Information on Courses (for Exchange Students and Partners)

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Department of Economics, September 2016
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A The department in a nutshell

Find out what you are interested in: to be launched in late 2016. And ready for you to read now (September 2016).

B The academic calendar in our department

Generic dates second (summer) semester
Start of classes: mid April
End of classes: first or second week of July
Exam Period I: after end of classes until end of July (occasionally first week of August!)
Exam Period II: beginning of October until the week when classes start for the next semester
Exam Period I Registration week: usually last week in June
Exam Period II Registration week: usually mid September

Generic dates first (winter) semester
Start of classes: mid/third week of October
End of classes: mid February
Christmas Break: December 23rd until January 6th
Exam Period I: after end of classes until end of February/first week of March
Exam Period II: most of April
Exam Period I Registration week: usually last week in January
Exam Period II Registration week: usually last week of March

C The overall academic setting

Want to know more about the German university system in general, about the structure of degree programmes and how it all works? Here is a great resource: the DAAD (German Academic Exchange Services/National Agency)

D The BSc Economics

The BSc Economics encompasses a standard period of study of six semesters or three years (180 ECTS). The basic studies are usually completed after the third or fourth semester. They include, in addition to a number of accounting, business administration and management courses, a high concentration on mathematical, statistical, and economical subjects. The core courses are mainly taught in German; a high number of other mandatory courses and most of the electives are taught in English. Please see below the core courses (mostly taught in German):
Mathematics I & II

- Differential calculus
- Integral calculus
- Implicit functions & differentiation
- Linear algebra
- (Un-) constrained optimisation, Lagrange, Kuhn-Tucker
- Differential equations, qualitative and quantitative theory of scalar, linear differential equations of higher order, linear systems

Statistics I & II (taught in English)

See pages 19-20

Microeconomics I

- Production and cost theory, long-term / short-term cost function
- Profit-maximizing firms under perfect competition/monopoly/oligopoly markets
- Consumer theory
- Theorem of welfare economics

Macroeconomics I

- Problems of social objective determination
- Classification of allocation problems
- Optimal allocation of public / private goods
- Increasing returns to scale
- Externalities
- Asymmetric information
- Imperfect enforcement of property ownership

Additionally, in the third or fourth semester, the students have to decide between six different specializations:

- **Quantitative Economics**: This field of study uses quantitative research methodology to deepen and expand the analysis of Economics and Finance issues.
- **Business and Economics Education**: The advanced study period deals with questions of economics education, professional learning as well as business education (most of them taught in German).
- **Professional Learning and Human Resources Management**: Subject matter consists of topics concerning qualification and human resources development in enterprises and organisations. Furthermore, basic human resource-related content will be developed – courses are taught in German only!
- **International Financial Economics**: In this field you will deal with subject matter including capital markets, business formation and financing enterprises, corporate governance and international monetary economics.
- **Psycho-Economics**: Besides economic issues you will deal with basic topics of psychology, for example social, developmental or bio-psychology (psychology courses mainly taught in German).
- **Applied Economics**: To get first practical insights, our students have to complete an internship.
Part of the personal development is taking mandatory key qualification classes. The students take a seminar in their fifth or sixth semester. The students are required to write their bachelor thesis with the professor who offers this seminar. Usually, the topic of the thesis is connected to the subject of the seminar. The thesis has an extent of 20 pages and is written within a time period of one month. All degree-seeking BSc students are required to write a thesis – please see samples of BSc theses topics.

D.1 Terminology

SWS: Contact hours per week. 1SWS equals 45min per week.

Lecture
A lecturer stands or sits at the front of a classroom with usually a large number of students, and talks/reads about a particular topic. A discussion does not usually take place and the number of participants is not limited. The lecturer usually presents the information on power point slides – these are usually made available to the students at some point during the semester. Students are expected to take notes. For every lecture students are offered an additional meeting time called ‘tutorial’ or ‘Exercise’. A lecture ends with a written exam. It is particularly important to attend the first lecture as relevant course information will be discussed. Students do not register for lectures, they simply attend the lecture. Some lectures or seminars are taught ‘as a block’: they are not taught all throughout the semester but are intensely taught for 2-3 days. They are also often taught by visiting professors and offer outside insight.

Tutorial/Exercise
Usually in the first lecture students are informed about ways to register for a tutorial or exercise. This is always in addition to the lecture, and allows for time to look deeper into the topic, to ask questions, to practice the theory. Each student signs up for a tutorial/exercise. These are particularly important for exchange students.

Seminar
Seminars are, with a few exceptions, for local students only as they focus on preparing the students for their Bachelor thesis. Please find regularly taught seminars under D.2.6 Repeatedly taught Seminars in English.

Exams
All students have to register for the exams during a specific exam registration period that is particular for each department. For more information please see the Incoming student Guide.

D.2 Courses

The traditional teaching semester is always indicated but there may be changes. So if it is extremely important to know, please send email to us and ask. Thanks.
D.2.2 Course descriptions of mandatory courses

Advanced Corporate Finance

Applicability: Bachelor students of Economics  
ECTS: 5  
Duration: 1 Semester, offered only in winter term  
Workload: 150 hours, Lectures (3SWS) and tutorials (2SWS), 1SWS equals 45min per week

The aim of the lecture “Advanced Corporate Finance” is to discuss selected topics of corporate finance in detail. The students should have a basic knowledge of Corporate Finance.

Course Outline (selected topics):
1. Leasing  
2. Credit Risk Rating  
3. Financial Statement and Ratio Analysis  
4. The Capital Asset Pricing Model with Taxes  
5. The Theory of Banking

Furthermore, case studies regarding the topics “Information and Agency”, “Going Public”, “Cost of Capital” and “Valuation” are dealt within a bi-weekly tutorial.

Basic Literature:

Capital Market Theory

Applicability: Bachelor students of Economics  
ECTS: 6  
Duration: 1 Semester, offered only in summer term  
Workload: 180 hours, Lectures (3SWS) and tutorials (1SWS)

2.) Level  
In Konstanz the course is usually taken in the 5th (of six) semester.

3.) Module prerequisites  
Students attending this course should be familiar with matrix algebra, calculus, and basic constrained optimization techniques. This e.g. includes a general understanding of constrained optimization using Lagrange multipliers.

4.) Recommended knowledge and skills prior to course  
Good working knowledge in mathematics, statistics, and introductory finance courses
5.) Module description and background
The goal of the course "Capital Market Theory" is to provide you with an understanding of the key working mechanisms of capital markets. This includes
- Risk aversion and preferences
- Consumption-savings decisions
- Portfolio planning
- Arbitrage considerations
- Asset pricing, including the pricing of derivatives

Even though the course - as the title already indicates - takes a theoretical focus, such an understanding is of vital importance to understand the implications of empirical capital market research. For the suggested background see "Recommended knowledge and skills prior to course".

6.) Literature
The main reference for our course is Pennacchi, G. (2008): Theory of Asset Pricing, ISBN-13: 978-0-321-12720-4. Throughout the course, we will especially deal with chapters 1 to 9. If you are interested in further examples (extending beyond those covered in the lectures and tutorials), we recommend the latest edition of Bodie, Kane and Marcus: Investment and Portfolio Management.

7.) Learning Outcomes
After completion of the course, students should have a profound knowledge of financial markets. This – among others – includes the ability to
- Deal with the concepts of preferences and utility
- Solving single- and multi-period portfolio problems
- Generalizing arguments/methods/concepts introduced in class to problems that have not been explicitly studies throughout the course
- Deriving and applying formulas for the pricing of financial claims (including derivatives)
- Critically judge the limits of the results derived throughout the course

8.) Teaching methods
The entire course (including tutorials, homework exercises and final exam(s)) will be held in English language. Outside class hours, you are, however, welcome to raise questions in German language, if you prefer so.

