1 Administrative details

Office hours are by appointment (send me an e-mail at alberto.bisin@nyu.edu or contact me after class). I will be around the department at various times, but I will have more time to meet individually with students during the second and third weeks of the course.

2 Course objectives

The objective of the course is to introduce students to some relatively new research topics which are loosely collected into the heading of social economics. Social economics is the study, with the methods of economics, of social phenomena in which aggregates affect individual choices. Such phenomena include, just to mention a few, social norms and conventions, cultural identities and stereotypes, peer and neighborhood effects. Central underpinning of the methods of economics are individualism and equilibrium analysis. In particular, explanations based on solely on group choice are not acceptable and aggregates are generally studied as the result of individual choices at equilibrium.

Any organization of this literature is somewhat arbitrary. Social economics, for instance, does not lend itself naturally to a classic distinction along the theory/empirical work line, as concepts and measurements are often developed in tight connection with each other. Most importantly, the issue of identification appears as fundamental and somewhat delicate in this literature. As a consequence the course will be structured around various special topics which shall be introduced with special emphasis on modeling and identification issues.

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1 The term social economics, in this sense, was introduced in a collection of essays by Gary S. Becker and Kevin J. Murphy (2000) by the same title.

2 Social economics is to be distinguished from Economic sociology, which may be thought of as the study, with the methods of sociology, of economic phenomena, e.g., markets.
3 Schedule

1. Social interactions
2. Social networks and peer effects
3. Social discrimination
4. Evolution of culture
5. Institutions
6. Social and civic capital

4 Reading List

Note: Reading with (*) will be emphasized in class

4.1 Social interactions

8. (*) O. Ozgur, A. Bisin, and Y. Bramoulle’ (2015): “Dynamic Linear Economies with Local Interactions,” mimeo, NYU.
4.2 Social networks and peer effects

1. (*) M. Jackson (2011): “An Overview of Social Networks and Economic Applications,” in J. Benhabib, A. Bisin, and M. Jackson (Eds.), Handbook of Social Economics, Amsterdam, Elsevier.


4.3 Social discrimination


4.4 Evolution of culture


4.5 Institutions

5. (*) D. Acemoglu, S. Johnson, and J. Robinson (2005): “Institutions as a Fundamental Cause of Long-Run Growth,” in *Handbook of Economic Growth*

4.6 Social and civic capital


8. (*) L. Guiso, P. Sapienza, L. Zingales (2011): “Civic Capital as the Missing Link,” in J. Benhabib, A. Bisin, and M. Jackson (Eds.), Handbook of Social Economics, Amsterdam, Elsevier.


