</td>
<td>0/2, Credit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced Combined English Skills</td>
<td></td>
<td>0/2, Credit</td>
<td></td>
</tr>
<tr>
<td>Seminar Course</td>
<td>0/2, Credit</td>
<td>0/2, Credit</td>
<td></td>
</tr>
<tr>
<td>Directed Research</td>
<td></td>
<td></td>
<td>0/2, Credit</td>
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Notes: Second-year students choose at least three (exam-ended) courses per semester. The credits for English courses, the Seminar Course and Directed Research are mandatory. The courses cannot be from the same field. Courses offered may differ slightly from year to year, depending on the faculty in residence. After completing the second year each student must pass General exam in two fields. Upon agreement of CERGE-EI, a student may complete part of his/her study at another university - this is valid not only for individual courses, but also for a whole study year. Topic courses are one semester courses not forming two semester sequence and do not cover comprehensively all material needed for Field General Exam.
II. Syllabi of the Fall Semester Courses

Reading Lists for the Fall Semester are available at www.cerge-ei.cz/reading. Full texts of the articles from the reading lists are also available in PDF format and you can read them by using Adobe Acrobat Reader.

A. First year students

<table>
<thead>
<tr>
<th>MACROECONOMICS I</th>
<th>Lecturer</th>
<th>Lecturer</th>
<th>Teaching Assistant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Michal Kejak</td>
<td>Radim Bohacek</td>
<td>Tba</td>
</tr>
<tr>
<td>Office</td>
<td>329</td>
<td>328</td>
<td></td>
</tr>
<tr>
<td>Phone</td>
<td>240 05 186</td>
<td>24 00 51 94</td>
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<td></td>
</tr>
<tr>
<td>Office hours</td>
<td>Drop-ins and by appointments</td>
<td>Mon &amp; Thu 2:30-4:30pm</td>
<td></td>
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PART ONE (KEJAK)

Course information
Monetary Macroeconomics
- money in overlapping generations models – Ch. 4 (B&F), Ch. 8 (L&S)
- Tobin effect – Ch. 2 (W)
- money in utility function – Ch. 4 (B&F), Ch. 2 (W)
- cash-in-advance models – Ch. 3 (W), Ch. 17 (L&S)
- shopping-time models - Ch. 17 (L&S)
- credit and currency models – Ch. 18 (L&S)
- money and public finance – Ch. 4 (W)
- ten monetary doctrines – Ch. 17 (L&S)
- money in RBC models

Requirements and grading
The grade (for this first half of the semester) will be based on the midterm exam (2/3) and occasional home problems (1/3).

Readings
We will use the books below together with journal articles which will be specified in a more detailed syllabus.

PART TWO (BOHACEK)

Course Information
This is a second half of the first course on macroeconomic theory. We will use the tools developed in the first half to study optimal fiscal and monetary government policies in general equilibrium and models with heterogeneous agents. In order to better understand the models, we will also use computer simulations in MATLAB.

Course Outline
Requirements and Grading

The grade distribution will be based on problem sets (25%), midterm (25%) and final (50%). Policies related to student conduct will be strictly enforced.

Readings

Textbooks

Reading List


MICROECONOMICS I

<table>
<thead>
<tr>
<th>Lecturer</th>
<th>Teaching Assistant</th>
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<tbody>
<tr>
<td>Name</td>
<td>Kresimir Zigic</td>
</tr>
<tr>
<td>Office</td>
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<td>Phone</td>
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<td>e-mail</td>
<td><a href="mailto:Kresimir.zigic@cerge-ei.cz">Kresimir.zigic@cerge-ei.cz</a></td>
</tr>
</tbody>
</table>

Office hours

Course outline
   Walras law, Weak Axiom of revealed preferences. Elasticities and their importance.
2. The Theory of Firm and the Theory of Production
   Production Sets, Production functions.
3. The Basic Market structures
4. Advanced Market Structures
   Oligopoly and Monopolistic Competition.
   Strategic interactions and the concept of reaction functions
   Bertrand versus Cournot oligopoly
   Stackelberg first mover advantage