9.) Assessment and final mark
Final exam and presentations in tutorials (details are announced in the first lecture)

The final exam is "open book". That is, you may bring all paper-based aids (such as books, slides, personal notes) to the final exam. In addition, you are allowed to use a pocket calculator. Bringing other electronic devices to the exam is not permitted without prior written permission from study administration.

Econometrics

Applicability: Bachelor students of Economic Science
Bachelor students of Mathematical Finance
Master students of Business and Economics Education
Master students of Political Economy
Master students of Social Science Data Analysis
ECTS: 8  
Duration: 1 Semester, offered only in summer term  
Lecturer: Prof. Dr. Winfried Pohlmeier  
Workload: 240 hours - Lectures (3SWS) and tutorials (2SWS)*

2.) Level  
In Konstanz the course is usually taken in the 4th (of six) semester.

3.) Module prerequisites  
Mathematics I & II, Statistics I & II

4.) Recommended knowledge and skills prior to course  
Introductory linear algebra, calculus, probability and statistics are treated as prerequisites.

5.) Module description and background  
This course serves as an introductory course to econometrics. It covers the fundamentals of the multiple linear regression model and gives an outlook on time series models and estimators for non-linear models. The major goal of the class is to provide students with a first equipment to undertake serious empirical work. Thus, there is much emphasis on empirical applications and computer work in the computer lab. Major topics covered in the course are: The Multiple Linear Regression Model: LS-Estimation, Tests, Forecasting, Restricted LS-Estimation  

**International Investment and Finance**

Applicability: BSc students of Economics and Mathematical Finance  
ECTS: 5  
Duration: 1 Semester, offered only in summer term  
Workload: 150 hours, Lectures (2SWS) and tutorials (1SWS),

2.) Level  
This module is designed for second year students in Economics and the first year students in Mathematical Finance. In Konstanz the course is usually taken in the 4th (of six) semester in Economics and the 2nd (of six) semester in Mathematical Finance.

3.) Module prerequisites  
Corporate Finance

4.) Recommended knowledge and skills prior to course  
Statistical Basics

5.) Module description and background  
Introduction  
The objective of this course is to develop a framework for corporate financial decision making, and to provide a solid grounding in the principles and practices of financial management.
The course covers the following topics:

**Project Appraisal**
This concerns the way in which investment projects are analyzed, the impact of risk, tax and inflation, the term structure of interest rates, the cost of capital, and target rates of return.

**Capital Markets**
This covers the operations of the capital markets, their efficiency, the role of intermediaries, sources of finance, the borrowing decision and company valuation, as well as optimal portfolio allocation.

**Capital Structure**
This addresses the optimal capital structure of firms, mergers and acquisitions, the market for corporate control, market efficiency, the principles of capital structure, leverage, the basics of hedging, and international finance.

Lectures
- Sources of Positive Net Present Value
- Market Efficiency
- Options and Managerial Flexibility
- Bond Valuation
- International Finance
- Mergers and Acquisitions
- Review

Details of the dates of the individual topics, the expected weekly readings, times of absence and exams etc. will be announced to the students in the first lecture.
You find the video stream to the lectures on the following website:
http://streaming.uni-konstanz.de/lectures/sommersemester-2012/abwl-jackwerth/

6.) Literature

The text book for this course is:
"Principles of Corporate Finance", Brealey/Myers/Allen. The 11th edition is on the market ca. 63.00 EUR. ISBN 978-0-07-715156-0.

For additional practice questions and examples you can use:

Some other useful books are: Reading the "Wall Street Journal Guide" to Understanding Money and Investment is a painless way of learning about financial market institutions (although somewhat specific to the US). There are a number of fairly interesting "bedtime reading" paperbacks, e.g. "Barbarians at the Gate", "Liar's Poker", and "A Random Walk Down Wall Street", which give some insight into aspects of the financial world.

The basics which are provided in statistics you can find in the book: "Statistik: der Weg zur Datenanalyse", Ludwig Fahrmeir. 7. Auflage, 2010.

The reference books for accounting are:


7.) Learning Outcomes

Upon successful completion of the course
• Students have developed a framework for corporate financial decision making
• Students have acquired a solid grounding in the principles and practices of financial management.

8.) Teaching methods

Lectures and tutorials. In lectures, a university teacher delivers a speech and provides an overview of a certain subject. A discussion does not usually take place and the number of participants is not limited. Lectures are always accompanied by a tutorial. Such tutorials (led by students from higher semesters) offer students the chance to ask questions and examine a subject in greater depth. These teaching methods reflect the self-sufficiency and independency that is typical of studying in Germany. I will provide the lecture notes as pdf-files on the internet.

The range of prior knowledge within the class is wide. Those who have already had exposure to this material should be patient, particularly during the first two weeks covering the basic tools of financial appraisal. We will cover a number of practice questions from the Brealey and Myers book in class. Also, you should try the quizzes and other problems at the end of each chapter in the text. It is also essential to do the preparation ahead of time.

9.) Assessment and final mark

100 % final exam
Assessment will be based on the final exam. - Here you can find old Investment and Finance exams: Old Exams/Investment and Finance
The final examination of the course covers material from weeks 1-13, including. Questions will be in English language only. Answers can be given in English or German. One A4-sheet, double-sided, is allowed with notes, as well as a non-programmable calculator. Duration of the Exam: 90 minutes.
Macroeconomics II

Applicability: Bachelor students of Economics
Bachelor students of Mathematical Finance
Master students of Business and Economics Education

ECTS: 6
Duration: 1 Semester, offered only in summer term
Workload: 180 hours - Lectures (2SWS) and tutorials (2SWS)

2.) Level
In Konstanz the course is usually taken in the 6th (of six) semester.

3.) Module prerequisites
Introductory Economics and Mathematics I

4.) Recommended knowledge and skills prior to course
See above; in particular differential calculus.

5.) Module description and background
• Stylized Growth Facts
• The Solow-Swan Growth Model
• The Ramsey-Cass-Koopmans Model
• The Diamond Model
• Endogenous Growth I (AK-type Models)
• Endogenous Growth II (Horizontal Innovations)
• Endogenous Growth III (Vertical Innovations)

The lecture addresses the sources of economic growth. At the beginning of the course, students are taught in methods of dynamic optimization in continuous time (differential equations, Hamilton approach). In the following, these methods are applied to stock-flow models that illustrate the trade-off between consumption and capital accumulation. These models show that optimal investment decisions may increase the level, but not the growth rate of consumption in the long run. Without a positive rate of technological progress, consumption growth peters out in the long run. Throughout the first part of the lecture, the rate of technological progress is exogenously given. In the second part of the lecture, we consider a class of models where the rate of technological progress is determined by (intentional) actions of economic agents. In particular, students are familiarized with the economics of knowledge, e.g. the role of patents and technological spillovers in research & development decisions.

Details of the dates of the individual topics, the expected weekly readings, times of absence and exams etc. will be announced to the students in the first lecture.

6.) Literature
5. Endogenous Growth I (AK-type Models): Barro and Sala-i Martin [2004, Chapter 4]

References

7.) Learning Outcomes
On successful completion of this module, students will be able to:
• Solve problems of dynamic optimization, i.e. the optimal choice between consumption and savings in an intertemporal context.
• Identify the most important determinants of economic growth.
• Model knowledge-based technological progress.
• Critically evaluate optimal patent design.

8.) Teaching methods
Lectures and tutorials.

