

CDE-DSE WINTER SCHOOL 2009*

December 4, 2009

1 Objectives

The Winter School has two components. The first component is a series of invited lectures delivered by eminent scholars. Each scholar will deliver three lectures on a single area. The second component is a series of short conference-style research talks given by young scholars.

The invited lectures are intended to expose the audience to a variety of ideas, topics and methods at the research frontiers of the economics discipline. The lectures usually survey an exciting research area and are expository in nature. These lectures should be especially useful for young scholars at the beginning of their research careers.

The research talks provide a platform for younger scholars to showcase their research work, get feedback about it and initiate scholarly collaborations and conversations with colleagues. Given the paucity of such high-quality research interaction within India, this activity should be very useful for junior faculty and research students.

2 Invited lectures

The invited expert speakers, their affiliations and the titles of their lectures are as follows:

Professor Charles Manski (Northwestern University)
Identification for Prediction and Decision

Professor William Thomson (University of Rochester)
Adjudication of Conflicting Claims

Descriptions of the lectures to be given by Prof. Manski and Prof. Thomson are provided below in Section 4.

*The Winter School will be held at the Department of Economics, Delhi School of Economics, University of Delhi, Delhi 110007. The dates for the Winter School are December 11, 12 and 14, 2009. See Programme for details. Contacts: (Tel) (+011)27667005, (Email) surjeet@econdse.org

3 Research talks

There will be about 50 participants in the Winter School, including 15-20 junior faculty and advanced doctoral students who will present their research work. A call for submission of research papers was sent out and the programme of research talks was decided after peer evaluation of the submissions.

4 Descriptions of invited lectures

4.1 Prof. C. Manski, *Identification for Prediction and Decision*

“I will lecture on material in my recent book (Manski [1]). The book expounds a new methodology for analyzing empirical questions in the social sciences. I recommend that researchers first ask what can be learned from data alone, and then ask what can be learned when data are combined with credible weak assumptions. Inferences predicated on weak assumptions can achieve wide consensus, while ones that require strong assumptions almost inevitably are subject to sharp disagreements. Lecture 1 will study prediction with missing or otherwise incomplete data. Lecture 2 will consider analysis of treatment response under weak assumptions. Lecture 3 will examine the problem of treatment choice with partial knowledge of treatment response.”

4.2 Prof. W. Thomson, *Adjudication of Conflicting Claims*

“When a group of agents have claims on a resource that cannot be jointly honored, how should what is available be divided among them? A *division rule* associates with each situation of this type, or *claims problem*, a division of the resource. An important application is bankruptcy, but the formal model can also be interpreted as a model of taxation, when a certain amount has to be raised to cover the cost of a public project. Our goal is to survey the literature concerned with the identification of the most desirable rules. (This literature begins with O’Neill [2]; a survey is Thomson [3].) We introduce various criteria of desirability of rules, expressed as axioms, and we undertake a systematic study of the implications of these axioms, when imposed singly and in various combinations. We derive axiomatic characterizations of a number of rules.

Lecture 1: In this lecture, we inventory the rules that have been used in practice or discussed in the theoretical literature. Central examples are the proportional rule, the constrained equal awards rule, the constrained equal losses rule, the Talmud rule, the minimal overlap rule, and the sequential priority rules. We also organize rules in families, such as the *parametric*

family and the *ICI family*. Finally, we introduce elementary properties of rules.

Lecture 2: We introduce a number of relational properties in the fixed population case: lower and upper bounds on awards or losses, order preservation for individuals and for groups, monotonicity with respect to claims or with respect to the resource endowment, self-duality, composition down and composition up, claims truncation invariance and minimal rights first, separability, and claims-transfer-proofness.

Lecture 3: We enlarge the model and allow the population of claimants to vary. We introduce requirements guaranteeing the good behavior of rules in this context, monotonicity with respect to population, consistency, converse consistency, replication invariance, merging-proofness and splitting-proofness.”

References

- [1] C. Manski: *Identification for Prediction and Decision*, Harvard University Press (2007)
- [2] B. O’Neill: A problem of rights arbitration from the Talmud, *Mathematical Social Sciences* 2, 345-371 (1982)
- [3] W. Thomson: Axiomatic and game-theoretic analysis of bankruptcy and taxation problems: a survey, *Mathematical Social Sciences* 45, 249-297 (2003)