Requirements and grading
Midterm: 30 %
Homework: 20 %
Final Test: 50 %

Readings
Main References:
Andreu Mas-Colell, Michael D. Whinston, and Jerry R. Green, Microeconomic Theory, Oxford University Press, NY 1995
Also recommended:
D. Kreps, A Course in Microeconomic Theory, 1990
Mathematical background:
Basic and Intermediate texts:
D. N. Hyman, Modern Microeconomics: Analysis and Applications, IRWIN, 1993
Course information
The goal of this course is to give students a deep understanding of the statistical theory and practice and to build up a background for econometric analysis. The emphasis of this course is on the principles of probability theory and statistical inference. Aside from theoretical studies, students will make regular use of computers to explore a variety of useful applications.

Course outline
- axiomatic theory of probability:
  sample space, sigma-algebra, probability, probability space, conditional probability and independence, law of total probability, Bayes’ theorem;
- random variables:
  probability distributions, density functions, characteristics of random variables, moment generating functions, Chebyshev’s inequality, Jensen’s inequality, some classical discrete and continuous distributions;
- systems of random variables:
  joint distributions, independence, marginal and conditional distributions, expectations, covariance, correlation, Cauchy-Schwarz inequality, bivariate normal distribution;
- functions of random variables, the distribution of transformations of random variables;
- central limit theorems, modes of convergence of random variables;
- elements of stochastic processes, Markov chains and stochastic calculus (if time allows);
- statistical inference:
  sampling asymptotic theory, sampling, sampling distributions, sample moments, laws of large numbers, chi-square distribution, F-distribution, t-distribution, point and interval estimators, method of moments, likelihood functions, properties of estimators, minimum variance unbiased estimation, Cramer-Rao theorem, hypothesis testing, confidence regions, types of error, nonparametric tests, Bayesian inference;
- introduction to linear regression models.

Requirements and grading
Problem Sets and Written Assignments (20%), Midterm Exam (30%), Final Exam (50%).

Readings
Principal textbook:
Other Useful References:
ACADEMIC WRITING I

<table>
<thead>
<tr>
<th>Teacher</th>
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<tbody>
<tr>
<td>Name</td>
<td>English faculty</td>
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<tr>
<td>Office</td>
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<td>Phone</td>
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Course information

The purpose of the course is to begin to prepare students to succeed in the Ph.D. program independently, and to successfully begin Academic Writing 2. This course is based on the first four chapters of the textbook. In addition to this material, there may be other readings provided by the instructor, and additional essay, quiz, and exam assignments. The course instructor will provide a more detailed course outline.

Evaluation

Students are evaluated according to their mastery of academic English as well as performance on course assignments. Class participation and attendance may also influence the course grade.

Readings

Giltrow, Janet. *Academic Writing: Writing and Reading Across the Disciplines, 2nd ed.*
**B. Second year students**

**ADVANCED MACROECONOMICS**

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<tr>
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<th>Lecturer</th>
<th>Teaching Assistant</th>
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<tbody>
<tr>
<td><strong>Name</strong></td>
<td>Radim Boháček</td>
<td>Anton Tyutin</td>
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<td><strong>e-mail</strong></td>
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<td></td>
</tr>
<tr>
<td><strong>Office hours</strong></td>
<td>Mon. and Thu. at 2:30-4:30 p.m.</td>
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**Course Information**

This course is the first part of the advanced macroeconomic theory sequence. In the first year you learnt how to understand the basic theory and how to read papers. The goal of this course is to learn how to write papers in macroeconomic theory addressing important issues in real economies. We will study in great detail the essential theoretical topics and tools of modern macroeconomics and apply them to models and numerical simulation in MATLAB. We will focus on general equilibrium with heterogeneous agents, contract theory, asymmetric information models, equilibrium search, unemployment and labor market policies, capacity constraints, and politico-economic equilibria.

**Course Outline**

- **Asymmetric Information; Optimal Contracts**: Mas-Collel et al. (Chapter 14, 1995)

**Requirements and grading**

The grade will be based on problem sets and a short research paper (30%), a midterm (30%) and a final exam (40%). The policies related to student conduct will be strictly enforced.