9.) Assessment and final mark
Written exam: 100%

Microeconomics II – Game Theory

Applicability: Bachelor students of Economics
ECTS: 9
Duration: 1 Semester, offered only in summer term
Workload: 270 hours, Lectures (4SWS) and tutorials (2SWS),

2.) Level
This module is designed for second year students.
In Konstanz the course is usually taken in the 4th (of six) semester.

3.) Module prerequisites
4.) Recommended knowledge and skills prior to course
There are no formal prerequisites for this course. Students need to be familiar with the content of Microeconomics I.

5.) Module description and background
In this course, situations of potential conflict are studied, situations in which the outcome depends not just on an individual's decision and chance, but the actions of others as well. The goal of this course is to convey methodological knowledge for the analysis of strategic interactions.

We begin by defining games in normal form and introduce solution concepts like the elimination of dominated strategies and Nash equilibrium. These will be practiced in applications from various areas of economics. Later topics include games of incomplete information with an application to auctions and the study of repeated games and bargaining.

- Normal-Form Games: Dominant Strategies, Nash Equilibria, Zero-Sum Games and Common-Interest Games, Application: Oligopoly
- Mixed Strategies: Expected Utility, Existence of Nash Equilibria, Evolutionary Games
- Extensive-Form Games: Subgame Perfection, Imperfect Information, Behavioral Strategies, Perfect Recall and Kuhn's Theorem
- Repeated Games: Folk Theorems. Application: Collusion
- Bayesian Games: Bayes-Nash Equilibria, Application: Auctions
- Perfect Bayesian Equilibrium: Definition, Signaling Games, Application: Spence's Job Market

Details of the dates of the individual topics, the expected weekly readings, times of absence and exams etc. will be announced during the lecture.

6.) Literature
Osborne, “An Introduction to Game Theory”,
Gibbons, “A Primer in Game Theory”.

7.) Learning Outcomes
By the end of the module the student should be able to:
Understand models of interpersonal, strategic decision situations, including those involving informational constraints and asymmetries.
Understand formal-mathematical methods to analyze strategic interaction.
Apply the acquired knowledge to microeconomic analysis (e.g. oligopolistic markets, bargaining models, job markets) and general socioeconomic interactions.

8.) Teaching methods
Lectures and tutorials. In lectures, a university teacher delivers a speech and provides an overview of a certain subject. The number of participants is not limited.
There will be some opportunities for questions and discussions, depending on class size.
Lectures are always accompanied by a tutorial. Such tutorials (led by students from higher semesters) offer students the chance to ask questions and examine a subject in greater depth.
Attendance is usually voluntary, both for lectures and tutorials.
These teaching methods reflect the self-sufficiency and independency that is typical of studying in Germany.

9.) Assessment and final mark
final exam: 100%
written final exam (90 minutes)
Monetary Economics

Applicability: Bachelor students of Economics
ECTS: 5
Duration: Summer term / 1 Semester
Workload: 150 hours, Lectures (3SWS) and tutorials (2SWS)

2. Level
In Konstanz the course is usually taken in the 6th (of six) semester.

3. Module prerequisites
Macroeconomics I and Microeconomics I

4. Recommended knowledge and skills prior to course
Basic knowledge of Macroeconomics and Microeconomics

5. Module description and background
   a. Overview over topics addressed in monetary economics
   b. Schools of thought and their views on monetary policy
   c. A simple overlapping-generations model of money
   d. Inflation and its consequences for welfare
   e. Phillips curve, rational expectations, the rationale for models with microeconomic foundations
   f. The problem of time inconsistency and its solutions, monetary-policy strategies
   g. Money and other assets, rate-of-return equality
   h. Money as a liquid asset, coexistence of money and capital in equilibrium
   i. The money supply, financial intermediation, minimum reserve requirements
   k. The payments system, bank reserves, discount-window borrowing, the central bank's control over short-term interest rates
   l. Bank risk, bank runs, banking regulation
   m. A primer in New Keynesian Economics
   n. Central banks and the government's budget constraint (if time permits)
Details of the dates of the individual topics, the expected weekly readings, times of absence and exams etc. will be announced to the students in the first lecture.

6. Literature
Lecture Slides (will be made available electronically on ILIAS)


Further information on literature that is useful for some topics will be given in the lecture.
7. Learning Outcomes
The purpose of the course is twofold:

- It introduces a simple overlapping-generations model of money to provide a unified framework, based on microeconomic foundations, for analyzing issues in monetary economics.
- It aims at giving an overview over the instruments of monetary policy, the impact of monetary policy on the economy, the objectives of central banks, the institutional framework under which they are operating and current challenges to monetary policy and monetary economics.

8. Teaching methods
Lectures and tutorials

9. Assessment and final mark
Final exam:
The grade is based on a final exam and a tutorial assignment. Details are announced in the first lecture.

Open Economy Macroeconomics

Applicability: Bachelor students of Economics  
ECTS: 6  
Duration: Winter term / 1 Semester  
Workload: 180 hours, Lectures (3 SWS) and tutorials (2 SWS)

2. Level
In Konstanz the course is usually taken in the 5th (of six) semester.

3. Module prerequisites
Macroeconomics I and Microeconomics I

4. Recommended knowledge and skills prior to course
Basic knowledge of Macroeconomics and Microeconomics.

5. Module description and background
a. The balance of payments: definitions and accounting identities  
b. Current account determination in endowment economies  
c. Current account determination in economies with production  
d. Welfare implications of capital mobility  
f. Case studies: reasons for observed current account imbalances; potential reme-dies; twin deficits  
g. Exchange rates and interest rates: PPP and violations thereof, the Balassa-Samuelson effect, measures of the degree of capital mobility, the Feldstein-Horioka puzzle, the term structure of interest rates  
h. TNT model: the determination of real exchange rates in a model with tradable goods and non-tradable goods; the relationship between real interest rates, the trade balance and real exchange rates  
i. The monetary approach to exchange rate determination  
j. Dornbusch overshooting  
k. Exchange Rate Regimes
I. Currency Crises: first-generation, second-generation, and third-generation models
   m. Monetary unions
Details of the dates of the individual topics, the expected weekly readings, times of absence and exams etc. will be announced to the students in the first lecture.

6. Literature

Further information on literature that is useful for some topics will be given in the lecture.

7. Learning Outcomes
   • Students have an overview over fundamental relationships related to the balance of payments and exchange rates.
   • They know different approaches to exchange-rate determination and their relative merits.
   • They are able to discuss issues concerning exchange-rate policies, exchange-rate regimes (in particular, monetary unions), global imbalances and financial crises.
   • Students are in a position to form their own, well-founded views on these topics.
   • They can develop simple microfounded models to address issues in International Macroeconomics.

8. Teaching methods
Lectures and tutorials:
In lectures, a university teacher delivers a speech and provides an overview of a certain subject. A discussion does not usually take place and the number of participants is not limited. Lectures are always accompanied by a tutorial. Such tutorials offer students the chance to ask questions and examine a subject in greater depth.

9. Assessment and final mark
Final exam:
The grade is based on a final exam and a tutorial assignment. Details are announced in the first lecture.
The lecture offers an introduction to statistical analysis. Topics covered include univariate and multivariate descriptive methods, explorative methods, probability, discrete and continuous random variables and their distributions. Tutorials complement the lecture and include a discussion of output from the statistical software STATA. This lecture is typically offered in summer terms.

