



STUDY PROGRAMME

EUROPEAN ECONOMIC STUDIES

ACADEMIC YEAR

2026 - 2027

SEMESTER

1

COURSE TITLE

THE RELEVANCE OF ECONOMIC RESEARCH FOR POLICY-MAKERS

COURSE PROFESSOR

BRAM DE ROCK

COURSE ASSISTANT

PAULA PARENTE

NATURE OF COURSE

RESEARCH SEMINAR

LANGUAGE OF INSTRUCTION

ENGLISH

ECTS CREDITS

1

1. COURSE OBJECTIVE

The purpose of this course is to illustrate the importance of economic research and high-quality data for evidence-based policy making. The course discusses how microeconomic behavior—particularly at the household level—shapes aggregate economic outcomes and policy effectiveness. Emphasis is placed on the role of heterogeneity and model identification in deriving reliable empirical insights. Through a series of applied cases, including health-related taxation, fiscal and monetary stimulus, and labor market responses to shocks, students gain an understanding of how rigorous research design contributes to better-informed public policy.

2. LEARNING OUTCOMES

On completion of this course, you should be able to

- Explain the importance of economic research and reliable data for evidence-based policy making.
- Describe how household heterogeneity influences economic outcomes and policy effectiveness.
- Understand the concept of model identification and assess its relevance for empirical research.
- Interpret and critically discuss recent academic papers addressing policy-relevant economic questions.
- Apply microeconomic and macroeconomic reasoning to analyze real-world policy issues such as health taxation, fiscal and monetary stimulus, and labor market responses to shocks.
- Evaluate the methodological challenges in linking theoretical models with empirical evidence.



The learning outcomes for this course tie in with the following learning outcomes for the European Economic Studies programme

- Independently transform a complex problem into research questions, prepare and carry out a research plan, formulate a scientifically-sound position and assess critically their research findings.
- Recognise the importance of empirical foundation for knowledge acquisition and evidence-based policies and use quantitative techniques and other empirical methods to evaluate theoretical knowledge
- Find, select, critically evaluate and use references, data and other sources of information within a short amount of time.

3. COURSE CONTENT

The first part of the lectures is based on a PhD course at the Université libre de Bruxelles. We will explicitly study the first two lectures of that course and the students will have access to the remaining (more technical) lectures. The focus is on understanding household behavior, the role of heterogeneity, and the importance of model identification. The second part consists of three applied lectures that use recent research to illustrate how economic evidence informs policy making. More specifically we will do the following:

Lecture 1: Intra-household decision making revealed

- Motivating examples and main intuition
- Some recent research

Lecture 2: Model specification and identification

- Some words on choosing the right model
- The importance of identification

Lecture 3: Obesity and the effectiveness of a sugar tax

- Demand analysis and behavioral responses
- The role of data and identification in evaluating health policy

Lecture 4: Fiscal and monetary policy: stimulating the economy

- The role of hand-to-mouth households in transmission mechanisms
- Evidence from recent empirical and theoretical work

Lecture 5: Unexpected outcomes of policy

- The added worker effect and borrowing constraints
- Lessons for policy design from micro-founded macro models

4. TEACHING METHOD(S)

There 10 hours of ex-cathedra lectures. The lectures will be based on custom-made slides that form the basis for the evaluation. Both methods and empirical illustrations will be discussed.



5. COURSE MATERIAL

Custom-made slides.

6. EVALUATION

There will be three short online tests with multiple choice questions. These will be administered in class at the end of the lectures. In total there will be 10 questions, there are no negative points for wrong answers and two points for a good answer. If the student is absent for a test, then (s)he gets zero for that specific test. If in total the student scores 11 or more, then (s)he passes. This is a pass-fail course. The student must obtain an average grade of at least 11 across all three tests in order to pass the course

Students who do not pass the course in the first examination session take the exam in the second examination session (resit), which, according to the Study Regulations, counts for 100% of the final course grade.

7. FURTHER SPECIFICATIONS

In this course, the use of generative artificial intelligence (genAI) is **strictly prohibited** at all stages of the work process. According to art. 38 of the Study Regulations, prohibited use means that *“all tasks related to an assignment, from planning, conceptualisation to research and writing, must be completed without support of genAI.”*

Failure to respect these rules will be considered academic misconduct and be sanctioned in line with the Study Regulations (Section 4.4.). The use of AI-powered tools for grammar checking or reference management is permitted.

Throughout the whole duration of the exam, all the mobile phones and other electronic devices (except the laptop which you take the exam on) need to be put in silent mode and be kept in your bag. If you want to take and upload pictures to the exam, e.g. graphs, please raise your hand and wait for an explicit authorisation of a supervisor. Any other unauthorised usage and/or possession of phones and/or other electronic devices throughout the entire duration of the exam (inside or outside of a classroom) will be considered as (attempted) cheating and lead to a mark of 0 (under Art. 30b of the Study Regulations).

For the detailed rules on the (digital written) examinations at the College of Europe, please refer to the provisions of the Study Regulations and *Dispositions particulières*. Students are responsible to have read and complied with the applicable rules.