**Readings**

**Textbooks**


**Reading List**

Course information
This course is a part of the sequence in econometrics. The course will focus mainly on the models that use time series and will review current state of theory and empirical work. The course is an applied econometrics course in nature and therefore it will stress application of the topics into applied research. The course will cover topics listed in the course outline below.

Course outline
Univariate Time Series
Unit Roots and Fractional Integration
Trend Breaks and Structural Change
Multiple Time Series
Cointegration
Unit Roots and Cointegration with Panel Data
Heteroskedasticity
Nonlinear Structure

Requirements and grading
The grade for this applied course will be based on the exam and 5-6 assignments that will require to perform econometric and economic analysis. Evaluation will be proportional.

Readings
The text for the course is
Walter Enders: Applied Econometric Time Series (Wiley, 1995) and

Most of the course content will be based on journal papers. A detailed list of required/recommended papers will be distributed in the class.


Brock, W., Dechert, W., Scheinkman, J., and LeBaron, B., 1996, A Test for Independence Based on the Correlation Dimension, Econometric Reviews, 15, 197-235

**ECONOMICS OF TRANSITION I**

<table>
<thead>
<tr>
<th>Name</th>
<th>Lubomír Lizal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>310</td>
</tr>
<tr>
<td>Phone</td>
<td>240 05 114</td>
</tr>
<tr>
<td>e-mail</td>
<td><a href="mailto:Lubomir.lizal@cerge-ei.cz">Lubomir.lizal@cerge-ei.cz</a></td>
</tr>
<tr>
<td>Office hours</td>
<td>By appointment, usually after class Tue 9-12, Fri 11-12</td>
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**Course information**

**Duration:** The course is a standard two-semester course, two 90 minutes classes per week plus one exercise session/student seminar presentation.

**Contents:** Review of theoretical and empirical studies focused on economics of transition. The course is a two semestral one and this syllabus covers the first semester.

**Preliminary requirements:** Microeconomics, Basic Econometrics

**Recommended complementary courses:** Industrial Organization, Econometrics

**Requirements and Grading**

The course will typically consist of traditional lectures and seminar/visiting speaker per week. Lectures will cover up to date papers as well as classical treatments of related topics. There is one midterm and final exam. The students will be asked to prepare presentation of a relevant paper from the transition field.

**Grading:** Grading will be based on exams, in-class and seminar paper.

**Course Outline and Readings**

(i) Models of Planned Economies - Classical Literature

a) Literature of a standard view of elementary theory of planning, pre-requisite readings:


The New Palgrave: Problems of the planned economy

Kowalk, T.: Lange Lerner mechanism

Vohra, R.: Planning

Traditional Topics of Comparative Economics


b) Producer in Planned Environment


(ii) Labor managed firm

(iii) Structure of the firm

(iv) Preprivatization Behavior, Privatization and Restructuring
Li, David D. and Francesca Cornelli (1995): Enterprise Behavior Before Restructuring, unpublished manuscript
Cornelli, F. and D. Li: Optimal Privatization with Large Shareholders, working paper, University of Michigan, 1993.


(iv) Privatization: Practical Issues


(v) Side Effects of Privatization; Privatization and Public Sector

Witzum, Amos: Privatization, distribution and economic efficiency in transition


(vi) Entrepreneurs and New Firms


(vii) Firms and the Banking Sector

Dittus, Peter (1994):Bank Reform and Behavior in Central Europe. JCE 19,335-361


Tirole, Jean (1995): Western Prudential Regulation: Assessment and Reflections on its Application to Central and Eastern Europe. Economics of Transition
(viii) Principal Agent Problems in (Post) Transformation Economies
Stark, David (1994): Recombinant Property in East European Capitalism
Abel, Istvan and Konstantine Gatsios (1993): The Economics of Bankruptcy and the Transition to a market economy

Investment Behavior and Soft Budget Constraints
Leamer, Edward A.: : Access to Western markets, and eastern effort levels, Chapter 3 in ..., pp. 503-526.