Course Outline

1. Introduction and Basic Statistical Concepts
   1.1. What is „Statistics“?
   1.2. Statistical Units
   1.3. Characteristics and Values of Characteristics
   1.4. Statistical Variables
   1.5. Types of Characteristics
2. Data and Univariate Descriptive Statistics
   2.1. Frequency Tables
   2.2. Graphical Methods for Summarizing Data
   2.3. Cumulative Frequency Distribution and Empirical Cumulative Distribution Function
2.4. Empirical Measures of Location and Dispersion
2.5. Empirical Measures of Concentration
3. Multivariate Description and Exploration
   3.1. Two-way Tables, Margin Counts and Conditional Frequencies
   3.2. Scatterplots
   3.3. Empirical Correlations
4. Probability
   4.1. Definitions of Probabilities
   4.2. Interpretation of Probabilities
   4.3. Random Samples and Combinations
   4.4. Conditional Probability
   4.5. Independence
   4.6. Law of Total Probability
   4.7. Bayes’ Theorem
5. Discrete Random Variables
   5.1. Distributions and Parameters of Discrete Random Variables
   5.2. Examples of Discrete Distributions
6. Continuous Random Variables
   6.1. Definition and Parameters of Continuous Distributions
   6.2. Examples of Continuous Distributions
7. Multivariate Random Variables
   7.1. Definition of Multivariate Random Variables
   7.2. Bivariate Discrete and Continuous Random Variables
   7.3. Independence of Random Variables
   7.4. Covariance and Correlation
   7.5. Bivariate normal Distribution
Statistics II

Course Description
This lecture builds directly on Statistics I and gives an introduction to statistical estimation and inference. Topics covered include point and interval estimation, hypothesis testing and an introduction to regression analysis. Tutorials complement the lecture and include a discussion of output from the statistical software STATA. This lecture is typically offered in winter terms.

Course Outline
1. Introduction
2. Sampling and Sampling Distributions
   2.1. Law of Large Numbers
   2.2. Central Limit Theorem
3. Parameter Estimation
   3.1. Point Estimation
   3.2. Properties of Estimators
   3.3. Interval Estimation
4. Hypotheses Testing
   4.1. Principles of Statistical Testing
   4.2. Specific Statistical Tests
5. Regression Analysis
   5.1. Simple Linear Regression
      5.1.1. Model
      5.1.2. Estimation
      5.1.3. Parameter Tests
      5.1.4. Residual Analysis
      5.1.5. Prediction

D.2.3 Course Descriptions of elective courses (Winter Semester)

Advanced Econometrics

This course builds up on the course Econometrics I. Its goal is to make students acquainted with some fundamental concepts of estimation and inference for nonlinear econometric models. The course aims at providing students with the necessary theoretical background for further courses in econometrics. The tutorials consist of theoretical exercises, empirical applications and an introduction to the programming language GAUSS.

Prerequisites: Econometrics I (or equivalent course).

Course outline:
• Asymptotic Theory
• IV Estimation
• ML and Pseudo-ML-Estimation
• Generalized Method of Moments
• M Estimation
• Robust Estimation
Applied Econometrics

The objective of this course is to provide students with solid theoretical and practical foundations for the interpretation of empirical evidence in economics. The lecture “Applied Econometrics” covers additional econometric techniques that are useful in empirical economic research and is intended to acquaint students with important econometric concepts not covered in Econometrics I, including:

• Panel data, causality, discrete choice
• Time series econometrics, forecasting, risk management

It is also designed to train students in the following aspects of empirical economic research:

• learning how to undertake an empirical study
• data preparation and handling gaining more experience with major econometric software packages (STATA, EViews)

Students who take this course as a Bachelor seminar typically prepare an empirical study using real world data and do not have to take part in the exam. Instead they are required to present their seminar paper in class. Moreover, they have to hand in an exposé for their Bachelor thesis (4 pages) a week after the presentation. Seminar presentations and the exposé are in English.

Business Cycles, Employment and Financial Markets

In this course you will be introduced to the foundations of modern macroeconomic theory. The focus is on building general equilibrium macroeconomic models based on micro-foundations, i.e. optimizing economic agents (households, rms, government, etc.). Motivated by a series of stylized facts, we will assess to what extent such formal models can account for real-world phenomena such as business cycles, unemployment and financial crises. In addition, you will learn how to analyze the implications of specific macroeconomic policies through the lens of dynamic models.

The course will provide an insight into recent developments in macroeconomic research and, at the same time, lay the foundations to more advanced courses on the Master level.

Prerequisites:
Students should have completed introductory classes in Micro I and Macro I. Moreover, since we will largely work with formal models, a sound background knowledge of mathematics is required. In particular, students should be familiar with differential calculus and constrained static optimization (Lagrange).

Textbooks:
I will make lecture slides and other reading material available on Ilias. You are not required to buy a book to follow this course as the lecture slides are fairly self contained.

Grades:
The final grade will be based on a 90-minutes final exam (90%) and a participation grade (10%).
There will a problem set for each tutorial class (in total 6-7). The participation grade is based on the submission of at least 5 solutions as well as participation in class.
Course Outline:
1. Introduction
3. One-Period Model: Consumer and Firm Behavior
4. One-Period Model: General Equilibrium, Efficient Allocation
5. Intertemporal Choice and Credit Markets
6. A Dynamic Production Economy
7. Real Business Cycles in an Overlapping Generations Models
8. The Role of the Government I: Fiscal Policy
9. The Role of the Government II: Pension Systems
10. Unemployment: the Search-and-Matching Model
11. Financial Frictions
12. Bank Runs
13. Sovereign Debt and Default

Corporate Governance

Corporate Governance is a bachelor level course that discusses problems and solutions related to the conflicts of interests (omni)present and intrinsically rooted in modern corporations. The practical importance of this course naturally arises from the fact that a large number of recent corporate scandals, defaults, and failures could have been likely prevented by enhanced governance schemes. Thus, the course will aim at providing answers to the following question: What checks and balances in modern corporations are suitable for aligning the interests of managers with those of (control-ling) shareholders without harming other interest groups, such as minority shareholders, debtholders, financial markets, employees, and society at large?

This course has three goals:
First, it offers students the opportunity to gain insights, based on real-world examples (mini-cases), on the wide spectrum of (possibly dysfunctional) incentives that various interest groups face in modern corporations.
Secondly, it provides an overview of the problems and solutions addressed by academicians and practitioners in the field of corporate governance.
Thirdly, the course presents and discusses a number of established and recent empirical papers with the aim of providing students with the necessary tools and skills to conduct own empirical analyses (for example in form of bachelor theses) on corporate-governance topics.

Course outline:
• Introduction
• Poor Corp. Governance and Poor Corp. Finance
• Monetary Incentives
• Ownership and Control
• Shareholder Voting
• The Board of Directors
• The CEO Retention Decision
• The Hostile Acquisition Threat
• Other External Governance Mechanisms
• Conflicts with other Stakeholders (and their resolution)
• Buffer/Recap
**Current topics in Bank Strategy (taught over three days)**

Introduction to credit derivatives (CDS, securitizations, SIV)

Module 1: Bank Fundamentals (Day 1)
- Definition of banks:
  - What are Financial Intermediaries?
  - Theoretical explanations for the existence of banks
- The business of banking:
  - Retail Banking (products, customers, players)
  - Wholesale Banking (products, customers, players)

Module 2: Bank Financials (Day 1)
- Bank Balance Sheet
- Bank Income Statement - How do banks generate profits?
- Bank valuation and profitability measures

Module 3: The German Banking System (Day 2)

Module 4: Regulation and banks’ capital (Day 2)
- Banking Regulation:
  - Aims of financial regulation
  - Institutions
  - Regulatory laws in Germany
- Bank's capital:
  - Overview on different types of capital
  - Economic Capital
  - Regulatory Capital – Key Elements of Basel II

