MASTER 2

MENTION ECONOMIE
PARCOURS EXPERTISE ECONOMIQUE

ECONOMETRICS OF IMPERFECT MARKETS / S3

INSTRUCTOR

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OBJECTIVES OF THE COURSE

Over recent decades, most of the world's industrialized economies have been experiencing a series of related phenomena that challenge common economic understanding and theories. The most noteworthy are: (i) productivity slowdown and secular stagnation; (ii) increased product market concentration; (iii) increasing within-country wage inequalities; (iv) the decline of the labor share of income; (v) the rise of superstar firms (Autor, et al. 2017); (VI) Market distortions on the factor markets (De Loecker and Eeeckout, 2018).

The objective of the course is to provide student with a series of techniques that allows for the identification of various forces regarding the structuring of markets, industry churning, firm learning, productivity, product market power and labor market power. Although present in the data, these dimensions cannot be revealed immediately without the use of adequate statistical techniques and the mobilization of specific models.

The coverage of the course is to link theory with empirical evidence, to detect the micro-sources of aggregate growth based on the manipulation fine-grained (simulated) datasets and to exploit heterogeneity in the data.

PREREQUISITE

Basic programming skills under R or Stata

Knowledge of industrial organization models, from Cournot onwards

STRUCTURE OF THE CLASS

Chapter 1. Introduction
Chapter 2. Theoretical models of imperfect competition
Chapter 3. Stylized facts
Chapter 4. Decomposition of productivity growth
Chapter 5. Market power on the product market
Chapter 6. Market power on the labor market

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