Monopoly Regulation and Welfare, Corruption

Useful Books for the sequence:
FINANCIAL MARKETS I

Lecturer

<table>
<thead>
<tr>
<th>Name</th>
<th>Jose Noguera</th>
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</thead>
<tbody>
<tr>
<td>Office</td>
<td>307</td>
</tr>
<tr>
<td>Phone</td>
<td>240 05 128</td>
</tr>
<tr>
<td>e-mail</td>
<td><a href="mailto:Jose.noguera@cerge-ei.cz">Jose.noguera@cerge-ei.cz</a></td>
</tr>
<tr>
<td>Office hours</td>
<td>Tbd</td>
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</table>

Teaching Assistant

Note:
The reading list can be updated during the semester in order to accommodate the needs of the course and/or to reflect recent developments in the literature on transition.

Course description
This is devoted to an introduction to financial economics at the doctoral level. A graduate microeconomic course provides sufficient background. The material covered is essential for further studies in financial economics and it is divided into three parts: foundations, corporate finance and capital markets.

Course outline and Readings
Part I: Foundations
1. Savings, investment, and interest rates under certainty

2. Arbitrage (RA)

3. Capital budgeting under uncertainty, Modigliani & Miller (October)
   · S. Bhattacharya "Corporate Finance and the Legacy of Miller and Modigliani' JEPerspectives 2 1988

4. General Equilibrium with complete and effective complete markets
   · J.J.Laffont, The Economics of Uncertainty and Information. MIT (1989) Ch. 5-7 'The Stock Market'
   · D. Breeden and R. Litzenberger,

Part II: Capital Markets
5. Mean Variance Analysis

6. CAPM
7. Extensions to the CAPM

8. The Arbitrage Portfolio Approach

9. Option Pricing

Part III: Corporate Finance and Banking

10. Financial Intermediaries
    - Freixas, X. and J. Rochet, "Microeconomics of Banking," The MIT Press, Chapter 2

11. Bank Runs and Bank Panic
    - Freixas, X. and J. Rochet, "Microeconomics of Banking," The MIT Press, Chapter 7

Requirements and Grading
Students are expected to create individualized reading lists that go beyond the basic readings. Students are to take an exam (30%). They also must prepare a presentation of an application paper (30%) and to write a term paper (40%) on a topic selected with the consent of the instructor.
Course Information

The course will consider models, which explain how firms interact with each other in the marketplace and strategic interactions among self-interested parties. Modern IO theory provides a rich set of tools for analyzing individual and firm actions where price-taking behavior is not assumed. While the assumption of price-taking behavior usually leads to clean results with good efficiency properties, many, if not most industries, do not contain the large number of firms which would just that assumption. Thus strategic interaction is the norm in most interactions.

More generally, the tools and models of IO provide a broad menu which can be used to explain economic behavior. A huge amount of research in the past two decades has sought to provide classical models with new strategic underpinnings, thus loosening price-taking assumptions and hopefully providing the basis for more realistic policy advice.

Course Outline

I. Price Discrimination


Mussa and Rosen, price discrimination by differences in taste for quality.

II. Entry and Exit Dynamics

A. Theory


B. Empirical Work

M. Whinston paper on event studies approach to airline entry


III. Research and Development

A. Theory

TIO, Chapter 10


B. Empirical Work


IV. Regulation and Privatization

Averch and Johnson

David Baron, Regulation of Monopolist with Unknown Cost, Econometrica Directly Unproductive activities and lobbying

V. Networks

Economides, Nicholas, website at NYU on network economics

Carl Shapiro papers on compatibility

VI. Empirical Methods

hedonics - product and characteristic spaces

selection of recent empirical papers.

Requirements and Grading

Grading for my part of the course will depend on the following components:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Midterm</td>
<td>25%</td>
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<tr>
<td>Final</td>
<td>40%</td>
</tr>
<tr>
<td>Problem Sets</td>
<td>25%</td>
</tr>
<tr>
<td>Participation</td>
<td>10%</td>
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</tbody>
</table>

I may add presentation requirement or a short written assignment depending on the size of the class. You may work in study groups of two or three people. Membership of the study group must be noted on all assignments.

Reading

Major Textbooks:
4) Sutton, John. *book on sunk costs and economic structure*
6) *The Handbook of Industrial Economics*, North-Holland, has useful survey articles on all major areas of the field.

Other textbooks:
These are books are still useful in understanding how industries work.