Module 5: Global Financial Crisis (Day 3)
- Pre-Crisis Situation
- Overview on different stages of the financial crisis
- Market Participants Reactions during the crisis:
  - Central banks' reactions during the crisis
  - State interventions during the crisis
- Economic effects of the financial crisis:
  - Banking industry
  - Global economy
- Summary and evaluation of the Crisis

Module 6: The Future of Banking (Day 3)
- Changes in Regulation
- Future Outlook of Industry

**Economics of Imperfect Labour Markets**

The course puts a focus on labor market institutions and labor market policy. Emphasis will be placed on how public policy affects efficiency on labor markets and on the redistributive properties of institutions operating in imperfect labor markets, subject to market failures. Topics of interest include: minimum wages, unions, anti-discrimination legislation, regulation of working hours, early retirement, family policies, education, migration policies, EPL, unemployment benefits, active labor market policies and payroll taxes. For each institution, the courses presents and discusses the main definitions, available measures, stylized facts, relevant theories, empirical evidence on the causal effects on outcomes of interest, as well as current policy issues. After completion of the course, a student should be able to evaluate how changing economic conditions and public policy will affect the labor market, individuals and businesses.
Outline
1. Introduction
2. Labor Market Institutions: A Simple Theoretical Framework
4. Minimum Wages
5. Unions and Collective Bargaining Institutions
6. Anti-Discrimination Legislation
7. Regulation of Working Hours
8. Early Retirement Plans
9. Family Policies
10. Education and Training
11. Migration Policies
12. Employment Protection Legislation
13. Unemployment Benefits
14. Active Labor Market Policies
15. Payroll Taxes

Prerequisites and Assessment
Students should have a solid background in microeconomics and econometrics. Assessment will be based on a final exam. The exam will be in written form.

Entrepreneurial Finance
Applicability: Bachelor students Economics
Credits: 5
Duration: 1 Semester, offered only in winter term
Workload: 150 hours, Lectures (3SWS) and tutorials (2SWS), 1SWS equals 45min per week

2.) Level
In Konstanz the course is usually taken in the 3th (of 5th) semester.

3.) Module prerequisites
- Organizational Theory and Design
- Corporate Finance

4.) Recommended knowledge and skills prior to course
Students attending this course should have basic knowledge of corporate finance (Modigliani/Miller irrelevance), accounting (balance sheets, income statements, and financial ratios), finance (present value methods, portfolio theory, and CAPM), and statistics (mean, variance, standard deviation, simple and multiple regressions).

5.) Module description and background
The aim of the lecture is to discuss concepts, theories and institutional as well as empirical facts regarding Entrepreneurial Finance. The course covers all financial and investment aspects related to new ventures. In particular, it deals with
- decision making related to undertaking and investing in new ventures,
- valuating strategic choices from the perspective of value creation,
- financial modeling to assess cash requirements and obtain reliable valuations, and
- the structuring of deals to provide appropriate incentives to create maximum value.
It also includes all stages of new venture development (start-up to harvest).
Details of the dates of the individual topics, the expected weekly readings, times of absence and exams etc. will be announced to the students in the first lecture.
6.) Literature

7.) Learning Outcomes
Upon successful completion of the course, students will be able to
- identify matters, in which entrepreneurial finance differs from traditional corporate finance,
- assess the downside risks and upside potentials of new ventures,
- differentiate between different types of entrepreneurs based on their characteristics and motivation,
- address and solve practical problems related to the valuation of new ventures,
- distinguish between good and bad deal structures based on agency issues,
- choose the most appropriate strategy to finance new ventures,
- understand the venture capital market,
- choose the best harvesting strategy following investments in new ventures.

8.) Teaching methods
Lectures and tutorials. In lectures, a university teacher delivers a speech and provides an overview of a certain subject. A discussion does not usually take place and the number of participants is not limited.
Lectures are always accompanied by a tutorial. Such tutorials (led by students from higher semesters) offer students the chance to ask questions and examine a subject in greater depth. These teaching methods reflect the self-sufficiency and independency that is typical of studying in Germany.

9.) Assessment and final mark
final exam: 100%

**European Economics**

I. European Single Market and Currency Union: Key facts and economic issues  
**Motivation for Single Market integration and currency union**  
**Economic development in the EU**  
**The crisis: Run-up, forces acting and implications for the functioning of EMU**

II. Fiscal policy and governance  
**Fiscal policy transmission channels, budget composition and fiscal stance**  
**The government sector in the national accounts: a primer**  
**The EU fiscal framework: Rules, surveillance, adherence and credibility**  
**Assessing fiscal stance and fiscal impulse: Empirical approaches and issues**

III. Financial markets: Integration and regulation  
**Capital allocation, efficiency and risks**  
**Key issues in financial market regulation, regulatory framework and banking union**

IV. Monetary Policy in the euro area  
**The System of European Central Banks and the ECB mandate**  
**Theories of monetary policy transmission**  
**Monetary policy before, during and after the crisis: Instruments, impact and issues**

V. Structural Reform and economic performance
Experimental Methods

Students know induced value theory as the core method of experimental economics. They understand its limitations. They know the most important experiment types. They are able to draw correct conclusions from experimental results. They are able to sketch an experiment based on a concrete research question.

- Induced Value Theory
- Designing experiments
- Individual decision making experiments
- Experimental markets
- Bargaining experiments
- Important statistical tests for experiments
- Theories of non-standard behavior
- Field experiments
- Psychoeconomics and neuroeconomic methods

Literature
- Friedman, Sunder: Experimental Methods.
- Friedman Cassar: Economics Lab.
- Holt: Markets, Games & Strategic Behavior.
- Camerer: Behavioral Game theory

Economics of Immigration

The objective of the course is to provide students with a solid understanding of key topics in the economics of immigration. We will study the determinants of international migration, migrant self-selection and assimilation, and the effects of immigration in both the destination and the home country. We will also look at the immigration policy in Europe and labor market integration of first- and second-generation immigrants. This course is intended for students with no previous knowledge of immigration and of labor economics. I assume that you are comfortable with standard tools of micro-economics and econometrics.

International Trade

Typical questions in international trade are: What explains international trade flows? What are the gains and losses from trade? How does trade affect income distributions? What are the instruments of trade policy? Who are the winners and losers of tariffs, import quotas and export subsidies? The objective of this course is to address questions like these by discussing classical and modern models of international trade. In addition, empirical evidence and case studies are used to illustrate the concepts and theories.
Outline
1. Introduction
2. The Global Economy
3. Trade and Technology: The Ricardian Model
4. Gains and Losses from Trade: The Specific Factors Model
5. Trade and Resources: The Heckscher-Ohlin Model
6. Firms in the Global Economy
7. Import Tariffs and Quotas under Perfect Competition
8. Import Tariffs and Quotas under Imperfect Competition
9. Export Subsidies in Agriculture

International Bank Strategy

Contents
Introduction to credit derivatives (CDS, securitizations, SIV)
Module 1: Bank Fundamentals (Day 1)
Definition of banks
• What are Financial Intermediaries?
• Theoretical explanations for the existence of banks
• The business of banking
• Retail Banking (products, customers, players)
• Wholesale Banking (products, customers, players)
Module 2: Bank Financials (Day 1)
Bank Balance Sheet
Bank Income Statement - How do banks generate profits?
Bank valuation and profitability measures
Module 3+4: The German Banking System and Regulation and banks' capital (Day 2)
Banking Regulation
• Aims of financial regulation
• Institutions
• Regulatory laws in Germany
Bank's capital
• Overview on different types of capital
• Economic Capital
• Regulatory Capital – Key Elements of Basel II
Module 5: Global Financial Crisis (Day 3)
Pre-Crisis Situation
Overview on different stages of the financial crisis
Reasons for the crisis
Market Participants Reactions during the crisis
• Central banks' reactions during the crisis
• State interventions during the crisis
Economic effects of the financial crisis
• Banking industry
• Global economy
Summary and evaluation of the Crisis
Module 6: The Future of Banking (Day 3)
Changes in Regulation and Future Outlook of Industry
International Macroeconomics

What are the characteristics of international business cycles and how can they be explained? What are the economic effects of increasingly integrated financial markets? Are country-specific risks internationally insured? Why is there little international portfolio diversification, i.e. why is there a bias towards domestic assets? What are the characteristics of international debt crises? How can foreign creditors enforce debt repayment? The objective of this course is to address questions like these by studying modern international macroeconomic models and to compare the theoretical properties with the empirical evidence. Modern macroeconomic models often imply stochastic nonlinear dynamic equilibrium conditions that do not admit analytical solutions and, instead, require numerical techniques. Therefore, the course provides a brief introduction in numerical methods based on loglinear approximations.

