

Economics & Policy of networks

February 2020

Lecture notes for the course of Economics and Policy of Networks

Academic year 2019-20

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Your teacher



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Office hours

- During my teaching semester, every Monday and Tuesday by appointment.
- From June to February by appointment.
- Office: 6th floor, room 637

Main goals of this course

- The main goal of this course is to provide a comprehensive overview and synthesis of research on **social** and economic networks, drawing on studies by **economists**, sociologists, and political scientists.
- **The main focus will be on:**
 - Social networks
 - The social, cultural, and economic outcomes of social networks (e.g. social norms, institutions, and a broad array of behavioral outcomes)

- **As social networks now growingly develop online, a part of the course will be devoted to analyzing the economic and behavioral outcomes of online social networks**

Academic papers, NOT textbooks

- This goal will be reached through the systematic and critical reading of academic papers published in refereed journals.
- In part, these papers will be presented by your teacher.
- In part, they will be presented by **YOU**.

Main goals of this course

By the end of the course, students should have:

1. The ability to **understand and critically read research papers** in the field of networks, norms, social capital from the points of view of different disciplines (economics, but also sociology, political and computer science, maybe mathematics).
2. The ability to **assess the strengths and weaknesses of an academic paper**.
3. The ability to conduct **bibliographic researches** on specific topics in economics and other social sciences.
4. The ability to **present and discuss research papers**.
5. Hopefully (but not necessarily), the ability **to formulate and develop a new research question** in the field.

Main target of this course

- This course targets students that are interested in the **academic literature in the field of networks – especially social networks – norms, and culture in a multidisciplinary perspective**, either because they plan to apply for a PhD in economics or other social sciences or because they want to be able to understand with a critical view the articles and papers available in their area of specialization instead of simply reading journalistic summaries of scientific reports.

Contents

This class consists in two chief parts:

1) Lectures

- Introduction to basic concepts (e.g. networks, norms, social capital).
- Presentation of a (short) series of seminal studies in the field.
- Presentation of a (longer) series of recent research papers. We will explore the frontier of empirical economic research in the fields of networks and culture.

Contents

2) Presentations

- Students will give presentations of a selection of published papers.
- In addition, students will be assigned, on **voluntary basis**, a topic with the purpose of developing an **original paper** consisting in a review of the literature and/or in a an empirical exercise based on survey (or other kinds of) data.

Many lectures will consist entirely of students presentations.

One goal of the course is to identify new research questions, which students will be invited to develop empirically and/or theoretically with the professor's assistance.

Examples of research questions developed by last year students

- Which are the roots of populism, and which are its economic outcomes?
- Does the legalization of marijuana lead to less crime, higher taxes and higher GDP?
- Which are the behavioral outcomes of natural disasters?
- Which are the economic outcomes of corruption?
- Which are the social roots of terrorism?
- Which are the determinants of social trust?

Readings

- **Lecture notes and research papers will be provided as the course progresses.**
- In the syllabus, three kinds of reading are listed:
 1. Readings that will be presented by the teacher.
 2. Readings that will be presented by students.
 3. Optional readings that can be useful to get a broader perspective of the topics discussed in each class.

It would be helpful to read the 1) and 2) types of paper **before** the class, in order to be able to actively participate to the **discussion**. Type 3) readings are optional.

Slides

- PowerPoint slides of the lectures will be made available in advance of each class meeting (generally the day before or in the early morning on the same day) on the teacher's website and or **via email**.

Newsletter

- Students are invited to subscribe to the course's newsletter by sending an email to fabio.sabatini@uniroma1.it with the subject "*Subscription to EconNet newsletter*". Please specify your previous areas of studies in the email's body.
- **Students not attending the lectures are invited to subscribe as well!**
- The newsletter will be used to notify the publication and url of the slides and for any other communication related to the course (e.g. changes in the class and office hours, information about exams, readings, interesting events at Sapienza and elsewhere, etc.).

Assignments

- From one point in the course (approximately around the end of March, if not before), students will be invited to undertake one or more of the following assignments:
 - 1) Presentation of a paper to be picked up in a reading list provided during the course.
 - 2) Development and presentation of an original paper on an assigned topic.

Highlights

- At the end of each lecture (starting from the third lecture), students will be invited to devote 5-10 minutes to write the highlights of the lecture.
- Highlights will consist of 1 to 5 bullet points (approximately 85 characters – i.e. NOT MORE THAN 1,5 lines - each).
- Consultation of teaching materials will be allowed.
- Highlights can – but not necessarily will – be subject to evaluation: basically, they could serve to complement the points obtained with the completion of the assignments and/or the exams.

Grading

- Students earn points for each assignment. The total number of points accumulated will determine the final evaluation. Points will be assigned as follows:
 - Paper presentation: up to **20** points
 - Development of an original paper: up to **25** points
- Written exam: up to **15** points.

Points will not be weighted and will equally contribute to the final grade. By reaching the **35 points threshold** students will earn the distinction (i.e. **30 *cum laude***).

Grading summary

- Up to 25 points: original paper*
- Up to 20 points: presentation of a paper from a reading list
- Up to 15 points: written exam

* Plagiarism will be detected and duly sanctioned.

Exam for non-attending students

- Instead of attending the lectures and undertaking the assignments, students can give just the final written exam.
- The exam consists of 3 open questions and will be graded on a 1-30 scale.
- “Perfect” exams will receive the “final distinction” (*laude*): **there is NO DISCRIMINATION AT ALL between attending and non-attending students!**

Attending the lectures

- Attending the lectures is a serious issue.
- Students will be required to actively participate to the discussion.
- Regularity in attendance is fundamental.
- **IRREGULAR ATTENDANCE IS USELESS AND STRONGLY DISCOURAGED.** Punctuality is required.
- In case you do not want to attend the lectures or you are not motivated enough to undertake the assignments, I strongly advice just to give the final written exam. It is **much easier and quicker.**

Mid-term exams?

There are

NO

Mid-term exams for attending students only
(so-called *esoneri*)

Lectures' schedule

- Monday, 18-20
- Tuesday, 18-20
- Wednesday, 9-11

- All lectures will take place in room 1B, in the B-wing of the Department of Economics and Law, 6th floor of the Faculty of Economics.

Students' self-introduction

- Previous studies (here and elsewhere).
- Quantitative and non-quantitative skills (statistics, econometrics, mathematics, other social sciences).
- Econometric skills, as well as sociological and political science backgrounds are highly appreciated).
- Interests (e.g. preferred disciplines and topics, 1st level degree thesis' topic).
- Ambitions (e.g. anyone interested in a PhD?).

See you tomorrow, thank you!