LABOR ECONOMICS (Topic course)

<table>
<thead>
<tr>
<th>Lecturer</th>
<th>Co-lecturer</th>
<th>Teaching Assistant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Daniel Münich</td>
<td>Štěpán Jurajda</td>
</tr>
<tr>
<td>Office</td>
<td>303</td>
<td>325</td>
</tr>
<tr>
<td>Phone</td>
<td>240 05 175</td>
<td>240 05 139</td>
</tr>
<tr>
<td>e-mail</td>
<td>Daniel.mü<a href="mailto:nich@cerge-ei.cz">nich@cerge-ei.cz</a></td>
<td><a href="mailto:Stepan.Jurajda@cerge-ei.cz">Stepan.Jurajda@cerge-ei.cz</a></td>
</tr>
<tr>
<td>Office hours</td>
<td>By appointment</td>
<td>By appointment</td>
</tr>
</tbody>
</table>

Course information

More information about the course at [http://home.cerge-ei.cz/munich/labor03/Cours.htm](http://home.cerge-ei.cz/munich/labor03/Cours.htm)

The course is the first in a two-semester sequence in graduate labor economics. The goal of the course is to develop students’ abilities to engage in original theoretical and/or empirical research at the doctoral level. The first part of the fall semester will illustrate the range of theoretical modeling within labor economics using the topic of labor supply. The second half of the fall term will survey empirical strategies of labor economics. The spring semester will then continue with coverage of specific labor topics such as wage setting (discrimination, migration, compensating differentials), education, or labor demand. We will refer to transition applications where possible.

Requirements and Grading

There are two basic requirements. First, students must read the material prior to the lectures, and come to class prepared with questions and critical analysis. Second, students must submit and present a *short fall-term paper*, which will include both a *survey of the literature* on the covered topic and fresh own *empirical or theoretical* analysis. A range of western and transition labor data will be available. Students continuing into the spring semester will extend their *fall-term paper* into a *full-fledged sequence paper*. A TA will be available to assist with empirical work, but students are strongly encouraged to help each other out in learning how to work with data.
and apply appropriate software. Grades will be based on student's performance in final exam (35%) and on the term paper (65%). The quality of writing and presentation will be an important determinant of the grade.

Course outline

**Labor Supply (Daniel Münich)**
- Static models: non-linear price lines, overtime work, rationing, taxes and transfer schemes.
- Home production, earnings and transfers within families, allocation of (non-)market time.
- Labor supply over the lifecycle: theory and evidence.
- Aggregate models of labor supply - labor supply over the business cycle.

**Human Capital (Daniel Münich)**
- Mincerian models

**Empirical Strategies in Labor Economics** (Stepan Jurajda)
- Identification strategies (instrumental variables, natural experiments, data collection)
- Program evaluation (sample selection, matching, evaluating evaluations)
- Other selected methods (decompositions, meta-analysis, sampling adjustments, matched data)

**Other potential topics** (Stepan Jurajda)
- Job search and the estimation of labor market histories
- Job creation and destruction and macroeconomics
- Labor markets and growth

Readings

**Books**

**Labor Supply**

**Human Capital**

**Empirical Strategies in Labor Economics**
- Angrist and Krueger "Empirical Strategies in Labor Economics" [HLE].

**Program Evaluation**

**Other selected methods**
MONETARY ECONOMICS I

<table>
<thead>
<tr>
<th>Name</th>
<th>Jose Noguera</th>
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</thead>
<tbody>
<tr>
<td>Office</td>
<td>307</td>
</tr>
<tr>
<td>Phone</td>
<td>240 05 107</td>
</tr>
<tr>
<td>e-mail</td>
<td><a href="mailto:Jose.noguera@cerge-ei.cz">Jose.noguera@cerge-ei.cz</a></td>
</tr>
<tr>
<td>Office hours</td>
<td>By appointment</td>
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</tbody>
</table>

Course Information
This is a second year Ph.D. course in monetary economics and will cover three broad topics: the nature and modeling of money, money effects on inflation and economic activity, and monetary policy. Students are expected to create individualized reading lists that go beyond the basic readings.