Course outline:
• Introduction
• International Borrowing and Lending under Uncertainty in a Two-Period Framework
• International Business Cycles: A Workhorse Model
• International Risk Sharing, Financial Markets and International Relative Prices
• International Portfolio Diversification and the Home Bias Puzzle
• International Debt and Default
• Business Cycles and Default Risk

Methodological Part: Solving Nonlinear Dynamic Stochastic Models

Introduction to Decision Theory

Course objective
Learn to understand how decisions are actually made and how they should be made to achieve better outcomes with respect to the decision maker’s goals. Acquire in particular formal-mathematical methods to analyze rational decision making under ignorance and risk. Evaluate group decision mechanisms in which the strategic interaction among the decision makers needs to be taken into account. Apply the acquired knowledge to typical decision problems in the commercial sphere and in general socioeconomic interactions.

Subject matter
• Choices, Preferences, Utilities
• Decisions under ignorance and risk
• Probability and Bayesian updating
• Basic concepts of game theory
• Social choice theory
• Limits of expected utility theory
• Behavioral decision theory

Prerequisites
Mathematics I and II (probability theory), Statistics I, Microeconomics I

Textbook
Erik Angner: A course in behavioural economics, Palgrave MacMillan, 2012
Daniel Kahneman: Thinking, Fast and Slow, Macmillan Us, 2011
Macroeconomics

This lecture introduces students to the area of macroeconomics. Macroeconomics takes a bird’s-eye view on the economy by focusing on the aggregate outcomes that result from individual behavior, such as GDP and employment. We will cover all the major themes, which are long-run growth, the business cycle, unemployment, inflation, monetary and fiscal policy, and international trade. For each of these topics, the lecture will provide you with an overview of the most important regularities observed in the data and will then use theoretical models to capture and explain those empirical facts. There are different approaches to model the macroeconomy. We will put an emphasis on theories that are explicitly based on optimal choices of individual households and firms. The required text book is Macroeconomics (8th ed.) by Greg Mankiw.

Schedule of Topics
1. Introduction
3. Foundations of Consumption and Investment
4. Money, Banks, and Inflation
5. The Open Economy
6. Labor Market and Unemployment
7. Economic Growth
8. The Short Run: Business Cycles

Matlab for Finance

Applicability: Bachelor students of Economics or also Masters students
ECTS: 3
Duration: 1 Semester, offered in summer and winter term
Workload: 2SWS including programming work,

2.) Level
In Konstanz the course is usually taken in the 4th (of six) semester.

3.) Module prerequisites
‘Corporate Finance’ and ‘Investment and Finance’

4.) Recommended knowledge and skills prior to course - none

5.) Module description and background
This soft skill course brings together programming and finance. The course enables students to use the MATLAB programming language to solve financial problems, similar to the examples from ‘Corporate Finance’ and ‘Investment and Finance’. MATLAB provides a convenient and reliable tool for handling and reporting data as well as graphical illustrations. It has become the de facto standard for finance applications and is thus particularly relevant for the job market.

Details of the dates of the individual topics, the expected weekly readings, times of absence and exams etc. will be announced to the students in the first lecture.

7.) Learning Outcomes
Students are able to write small MATLAB programs which solve realistic financial problems.

8.) Teaching methods
The 90 minutes sessions of the course will be split into two parts: A first part, where we will discuss the solutions of the exercises from last week, and a second part, which covers new content.

9.) Assessment and final mark
Assessment will be based on a "Journal" which you have to hand in at the end of the course. The content and the demands on that "Journal" will be specified in the first lecture. There will be no grade but just a pass or fail.

**Personnel Economics**

The lecture and tutorial provides an analysis of problems of human resource management from an economic perspective. Hence, it uses predominantly on microeconomic theory but also refers to insights from behavioral economics. The lecture is based on specific papers rather than a textbook. Language of instruction is English.

**D.2.4 Course Descriptions of elective courses (Summer Semester)**

**Brand Management**

This course will examine the role of brands in creating value for companies. In today’s world of global competition, a company’s design, production, and distribution can be replicated. The awareness, attitudes, and trust developed from investing in a brand, however, cannot be copied as easily. Thus, although brand assets are often difficult to measure, they can comprise some of the most valuable assets of a firm. In this course, we will explore the concepts of customer-based brand equity, brand positioning, brand extensions, brand relationships, and more.

This course will consist of lectures, discussions, and activities. There will be a lot of reading in this course. It is imperative that you come to class having read the assignment and being prepared to participate. I expect students to bring examples to class that demonstrate the concepts we are covering. All lectures and discussions will be conducted in English. The group project and the exam will also be in English. Please ensure that you are willing to handle this level of commitment before deciding to participate in this course.

**Experimental Methods in Econometrics**

Experiments have established their own role in economics as a source of knowledge. Experiments allow testing the behavioral assumptions underlying economic modeling; they provide tests the empirical validity of different models and permit to establish behavioral regularities even when not theory is yet available. Experiments also guide the researchers in the development of new theories. So, without experiments, prospect theory and social preference theories would be without relevance, since the relevance could not be proven. This lecture gives an introduction into the experimental method in economics. It should enable you to design, plan, conduct, and analyze an economic experiment. Furthermore, it presents typical and prototypical experimental designs.
Course outline:
• Introduction
• Markets
• Designing Experiments
• Bargaining
• Public Goods (hidden slides)
• Experimental Labor Markets
• Auctions
• Strategic Thinking
• Statistical Game Theory
• Asset Market Experiments
• Field Experiments
• Neuroeconomics

Labor Economics

The objective of this course is to provide students with an in-depth understanding of main topics in labor economics. Topics to be studied include wage determination and differentials, human capital, labor mobility and migration, labor market discrimination and the economic impact of labor unions.

By the end of this course, the students will be able to:
• Understand the market forces behind supply and demand for labor.
• Analyze wage determination in a competitive labor market and how outcomes vary when the market is not competitive.
• Understand the basic theory of investment in education
• Analyze the impact of immigration on the labor market
• Understand the effects of gender, race and ethnic discrimination on worker and employer decisions.
• Analyze the impacts of unions on wage structures and worker productivity

Course outline:
• Introduction to Labor Economics
• Labor Supply
• Labor Demand
• Labor Market Equilibrium
• Human Capital
• Labor Mobility
• Labor Market Discrimination
• Labor Unions

Matlab for Finance

Applicability: Bachelor students of Economics or also Masters students
ECTS: 3
Duration: 1 Semester, offered in summer and winter term
Workload: 2SWS including programming work,

2.) Level - in Konstanz the course is usually taken in the 4th (of six) semester.
3.) Module prerequisites
‘Corporate Finance’ and ‘Investment and Finance’

4.) Recommended knowledge and skills prior to course - none

5.) Module description and background
This soft skill course brings together programming and finance. The course enables students to use the MATLAB programming language to solve financial problems, similar to the examples from ‘Corporate Finance’ and ‘Investment and Finance’. MATLAB provides a convenient and reliable tool for handling and reporting data as well as graphical illustrations. It has become the de facto standard for finance applications and is thus particularly relevant for the job market.

Details of the dates of the individual topics, the expected weekly readings, times of absence and exams etc. will be announced to the students in the first lecture.

7.) Learning Outcomes
Students are able to write small MATLAB programs which solve realistic financial problems.

8.) Teaching methods
The 90 minutes sessions of the course will be split into two parts: A first part, where we will discuss the solutions of the exercises from last week, and a second part, which covers new content.

9.) Assessment and final mark
Assessment will be based on a "Journal" which you have to hand in at the end of the course. The content and the demands on that "Journal" will be specified in the first lecture. There will be no grade but just a pass or fail.

**Topics in Economics of Education**

This course consists of three modules. In module A students learn about economic issues related to education balancing theory with empirical results. In particular, the decision to invest in education and how this decision is affected by ability, family background, and other factors will be discussed. We go on to examine the returns to education for the individual as well as for the society at large. Finally, we investigate the process and the financing of educational production with respect to efficiency and equity in the education system.

Many questions in the economics of education that are addressed in module A can ultimately only be answered empirically. This, however, requires sometimes complex empirical methods to distinguish causation from accidental association in the data. Thus, module B provides an introduction on research methods for empirical identification from an applied perspective.

Finally, module C focuses primarily on articles from academic journals. Students are expected to actively participate in the discussion of assigned readings and will also be assigned to lead class discussions including short presentations of the assigned readings. As many of the readings are intended for an advanced audience and will be challenging at first, students will not be expected to understand all the mathematics or econometrics. Instead, the focus will be on grappling with the author’s key insights. To prepare students to conduct original research (including senior theses), this module includes also a small group project.
The goal of the course is that students learn about current topics in education economics, about education policy, about evaluation methods, and about (the reality of) how to do applied research. The course is also designed to prepare students to understand and/or conduct original research (including senior theses). The course will be particularly useful for students interested in educational administration, educational planning and policy, and those with interest in pursuing further studies in the economics of education. However, it is also suitable for students with a more general interest in public administration or who intend to become or to advise policy makers in the future.

Outline: Course Modules
Module A: Topics in the Economics of Education
• A.1 Introduction
• A.2 The Returns to Human Capital Investments
  Human Capital Theory
  Signaling in the Labor Market
  Returns to Education and Skills
  Education and Economic Growth
• A.3 The Production and Financing of Education
  Educational Production, Class-Size Effects, and Funding
  Teachers and Teaching
  Performance Incentives for Teachers and Students
  Accountability and Central Exams
  School Autonomy
  School Choice and Competition
  Families and Intergenerational Mobility
  Peer Effects and Social Interaction
  Educational Tracking
  Early Childhood Education Programs
  Adult Education and Training
Module B: Econometric Methods for Policy Evaluation
• B.1 Causal Inference from Observational Data
  Field Experiments
  Instrumental Variables
  Regression Discontinuity
  Differences-in-Differences
  Fixed Effects
• B.2 Causal Inference in Action (a hands-on learning session with simulated data using STATA)
Module C: Reading Sessions and Student Presentations
There will be at least six reading sessions during the semester. Readings will be assigned at least a week in advance. The specific topics/readings covered in the course will partly be endogenous to the specific interests expressed by participants.
D.2.5 English course description of core courses taught in German

Mathematics I
- Basic concepts of mathematical thinking: sets, numbers, functions, sequences and series
- Introduction to differential calculus: differentiation, Taylor series, monotony and convexity of functions
- Integral calculus and integration techniques: indefinite, definite and improper integrals, integration by parts and integration by substitution
- Differential calculus in several variables: gradient and Hessian matrix, implicit functions, implicit differentiation

Mathematics II
- Introduction to linear algebra: vectors and matrices, systems of linear equations, determinants, eigenvalues, quadratic forms with and without constraints
- Optimisation: unconstrained and constrained, necessary and sufficient conditions for local extrema, the method of Lagrange multipliers and the theory of Kuhn-Tucker
- Differential equations: qualitative and quantitative theory of scalar, autonomous differential equations, scalar non-autonomous differential equations, linear differential equations of higher order, linear systems

Introduction to Economics
- Introduction to central thought patterns and basic concepts of economics (opportunity costs, trading profits, efficiency)
- Pricing in competitive markets and impact of market interventions (minimum and maximum prices, goods taxes or the opening of trade barriers)
- Externalities, public goods and the concept of the control system to improve market outcomes
- Market behaviour of firms and market forms (competition, monopoly)
- Main aggregate sizes and economic cycle correlations
- Long-term economic development of an economy with flexible wages and prices
- Interaction with the monetary system (money, inflation) and abroad (foreign trade, exchange rate)
- Short-term macroeconomic fluctuations (business cycle, monetary and fiscal policy)

Microeconomics I
- Basic concepts of microeconomic analysis
- Production and cost theory, long-term and short-term cost functions
- Companies and markets: Market behaviour of profit-maximizing firms under perfect competition, on monopoly and oligopoly markets
- Consumer theory: use-maximizing and expenditure-minimizing behaviour of the household when there is a demand for goods, labour supply, savings and demand for insurance
- General equilibrium and welfare: general properties of equilibria with perfect competition, Pareto optimal allocations, first fundamental theorem of welfare economics
GbR (Grundlagen des betrieblichen Rechnungswesens)

This course covers financial accounting according to the regulations of the German Commercial Code (Handelsgesetzbuch or HGB). First, the sub-areas of corporate accounting and external financial reporting functions are explained. The computational parameters used in the various systems of corporate accounting are also defined. The explanation of the generally accepted accounting principles forms the basis for understanding the accounting according to the HGB. Subsequently, the system of double-entry bookkeeping and the types of accounts used for booking transactions are explained. Application examples for recording transactions include the accounting treatment of trade and payments. Finalisation of accounts and other closing entries (e.g., depreciation, provisions, deferred income) required are also explained. Finally, the profit statement is explained as a function of the legal status and an outlook on the development of credit ratings is given.

Business Organisation
• The essence of Business Administration
• Organisation, transaction and efficiency
• Theories of the firm
• Organisational forms of companies
• Business strategy and organisation structure

Introduction to Marketing
• Principles of marketing
• Markets, market relations and market definitions
• Market research
• Fundamentals of product policy, price policy, communication policy as well as distribution policy
• Establishment of an appropriate marketing mix

Financial Accounting

Subject of the lecture "Financial Accounting" are selected topics pertaining to external accounting in accordance with International Financial Reporting Standards (IFRS). An overview is given clarifying the purposes and functions of external accounting in an international context as well as which institutional realities international accounting must observe. Based on this introduction, the structure of the rules of IFRS is explained as well as the basic elements of accounting (balance sheet approach, initial and subsequent evaluation). As application examples, the accounting of the assets "tangible fixed assets", "intangible assets" and "financial instruments" as well as the liabilities "provisions" and "equity" are presented. The relevant disclosure requirements and the essential differences to the German Commercial Code (HGB) are also discussed. Finally, the basics of financial statement analysis are explained.