Course outline and Readings
PART I: THE NATURE AND MODELING OF MONEY

The Nature of Money

PART II: MONEY, INFLATION AND FLUCTUATIONS

Empirical Evidence and Crisis of the Neoclassical Model

General Equilibrium Models of Money: money and output in the long-run
Models of Fluctuations


New Keynesian Economics: models of price rigidities


Credit Market Imperfections


** Walsh (1999). Chapter 7

The Monetary Controversy: is already out of fashion?


PART III: MONETARY POLICY

The Cost of Inflation


Time Inconsistency and Rules vs. Discretion


Central Bank: operating procedures
** Walsh, (1999). Chapter 9

Exchange Rate Regimes

Stabilization Policy
* Vegh, C. “Stopping High Inflation: An Analytical Overview” *International Monetary Fund Staff Papers*, September 1992

Monetary Instability and Speculative Attacks


Contagion


Glick and Rose (1999)

Mason (1999a, b)


Monetary Integration


ACADEMIC WRITING III

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<td>Office hours</td>
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</tbody>
</table>

Course information

The purpose of the course is to further prepare students to succeed in the Ph.D. program independently. This course is tailored to the specific needs of the students in the class. When possible, students will use written assignments from their economics courses for this course. When this is not possible, there will be other reading and writing assignments. Part of the course will prepare students to take the English Department Writing Proficiency Exam. The course instructor will provide a more detailed course outline.

Requirements and Grading

Students are evaluated according to their mastery of academic English as well as performance on course assignments. Class participation and attendance may also influence the course grade.
ADVANCED ENGLISH COMBINED SKILLS

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<tr>
<td>Office hours</td>
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**Course information**
The purpose of this class is to prepare students for the written and oral presentations they will be expected to produce as Ph.D. candidates and as economists. The course will focus on developing and refining oral fluency and presentation skills (including pronunciation), improving professional writing skills, expanding scholarly economics vocabulary, and increasing overall proficiency in English.

**Requirements and Grading**
Students are evaluated according to their mastery of oral and written communication skills as well as performance on course assignments. These assignments may include the following:
- Oral presentations
- Professional writing tasks
- Research grant proposal

C. Third year students

ACADEMIC WRITING IV

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<td>e-mail</td>
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<tr>
<td>Office hours</td>
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</table>

**Course information**
This course is tailored to the specific needs of the students in the class. The Dissertation Proposal will be the major project in this course. There may also be other reading and writing assignments. Part of the course will prepare students to take the English Department Writing Proficiency Exam. The course instructor will provide a more detailed course outline.

**Requirements and Grading**
Students are evaluated according to their mastery of academic English as well as performance on course assignments. Class participation and attendance may also influence the course grade.
III. CERGE Faculty Members Teaching in the Fall Semester 2002

Austin Andrew

Radim Boháček

Štěpán Jurajda
Graduated from the Prague School of Economics in 1992 in Econometrics and Operations Research. Received his M.A. and Ph.D. degrees in Economics from the University of Pittsburgh in 1995 and 1997 respectively. Since 1997 an Assistant Professor of Economics at CERGE, Charles University, Prague and a Researcher at the Economics Institute of the Academy of Sciences of the Czech Republic. During 2000-2001 the Deputy Director for Research at CERGE-EL. Member of the Committee at the Czech Ministry of Labor and Social Affairs on the Information System on Average Wages. 1999-2000 Visiting Research Fellow, Princeton University, Department of Economics, Industrial Relations Section.

Michal Kejak

Evžen Kočenda
Graduated in 1985 from the Prague School of Economics with Ing. degree in International Trade Management. MA in Economics from the University of Toledo, Ohio in 1992. Graduate studies in Economics at the University of Houston, Texas with Ph.D. degree in 1996. 1996 - 1998 Deputy Director for Research at CERGE and EI. 1996-1999 Assistant Professor. Since 1999 Associate Professor at CERGE, Charles University. Research

Lubomír Lízal

Laura Mentz
Graduated from the Catholic University of America, Washington, D.C., in 1989 with a B.A. in Philosophy (with highest honors) and received an M.A. in Rhetoric and Linguistics from the same university in 1994. She has taught English Composition and ESL courses since 1992 at various colleges in the D.C. area and at George Mason Univ., Fairfax, Virginia, and has been an Instructor in English and ESL at Montgomery College, Rockville, Maryland, June 1997-July 2001. International Student Advisor at Montgomery College, May, 1999-July 2001; Contributing author and editor, Thinking and Writing (1998); Teacher/Consultant, Northern Virginia Writing Project.