Basics of Vocational and Business Education I
• History of development and systematic classification
• Tasks and research fields of vocational and business education as a branch of educational science
• "Dual system" of vocational training
• Education and employment systems as well as education and (vocational) training between the poles of individual and social demands
Basics of Vocational and Business Education II

- Vocations education in its different school forms and functional units
- Historical and systematic examination of the term “vocation” and classical German vocational education theory
- Basic issues of teaching in vocational education
- Current issues in vocational education research

Didactics I

- Concept and subject-matter of didactics
- Learning as a didactic and methodological problem
- Didactic models
- Learning theories and transfer research
- Objectives of vocational learning
- Didactical developments in vocational education

Introduction to Student Teaching

- Personal responsibility for planning, structuring and preparing lessons
- Implementing your own lesson
- Critical discussion with observed lessons and preparation for the school internship

Didactics of Economics I

- Connection of didactic models and practical implementation in teaching
- Scientific reflection of the central current aspects and developments in teaching

Human Resources Basics

- Personnel economics and human resources policies
- Personnel development and human capital theory
- Incentives and motivation
- Asymmetrically distributed information and information disclosure

Private Law

- Overview, concept of law and private law
- General Part of the German Civil Code (1): Entities and objects, transactions, declaration of intent
- General Part of the German Civil Code (2): Contract and conclusion of contract, separation and abstraction principle
- General Part of the German Civil Code (3): Agency
- General Part of the German Civil Code (4): Challenge, invalidity and nullity of contracts
- General Law of Obligations: Concept, content, service disruptions and termination of the obligation
- Special Law of Obligations: Special types of contracts - sales law, donation and rental
- Legal obligations: Law of Torts
- Property Law
Psychological Foundations of Workplace Learning

Basics of psychology, nature-nurture, memory, learning theories, theories of instruction, motivation, emotion, stress and coping.

Workplace Education I

Educational and psychological concepts and findings on workplace education, e.g. work and occupation, types of workplace training, professional learning and staff development as well as organisational development.

Workplace Education II

Training evaluation, programme evaluation, methods of quantitative data collection and analysis, formative and summative evaluation, education management, educational control.

Workplace Education III

Selected current topics, such as older employees, outdoor training, e-learning, fields of action of workplace education.

Marketing Management

Subject of this lecture are individual management sub-functions (e.g. planning, control, organisation), with an explicit reference to the area of marketing. In addition to marketing management on national markets, the peculiarities and problems of international marketing management (e.g. choice of the foreign market to be entered, foreign market entry strategy, organisational features in international business activities) will also be discussed. The examination content includes the material covered in the lectures and the respective exercises.

D.2.6 Repeatedly taught Seminars in English

Exchange students will be allowed to participate per special request only.

Applied Econometrics

In this seminar, students prepare an empirical study using real world data. Students use modern methods of data analysis to analyze economic issues in macroeconomics and finance or in individual, household and firm behavior. Depending on the topic, students apply time series econometric or micro-econometric methods. The work on the seminar topics typically includes reading and understanding the relevant literature, collecting and preparing appropriate data, specifying and estimating an econometric model, presenting and discussing the empirical results in class and writing an exposé (if taken as a Bachelor thesis seminar) or a seminar paper (if taken as a non-thesis seminar). Prerequisites: Econometrics I; recommended to attend the “Applied Econometrics” lecture in the same term.
Applied Game Theory

The seminar covers topics from the field of Applied Game Theory. The topics of the seminar are based on scientific work which was awarded the Nobel Prize in the past. Prerequisites: Knowledge of Game Theory

Topics in Monetary Economics

The seminar covers changing topics from the field of Monetary Economics. One topic is presented in the seminar and a short seminar paper summarizing the topic has to be written. Furthermore, a report on a short paper of another student has to be written. Recommended Prerequisites: Open Economy Macroeconomics or Monetary Economics.

Topics of Labor Economics

The seminar puts a focus on labor market institutions and labor market policies. In particular, it highlights the impacts of institutions operating in imperfect labor markets. Topics to be covered include minimum wages, unions and collective bargaining, anti-discrimination legislation, regulation of working hours, early retirement plans, family policies, education and training, migration policies, employment protection legislation, unemployment benefits, active labor market policies, and payroll taxes. The aim of the seminar is to familiarize students with recent insights from the Economic literature on the effectiveness and redistributive properties of these policies.

Experimental Economics

Seminar language: German*; but possible to present and participate in English. Since the seminar doesn’t meet more than 2-3 times, the language aspect can be neglected. In personal meetings with the professor, one can talk English.

Changing topics from the field of experimental Economics. On the one hand, the seminar offers the opportunity to do literature based work and on the other hand to conduct your own economic experiment.

Prerequisites: Game Theory (Level: Robert Gibbons, A Primer in Game Theory, 1992)

D.2.7 Soft Skills Courses

Our softskills courses are taught in our Competence Centre for Key Skills. Look for current offers in English in course catalogue (see Incoming Guide on page 3 on how to search for courses).

Offered most semesters: Introduction to academic writing and working

Aims:

• Inform about the role of writing for university students and for the importance of writing in academia in general
• Develop an understanding of the complexity of academic writing and clarify the position of students as learners
• Create awareness of the writing centre
• Identify points of call for support: writing centre, where applicable department specific support, autonomous feedback groups, literature / references for writing, online support, courses and workshops
• Initiate writing project planning which includes the different phases of the writing process with their specific requirements
• Create awareness for the importance of revision and the opportunities available via feedback and work in small groups

Core messages:
• You can, you are allowed to and you need to learn how to write.
• You learn writing through writing and reflecting on it.
• Good texts originate from a complex writing process.

Possible content (to be discussed with teaching staff):
• Why write? Defining “writing to learn” and “learning to write”
• Why is it worth the effort? Learning through writing and enjoying it
• Writing in academia as discursive writing – criteria of academic texts (inter-textuality)
• Heuristic writing
• The five dimensions of writing after Kruse: which competences are meant when we speak of writing competence?
• Link to neighbouring areas of competence: information competence (university library), department specific competence (teaching staff in the departments), media competence (IT Service Centre), language competence (Language Institute)
• Differentiation between writing process and writing product
• Distinction between supervision, writing tutoring and editing
• Important characteristics of academic texts: structure, topic, referencing, bibliography, language
• Awareness of good practice in academia; how to avoid plagiarism
• The phases of the writing process: preparation, structuration, drafting, revision and editing
• Writing strategies: rapid writers versus planners
• Opportunities and ideas for early and diverse writing on degree topics: writing journal, freewriting tec.
• “Writing is re-writing“ – levels of revision and feedback
• Writing in a foreign language

**MATLAB for Finance**

This soft skill course brings together programming and finance. The course enables students to use the MATLAB programming language to solve financial problems, similar to the examples from Investment and Corporate Finance. MATLAB provides a convenient and reliable tool for handling and reporting data as well as graphical illustrations. It has become the de facto standard for finance applications and is thus particularly relevant for the job market.
D.2.8 Courses in other departments

Exchange students are able and invited to take courses in all other departments.

D.2.8.1 The Department of Politics and Public Administration is the department with the highest number of English-taught exchange courses – and it is the most popular one for economics students to choose.

Please note: registration for exams happens at different times in different departments. Students are informed about these dates in the orientation sessions of the departments.

Please note: in other departments there may be different exam types (papers versus sit-in exams) and slightly different exam periods.

D.2.8.2 German and other Language classes (LINK)

E Masters Programmes

Find here information on the three English-taught Masters programmes:

MSc Economics
Module Handbook

MSc Political Economy
Module Handbook

MSc Social and Economic Data Analysis
Module Handbook