Daniel Münich
Received a Ing. degree in 1990 in Electrical Engineering, Electric Propulsion and Control from Czech Technical University (Ceske vysoke uceni technicke) in Prague, Faculty of Electrical Engineering. Received a Ph.D. degree in economics in 1998 from the Center for Economic Research and Graduate Education, Charles University (CERGE) in Prague. Currently an assistant professor at CERGE and since summer 1999 Director of Graduate Studies. Researcher at Economic Institute (EI). Research Fellow of the William Davidson Institute at the University of Michigan Business School and Research Affiliate of CEPR, London. 1997-98 visiting scholar at the William Davidson Institute at the University of Michigan. 1993-96 a researcher at EI. 1997-98 advisor to the Minister of Education, Youth and Sport and the Minister of Finance of the Czech Republic. Chief editor of Svobodne rozhledy journal. Member of the Czech and European Economic Associations and of European Association of Labour Economists. Research interests in the area of empirical labor market and education. Consultant to the Worldbank, European Commission and Institute for Information inEducation (UIV).

José Noguera

Tony Ozuna
Tony Ozuna graduated from the University of California, Irvine, in 1985 with a B.A. in Political Science and received an M.A. in Political Science from the University of California, Santa Barbara, in 1988. In the U.S., he has worked as both a researcher and editor for the California Policy Seminar at UCSB, and as an editor in the legal department at ARCO, in Los Angeles. In Prague, he co-founded and was editor-in-chief of the literary-cultural magazine Yazzyk (from 1992-1995), and since 1995 he has been teaching academic writing at the Anglo American College, in Prague. From 1999-2001 he was Head of the School of Humanities at Anglo American College, and since 2001 he has been at AAC as academic coordinator for the School of Humanities and Social Sciences.
Sarah Peck
Sarah Peck received a MA in Anthropology from Temple University, Philadelphia and a BA in Economics from Lafayette College, Easton, Pennsylvania. Previous teaching experience includes Fakulta Ekonomicka, Zapadocheska Univerzita in Cheb; Anglo-American College in Prague; Akiba Hebrew Academy and the Nationalities Service Center in Philadelphia, Pennsylvania.

Avner Shaked

Richard Stock
Received a M. A. in Literature and Theory, concentrating in Later American Literature and Writing Studies, from the University of Illinois at Urbana-Champaign in 1998, and a B. A. in the Teaching of English, with a minor in Social Science, from the University of Illinois at Urbana-Champaign in 1996. He is a certified secondary school teacher in Illinois, USA, and has taught at Rolling Meadows High School in Illinois and the University of Illinois at Urbana-Champaign. In Prague he has taught at the Anglo-American College, the Czech Technical University in Prague and the U.S. Air Force Defense Language Institute.

Lawrence Smith
Received a MA in Teaching English as a Foreign Language from the University of Reading, England. Testing advisor, ESP tutor and curriculum coordinator at Bilken University, Ankara, Turkey (1990-1996); Academic Writing instructor at Moscow State University (1997); Academic English coordinator at the International College of Economics and Finance in Moscow between 1997 and 2000. Before working at CERGE-EI, he was Academic Writing Instructor at Central European University in Budapest.

Viatcheslav Vinogradov

Kresimir Zigic
### IV. Academic Calendar (A Sample Year)

<table>
<thead>
<tr>
<th>Month</th>
<th>September</th>
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<th>November</th>
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<td>F</td>
<td>A/D</td>
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<td>F</td>
<td>A/D</td>
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<td>Fall semester</td>
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<td>Spring semester</td>
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<td>Directed research seminar</td>
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</tbody>
</table>

- **A/D** Add/drop period
- **G** General-exams weeks
- **F** Final-exams week
- **M** Midterm-exams week
- **U** Make-up General-exams weeks
- **•** National holidays:
V. Schedules of the Fall Semester 2002

The schedules are subject to change. Most recent versions are at [http://www.cerge-ei.cz/internal/study/](http://www.cerge-ei.cz/internal/study/)

### A. First year students

<table>
<thead>
<tr>
<th>Time</th>
<th>MONDAY</th>
<th>TUESDAY</th>
<th>WEDNESDAY</th>
<th>THURSDAY</th>
<th>FRIDAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>08:30 – 10:00</td>
<td><strong>Macroeconomics I</strong>&lt;br&gt; <em>Bohacek/Kejak</em>&lt;br&gt; #320</td>
<td><strong>English</strong>&lt;br&gt; <em>staff</em>&lt;br&gt; #314</td>
<td><strong>Microeconomics I</strong>&lt;br&gt; <em>Exercises</em>&lt;br&gt; #320</td>
<td><strong>English</strong>&lt;br&gt; <em>Staff</em>&lt;br&gt; #314</td>
<td><strong>Macroeconomics I</strong>&lt;br&gt; <em>Exercises</em>&lt;br&gt; #320</td>
</tr>
<tr>
<td>10:00 – 10:30</td>
<td>Coffee Break</td>
<td></td>
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</tr>
<tr>
<td>10:30 – 12:00</td>
<td><strong>Microeconomics I.</strong>&lt;br&gt; <em>Zigic</em>&lt;br&gt; #320</td>
<td><strong>Statistics</strong>&lt;br&gt; <em>Vinogradov</em>&lt;br&gt; #320</td>
<td><strong>Statistics</strong>&lt;br&gt; <em>Vinogradov</em>&lt;br&gt; #320</td>
<td><strong>Macroeconomics I</strong>&lt;br&gt; <em>Bohacek/Kejak</em>&lt;br&gt; #320</td>
<td><strong>Statistics</strong>&lt;br&gt; <em>Exercises</em>&lt;br&gt; #320</td>
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<tr>
<td>12:00 – 13:30</td>
<td>Lunch Break</td>
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<tr>
<td>13:30 – 15:00</td>
<td><strong>English</strong>&lt;br&gt; <em>staff</em>&lt;br&gt; #11</td>
<td><strong>English</strong>&lt;br&gt; <em>staff</em>&lt;br&gt; #314</td>
<td><strong>Microeconomics I</strong>&lt;br&gt; <em>Zigic</em>&lt;br&gt; #320</td>
<td><strong>English</strong>&lt;br&gt; <em>staff</em>&lt;br&gt; #314</td>
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<td>15:00 – 16:30</td>
<td><strong>English</strong>&lt;br&gt; <em>staff</em>&lt;br&gt; #314</td>
<td><strong>English</strong>&lt;br&gt; <em>staff</em>&lt;br&gt; #314</td>
<td><strong>English</strong>&lt;br&gt; <em>staff</em>&lt;br&gt; #314</td>
<td><strong>English</strong>&lt;br&gt; <em>staff</em>&lt;br&gt; #314</td>
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<tr>
<td>16:30 – 18:00</td>
<td><strong>Research Seminar</strong>&lt;br&gt; #6</td>
<td></td>
<td><strong>Research Seminar</strong>&lt;br&gt; #6</td>
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</table>
### B. Second year students

<table>
<thead>
<tr>
<th>Time</th>
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<th>TUESDAY</th>
<th>WEDNESDAY</th>
<th>THURSDAY</th>
<th>FRIDAY</th>
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<tbody>
<tr>
<td>08:30 – 10:00</td>
<td>Financial Markets I</td>
<td>Monetary Economics</td>
<td>Adv. Macroeconomics</td>
<td>Econometrics III</td>
<td>Ind. Organization Exercises</td>
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<td>Lunch Break</td>
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<td>Boháček</td>
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<td>Shaked-Austin</td>
<td>Munich-Jurajda</td>
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<td>Noguera</td>
<td>Boháček</td>
<td>Exercises</td>
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<td>#313</td>
<td>#313</td>
<td>#313</td>
<td>#313</td>
</tr>
<tr>
<td>16:30 – 18:00</td>
<td>Research Seminar</td>
<td>Transition</td>
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<td>#6</td>
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</tbody>
</table>

*tba … to be announced later*

### C. Third year students

Academic Writing 4 – M 13:30-15:00, W 10:30-12:00, staff, #314
Notes: