



(Tentative) Course Syllabus
for
Economics Courses
Semester 1/2016

Course Outline

EE211 PRINCIPLES OF MICROECONOMICS

Course Description:

The principles of microeconomics regarding value, price, resource allocation, introduction to theories of consumption and production with an emphasis on factors determining demand and supply of goods and services, determination of prices and efficiency of resource allocation in perfectly and imperfectly competitive markets; Basic theories regarding factor market and introductory concepts of market failures.

Evaluation:

Quizzes	10 %
Midterm Exam	40 %
Final Exam	50 %

Academic Honesty:

You are expected to be honest in all of your academic work. Copying is plagiarism and will be treated as an honor code violation. Potential sanctions include failure in the course and suspension from the university.

Exercises and Quizzes:

To stimulate active learning, we plan to give an exercise twice a month. An exercise will be given once a topic is complete and test on the topic will be held on the following week. Information concerning exercises and quizzes is as below:

Topic	Released Date of Exercises	Dates and Time on Quizzes
Demand, Supply, and Equilibrium		
Elasticity and Its Application Consumers, Producer Surplus, and the Efficiency of Markets		
Applications on Demand, Supply, and Government Policies		
The Theory of Consumer Choice		
Production and Cost in the Short-Run		
Production and Cost in the Long-Run		
Market Structures		

Recommended Texts:

Frank, R.H. *Microeconomics and Behavior*. 8th ed. McGraw-Hill, 2010.

Krugman, P. and Robin Wells, *Microeconomics*. 2nd ed. Worth Publishers, 2008. (Hereafter, KW)

Lipsey, R.G., C.T.S. Ragan, and P.A. Storer. *Economics*, 13th ed. Pearson Addison Wesley, 2008.

Mankiw, N.G. *Principle of Microeconomics*, 5th ed. Thompson South-Western, 2009.

Note: The list is provided in alphabetical order; it does not indicate which one is preferred.

Supplementary Reading (for fun):

Frank, Robert. *The Economic Naturalist: In Search of Explanations for Everyday Enigmas* (Paperback). Basic Books (April 7, 2008). More information about his nice writings, visit

<http://www.robert-h-frank.com/links.html>

Harcourt, Tim, *The Airport Economist*, Crows Nest: Allen & Unwin, 2008.

(URL: <http://www.theairporeconomist.com/>)

Harford, Tim. *The Undercover Economist: Exposing Why the Rich Are Rich, the Poor Are Poor--and Why You Can Never Buy a Decent Used Car!* Random House Trade Paperbacks (January 30, 2007).

Levitt D. [Steven](#) and [Stephen J. Dubner](#). *Freakonomics: A Rogue Economist Explores the Hidden Side of Everything*, William Morrow; Revised & Expand, Roughcut edition, 2006.

Marshall Jevons, *Murder at the Margin*, New Jersey: Princeton University Press, 1978, 1993.

The Fatal Equilibrium, New York: Balantine Books, 1985.

A Deadly Indifference, New Jersey: Princeton University Press, 1995.

[Wheelan](#), Charles. *Naked Economics: Undressing the Dismal Science*. W. W. Norton & Company (September 2003)

Movies:

“A Beautiful Mind” Universal Studios, 2001.

“Norma Rae” Trimark, 1979, video released 2001.

“Speed” Twentieth-Century Fox, 1994.

“The Rainmaker”, Paramount 1997

“Erin Brockovich” Universal, 2000.

“Hero” Miramax, 2004.

“Day After Tomorrow”, Fox 2004.

Some Useful Links

Student Resources for Frank’s text:

http://highered.mcgraw-hill.com/sites/0073375942/student_view0/index.html

Student Resources for KW’s text:

<http://bcs.worthpublishers.com/krugmanwellsmicro2/default.asp?s=&n=&i=&v=&o=&ns=0&uid=0&rau=0>

Student Resources for Lipsey et al.’s text:

http://wps.aw.com/aw_lipseyrast_economics_13/76/19534/5000899.cw/index.html

Student Resources for Mankiw’s text:

http://websites.swlearning.com/cgi-wadsworth/course_products_wp.pl?fid=M20b&product_isbn_issn=9780324589986&discipline_number=414

Nobel Prize in Economic Sciences: http://nobelprize.org/nobel_prizes/economics/shortfacts.html

Robert H. Frank: <http://www.robert-h-frank.com/>

Econ Ph.D. Net: <http://www.econphd.net/>

Hal R. Varian: <http://people.ischool.berkeley.edu/~hal/>

The Official Paul Krugman Web Page: <http://web.mit.edu/krugman/www/>

The Undercover Economist: <http://timharford.com>

The Airport Economist : <http://www.theairporeconomist.com>

The Economist Magazine: <http://www.economist.com>

Study Plan:

1. What is Economics All About?

(Self Review)

- 1.1.1) What is Economics?
- 1.1.2) The Basic Economic Problems
- 1.1.3) Production Possibility Curve (PPC)
- 1.1.4) Assumptions
- 1.1.5) An Illustration of Scarcity, Choice and Opportunity Costs Using the PPC
- 1.1.6) Economic Growth and Changes in the PPC
- 1.1.7) Exchange and Gains from Trade, Explained by the PPC
- 1.1.8) Tools used in Microeconomics
- 1.1.9) Equilibrium Analysis
- 1.1.10) Comparative Static Analysis
- 1.1.11) Constrained Optimization
- 1.1.12) Methodology of Studying Economics
- 1.1.13) Economics as a Science
- 1.1.14) How Theories are Developed
- 1.1.15) Positive Vs. Normative Statements

Read: Frank, ch. 1; KW, chs. 1-2; Lipsey, chs. 1-2; Mankiw, chs. 1-2

2. Demand, Supply, and Equilibrium (3 hours)

Aug 9, 11

- **What Gives with the Price of Rice?**
- **IS Support a Good Thing?**

- 2.1.1) Market: Meaning and Components
- 2.1.2) Demand: Buyers' Behavior
- 2.1.3) Meaning
- 2.1.4) Law of Demand
- 2.1.5) Individual and Market Demands
- 2.1.6) The Distinction of "*Change in Quantity Demanded*" and "*Change in Demand*"
- 2.1.7) The Determinants of Demand
- 2.1.8) Supply: Sellers' Behavior
- 2.1.9) Meaning
- 2.1.10) Law of Supply
- 2.1.11) Firm and Market Supplies
- 2.1.12) The Distinction of "Change in Quantity Supplied" and "Change in Supply"
- 2.1.13) The Determinants of Supply
- 2.1.14) Market Equilibrium: When Demand and Supply Meet
- 2.1.15) Meaning and How to Determine the Equilibrium
- 2.1.16) Shocking the Equilibrium and Adjustments
 - a) When demand curve shifts
 - b) When supply curve shifts
 - c) When both demand and supply curve simultaneously shift

Read: Mankiw, ch. 4; Lipsey, ch. 3; KW, ch. 3; Frank, chs. 2 and 4

3. Elasticity and Its Applications (3 hours)

Aug 16, 18

- 3.1.1) Elasticity of Demand: Meaning, Measurement and Determinants
- 3.1.2) Price Elasticity of Demand
- 3.1.3) Income Elasticity of Demand
- 3.1.4) Cross Price Elasticity of Demand
- 3.1.5) Elasticity of Supply: Meaning, Measurement and Determinants

Read: Mankiw, ch. 5; Lipsey, ch. 4; KW, ch. 6; Frank, chs. 2 and 4

4. Consumers, Producers, and the Efficiency of Markets (3 hours)

Aug 23, 25

- 4.1.1) Consumer Surplus
- 4.1.2) Willingness to Pay (WTP)
- 4.1.3) Using the Demand Curve to Measure Consumer Surplus
- 4.1.4) How a Lower Price Raises Consumer Surplus
- 4.1.5) What Does Consumer Surplus Measure?
- 4.1.6) Producer Surplus
- 4.1.7) Cost and the Willingness to Sell
- 4.1.8) Using the Supply Curve to Measure Producer Surplus
- 4.1.9) How a Higher Price Raises Producer Surplus
- 4.1.10) What Does Producer Surplus Measure

4.1.11) Market Efficiency

Read: Mankiw, ch. 7; Lipsey, chs. 6 and 12; KW, ch. 4; Frank, chs. 2 and 4

5. Applications on Demand, Supply, and Government Policies (6 hours)

Aug 30; Sep 1, 6, 8

- 5.1.1) Price Controls
- 5.1.2) Ceiling Price
- 5.1.3) Floor Price
- 5.1.4) Effects of Taxation
- 5.1.5) A Unit Tax on Producers
- 5.1.6) A Unit Tax on Consumers
- 5.2) Effects of Subsidy Given to Producers
- 5.3) Applications on International Trade
 - 5.3.1) Import Tariffs
 - 5.3.2) Quotas
 - 5.3.3) Subsidies

Read: Mankiw, ch. 6; Frank, chs. 2 and 4; KW, chs. 5 and 7; Lipsey, ch. 5

6. The Theory of Consumer Choice (9 hours)

Sep, 13, 15, 20, 22; Oct 4, 6

- **Why Do You Like What You Like?**
- **How much of What You Like Should You Buy?**
- **Does It Pay to Raise Prices?**

- 6.1.1) Utility Theory (or Cardinal Approach)
- 6.1.2) The Meaning of Utility
- 6.1.3) Law of Diminishing Marginal Utility
- 6.1.4) Relationship between Total Utility and Marginal Utility
- 6.1.5) Consumers' Equilibrium (or Rational Spending Rule) and Equilibrium Change in
- 6.1.6) Indifference Curves Theory (or Ordinal Approach)
- 6.1.7) What a Consumer Wants
 - a) The Meaning of Indifference Curve
 - b) Properties of Indifference Curve
 - c) Slope of Indifference Curve and Marginal Rate of Substitution (MRS)
- 6.1.8) What the Consumer Can Afford
 - a) Budget Line: Meaning, Slope, and Change in Budget Line
- 6.1.9) How the Consumer Optimally Chooses
 - a) Consumer Equilibrium and Change in Equilibrium
- 6.2) Derivation of an Individual Demand Curve Using Indifference Curves and Budget Lines

- 6.3) How a Consumer Responds to Change in Price: Substitution and Income Effects (Hicksian Approach)
- 6.4) Applications
 - 6.4.1) In Cash Vs. In Kind
 - 6.4.2) Vouchers Vs. Subsidy
 - 6.4.3) Work Vs. Leisure
 - 6.4.4) Consume Today Vs. Consume Tomorrow

Read: Frank, chs. 3-4; KW, chs. 10-11; Lipsey, ch. 6 (& appendix); Mankiw, ch. 21

7. Production and Cost in the Short-Run (4 ½ hours) *Oct, 11, 13, 18*

- **Can They Make It Better and Cheaper?**
- 7.1) Firm and the Objectives of Production
- 7.2) Production Functions
- 7.3) Distinction between Short-run and Long-run
- 7.4) Production Function in the Short-run
 - 7.4.1) Total Product (TP), Average Product (AP), Marginal Product (MP)
 - 7.4.2) Relationship of TP, AP, and MP
 - 7.4.3) Law of Diminishing Returns
 - 7.4.4) Stage of Production
- 7.5) The Meaning of Costs
 - 7.5.1) Economic and Accounting Costs
 - 7.5.2) Sunk Costs
 - 7.5.3) Private and Social Costs
- 7.6) Relationship between Costs and Production
- 7.7) Short-run Costs of Production: TFC, TVC, TC, AFC, AVC, ATC, MC, and their relationship

Read: Frank, chs. 9-10; KW, ch. 12; Lipsey, ch. 7; Mankiw, ch. 13

8. Production in the Long-Run (3 lectures) *Oct 20, 25, 27*

- 8.1) Isoquant
- 8.2) Isocost
- 8.3) Least Cost Combination
- 8.4) Expansion Path
- 8.5) The Meaning of Returns to Scale
- 8.6) Long-run Costs of Production: LTC, LAC, LMC
- 8.7) Relationship between Expansion Path and LTC
- 8.8) Relationship between Long-run and Short-run Costs
- 8.9) Economies and Diseconomies of Scale
- 8.10) Economies of Scope
- 8.11) Learning by Doing

Read: Frank, chs. 9-10; KW, ch. 12; Lipsey, ch. 8

COURSE OUTLINE

EE 212 PRINCIPLES OF MACROECONOMICS

Number of credits: 3 credits

Office Hours: By appointment

Course Description:

Indicators, goals and problems in macroeconomics. Determination of national income, theories of aggregate consumption and aggregate investment, accelerator principle, money market, theory of demand for and supply of money, the joint equilibrium model of product and money markets (IS-LM model), balance of payments, and fiscal and monetary policies as means to stabilize an economy, as well as applications of macroeconomic theory to analyze Thai economic conditions.

Evaluation:

Midterm exam (Thursday, February 28, 2013, 9.30 a.m. - 11.00 a.m.)	40%
Final exam (Tuesday, May 7, 2013, 1.30 p.m. – 4.30 p.m.)	60%

Main Text:

Lipsey, R.G., Courant, C.T.S., and Ragan, P.A. (2008), *Economics* (13th ed.): Pearson Addison-Wesley

Recommended Texts:

Case, Karl E. and Ray C. Fair (2009), *Principles of Macroeconomics* (9th ed.): Prentice Hall.

Froyen, Richard T. (2009), *Macroeconomics, Theories and Policies* (9th ed.): Prentice Hall.

Mankiw, N.G., *Principles of Macroeconomics* (2009): South-Western Cengage Learning

Course Outline:

1. Introduction to Macroeconomics (3 hours)

- 1.1 Meanings, objectives, and macroeconomic policy
- 1.2 Basic concepts
 - 1.2.1 Stock vs flow variables
 - 1.2.2 Real vs nominal variables
- 1.3 Macroeconomic objectors and indicators
 - 1.3.1 Output/Input
 - 1.3.2 Employment/Unemployment
 - 1.3.3 Price level/Inflation
 - 1.3.4 Interest rate
 - 1.3.5 Exchange rate

Read: Case & Fair, ch. 5, 7; LCR, ch. 21

2. National Income and National Product (6 hours)

- 2.1 Introduction
- 2.2 Circular flow of production and expenditure
- 2.3 Meaning and significance of national income accounting
- 2.4 Distinction between GNP and GDP
- 2.5 Measurement of GDP
 - 2.5.1 Expenditure approach
 - 2.5.2 Income approach
 - 2.5.3 Product approach
- 2.6 Applications of GNP in economic analysis
 - 2.6.1 Distinction between Money and Real GNP
 - 2.6.2 GNP per capita
 - 2.6.3 Some remarks on the applications

Read: Case & Fair, ch. 6; LCR, ch.3, 22

3. National Income and Equilibrium Determination (7.5 hours)

- 3.1 Introduction
- 3.2 Composition of desired aggregate expenditure (DAE)
 - 3.2.1 Desired aggregate consumption expenditure and consumption theories
 - 3.2.1.1 Absolute income hypothesis
 - 3.2.1.2 Permanent income hypothesis
 - 3.2.1.3 Life cycle hypothesis
 - 3.2.2 Desired aggregate investment expenditure

- 3.2.2.1 Determination of aggregate investment
- 3.2.2.2 Business fixed investment
- 3.2.2.3 MEC and MEI
- 3.2.2.4 The accelerator principle
- 3.2.3 Desired aggregate government expenditure
- 3.2.4 Desired aggregate net exports
- 3.3 Equilibrium national income
 - 3.3.1 Definition
 - 3.3.2 Determination of equilibrium national income
 - 3.3.2.1 $Y = DAE$ approach
 - 3.3.2.2 Leakage = Injection approach
 - 3.3.2.3 Adjustment to equilibrium
- 3.4 Changes in equilibrium national income and the multipliers
 - 3.4.1 Constant price level
 - 3.4.2 Price level varies
- 3.5 Paradox of Thrift
- 3.6 Inflationary and deflationary gap

Read: Case & Fair, ch. 8; LCR, ch. 23-24

4. The AD-AS Model and Inflation (7.5 hours)

- 4.1 Introduction
- 4.2 The derivation of aggregate demand (AD)
- 4.3 Aggregate supply
 - 4.3.1 Short-run AS
 - 4.3.1.1 Classical school
 - 4.3.1.2 Keynes
 - 4.3.1.3 Non-Keynes and Non-Classics
 - 4.3.2 Long-run AS
- 4.4 Determination of equilibrium, change in equilibrium, and multipliers
- 4.5 The equilibrium price level and inflation
 - 4.5.1 Definition
 - 4.5.2 Causes of inflation
 - 4.5.2.1 Demand-pull inflation
 - 4.5.2.2 Cost-push inflation

Read: Case & Fair, ch. 13; Froyen, ch. 9, LCR, ch. 25-26, 30

5. Fiscal Policy at work (4.5 hours)

- 5.1 Meaning, objectives and tools of fiscal policy
- 5.2 Effects of fiscal policy on equilibrium national income
 - 5.2.1 The government spending multiplier
 - 5.2.2 The tax multiplier
 - 5.2.3 The balanced-budget multiplier
- 5.3 Fiscal policy and its effectiveness in solving macroeconomics problems

Read: Case & Fair, ch. 9; LCR, ch. 26

6. The Money Market and Monetary Policy (6 hours)

- 6.1 Introduction
- 6.2 Demand for money
 - 6.2.1 Transaction demand for money
 - 6.2.2 Precautionary demand for money
 - 6.2.3 Speculative demand for money
- 6.3 Supply of money
 - 6.3.1 The banking system and money creation
 - 6.3.2 Money multiplier and the size of money supply (including introduction of monetary base)
- 6.4 Equilibrium in money market
- 6.5 Monetary policy
 - 6.5.1 The role of the central bank
 - 6.5.2 Controlling the quantity of money

Read: Case & Fair, ch. 10-11; LCR, ch. 27-29, Froyen p.335-339

7. Policy effectiveness (3 hours)

- 7.1 Monetary policy and its effectiveness in solving macroeconomics problems
- 7.2 Fiscal policy and its effectiveness in solving macroeconomics problems

Read: Handouts

8. International Economics (6 hours)

- 8.1 International Trade
- 8.2 The Balance of Payment
- 8.3 The market for foreign exchanges
 - 8.3.1 Demand for foreign exchanges
 - 8.3.2 Supply of foreign exchanges
 - 8.3.3 Equilibrium exchange rate
- 8.4 The effects of exchange rates on the economy

Read: Case & Fair, ch. 21; LCR, ch. 35-37

9. Introduction to the general equilibrium model (IS-LM model) (1.5 hours)

- 9.1 The derivation of IS schedule
- 9.2 The derivation of LM schedule
- 9.3 The IS-LM combined

Read: Froyen, ch. 7

EE 311 Microeconomics Theory

Number of credits: 4 credits

Course Description:

Study the intermediate level of mainstream microeconomic theory, including consumer theory, producer theory, and market structure. The last part will be on market failure. These topics are useful for further study in junior and senior years.

Prerequisites: EE211 (or EE213) and MA216 (or MA211)

Textbooks:

1. Pindyck Robert S. and Daneil E. Rubinfeld, Microeconomics.7th ed. Pearson Education,Inc., 2009
2. Perloff J. M., Microeconomics, 4th ed., Addison-Wesley, 2007.

Teaching Plan:

Class Schedule

Topics	Pindyck Chapter	Dates
1.Introduction	1	
2.Consumer Theory: Indifference Curve	3	
3.Consumer Theory; Applications	4	
4.Consumer Theory; Uncertainty	5	
5. Cost and Production	6-7	
6. Market: Perfect Competition	8-9	
7. Market: Monopoly	10-11	
Midterm Exam	1-11	
8. Market: Monopolistic Competition	12	
9. Market: Oligopoly	12	
No Class		
10. Game Theory	13	
11. General Equilibrium	16	

No Class		
12 Market Failure: Asymmetric Information	17	
13. Market Failure: Externalities	18	
14. Market Failure : Public Goods	18	
Final Exam	12-18	

Note: * Holiday (Make-up classes will be announced later)

Course Outline

EE 312 Macroeconomics Theory

Number of credits: 4 credits

Course Description:

Analysis of joint equilibrium in product market, money market, and foreign exchange market (the IS-LM-BP model) as well as changes in equilibrium. The relationship between the product market and the labor market. The model of aggregate demand and aggregate supply in closed and open economies. Inflation, unemployment, and the Phillips curve. Real Business Cycle model and New Keynesian economics. Economic stabilization policies and Growth theory. Applications of macroeconomic theory to analyze economic situations.

Prerequisites: a) EE211 and EE212 or b) EE213 and EE214

Course Objective:

To provide students with an understanding of macroeconomics theory and the factors affecting the short-run and long-run performance of the economy as well as an analysis of stabilization policies and economic growth.

Main Textbooks:

1. Froyen, R. T., **Macroeconomics: Theories and Policies**, 9th edition, Prentice-Hall Inc., New Jersey, 2009.
2. Mankiw, N.G., **Macroeconomics**, 7th edition, Worth Publishers, 2010.

Other references for further reading:

1. Andrew B. Abel, Ben S. Bernanke, and Dean Croushore, **Macroeconomics**, 6th edition, Pearson International, 2008
2. Olivier Blanchard, **Macroeconomics**, 5th edition, Pearson International Edition, 2009.
3. Rudiger Dornbusch, Stanley Fischer, and Richard Startz, **Macroeconomics**, 10th edition, Mcgraw-Hill International, 2008.
4. Stephen Williamson, **Macroeconomics**, 3rd edition, Pearson International, 2008.

Course Schedule:

Number of Lecture Hours	Lecture Topic / Activities
2 hours	1. Introduction: Macroeconomic Analysis 1.1 Subject matter of macroeconomics 1.2 Macroeconomic variables and measurement 1.3 Analytical framework and schools of thoughts (Froyen, Chapter 1, 2)
10 hours	2. Joint equilibrium in the product and money market 2.1 Analysis of product and money market (IS-LM model) 2.2 Policy effects in the IS-LM Framework 2.3 Relative effectiveness of Fiscal and Monetary Policy (Froyen, Chapter 5, 6, 7)
12 hours	3. The Model of Aggregate Supply and Aggregate Demand 3.1 The Labor Market and Aggregate Supply (AS) 3.1.1 The Classical Model 3.1.2 The Keynesian Model 3.2 The Aggregate Demand (AD) 3.2.1 The Classical Model 3.2.2 The Keynesian Model 3.3 Keynesian vs. Classical Economics (Froyen, Chapter 3, 4, 8)
Number of Lecture Hours	Lecture Topic / Activities
8 hours	4. Inflation, Unemployment and the Phillips Curve 4.1 The Monetarist View 4.2 The Natural Rate Theory 4.3 Monetarist and Keynesian Views of the Unemployment and Inflation Trade-off (Froyen, Chapter 9, 10)
4 hours	5. New Classical Economics 5.1 Rational Expectation 5.2 Policy Implications under Rational Expectation (Froyen, Chapter 11)
4 hours	6. Real Business Cycle Model and New Keynesian Economics 6.1 Real Business Cycle Model 6.2 New Keynesian Economics (Froyen, Chapter 12, 13)
12 hours	7. Open Economy Macroeconomics 7.1 Components in Balance of Payments 7.2 Foreign exchange market and exchange rate systems 7.3 Derivation of Balance of Payments Curve (BP) 7.4 Internal-External Joint Equilibrium (IS-LM-BP model) 7.5 Monetary and Fiscal Policy in an Open Economy 7.6 AD and AS in an Open Economy

	(Froyen, Chapter 14, 15)
4 hrs	8. Macroeconomic goals and policies 8.1 Monetary Policy 8.1.1 Money and interest rates 8.1.2 Competing Strategies 8.1.3 Recent strategy: inflation targeting 8.2 Fiscal Policy (Froyen, Chapter 16, 17, 18)
10 hrs	9. Economic growth 9.1 Capital Accumulation and the Golden Rule Level of Capital 9.2 Population growth 9.3 Technological Progress and Productivity 9.4 Policies to promote economic growth 9.5 Endogenous growth theory (Froyen, Chapter 19, 20; Mankiw, Chapter 7, 8)

Course Outline

EE 320 Introductory Mathematical Economics

Number of credits: 3 credits

Course Descriptions:

Study of mathematical concepts and tools such as functions, matrices and higher-order derivatives in cases of single and multiple independent variables. Emphasis is on the application of optimization, both with and without constraints, and introductory integral, for understanding relationships of various economic variables and concepts, such as the relationship of aggregate, average and marginal functions. Other topic covered analyses of elasticities, market equilibrium, impacts of taxation and input-output models.

Prerequisites: EE 211, EE 212 and MA 216

Students may take EE421 as a compulsory course in substitution of EE320 (Credit will not be awarded to students who are taking or have taken EE 421).

Main Textbooks:

Chiang, A. C. and Wainwright, K. (2005) *Fundamental Methods of Mathematical Economics*, 4th edition, McGraw-Hill, Inc., Singapore. (CW)

Lecture Notes: Lecture notes by Dr. Anin Aroonruengsawat

Other Recommended Books:

Dowling, E. T. (2001) *Schaum's Outline of Theory and Problem of Introduction to Mathematical Economics*, 3rd edition, The McGraw-Hill Companies, Inc.

Holden, K. and Pearson, A.W. (1992) *Introductory Mathematics for Economics and Business* Second edition, The Macmillan Press Ltd.

Sydsaeter K. and P. Hammond. (2006) *Essential Mathematics for Economic Analysis*, 2nd edition, Prentice Hall.

Course Schedule:

Number of lecture(s)	Topics	
1	1. Introduction - Importance and Needs to use mathematics in economics. - The Nature of theory, economic model and mathematics.	CW. Ch. 1
1	2. Mathematics and Economic Relations - Relations and functions - Types of functions	CW. Ch.2
3	3. Static and Comparative Static Equilibrium Analysis - Linear models in economics - Simultaneous system of equations - Linear equation and graph - Breakeven analysis - Individual and market demand - Individual and market supply - Partial market equilibrium - Excise tax and market equilibrium - Elasticity concept - Simple macroeconomic model - IS-LM model	CW. Ch. 3 Lecture note 1
4	4. Basic Matrix Algebra and Applications	CW. Ch. 4, 5

	<ul style="list-style-type: none"> - Terminology (Type of matrix) - Matrix operations (Add, Subtract, multiply) - Representation of system of equation by matrix notation - Matrix inversion by determinants - Determinant and singularity of matrix - Cramer's rule - Matrix applications in <ul style="list-style-type: none"> - Partial market equilibrium - Excise tax and market equilibrium - Simple macroeconomic model - IS-LM model 	Lecture note 2
Number of lecture(s)	Topics	
4	5. Nonlinear Model and Differential Calculus in Economic Theory <ul style="list-style-type: none"> - Quadratic theory - Other nonlinear functions - Slope and derivatives of a function - Rule of differentiation - Non differentiable functions - Convexity and Concavity - Maxima, minima and inflection point - Examples in Economics <ul style="list-style-type: none"> - Derivative and marginality - Relations among the total, the average and the 	CW. Ch. 6, 7, 8, 9 Lecture note 4

	<p>marginal</p> <p>functions</p> <ul style="list-style-type: none"> - Elasticity, total revenue and marginal revenue 	
5	<p>6. Derivatives of More-Than-One Independent Variable</p> <p>Function</p> <ul style="list-style-type: none"> - First order partial derivatives - Second order partial derivatives - Differential - Total differential - Total derivatives - Implicit function and its derivative - Examples in economics <ul style="list-style-type: none"> - Partial market equilibrium - Multipliers in macro models - Utility function - Production function - Etc. 	<p>CW. Ch. 7, 8</p> <p>Lecture note 5</p>
3	<p>7. Optimization without Constraints : One Independent Variable Case</p> <ul style="list-style-type: none"> - Maximize profits <ul style="list-style-type: none"> - competitive market case - Monopoly case - Effects of taxes <ul style="list-style-type: none"> - Lump-sum tax 	<p>CW. Ch. 9</p> <p>Lecture note 6</p>

	<ul style="list-style-type: none"> - Profit tax - Excise tax - Maximization of tax revenue 	
3	8. Optimization without Constraint : More-Than-One Independent Variable Cases <ul style="list-style-type: none"> - Conditions for maximum or minimum - Third degree price discrimination - Multiplant-firm - Multiproduct-firm 	CW. Ch. 11 Lecture note 7
Number of lecture(s)	Topics	
3	9. Optimization under Equality Constraint <ul style="list-style-type: none"> - Lagrange multiplier - Conditions for optimization - Maximize output level subject to cost constraint - Minimize cost subject to output constraint - Minimize utility subject to fixed budget 	CW. Ch. 12 Lecture note 8
3	10. Integration and Its Application <ul style="list-style-type: none"> - Terminology in Integration - Rules of Integration - Definite Integration - Applications: <ul style="list-style-type: none"> - Total revenue function from marginal revenue function - Total cost function from marginal cost function 	CW. Ch. 14 Lecture note 9

	<ul style="list-style-type: none">- Profit function from MR-MC- Utility function from marginal utility function- Consumption and saving functions from marginal propensity functions- Capital formation and investment functions- Consumer surplus, producer surplus and total surplus- First degree price discrimination- Differential equation (if time allows)	
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Course Outline

EE 325 Introductory Econometrics

Number of credits: 3 credits

Course Description:

Application of statistical and economic theories in analyzing economic data, with emphases on parameter estimation techniques and applications of simple and multiple regression models to economic analyses. Use of computer application in practice is also covered.

Prerequisites: EE211, EE212, MA216 (or MA211), and ST216 (or ST211).
(Credits will not be awarded to students who are taking or have completed EE 425)

Course Objectives:

To provide a good start and understanding on applying econometric tools for economic analysis.

Textbooks:

***Gujarati, D.N. (2009) *Basic Econometrics*. 5th ed. Singapore, McGraw-Hill. (G)

Wooldridge, J.M. (2006) *Introductory Econometrics: A Modern Approach*. 3rd ed. Thomson South-Western. (W)

*** **Main Textbook**

Teaching Plan:

Tentative Course Outline

1. **The Nature of Econometrics and Economic Data** (1.5 hours)
 - What is Econometrics?
 - Methodology of Econometrics
 - The Structure of Economic Data

Reference: G: intro & ch. 1; W: ch. 1

2. A Review of Some Statistical Concepts (7.5 hours)

- Summation and Product Operators
- Sample Space, Sample Points, and Events
- Probability and Random Variables
- Probability Density Function (PDF)
- Some Important Theoretical Probability Distributions
- Statistical Inference: Estimation
- Statistical Inference: Hypothesis Testing

Reference: G: Appendix A; W: Appendix A, B, and C

3. The Simple Regression Model (9 hours)

- Two-Variable Regression Analysis
 - Concept of Population Regression Function (PRF) & The Sample Regression Function (SRF)
 - Method of Ordinary Least Squares
 - The Classical Linear Regression Model: The Assumptions Underlying the Method of Least Squares
 - Precision or Standard Errors of Least-Squares Estimates
 - The Coefficient of Determination

Reference: G: Ch. 1-3; W: Ch.2

- Two-Variable Regression: Interval Estimation and Hypothesis Testing
 - Classical Normal Linear Regression Model (CNLRM)
 - Interval Estimation and Hypothesis Testing

Reference: G: Ch. 4&5; W: Ch.3&4

4. Multiple Regression Analysis (13.5 hours)

- Multiple Regression Analysis

Reference: G: Ch. 7; W: Ch.3

- Multiple Regression Analysis: The Problem of Inference

Reference: G: Ch. 8; W: Ch.4 &6

- Extensions of the Two-Variable Linear Regression Model
 - Regression through the origin
 - Scaling and units of measurement
 - Functional Forms of Regression Models

Reference: G: Ch. 6; W: Ch. 6

5. Dummy Variable (1.5 hour)

Reference: G: Ch. 9; W: Ch. 7

6. Relaxing the Assumptions of the Classical Model (10.5 hour)

- Multicollinearity
- Heteroscedasticity
- Autocorrelation

Reference: ch 10 – 12; W: Ch 3, 4, 8 & 12

Note: The mid-term and final exams are closed books and closed notes. Midterm and final exam dates are not changed due to the official schedule from BE program. Only physical condition with approval medical document is allowed for postponing the exam.

Quizzes: There will be 6 random equally weighted quizzes. The lowest quizzes score will be dropped. There are no make-up quizzes.

Homework Assignments: There will be equally weighted homework assignments. Late homework will be graded based on 50% of full credit. More than two-day late homework will not be accepted.

Academic Honesty:

You are expected to be honest in all of your academic work. Copying is plagiarism and will be treated as an honor code violation. Potential sanctions include failure in the course and suspension from the university.

EE 404 History of Economic Thought

Course Content

Development of economic thought from the mercantilist period up to mid twentieth century, emphasis on the influences of economic problems in each period on the development of economic thought.

Prerequisites:

EE210 or EE211 and EE212 or EE213 and EE214 or by lecturer's consent

Course Objectives:

This course is designed to expose the students to the history of economic thought. Students will learn about the intellectual thought patterns and assumptions of various periods of history, and how those patterns influenced, and were influenced by, economic thought. Numerous previous theories, some forerunners of modern theories, others dead-end theories that have since been abandoned, will be studied - including Mercantilism, the Physiocrats, Marxism, Marginalists, Neoclassical, Keynesians, Chicago, Institutionalists, Welfare Economics, Public Choice, the New Institutionalists, and Austrians. By the end of the semester students will know where the theories they are learning in other classes came from, and something about the many other approaches that have been tried throughout history.

The course seeks to make sure students can:

- 1) Detect and identify the main differences between differing schools of thought.
- 2) Understand the historic debates that occurred throughout history, debates that shaped and were shaped by the theories.
- 3) Understand the historic periods that served as a background for the debates, often shaping the debates in ways outside of pure "theory".
- 4) Use the knowledge gained to better understand contemporary debates and issues.

Text:

The History of Economic Thought: Stanley L. Brue and Randy R. Grant

Notes, Note taking, and Attendance

I DO NOT use power point, I lecture and use the board. I give each lecture off of prepared notes, which will be available the day before class on my website or through moodle. I would recommend that you print out a copy of them for yourselves, many students find they help to follow the lecture. DO NOT assume that the notes are a substitute for the lecture, I use the notes to remind myself of what points I want to cover, in what order. But parts of the notes are not understandable without the lecture to explain them.

Moodle: The moodle code for the course is xxxx. All of the lecture notes will be put on moodle, though it is usually easier to get them off of my website: www.ajarnkennedy.com

Cheating:

Don't. If you do, and I catch you, you will be reported to the program director for appropriate punishment. At a minimum, you will receive a zero on the assignment you are caught cheating on, other punishments include automatically failing the course, and being suspended for one (or more) semesters.

Evaluation:

The class evaluations will be based on two exams, a midterm and a final. The midterm will be 1½ hours in length, the final will be 3 hours in length. Students will have a choice of what questions to answer. A sample exam will be passed out before the first exam.

Each exam is worth a percentage of your grade as given below. The Midterm exam will cover material from the first half of class, the Final exam will be comprehensive, though weighted towards materials studied in the second half of the semester. The exam schedule is given below:

Midterm Exam: 40%

Final Exam: 60%

Topics and Class Schedule: (This may change as the semester progresses, I will keep it up to date on my webpage)

Teaching Plan and Class Schedule

Date	Topic	Readings
August 20, 22	Class 1: Introduction, The Greeks, Romans, the Middle Ages	Online Readings (Not Required), Chapter 1
	Class 2: The Mercantilists	Chapter 2
August 27, 29	Class 3: The Physiocrats Special Topics: Economic History vs. History of Economic Thought	Chapter 3
	Class 4: The Classical School I - Adam Smith	Chapter 4
September 3, 5	Class 5: The Classical School II - Adam Smith	Chapter 5
	Class 6: The Classical School III - Malthus, Say	Chapter 6
September 10, 12	Class 7: The Classical School	Chapter 8

	IV - David Ricardo Class 8: The Classical School V - David Ricardo	
September 17, 19	Class 9: The Classical School VI – Bentham Class 10: The Classical School VII Senior, Mill	Chapter 7
September 24, 26	Class 11: The Socialists Class 12: The Socialists II	Chapter 9
October 1, 3	Class 13: The Marxists I Class 14: The Marxists II	Chapter 10 Supplemental Handout
October 8	Midterm: October 8 (9:30 – 11:00)	
October 15, 17	Class 15: German Historical School Class 16: The Institutionalists, the Austrians	Chapter 11 Chapter 19
October 22, 24	Class 17 -18: The Marginal Revolution I The Marginal Revolution II	Chapter 12 (optional) Chapter 13 Chapter 14
October 29, 31	Class 19 - 20: The Neoclassical School I (Marshall) The Neoclassical School II (Monetary)	Chapter 15 Chapter 16
November 5, 7	Class 21: The Neoclassical School III (Imperfect competition) Class 22: Game Theory	Chapter 17 Supplemental Readings – we may skip this depending on time
November 12, 14	Class 23-24: Welfare Economics I Welfare Economics II (Public Choice)	Chapter 20 Supplemental Readings
November 19, 21	Class 25-26: The Keynesian Revolution The Keynesian Revolution II	Chapter 21, 22
November 26, 28	Class 28-30 Chicago I Chicago II	Chapter 24
December 3, 5	TBA, Review for Final Exam	
December 16	Final Exam (9:00 – 12:00)	

Course Outline

EE 403 Law and Economics

Number of credits: 3 credits

Course Description:

This course investigates interrelation and interaction of two disciplines: law and economics. It also covers a broad Thai legal system with an emphasis on economic-related laws. Explore economic concepts and theories necessary to analyse laws including property rights and civil and commercial code. Study economic regulation using law and an impact of law on economic behaviour.

Prerequisites: -

Course Objectives:

- To realise the interrelationship between economics and law as an interdisciplinary study and its significance in the understanding of our society
- To systematically analyse how law or legal rules can influence economic behaviour by employing basic economic tools and being able to explain existence of law
- To explain the impact of legal enactment and amendment on behaviour of economic entities
- To examine the efficiency and effectiveness of legal enforcement and being able to make recommendations on legal amendment that improve economic efficiency

Reading Materials:

Compulsory Reading

Coase, R., 1960, "The Problem of Social Cost," *Journal of Law & Economics*, Vol. 3, pp.1-44

Main Textbooks

Cooter, Robert and Thomas Ulen. 2011. *Law and Economics* (6th Edition). Pearson Addison Wesley: Boston, MA. (all other previous editions are applicable)

Friedman, David D. 2001. *Law's Order: What Economics Has to Do with Law and Why It Matters*. Princeton University Press: Princeton, NJ.

Internet-based Version available at: http://www.daviddfriedman.com/laws_order/

Supplementary Reading

Harrison, Jeffrey L. 2003. *Law and Economics in a Nut Shell*. Thomson West: St Paul, MN.

Schäfer, Hans-Bernd and Claus Ott. 2004. *The Economic Analysis of Civil Law* (translated by Matthew Braham). Edward Elgar: Cheltenham, UK

Werin, Lars. 2003. *Economic Behavior and Legal Institutions: An Introductory Survey*. World Scientific: New Jersey.

Course Outline

EE 411 Microeconomic Analysis

Number of credits: 3 credits

Course Description:

Study of microeconomic theory with an emphasis on utilizing mathematical tools to analyze various economic issues, such as consumer behavior, revealed preferences, intertemporal consumption, consumption and risk, and theory of production and cost. Topics covered also include market structures and behavior, game theory, factor markets, general equilibrium and welfare economics, and impacts of externalities, public goods, and asymmetric information on level of welfare.

Prerequisites: EE311 and EE320 (or EE421)

Useful Materials:

[C] Cowell 'Microeconomics' (HB172 .C69)

[JR] Jehle, and Reny 'Advanced Microeconomic Theory' (HB172 .J45 20x1)

[L] Leelahanon 'Lecture Notes for EC411 (in Thai)' (available at
<http://econ.tu.ac.th/class/archan/Sittisak/EC411/>)

[MWG] Mas-Colell, Whinston, and Green 'Microeconomic Theory' (HB172 .M62)

Things to cover

1. Consumers
2. Firms
3. General Equilibrium
4. Games
5. Imperfect Competition and Market Failure (if time permits)

Remarks:

- 1) The instructor retains his right to give a final grade.
- 2) Topics covered may be adjusted.
- 3) There will not be any supplementary exams.

Course Outline

EE 422 Mathematical Economics 2

Number of credits: 3 credits

Course Description:

The application of mathematical tools including integral calculus, differential equations, difference equations, phase diagram and dynamic optimization such as optimal control theory and dynamic programming for explaining dynamic economic phenomena as well as for locating time path and stability of variables in the context of both microeconomics and macroeconomics. A study of dynamic input-output models is also covered.

Prerequisites: EE421 and having completed or currently taking EE312

Course Objectives:

This course is a second sub-field course in quantitative economics and it is designed for the students who want to prepare themselves for further studying economics in the graduate level. This class will mainly focus on the dynamic analysis which will be used as a tool to analyze dynamic economic phenomena and the stability. This course consists of two parts: the ordinary differential equations and difference equations part and the dynamic optimization part.

Required Textbooks:

1. Chiang, A. and Wainwright, K. (2005). *Fundamental Methods of Mathematical Economics*, 4th edition, McGraw Hill, Singapore.
2. Sydsaeter, K., Hammond, P., Seierstad, A. and Strom, A. (2005). *Further Mathematics for Economic Analysis*, 2nd edition, Prentice Hall, England.

Recommended Textbooks:

1. Simon, Carl P., and Blume L. (1994). *Mathematics for Economists*. W.W . Norton & Company Inc, New York.
2. Chiang, Alpha E. (1992). *Elements of Dynamic Optimization*. McGraw Hill, Singapore.

Teaching Plan:

Topics

1. Integral Calculus (14, 16, 21 Aug)
 2. Differential Equations (23, 28, Aug; 4, 6, 11, 13, 18, 20, 25 Sep)
 - 2.1 First-Ordered Differential Equations
 - 2.2 Higher-Ordered Differential Equations
 3. Difference Equations (27 Sep; 9, 11 Oct)
 - 3.1 First-Ordered Difference Equations
 - 3.2 Higher-Ordered Difference Equations
 4. System Equations (16, 18, 25, 30 Oct; 1, 6, 8 Nov)
 - 4.1 Eigenvalues and Eigenvectors
 - 4.2 System of Difference Equations
 - 4.3 System of Differential Equations
 5. Dynamic Optimization (13, 15, 20, 22, 27, 29 Nov)
 - 5.1 Optimal Control Theory
 - 5.2 Calculus Variations
 - 5.3 Dynamic Programming: The Bellman's Equations
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Course Outline

EE 425 Econometrics 1

Number of credits: 3 credits

Course Description:

The application of statistical and economic theories to analyze economic data, including parameter estimation using ordinary least squares (OLS) technique and hypothesis testing. The simple and multiple regressions. Estimations of parameters when independent variables consists of dummy variable. An examination of problems in regression model, including autocorrelation, heteroskedasticity, multicollinearity, specification error, and stochastic regressor. Other estimation techniques such as generalized least squares (GLS), maximum likelihood, and comparison between various techniques; The use of computer application in practice to analyze econometric models.

Note: Since the analysis of the multiple regression model (or general linear model) will involve matrix algebra, students should have taken MA217 or have some basic knowledge about matrix manipulation.

Prerequisites: MA216 (or MA211) and ST217 (or ST212)

Course Objectives:

To provide students with statistical tools and econometric knowledge to quantitatively analyze economic phenomena. Economic theory makes statements and hypotheses that are mostly quantitative in nature and econometric analysis uses mathematics and statistical tools to give empirical content to economic theory.

Main Textbooks:

Gujarati, D.N., and D.C. Porter, *Basic Econometrics*, 5th ed., N.Y., McGraw-Hill, 2009.

Other references for further reading:

Dougherty, C. *Introduction to Econometrics*. 3rd ed. Oxford University Press: Oxford, 2007.

Wooldridge, J. M. *Introductory Econometrics: A Modern Approach*. 3rd ed. Thompson: South-Western, 2006.

Course Schedule:

Number of Lecture Hours	Lecture Topic / Activities
3 hours	9. Introduction and Review of Statistical Concepts 1.1 What is econometrics 1.2 Methodology of econometrics 1.3 Types of economic data 1.4 Random variables and distributions 1.5 Sampling and estimators 1.6 Estimators and desirable properties of estimators (Gujarati and Porter, ch. 1: Appendix A, pp.869-912; Wooldridge, ch. 1)
8 hours	2 Simple Regression Models 2.1 Principle, assumptions and derivation of ordinary least squares (OLS) estimators 2.2 Properties of OLS estimators 2.3 Statistical inference 2.4 Coefficient of determination and Best linear unbiased predictor 2.5 Normality assumption and the maximum likelihood estimator (MLE) (Gujarati and Porter, chs. 2 – 5)
Number of Lecture Hours	Lecture Topic / Activities
3 hours	3 Extensions of the Simple Regression Model 3.1 Regression through the origin 3.2 Scaling and units of measurement 3.3 Functional forms of regression models (Gujarati and Porter, ch. 6)
8 hours	4 Multiple Regression Analysis (General Linear Model) 4.1 Model and assumptions 4.2 Estimation of parameters and properties of estimators 4.3 Meaning of partial regression coefficients 4.4 The matrix approach to the general linear model 4.5 Measuring goodness of fit: R^2 and adjusted R^2 (Gujarati and Porter, ch. 7; Appendix B, C)
5 hour	5 Statistical Inference in the General Linear Model 5.1 Sampling distribution of OLS estimators 5.2 Test on individual regression coefficients 5.3 Testing the overall significance of the sample regression

	<p>5.4 Testing the equality of two regression coefficients</p> <p>5.5 Testing linear restriction</p> <p>5.6 Testing for equality or stability of parameters (Chow test)</p> <p>5.7 Prediction with the general linear model</p> <p>(Gujarati and Porter, ch. 8)</p>
4 hours	<p>6 Dummy Variable Regression Models</p> <p>6.1 Qualitative information and Nature of dummy variables</p> <p>6.2 Use of dummy variables in cross-sectional data</p> <p>6.3 Use of dummy variables in time series data</p> <p>6.4 Dummy variable alternative to the Chow test</p> <p>6.5 Interaction effects using dummy variables</p> <p>6.6 Use of dummy variables in seasonal analysis</p> <p>6.7 Piecewise linear regression</p> <p>(Gujarati and Porter, ch.9)</p>
3 hours	<p>7 Multicollinearity Problem</p> <p>7.1 Nature of problem</p> <p>7.2 Consequences of multicollinearity</p> <p>7.3 Detection of multicollinearity</p> <p>7.4 Remedial measures</p> <p>(Gujarati and Porter, ch. 10)</p>
3 hrs	<p>8 Heteroscedasticity problem</p> <p>8.1 Nature of problem</p> <p>8.2 Consequences of heteroscedasticity</p> <p>8.3 Detection of heteroscedasticity</p> <p>8.4 Remedial measures</p> <p>(Gujarati and Porter, ch. 11)</p>
Number of Lecture Hours	Lecture Topic / Activities
3 hrs	<p>9 Autocorrelation problem</p> <p>9.1 Nature of problem</p> <p>9.2 Consequences of autocorrelation</p> <p>9.3 Detection of autocorrelation</p> <p>9.4 Remedial measures</p> <p>(Gujarati and Porter, ch. 12)</p>
2 hrs	10 The Method of Generalized Least Squares (GLS)
3 hrs	<p>11 Specification Errors</p> <p>11.1 Type of specific errors</p> <p>11.2 Consequences of specification error</p> <p>11.3 Tests of specification error</p> <p>11.4 Errors of measurement</p> <p>11.5 Incorrect specification of the stochastic error term</p> <p>(Gujarati and Porter, ch. 13)</p>
3 hrs	<p>12 Stochastic Regressors</p> <p>12.2 Nature and Consequence of stochastic regressors</p>

	12.3 Asymptotic properties of estimators 12.4 Instrumental variables (IV) method (Dougherty, ch.8.1-8.3, Wooldridge, ch.5)
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Course Evaluation:

	Evaluation Method	Activities	Evaluation Date
1.	Homework and Exercise (20%)	Answers to problem sets	Every month
2.	Midterm Examination (30%)	Written Examination	Wednesday, October 3, 2012 (11.00 – 12.30 hrs)
3.	Final Examination (50%)	Written Examination	Thursday, December 20, 2012 (9.00 – 12.00 hrs)

Course Outline

EE 431 Economics of Financial Markets and Institutions

Number of credits: 3 credits

Course Description:

Money and capital markets at the micro level; Financial assets; financial risks and financial risks bearing; Theory of equilibrium pricing of financial assets; the CAPM and APT models; Interest rate structure; bond and equity instruments; Financial derivatives; Asymmetric information in financial market; The study of financial institutions with the emphases on theories regarding the roles and functions of commercial banks; Risk management of financial institutions; Monitoring and controlling of financial institutions; The deposit insurance system and financial institution business from the perspective of industrial economics.

Prerequisites: EE311

Course Objectives:

The objective of this course is to provide the students a better understanding of financial assets and the role of financial institutions in the financial markets with asymmetric information.

Required Text:

1. Frederic Mishkin, The Economics of Money, Banking and Financial Markets 9th Edition (Pearson, 2009).
2. Peter D Spencer, The Structure and Regulation of Financial Market (Oxford University Press, 2000)
3. Copeland, Thomas E. and J. Fred Weston, Financial Theory and Corporate Policy, 4th edition, (Addison-Wesley, 2005).

Handouts or other related materials: (if any) will be uploaded on BE moodle at least two days before each lecture. It is the responsibility of the student to print the handouts or other related materials themselves.

Topics:

Part I : Economic Analysis of Asset Prices	
Topics	Textbook
Topic 1. Financial assets and the overview of financial market (1 time)	FM2009, Ch. 1-3
Topic 2. Debt Market and Structure of interest rates (9 times)	FM2009, Ch.4-6
Topic 3. Mean-Variance Analysis (3 times)	Copeland2005,Ch.5
Topic 4: Capital asset pricing model (CAPM) and Arbitrage Pricing Theory (APT) (4 times)	Copeland2005, Ch.6
Part II : Financial Institution, Financial Market and Asymmetric Information	
Topics	Textbook
Topic 5. Financial institutions (2 times)	FM2009, Ch.9 -11
Topic 6. Theory of financial intermediation (4 times)	PS2000, Ch.8
Topic 7. Convexity, excessive risk, and bank regulation (3 times)	PS2000, Ch.9
Topic 8. Bank runs, systemic risk and deposit insurance (5 times)	PS2000, Ch.10

The above criteria can be considered as an approximate guideline. However, there is no permanent letter grade for any exam. The criteria may be adjusted depending on overall performance of the students. The lecturer reserves the right to modify the grading criteria.

A student cannot ask a special letter grade other than the grade assigned. Otherwise, the rights of other students are violated and a student has no right to ask for such a violation.

Other Policies:

Any changes to the course outline (if any) **will be announced in the class or uploaded on BE moodle.**

It is the responsibility of the students to obtain any information announced in the class or the BE moodle. Ignorance of such information due to absence of class/absence of visiting the BE moodle is not a valid defense.

If a student has any question about the lecture, please do not hesitate to consult the lecturer during office hours. The lecturer would be pleased to assist. All students are welcome during the office hours.

If you are not convenient to meet at the lecturer's office hours, please make an appointment in advance via email. Please allow enough time (at least 2 working days) for the lecturer to confirm the appointment. The student also should confirm such an appointment by emailing back. Please kindly use your official student's email account to contact with the lecturer.

Course Outline

EE432 Monetary Theory and Policy

Number of credits: 3 credits

Course Description:

This course aims to explore both the theoretical and practical aspects of monetary economics to provide an insight into real-life monetary policy-making. The first and second parts of the course review theoretical frameworks pertaining money, monetary policy and exchange rate to serve as a solid background for subsequent parts. The part on monetary theory then ties together related theoretical background on the formulation of monetary policy, which has evolved through several decades of development in macroeconomic theories. What then follows is a theoretical exposition of the role of credit and banking.

Having laid out a firm theoretical background, the course will then turn to actual policy-making of monetary policy. Monetary policy implementation in Thailand along with exchange rate policy will be thoroughly discussed. The course will also look into financial crises to draw some lessons from policy-making aspects, which will include a review of unconventional monetary policy as crisis response measures and a practical example of the fiscal and monetary interaction.

Prerequisite: EE312

Course Outline:

Part I Money and Related Theories

The theory of money demand

Money supply and money creation process

Money and inflation (IS/LM framework)

Part II Basics on Monetary Policy and Exchange Rate

The conduct of monetary policy

Transmission mechanism of monetary policy

Exchange rate and international financial system

Models of exchange rate crises

Part III Monetary Theory

The history of monetary theory

Rule vs discretion and the problem of inflationary bias

Theoretical solutions to inflationary bias problem

Understanding the New Keynesian framework

Why rule is still superior to discretion under the New Keynesian Framework

Part IV Credit and Banking

Credit, money and aggregate demand

Banks, allocation and risk-sharing

Part V Practical Aspects of Monetary Policy

Monetary Policy in Thailand

Evidence of Transmission Mechanism: the case of Thailand

Understanding monetary operations

Exchange rate policy under inflation targeting and the inconsistent trinity

Part VI Understanding Financial Crises and Unconventional Monetary Policy

The Asian financial crises of 1997-99

Credit crunch and financial disintermediation

The subprime crisis and unconventional monetary policy

The euro sovereign debt crisis: fiscal and monetary interaction

Recommend Readings:

Mishkin, F.S. 2012. **The Economics of Money, Banking, and Financial Markets.** PEARSON
Addison Wesley.

Walsh, C.E. 2010. **Monetary Theory and Policy** MIT Press.

Course Outline

EE 435 Introductory Financial Econometrics

Number of credits: 3 credits

Course Description:

The estimation methods of financial econometrics models, such as least square method and maximum likelihood, with the emphasis on time-series model including univariate time-series model, high frequency time-series model, multivariate time-series model; financial forecasting; The regression estimation of variables with long run relationship and short run dynamics; The application of model to analyze financial economics issues.

Prerequisites: EE325 (or EE425)

Course Objectives:

This course aims to apply econometric methodology with the economic and financial theory in explaining empirical data, and introduce a more advanced econometrics methodology beyond basic econometrics, especially time series econometrics. The objective is to train students for empirical research. The course focuses mainly on model formulation, parametric estimation method, and applications of the model. Emphasize of the course will be on empirical examples rather than theoretical proof. However, students are all expected to have a good understanding of basic statistics, calculus, and matrix algebra. Thus, students are all responsible for all pre-requisites of the course. This course also aims to have students learn how to use computer software in estimating the econometric models by letting students work on empirical assignments concerning on each topic.

Required Text:

Brooks, C. (2008). *Introductory Econometrics for Finance*. 2nd ed. New York, NY: Cambridge University Press.

Heij, C., de Boer, P., Franses, H.P., Kloek, T., & van Dijk, K.H. (2004). *Econometric Methods with Applications in Business and Economics*. New York, NY: Oxford University Press. (Chapter 4)

Supported Text:

Baltagi, B.H. (2008). *Econometric Analysis of Panel Data*. 4th ed. West Sussex, UK: John Wiley & Sons.

Berndt, E.R. (1991). *The Practice of Econometrics: Classic and Contemporary*. New York: Addison-Wesley Publishing. (Chapter 2)

Enders, W. (2003). *Applied Econometric Time Series*. 2nd ed. New York: John Wiley & Sons.

Greene, W.H. (2008). *Econometric Analysis*. 6th ed. Upper Saddle River, NJ: Prentice Hall.

Hamilton, J.D. (1994). *Time Series Analysis*. Princeton, NJ: Princeton University Press.

Johnston, J., & DiNardo, J. (1997). *Econometric Methods*. 4th ed. Singapore: McGraw-Hill.

Ruud, P.A. (2000). *An Introduction to Classical Econometric Theory*. New York: Oxford University Press.

Teaching Plan:

Class Schedule

Week	Date	Content	Reading
1	14 Aug 12	<u>Review Least Squares Estimation Method</u> - Ordinary Least Squares Estimation Method	Ch 1-2
	16 Aug 12	<u>Review Least Squares Estimation Method</u> - Generalized Least Squares Estimation Method - Least Squares Estimation – Matrix Approach	Ch 3-4
2	21 Aug 12	<u>Application of Simple Regression Model</u> Capital Asset Pricing Model Spot & Future Market <u>Application of Multiple Regression Model</u> Fama-French Three Factor Model	Handout

	23 Aug 12	<u>Application of Dummy Variable Technique</u> Calendar Effect in Stock Market	Handout
3	28 Aug 12	<u>Simultaneous Equation Model</u> Simultaneous Biased	Ch 6
	TBA	<u>Simultaneous Equation Model</u> Indirect Least Squares (ILS) Two Stage Least Squares (2SLS) Three Stage Least Squares (3SLS)	Ch 6
4	4 Sep 12	<u>Maximum Likelihood Estimation (MLE) Method</u> Concept	Heij 4
Week	Date	Content	Reading
	6 Sep 12	<u>Maximum Likelihood Estimation (MLE) Method</u> Computation Inferential Statistics	Heij 4
5	11 Sep 12	<u>Limited Dependent Variable Models</u> Logit & Probit Model – Concept	Ch 11
	13 Sep 12	<u>Limited Dependent Variable Models</u> Logit & Probit Model – Inferential Statistics	Ch 11
6	18 Sep 12	<u>Limited Dependent Variable Models</u> Multinomial Logit & Probit Model Order Probit Model	Ch 11
	20 Sep 12	<u>Limited Dependent Variable Models</u> Censored Regression Model Truncated Regression Model	Ch 11
7	25 Sep 12	Univariate Time Series Models	Ch 5

		Stationary vs Nonstationary	
	27 Sep 12	Univariate Time Series Models (cont.) Integrated Series	Ch 5
8	4 Oct 12 (9.30–11.00hrs)	Midterm	
9	9 Oct 12	<u>Univariate Time Series Models</u> (cont.) Unit Root Test	Ch 5
	11 Oct 12	<u>Time Series Models</u> (cont.) Cointegration & Error Correction Models	Ch 5
10	16 Oct 12	<u>Univariate Time Series Models</u> (cont.) ARIMA Model – Estimation	Ch 5
	18 Oct 12	<u>Univariate Time Series Models</u> (cont.) ARIMA Model – Forecast	Ch 5
11	TBA	<u>Multivariate Time Series Models</u> Vector Autoregressive (VARs) Model – Concept	Ch 6
	25 Oct 12	<u>Multivariate Time Series Models</u> (cont.) Vector Autoregressive (VARs) Model – Procedure	Ch 6
11	30 Oct 12	<u>Multivariate Time Series Models</u> (cont.) Impulse Response Analysis	Ch 6
	1 Nov 12	<u>Multivariate Time Series Models</u> (cont.) Orthogonal Impulse Response Analysis	Ch 6
12	6 Nov 12	<u>Multivariate Time Series Models</u> (cont.) Forecast Error Variance Decomposition	Ch 6
	8 Nov 12	<u>Modelling Long-run Relationships in Finance</u> Engle Granger Cointegration Test	Ch 7

13	13 Nov 12	<u>Modelling Long-run Relationships in Finance</u> (cont.) Johansen Cointegration Test	Ch 7
	15 Nov 12	<u>Modelling Long-run Relationships in Finance</u> (cont.) Vector Error Correction Models (VECM)	Ch 7
14	20 Nov 12	<u>Modelling Volatility and Correlation</u> Autoregressive Conditional Heteroscedasticity (ARCH) ARCH-M	Ch 8
	22 Nov 12	<u>Modelling Volatility and Correlation</u> (cont.) Generalized Autoregressive Conditional Heteroscedasticity (GARCH) EGARCH	Ch 8
15	27 Nov 12	<u>Panel Data Models</u> Characteristic of Data and Problems. Model with Heteroscedasticity, Autocorrelation and Cross-sectional Correlation.	Ch 10
	29 Nov 12	<u>Panel Data Models</u> Fixed Effect Models. Random Effect Models.	Ch 10
16	13 Dec 12 9.00-12.00hrs	Final Exam	

Course Outline

EE 441 Economics of Public Expenditure

Number of credits: 3 credits

Course Description:

The role of government in economic activities; Government Outlay; Welfare Economics; Theory of Public Goods, Theory of Externalities, Public Choice, Public Pricing and Policies, fiscal decentralization; The analysis of the effects of government spending on the macroeconomic goals, such as price stability, economic growth, distribution of income, and employment conditions, as well as the effects of government spending on important economic sectors.

Prerequisites: EE212 (or EE214) and EE311

Main Textbook:

Public Choice II: Dennis Mueller (Available for Copy in the Library)

A quick note on the text. A later version of this text, Public Choice III, is available. However, it is almost twice the length of Public Choice II, with the additional length being primarily devoted to more complex mathematical models of the main topics, additional topics of marginal value, or more recent empirical studies. The more complex math models are not appropriate for an undergraduate level course, and the more recent empirical studies are of little value, since almost all empirical work in Public Choice Economics are of the U.S., and mean little to foreign students without extensive background. Therefore, I am electing to use the older version of the text.

Course Reader I: Readings for Before the Midterm

Course Reader II: Readings for After the Midterm

Articles: I will post links to discussion articles to Moodle throughout the Semester. The Course Moodle Code is 3059

Other Recommended Books:

1. Rober Cooter, The Strategic Constitution, Available at <http://www.law.berkeley.edu/faculty/cooterr/PDFpapers/stratcon.PDF>
2. Mancur Olson, The Logic of Collective Action
3. Joe Stevens, The Economics of Collective Choice, Boulder, Colorado; Westview Press, 1993

Teaching Plan:

Class Schedule

Class	Date	Topics
Section I: Voters		
Week 1: Introduction to Public Choice		Private and social benefits and costs Positive and negative externalities Coase and Property Rights Application: Regulation vs. trade-able permits
Week 2: The Logic of Collective Action		Public vs. private costs Public goods, the Tragedy of the Commons, Free Riders
Week 3: The median voter model		Model Assumptions, model methods Cycling, peaks, Condorcet voting
Class	Date	Topics
Week 4: The Median voter Model II		Extended numeric analysis of the model The U.S. – First past the post Thailand – Party list voting The Thai Constitution of 1997, 2007, 2009
Week 5: Bargaining and Agenda Setting		The one and two dimension agenda setter Indifference curve analyses
Week 6: The rational and irrational voter		Expressive voters Rational Ignorance Rational Irrationality Other models of voter behavior
Week 7: Normative Implications		Other Voting systems The case for limited government Federalism and Tiebout Voting
Section II: Politicians and Politics		
Week 8: Rent Seeking I		The traditional economic model of monopolies Wealth transfers and deadweight losses The utility maximizing politician New York Taxi Medallions
Week 9:		Gordon Tullock and the chinese beggars

Rent Seeking II		The policy entrepreneur Dissapating rents Harbinger triangles and the Rent-Seeking Society Mancur Olsen "The decline and fall of empires"
Week 10: Empirical Model: The Political Business Cycle		The Phillips Curve Macro-economic policy and the Phillips Curve The "Misery Index" -- Political science and elections The long run and short run Philips Curve The political buisness cycle
Week 11: Empirical Model: The E.U.		
Section III: Bureaucrats, Governments, and Normative Questions		
Week 12: Principal-Agent models		
Week 13: The Niskannen Revenue maximization model		What do Buerocrats and Government Workers maximize Government Agencies as Monopolistic Providers of Goods Marginal vs. Total Revenue The Revenue Maximizing Minister Efficiency vs. Equity, social evaluations of value vs. expert evaluations of value
Class	Date	Topics
Week 14: The Coase Theorem		The Coase Theorem: Demonstration Example (Trains) Statement of the model Transaction Costs and Model Limitation
Week 15: Applications: the U.S. Elections		Using the Models to Explain U.S. Government Elections, Policies, and Programs
Week 16: Applications: Thai Government Policies		Using the Models to Explain Thai Government Elections, Policies, and Programs

Course Outline

EE 451: International Trade Theory and Policy

Number of credits: 3 credits

Course Description:

International trade theories; Basic factors for international trade; Outcomes from trade, such as production outcome, commodities price, resource allocation, and factors of production price; The analysis of the policies and regulations in international trade; The economic integration; Foreign investments.

Prerequisite: EE311

Main textbook:

Appleyard, D.R.; A.J. Field, Jr.; and S.L. Cobb (2010) *International Economics*, 7th ed., McGraw-Hill: Singapore. (AFC)

Topics

1. Introduction (1.5 hr.)
 - 1.1 Scope of International Economics
 - 1.2 Merchandise Trade and Trade in ServicesRead: AFC ch.1

2. Early Trade Theories and the Classical Trade Theory (6 hr.)
 - 2.1 Mercantilism
 - 2.2 Classical Trade Theory
 - 2.3 Principle of Absolute Advantage --- Adam Smith
 - 2.4 Principle of Comparative --- David Ricardo
 - 2.5 Extensions and Tests of the Classical Trade Model
 - 2.6 Explanation of Classical Trade model by Neoclassic ToolsRead: AFC ch.2-4

3. Neoclassical Trade Theory (4.5 hr.)
 - 3.1 Basic Tools
 - 3.1.1 The Theory of Consumer Behavior
 - 3.1.2 The Production Theory

- 3.1.3 The Edgeworth Box Diagram and The Production Possibility Frontier
- 3.2 Gains from Trade in Neoclassical Theory
 - 3.2.1 Autarky Equilibrium
 - 3.2.2 Production and Consumption Gains from Trade
 - 3.2.3 Offer Curves and Terms of Trade

Read: AFC ch.5-7

- 4. Factor Endowments and the Heckscher-Olin Model (9 hr.)
 - 4.1 Assumptions
 - 4.2 Factor Abundance Concept
 - 4.3 Factor Intensity Concept
 - 4.4 Relationship between Relative Factor Price and Factor Proportion
 - 4.5 Relationship between Relative Product Price and Relative Factor Price
 - 4.6 Relationship between Relative Product Price, Relative Factor Price and Factor Proportion
 - 4.7 The Heckscher-Olin Theorem
 - 4.8 The Factor Price Equalization Theorem
 - 4.9 Heckscher-Olin Theorem under Factor Intensity Reversal Case
 - 4.10 The Stolper-Samuelson Theorem
 - 4.11 Empirical Tests of the Heckscher-Olin Theorem
 - 4.11.1 The Leontief Paradox
 - 4.11.2 Suggested Explanations for The Leontief Paradox

Read: AFC ch.8-9

- 5. Alternative Theories and Intra-Industry Trade (6 hr.)
 - 5.1 Specific-Factors Model
 - 5.2 Economies of Scale
 - 5.3 Dumping
 - 5.4 The Imitation Lag Hypothesis and The Product Cycle Theory
 - 5.5 The Linder Theory
 - 5.6 Gravity Model
 - 5.7 Intra-Industry Trade

Read: AFC ch.10

- 6. Trade Policy (9 hr.)
 - 6.1 Trade Policy Introduction and Types of Policy Instruments
 - 6.2 Protection
 - 6.3 Analysis of the Impact of Trade Policies
 - 6.3.1 Import Tariffs
 - 6.3.2 Import Quotas
 - 6.3.3 Voluntary Export Restraints (VER)
 - 6.3.4 Subsidy to Import Competing Industry
 - 6.3.5 Export Tax
 - 6.3.6 Export Subsidy

6.4 Other Effects of Protection
6.5 Import Tariffs and Import Quotas
Read: AFC ch.13-16

7. International Trade Institution and Economic Integration (4.5 hr.)
7.1 Types of Economic Integration
7.2 The Static Effects
 7.2.1 Trade Creation and Trade Diversion
 7.2.2 The Second Best Theory
7.3 The Dynamic Effects
Read: AFC ch.17
8. International Factor Movement (3 hr.)
8.1 Capital Movement
8.2 Labor Movement
Read: AFC ch.12
9. Economic Growth and International Trade (3 hr.)
9.1 Classifying the Trade Effects of Economic Growth
9.2 Sources of Growth and the Production-Possibilities Frontier
9.3 Factor Growth, Trade and Welfare
 9.3.1 The Small-Country Case and the Rybczynski Theorem
 9.3.2 The Large-Country Case
Read: AFC ch.11
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Course Outline

EE 452 International Monetary Economics

Number of credits: 3 credits

Course Description:

The course aims to lay down basic concepts of international monetary economics with expectation that students can understand events in international financial economics happening worldwide. It begins with the analysis of balance of payment and its components (current account, transfer payment, capital accounts). The interconnection between balance of payments and other parts of economy is also included. It is followed by foreign exchange market, capital markets, and exchange rate system. Application of each topic is usually discussed. This would make students be able to apply the concepts learned in the classroom.

Prerequisites: EE312

References:

1. Montiel, P.J. (2009), *International Macroeconomics*, Wiley-Blackwell, Sussex (**Main**).
2. Södersten, B. and G. Reed (1994) *International Economics* (3rd Edition), MacMillan Press, London. (**Supplement**)
3. Feenstra, R.C. and A.M. Taylor (2008), *International Economics*, Worth Publishers, New York. (**Supplement**)
4. Caves, R.E., J.A. Frankel, and R.W. Jones (2007) *World Trade and Payments: An Introduction*, (10eds.) Pearson International Edition, Massachusetts. (**Supplement**)
5. ASEAN Economic Bulletin (2010), *The Global Financial Crisis and Asian Economies: Impacts and Trade Policy Responses*, Volume 27 (1) edited by P. Athukorala and A Chongvilaivan.
6. Athukorala, P. (2001), *Crisis and Recovery in Malaysia: The Role of Capital Controls*, Edward Elgar, Cheltenham.
7. Athukorala, P. and P. Warr (2002), 'Vulnerability to a Currency Crisis: Lessons from the Asian Experience', *World Economy*, 25(1), p.33-57.
8. Bhagwati, J. (1995) 'The Capital Myth: The Difference between Trade in Widgets and Dollars', *Foreign Affairs*, 77 (3), 7-12.
9. Calvo, G. and C. Reinhart (2002), 'Fears of Floating', *Quarterly Journal of Economics*, May, : 379-408.
10. Corden, W.M. (2011), 'Global Imbalances and the Paradox of Thrift', CEPR Policy Insight, Centre for Economic Policy Resesarch No. 54: April.
11. Fischer, S. (2001), 'Exchange Rate Regimes: Is the Bipolar View Correct?', *Journal of Economic Perspective*, 15 (2), 3-24.

12. Ghosh, A.R., A. Gulde, and H. Wolf (2002), *Exchange Rate Regimes: Choices and Consequences*, Massachusetts, MIT Press.
13. James, W., D. Park, S. Jha, J. Jongwanich, A. Terada-Hagiwara and L. Sumulong (2008), 'The US Financial Crisis, Global Financial Turmoil, and Developing Asia: Is the Era of High Growth at an End?', *ADB Economics Working Paper Series*, No. 139, December, Asian Development Bank (ADB), Manila.
14. Jongwanich, J. (2007), *Capital Mobility, Exchange Rate Regimes, and Currency Crisis: Theory and Evidence from Thailand*, Nova Science, New York.
15. Jongwanich, J. (2008), 'Real Exchange Rate Overvaluation and Currency Crisis: Evidence from Thailand', *Applied Economics*, 40(1): 373-82.
16. Kohpaiboon, A. (2012), 'Hedging Behaviors of Thai Firms', Ongoing Research for M. Viwatchai Scholarship funded by 50 Years Bank of Thailand Foundation.
17. Kose, M.A., E. Prasad, K. Rogoff, and S. Wei (2006), 'Financial Globalization: A Reappraisal', *IMF Working Paper WP06/189*, Washington.
18. Warr, P. (1999), 'What Happened to Thailand', *World Economy*, 22 (5), 631-50.
19. Warr, P. (2005) 'Boom, Bust and Beyond' in P. Warr (ed.), *Thailand Beyond the Crisis*, RoutledgeCuzon, London: 3-65.

Teaching Plan:

Course Details

1. Balance of Payment

Discuss the basic concept of balance of payment and its key components including balance of trade, current account and capital accounts. The link between balance of payment and international reserves is discussed. Discussion in this section is associated with actual balance of payment data of several countries.

2.1 Balance of Payment and its Components

2.2 Implication of Balance of Payment Imbalances

2.3 Trade and Current Account Balance

2.4 Capital Account

2.5 National Income and Product Accounts (NIPA)

2.6 Contemporary issues on BOP

References: Montiel (2009)- Chp 2; Sodesten and Reed (1994)- Chps 23 25 and 26; Warr (1999) Athukorala and Warr (2002); Jongwanich (2007)- Chp 3; and Corden. (2011)

2. Foreign Exchange Market

Discussion in this section begins basic features of demand for and supply of foreign exchange (derived demand). Marshall-Lerner Condition and the degree of market stability are then discussed. This section ends with the motivation of capital movement across countries

2.1 Nominal Exchange Rate and Nominal Effective Exchange Rate Index

2.2 Demand and Supply in the Foreign Exchange Market

2.2.1 Goods and Services

- Real exchange rate and real effective exchange rate index
- Purchasing Power Parity (PPP) and its economic implication
- Factors influencing the demand and supply
- Marshall-Leaner Condition

2.2.2 Financial Assets

- Uncovered Interest Parity (UIP)
- Stock theory of international capital mobility

2.2.3 Central Banks

- Foreign Exchange Regime

References: Montiel (2009)- Chp 3; Sodesten and Reed (1994)- Chp 24; Jongwanich (2007)- Chp 2 & Appendix 8; Calvo and Reinhart. (2002)

3. Currency Forward Market, Hedging Behavior and Speculation

This section aims to shift the interest to another transactions in the foreign exchange market, forward transaction where agents decide to buy/sell currency today for future transaction. Since transactions in forward market is largely dominated by currency hedging against unexpected changes in exchange rate, decision to hedge is discussed. Instruments against the unexpected changes like forward contract, call/put options are discussed. The last subsection in this topic touches on speculation.

3.1 Forward market and determinants of forward rate

3.2 Structure of forward market

3.3 Hedging Behavior of firms

3.4 Evidence of firms in currency hedging

3.5 Currency Speculation and Exchange Rate Misalignment

References: Kohpaiboon. (2012)

4. Macroeconomic Model

General equilibrium macroeconomic model is discussed in this section in order to provide comprehensive picture how macroeconomic variables (output, inflation, interest rate, prices, exchange rate) are interrelated.

- 19.1 Macroeconomic Model Setting** (Montiel, 2009: Chp 4)
 - 19.1.1 Need for Macroeconomic Model
 - 19.1.2 Mundell-Flemming vs. Montiel (2009) Models
 - 19.1.3 Role of Central Bank
 - 19.2 Fixed Exchange Rate and Perfect Capital Mobility** (Montiel, 2009: Chp 6 and 9)
 - 19.2.1 Equilibrium in goods and money markets
 - 19.2.2 Uncovered Interest Parity
 - 19.2.3 General Equilibrium
 - 19.2.4 Shocks
 - Monetary Expansion
 - Positive Aggregate Demand Shocks
 - 19.2.5 Impossible Trinity Theorem
 - 19.3 Fixed but Adjustable Exchange Rate and Imperfect Capital Mobility** (Montiel, 2009: Chp 7-8)
 - 19.3.1 Net Wealth of Central Bank and Bond Market Equilibrium
 - 19.3.2 General Equilibrium (Equilibrium in goods, money and bond markets)
 - 19.3.3 Shocks
 - Monetary Expansion
 - Positive Aggregate Demand Shocks
 - Unexpected Currency Devaluation
 - An Increase in World Interest Rate
 - 19.4 Floating Exchange Rate and Perfect Capital Mobility (Montiel 2009: Chp 10)**
 - 19.4.1 Uncovered Interest Parity and Relationship between Exchange Rate and Interest Rate
 - 19.4.2 General Equilibrium in exchange rate-output nexus
 - 19.4.3 Shocks
 - Monetary Expansion
 - Positive Aggregate Demand Shocks
 - External Financial Shocks
 - 19.5 Exchange Rate Dynamics (Overshooting Model)** (Montiel, 2009: Chp 12)
 - 19.5.1 Sources of Exchange Rate Dynamics
 - 19.5.2 Permanent and Transitory Shocks
 - 19.5.3 Shocks
 - Monetary Expansion
 - Positive Aggregate Demand Shocks
 - External Financial Shocks
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COURSE OUTLINE

EE 459 SEMINAR IN INTERNATIONAL ECONOMICS

Course Description:

More globalized world implies more unstable and volatile markets. As a result, the probability of experiencing fluctuation in both global trade and international financial markets gets higher. This course is aimed at broadening students' insight of international economics through various approaches, including lecture, class discussion, term paper, and seminars with guest speakers. Particularly, practices of applying analytical frameworks to the current issues and data of both global trade and international finance would enhance students' in-depth analytical skills towards more understanding of the global volatilities.

Prerequisite:

- (a) EE451 and EE452 or
- (b) By lecturer consent

Case analysis I & II – students will be assigned to analyze and present the policy recommendations of current issues in international economics. The main objective of these assignments is to introduce the practical implementation of theoretical frameworks in analyzing impacts of the international trade in both micro and macro levels.

Literature review – as a preparation toward developing individual's final paper, the student has to write a 2-page summary of his/her final paper's main reference literatures. Also the student has to present the summary in class in order to share and discuss main concepts of research methodologies and key findings of those literatures.

Final paper – The final paper is an individual work and should not be longer than 8 pages, double-space, excluding tables and figures; it should contain only the main points and written succinctly. The paper is to be submitted a week before class presentation. It is strongly advised that students make their plans early for the topic of the paper. The idea is, during the semester students can raise issues and questions related to their selected topic such that the treatment of the topic will provide more materials for them to write about. The use of extensive data of economic and financial variables in the paper will carry extra weight.

Course Outline:

Week 1 (August 15, August 17) : Introduction and Global Trade Database

Readings

- Timmer, M., et. al. (2012), The World Input-Output Database (WIOD): Contents, Sources and Methods, the European Commission.
(<http://www.wiod.org/publications/memoabstract.htm?id=10>)
- International Trade Centre UNCTAD/WTO. (2009), Trade Map – Trade Statistics for International Business Development,
(<http://legacy.intracen.org/marketanalysis/Docs/Trademap/TradeMap-Userguide-EN.pdf>)

Week 2 (August 22, August 24) : Global Trade – Basic Analysis

Readings

- Schaffer, W. A.(2010), Regional Impact Models, Georgia Institute of Technology, School of Economics. (<http://www.rri.wvu.edu/WebBook/Schaffer/chap05.html>)
- De Backer, K. and Yamano, N. (2008) The Measurement of Globalisation using International Input-Output Tables, STI WORKING PAPER 2007/8 Statistical Analysis of Science, Technology and Industry, Organisation for Economic Co-operation and Development (OECD)
- Yamano N., and Meng B. (2011) Measuring Global Fragmentation using Harmonized International Input-Output Database
(http://www.iioa.org/files/conference-2/588_20110512061_yamano-mengIIOA2011.pdf)

Week 3 (August 29, August 31) : Review of Global Trade Policy Analyses

Readings

- Hertel (ed.), T.W. (1997), Global Trade Analysis: Modeling and Applications, , Cambridge University Press
(https://www.gtap.agecon.purdue.edu/products/gtap_book.asp.)

- Peter, P., Plummer, M. G. and Zhai, F. (2011), The Economics of the ASEAN Economic Community.
- Lee, H. and Plummer, M. G. (2011), Assessing the Impact of the ASEAN Economic Community, Discussion Paper: DP-2011-E-002, Osaka School of International Public Policy, Osaka University

Week 4 (September 5 , September 7) : Students' Presentation - Case Analysis I

Week 5 (September 12, September 14) : Global Trade – Current Issues

Readings

- Rogoff K. (2006), “Impact of Globalization on Monetary Policy,” paper presented to the annual Jackson Hole symposium of the Federal Reserve Bank of Kansas City, (August) (<http://www.kc.frb.org/PUBLICAT/SYMPOS/2006/pdf/rogoff.paper.0829.pdf>)
- Blinder A. (2006), “Offshoring: The Next Industrial Revolution?, Foreign Affairs, 85, pp. 113-128 ([http://www.internationaltraderelations.com/Blinder.Offshoring%20\(Foreign%20Affairs,%20M arch-April%202006\).pdf](http://www.internationaltraderelations.com/Blinder.Offshoring%20(Foreign%20Affairs,%20M arch-April%202006).pdf))
- Shahid Y., Nabashima K. and Perkins D. (2006), “China and India Reshape the Global Industrial Geography, in World Bank, Dancing with Giants: China, India and the Global Economy, Washington, D.C.: The World Bank, pp. 27-56, (http://siteresources.worldbank.org/INTCHIINDGLOECO/Resources/CE_Ch02pp.027-56_FINAL.pdf)
- Eichengreen B. and Tong H. (2006), “How China is Reorganizing the World Economy,” Asian Economic Policy Review 1, pp.73-101, (http://www.aeaweb.org/annual_mtg_papers/2006/0106_1430_1702.pdf)

Week 6 (September 19, September 21) : Regional Cooperation

September 19: Regional Cooperation

Guest Speaker – Dr. Athipong Hirunraengchok

(Policy & Planning Analyst, NESDB)

September 21: Regional Cooperation

Readings

- Kalemli-Ozcan, S., B.E Sorensen and O. Yosha (2003). Risk Sharing and Industrial Specialization: Regional and International Evidence, The American Economic Review, Vol 93,

No 3, June. (http://www.econ.tau.ac.il/papers/inmemoriam/Yosha_Sorensen_Kalemni-Ozcan_2003.pdf)

- Eichengreen, B. (2006). Global Imbalances and the Asian Economies: Implications for Regional Cooperation, ADB Working Paper Series on Regional Economic Integration, No. 4, August. (<http://ideas.repec.org/p/ris/adbrei/0004.html>)

Week 7 (September 26, September 28) : Global Trade and Economic Development

Readings

- Yanikkaya H. (2003), Trade Openness and Economic Growth: a Cross-Country Empirical Investigation, Journal of Development Economics, 72, pp. 57– 89
- Samman, E. (2005), Openness and Growth: An Empirical Investigation, Human Development Report Office, Occasional Paper, UNDP

Week 8 (October 10, October 12) :

October 10 : International Trade and Economic Development

October 12 : International Finance – Empirical Evidences

- Flood R.P and Marion, N.P. (1998), Perspectives on the Recent Currency Crisis Literature, IMF Working Paper WP/98/130 (<http://www.imf.org/external/pubs/ft/wp/wp98130.pdf>)
- Flood, R. P. and Rose, A.K. (2001). Uncovered Interest Parity in Crisis: The Interest Rate Defense in the 1990s, unpublished manuscript, April (<http://www.internationalmonetaryfund.com/external/pubs/ft/wp/2001/wp01207.pdf>)

Week 9 (October 17, October 19) : Students' Presentation - Case Analysis I

Week 10 (October 24, October 26) : International Finance – Financial Liberalization and Economic Development

Readings

- Tressel, T. and Detragiache E. (2008), Do Financial Sector Reforms Lead to Financial Development? Evidence from a New Dataset, IMF Working Paper, No 265, WP/08/265 (<http://www.imf.org/external/pubs/ft/wp/2008/wp08265.pdf>)
- Geert B., Harvey, C.R. and Lundblad C. (2001), Does Financial Liberalization Spur Growth?, NBER Working Paper, No. 8245, Cambridge, Massachusetts. (<http://www.nber.org/papers/W8245>)

- Kalemli-Ozcan S., Alfaro L., and Volosovich V. (2005), “Why Doesn’t Capital Flow from Rich to Poor Countries? NBER Working Paper no. 11901, <http://papers.nber.org/papers/w11901>.
- Rajan R. (2006), “Foreign Capital and Economic Growth,” unpublished manuscript, International Monetary Fund, (August), <http://www.kansascityfed.org/publicat/Sympos/2006/pdf/PrasadRajanSubramanian.0811.pdf>

Week 11 (October 31, November 2)

October 31 : Current Issues in International Finance

November 2 : Current Issues in International Relations and Economics

Week 12 (November 7, November 9)

[NOTE: November 7 is the submission date for assignment #3 (literature review and final paper’s outline)]

November 7: Current Issues in International Finance and Economics

Guest Speaker – Dr.Soraphol Tulayasathien

(Director of Economic Stability Analysis Division, Fiscal Policy Office, Ministry of Finance)

November 9 : International Finance – Capital Flows and Global Imbalance

Readings

- Eichengreen B. (2006), “Global Imbalances: The Blind Men and the Elephant,”Brookings Policy Brief 1, (January) http://www.brookings.edu/views/papers/200601_iiep_eichengreen.pdf
- Eichengreen, B. (2006). Global Imbalances and the Asian Economies: Implications for Regional Cooperation, ADB Working Paper Series on Regional Economic Integration, No. 4, August. (<http://ideas.repec.org/p/ris/adbrei/0004.html>)
- Borio C. and Disyatat P. (2011), Global Imbalances and the Financial Crisis: Link or no link?, BIS Working Papers No. 346 (www.bis.org/publ/work346.pdf)

**Week 13 (November 14, November 16) : International Finance – Economic Crises and
Contagion**

Readings

- Baig, T & Goldfajn, I (1998), Financial Market Contagion in the Asian Crisis, IMF Working paper, WP/98/155 (<http://www.imf.org/external/pubs/ft/staffp/1999/06-99/pdf/baig.pdf>)
- Rigobon, R (2000). Contagion: How to Measure it, NBER Working Paper Series No 8118, Cambridge, MA (<http://papers.nber.org/papers/w8118.pdf>)

Week 14 (November 21, November 23) – Students’ Presentation – Final Paper

Week 15 (November 28, November 30) – Students’ Presentation – Final Paper

Course Outline

EE460 THAI ECONOMY

Number of credits: 3 credits

Course Description:

Thailand's economic structure and its changes since the 1960s with the economic performance in terms of economic development and growth, the intricate relationship between poverty, income distribution, and globalization. The process of economic policies formulation in Thailand; Implementation of monetary, exchange rate, and fiscal policies; The strategic policies reinforcing economic and social development for the whole economy or for each economic sector, especially the development of industrial and agricultural sectors, the complex relationship between the Thai economy and the World economy and International Organizations.

Prerequisites: EE 311 and EE 312

Course Objectives

The objective of this course is to provide students deep understanding of the Thai economy through utilizing economic theories. Market mechanism and government intervention will be examined to highlight policy issues relating to efficiency and socio-economic impacts. It is expected that students would be able to analyze controversial issues relating to the Thai economy. Based on lessons learned from the past, the class focuses on current issues.

Chapter 1 (Lecture 1)

Early Economic Development--The first three decades: 1961-1990

What can we learn from the historical path of Thailand's economic development? What were factors contributing to the rapid growth in the first three decades of Thailand's development planning?

J.C. Ingram (1971) Economic Change in Thailand, 1850-1970, Stanford University Press

P.G. Warr (1993) The Thai Economy in Transition, Cambridge University Press

Yasuba, Yasukichi and Likhit Dhiravekin (1985) “Initial conditions, institutional changes, Policy, and their consequences: Siam and Japan, 1850-1914.” Chapter 2, Japan and the Developing Countries, Kzzushi Ohkawa and Gustav Ranis, Oxford: Basil Blackwell

Rodrik, Dani (2004) “What do we learn from countries narratives?” In search of Prosperity www.pupress.princeton.edu/chapters/s7518.pdf

Chapter 2 (Lecture 2)

Resilience of the Thai economy

Adjustment through various shocks: 1991-2005

There appears to be some structural mechanisms in the Thai economy that would lessen the impact of economic crisis, whether the shock is internal or external. It is impossible to rule out various future shocks such as oil price hikes, realignments of major currency values, or crisis contagion. Is the Thai economy resilient enough to regain its pre-shock growth path?

P. G. Warr (2005) “Boom, bust and beyond” in *Thailand Beyond the Crisis*, Chapter 1, London: RouthledgeCurzon

Nidhiprabha, B. (2000) “Macroeconomic Perspectives on Thailand’s post-crisis recovery” *Thammasat Review*, Vol. 5, December, 51-77

Nidhiprabha, B. (2006) “Resilience of the Thai economy” in Thailand’s Economic Recovery Cavan Hogue (ed.), Institute of South East Asian Studies, Singapore, 2006.

Chapter 3 (Lecture 3-4)

The Thai economy after the coup: 2006-2009

In 2007, Thai economy grew at the lowest pace among countries in the region. How has the 2006 coup changed the Thai economy?

Nidhiprabha, B. (2009) “The Thai economy after the coup”, in John Funston (ed.) *Divided over Thaksin*, Institute of Southeast Asian Studies.

Nidhiprabha, B. (2009) “The hard road ahead for Thailand’s economic recovery,” *Asian Economic Papers* 8(3), 113-137.

Chapter 4 (Lecture 5-6)

Dynamism of Thai Agriculture

What are factors contributing to Thailand’s agricultural productivity over the past four decades? Can dynamism of the Thai agriculture enable Thailand to cope with new challenges? How did the agricultural sector cope with external shocks and fluctuations in the terms of trade?

Siamwalla, Ammar (1996) “Thai Agriculture: From engine of growth to sunset status” *TDRI Quarterly Review*, Vol. 11, no. 4, December, 3-10.

Coxhead, Ian and Jiraporn Plangprapha (1999) “Economic boom, financial burst, and the decline of Thai agriculture: Was growth in the 1990s too fast?” *Chulalongkorn Journal of Economics*, Vol. 11, January.

Nidhiprabha, B. (2005) “Dynamism of the Thai Agriculture” *East Asian Economic Perspectives*, Vol. 12, No. 2, August.

P.G. Warr (2007) “Trade policy and the structure of incentives in Thai agriculture” *ASEAN Economic Bulletin*, 25(3), 249-70.

Chapter 5 (Lecture 7-10)

Challenges of the manufacturing sector

We explore four major industries: processed food, information technology, textile, and automobile. While facing non-tariff barriers imposed by developed countries, these industries are still leading exporters of Thailand. Does the success of these industries bode well for the resilience and dynamism of the Thai manufacturing sector?

Nidhiprabha, B. and Chalernpol Chamchan (2005) "SPS and Thailand's Exports of Processed Food" in *Food Safety Regulation Concerns: The Developing Country Perspective*, in Rajesh Mehtha and J George (eds.) Delhi: Macmillan India.

ArchanunKohpaiboon (2006) "A cross-industry analysis of Thai manufactures" *World Development*, Vol. 34, no.3, 541-556.

Chapter 6 (Lecture 11-12)

Export growth engine and new regionalism

How important is the export sector as an engine of growth? What are factors contributing to high degree of trade openness? The globalization process in Thailand has been ongoing for the last three decades. What are prospects and problems of Thailand's attempt to comply with the globalization trend via regional and cross-regional free trade agreements?

Nidhiprabha, B. (2007) "Thailand and New Regionalism" in *Regional Integration in East Asia*, Masahisa Fujita (ed.) New York: Palgrave Macmillan,

Chapter 7 (Lecture 13)

Tourism industry: vulnerable but resilient

A background of tourism industry in Thailand is presented. We investigate how the industry was adversely affected by shocks such as the tsunami and political unrest. The tourism industry, which accounts for 6 percent of GDP, is quite vulnerable to all types of shocks. The tourism industry is resilient, as it has undergone various external shocks in the past. What factors were responsible for the fast recovery after the airport shutdown in 2007 and the riots in May 2010?

Nidhiprabha, B. (2010) “Thailand” in *The Asian Tsunami: Aid and Reconstruction after a disaster*, Jayasuriya, Sisira and Peter McCawley (eds.) Cheltenham: Edward Elgar, 2010.

Available on the web at www.adbi.org/discussion/paper/2007/08/02/2344.thailand.tsunami.adjustment.recovery

Chapter 8 (Lecture 14-15)

Adjustments of external imbalances

We discuss the determinants of current account, which is intricately related to internal imbalances. There are various channels of disequilibrium adjustment. Adjustments in output, prices, interest rates, and exchange rates would restore the equilibrium in the long run. The speed of the adjustment depends on how quickly those equilibrating variables are allowed to freely adjust. If some variables are not permitted to perform its equilibrating role, the burden of the adjustment would fall on other uncontrolled variables. What would happen if fundamental adjustments are prolonged?

Nidhiprabha, B.(1998) “Adverse consequences of capital flows and Thailand’s optimum policy mix” in *Capital Flows in Asian Countries*, Kwan, C.H., Donna Vandenbrink, and Chia SiowYue (eds.), Nomura Research Institute and Institute of Southeast Asian Studies.

Nidhiprabha, B. (2010) “Effectiveness of Thailand’s macroeconomic policy response to the global financial crisis,” *ASEAN Economic Bulletin*, 27(1) 121-135.

Chapter 9 (Lecture 16-18)

Exchange rate policy, capital controls, and the stock market

To what extent that growth of exports depends on weak currency? Intervention in the foreign exchange markets is ineffective, because the baht/dollar exchange rate is dictated by the weakening dollar and short-term capital flows into asset markets. What were consequences of the capital control imposed in 2006?

Nidhiprabha, B. (2005) "Implication of a flexible exchange rate" in Peter G. Warr, *Thailand boom, bust, and beyond*. London: Routledge.

Nidhiprabha, B. (2008) "Contractionary devaluation revisited" Can appreciation be expansionary?" in Chapter 10, *East Asian Economies and New Regionalism*, Abe Shigeyuki and Bhanupong Nidhiprabha (eds.) Kyoto University, Press.

Chapter 10 (Lecture 19-20)

Resilience of the banking sector

Performance of financial institutions is examined. Thai financial sector has emerged from the 1998 crisis become stronger and resilient, thanks to foreign capital injection, good governance, and strengthened financial regulations. What are consequences of banking consolidation and penetration of foreign banks? What factors are responsible for the resilience of Thai banks during the subprime mortgage crisis and the subsequent global recession?

Nidhiprabha, B. (2003) "Premature liberalization and economic crisis in Thailand" in *Financial liberalization and the economic crisis in Asia* edited by Chung Lee, London: RoutledgeCurzon.

Nidhiprabha, B. (2002) "Risks of financial liberalization and reform for financial stability" Chapter 9 in Kyung Tae Lee, *Globalization and the Asian Pacific Economy*, London: Routledge

Okuda, Hidenobu and Fumiharu Mieno (1999) “What happened to Thai commercial banks in the pre-Asian Crisis period: Microeconomic analysis of Thai banking industry” *Hitosubashi Journal of Economics*, 40, 97-121.

Nidhiprabha, B. (2006) “Good Governance in the Thai banking System” in *Corporate Governance in Thailand*, Sukulrat Montreevat (ed.) Institute of Southeast Asian Studies, Singapore, 2006.

Nidhiprabha, B. (2006) “The Thai financial sector in transition: Can the bond market prevent a future currency crisis?” in *A New Financial Market Structure for East Asia*, Yung Chul Park, Takatoshi Ito, and Yunjong Wang (eds.) Cheltenham: Edward Elgar, 2006.

Nidhiprabha, B. (2007) “Asian Bond Markets: Development and Implications in Emerging Developments” in *East Asia FTA/EPAs*, Shigeyuki, Abe and Bhanupong Nidhiprabha (eds.) Kyoto University, Center for South East Asian Studies

Chapter 11 (Lecture 21-23)

Fiscal policy and fiscal sustainability

The role of fiscal policy as a tool for stabilization is discussed. Can fiscal expansion leads to sustainable growth? How sustainable is Thailand’s fiscal deficit? What is the role of institutions in shaping the country’s financial stability? What would be the consequences of fiscal populism policy in 2011? What is the appropriate level of public debt? How is the long-term growth path affected by fiscal structure and fiscal space?

P.G. Warr and B. Nidhiprabha (1996) “The role of fiscal policy” in *Thailand’s Macroeconomics Miracle: Stable and Sustained Growth* Washington D.C: The World Bank and Oxford University Press.

Nidhiprabha, B. (2003) “Thailand’s macroeconomic policy after July 1997” *Asian Economic Papers*, Vol.2, no.1

Chapter 12 (Lecture 24-26)

Monetary policy strategy

We outline the role of monetary policy in stabilizing growth and price stability. The trade-off between inflation and output is discussed. Monetary policy response of the Bank of Thailand is analyzed in relation to inflation target, changes in the federal funds rate, and asset price bubbles. Should the Bank of Thailand tighten its credit policy to cool down inflation? Did monetary expansion stimulate growth in Thailand during the global recession 2007-2009? How should monetary policy be conducted during the debt crisis in Europe and USA? How does monetary policy affect productive employment?

Nidhiprabha, B. (2006) "The buffeting of Thailand by the unholy trinity of Avian Influenza, tsunami, and the oil price shock" *Asian Economic Papers*, Vol. 5, no.2,

Nidhiprabha, B. (1998) "Economic crises and debt-deflation episode in Thailand, *Asian Economic Bulletin*, December.

Nidhiprabha, B. (1999) "Cyclical excess and financial instability in Thailand" *Thammasat Review*, Vol. 4, December, 89-113

Chapter 13 (lecture 27-28)

Income distribution and poverty

The nexus between income distribution, growth, and poverty are discussed. How was income distribution and external liberalization connected? What is the impact of social policy on poverty and distribution? How do productivity differentials among sectors lead to wage differentials and income inequality? What is the trend of income disparity between urban and rural areas? How did agricultural pricing and income policies affect poverty? What are likely consequences of raising the minimum wage to 300 baht per day?

P.G. Warr, (2004) "Globalization, growth, and poverty reduction in Thailand," *ASEAN Economic Bulletin* Vol. 21(1) April, 1-18.

Nidhiprabha, B. (2006) “The Distributive and Macroeconomic Impact of Liberalization in Thailand” in Taylor, Lance (ed.) *External Liberalization In Asia, Post-Socialist Europe, and Brazil*, New York: Oxford University Press

Chapter 14 (Lecture 29-30)

Urbanization and environment

What is the relationship between urbanization and output growth in Thailand? We discuss the declining primacy of Bangkok and the importance of its satellite cities. Negative consequences of urbanization are explored. Is Thailand a good example of sustainable urbanization? Does rapid economic growth imply unsustainable urbanization?

C.J. Dixon (1999) *The Thai economy: Uneven development and internationalization* Routledge.

Webster, Douglas (2005) “Urbanization: new drivers, new outcomes” in *Thailand Beyond the Crisis*, Chapter 10

Mingsarn Kaosa-ard (2005) “Natural resources and the environment” in *Thailand Beyond the crisis*, Chapter 11

Course Outline

EE462 Development Macroeconomics

Number of credits: 3 credits

Course Description

The analysis of development economics issues that are important and related to the macro economy of developing countries, such as concepts explaining economic growth, development policies of various countries, the analysis of monetary policies, exchange rates, balance of payments, flow of capital, financial crisis, international aids affecting economic growth, the effects of international trade and foreign direct investments on economic development, the relationship between economic growth and the level of poverty and income distribution, etc.

Prerequisites: EE312

Text and Readings:

The recommended texts for this class are Debraj Ray's *Development Economics* and Charles Jones's *Introduction to Economic Growth*.

However, we will rely mostly on articles. Required readings are marked with a star (*). Recommended readings are not starred. Some recommended readings **are available on line**. **Copies of reading package will be offered in due times. Other books listed below are not required for class but will be really helpful to know the subject.**

Books:

Acemoglu, Daron. *Introduction to Modern Economic Growth*, Princeton University Press, 2008.

*Agenor, Pierre-Richard and Peter J.Montiel. *Development Macroeconomics, Second edition*. Princeton University Press, 1999.

Aghion Phillippe and Peter Howitt. *The Economics of Growth*. The MIT Press, 2009.

Barro, Robert J. and Xavier Sala-i-Martin, *Economic Growth*, second edition. The MIT Press, 2004.

*Jones, Charles I. *Introduction to Economic Growth*, second edition, W.W. Norton & Company, 2002.

Mankiw, N.G. *Intermediate Macroeconomics: Abridged*. Worth Palgrave Macmillan, 2010.

*Ray, Debraj. *Development Economics*. Princeton University Press, 1998.

Stiglitz, Joseph, eds., *Frontiers of Development Economics: The Future in Perspective*, New York, Oxford University Press, 2001,

Course Structure

This first-half of the course provides a comprehensive analysis of the process of economic growth and the source of differences in economic performance across nations. The main goal is to allow students to understand current topics in the subject and to analyze policy debates surrounding those topics.

Week 1: Overview and Questions of Economic Growth and Development

Week 2: Solow Growth and Neoclassical Growth Model

Week 3: Endogenous Growth Models

Week 4: Growth empiricism

Week 5: Growth Strategies: Industrialization Policy

Week 6: Roles of Health and Education in development

Week 7: Growth and Income inequality

Second half

The second-half of the course focuses on development economics issues that are important and related to the macro economy of developing countries, the analysis of short-run macroeconomic policies such as stabilization policy, fiscal deficit, monetary policy, exchange rates, flow of capital, financial crisis, the effects of international trade and foreign direct investments on economic development, alternative models of growth and structural reform.

Week 8: Macroeconomic Relationships and Market Structure

Week 9: Macroeconomic Fluctuations

Week 10: Fiscal Deficits, Government Debt, and Public Solvency

Week 11: Stabilization, the Formal-Informal Sectors, Populism

Week 12: Financial Markets, Capital Mobility, Monetary Policy

Week 13: Exchange-Rate Regimes and Management, Currency Crises and International Monetary Cooperation

Week 14: Macroeconomic Policy Debates: Stabilization Policy and Structural Reforms

Week 15: Alternative Growth Models

First-Half Course Outline and Readings

1. Economic Growth and Development: Overview and Questions

We begin with a quick review of historical development of developing countries over the past decades. We pay attention to per capita income and income distribution, and some indicators of development. Then, we end with an overview of the structural characteristics of developing countries.

Reading

* Ray, D. Chapter 2.

* Acemoglu, Daron. Chapter 1.

* Jones, Charles. Introduction Chapter.

Barro and Sala-i-Martin, Chapter 1.

* Steven N. Durlauf, Paul A. Johnson and Jonathan R. W. Temple, "[Growth Econometrics](#)," *Handbook of Economic Growth* in Aghion P. and Durlauf S. (eds.) Volume 1 Chapter 8. pp555-677.

Pritchett, Lant, "[Divergence, Big Time](#)," *Journal of Economic Perspectives*, Summer 1997. p. 3-17.

Basu, Kaushik, "On the Goals of Development," in G.M. Meier and J.E. Stiglitz, eds., [Frontiers of Development Economics](#), New York, Oxford University Press, 2001, 61-86.

2. Solow Growth and Neoclassical Growth Models

Among issues facing developing countries, the question of economic growth or how to sustain economic growth is quite compelling.

2.1 Solow and Neoclassical growth Models

We start with a quick look at the stylized facts of economic growth and the most basic model of growth, the Solow growth model. The purpose is both to prepare us for the analysis of more modern models of economic growth. We extend the Solow model to the Neoclassical growth model where we model consumer behavior and endogenize savings.

Reading

Acemoglu. Ch. 2, 3, 8

* Jones, C., chapters. 2, 3.

Barro, R. And Sala-i-Martin, Chapters 1 - 2

3. Endogenous Growth Models

The modern economic growth or endogenous growth theories provide different hypotheses of the sources of growth, such as the role of innovation or endogenous technical change, ideas, human capital, and openness to trade. These models are based on forward looking behavior. We also discuss some mathematical tools to understand the mechanics of the model.

Reading

Acemoglu, Daron. Chapter 11, 12.

* Jones, C., chaps. 4, 5, and 6.

Lucas, Robert E. Jr., “ On the Mechanics of Economic Development,” *Journal of Monetary Economics*, 1988, 22, 3-42.

Romer, P. “Endogenous Technical Change,” *Journal of Political Economy*, 1990, 98, 71-102.

4. Growth Empiricism

We look at empirical evidences which provide some validations of various models we discussed earlier. We also try to criticize empirical findings about fundamental causes of economic growth and economic development

4.1 Growth Accounting and Source of Productivity Growth

Bosworth, Barry and Susan M. Collins (2003). *The Empirics of Growth: An Update*, Brooking papers on economic activity vol. 34.

Barro, R. And Sala-i-Martin, Chapters 10

4.2 Evidences on from cross-countries regression

Reading

* Ray, D. Chapter 3-4.

*Jones, C. chapter 3

Ricardo Hausmann, Dani Rodrik, and Andres Velasco, “[Growth Diagnostics](#),” March 2005

*Mankiw, N. Gregory, David Romer, David N. Weil, “[A Contribution to the Empirics of Economic Growth](#),” *The Quarterly Journal of Economics*, vol. 107, no. 2. (May, 1992), pp. 407-437. (Also NBER paper: <http://www.nber.org/papers/w3541.pdf>)

Barro, R. And Sala-i-Martin, Chapters 12

5. Growth Strategies (I): Industrialization Policy

Models of big push, development traps; externalities, linkages

Reading

* Ray, D. Chapter 5.

* Hoff, Karla and Joseph Stiglitz, “[Modern Economic Theory and Development](#),” in G.M. Meier and J.E. Stiglitz, eds., *Frontiers of Development Economics*, New York, Oxford University Press, 2001, 389-459.

* Rodrik, Dani, “[Getting Interventions Right: How South Korea and Taiwan Grew Rich](#),” *Economic Policy* 20, 1995, 53-107. (draft at <http://www.nber.org/papers/w4964.pdf>)

*Murphy, Kevin M, Andrei Shleifer, and Robert W. Vishny, “[Industrialization and the Big Push](#),” *Journal of Political Economy*, October 1989, 1003-1026.

Lucas, R.E. . “The Industrial Revolution: Past and Future,” in Lectures on Economic Growth, Harvard University Press, 2002.

* Dani Rodrik, “[Growth Strategies](#)” October 2004.

6. Human Capital: Health and Education

Improving educational outcomes and health is at the heart of many developing strategies. We discuss what we know about policies to improve school outcomes and reduce health problems.

Reading

*Hanushek, Eric and Ludger Woessman. “The Role of Education Quality for Economic Growth,” NBER working paper no. 4122, 2007. (download at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=960379)

* Psacharopoulos, George, “Economic Impact of Education,” in G. M. Meier and J. E. Rauch, Leading Issues in Economic Development. New York: Oxford University Press, pp.223-227.

* Rosenzweig, Mark, “[Why Are There Returns to Schooling?](#)” American Economic Review, Vol. 85, May 1995, 153-158.

Foster, Andrew and Mark Rosenzweig, “[Technical Change and Human Capital Returns and Investments: Evidence from the Green Revolution](#),” American Economic Review, Vol. 86, September 1996, 931-953.

Hanushek, Eric “Interpreting Recent Research on Schooling in Developing Countries,” in G. M. Meier and J. E. Rauch, Leading Issues in Economic Development. New York: Oxford University Press, pp. 229-233.

Strauss, John and Duncan Thomas, “[Health, Nutrition and Economic Development](#),” Journal of Economic Literature, Vol. 36, June 1998, 766-817.

Edward Miguel and Michael Kremer, “[Worms: Identifying Impacts on Education and Health in the Presence of Treatment Externalities](#),” Econometrica 72(1), January 2004, pp. 159-217.

Rosenzweig, Mark, “[Population Growth and Human Capital Investments: Theory and Evidence](#),” Journal of Political Economy, Vol. 98, 1990, pp. S38-S70.

7. Growth and Income Inequality

Concepts and Measurement of inequality; Impact of growths on inequality; population and growth

Reading

* Ray, D. Chapter 6-7, 9.

Quibria, M.G., Growth and Poverty: Lessons from the East Asian Miracle Revisited, ADB Institute Research Paper No. 33, February, 2002.

Mid-term short Essay

Read one of listed articles or bring the one of your interest (with my permission), and write a critique of it in light of what you have learned in this course and your knowledge. The essay should not exceed 10 double-spaced pages, with Times New Roman Font 12. Write a brief summary of the article and provide a great length of an analytical critique in light of theory and evidence. Essay submitted behind the dateline is subject to a penalty, 10 scores a day from total of 50.

Second-Half Course Outline and Readings

(Articles for reading will be suggested in class)

8. Macroeconomic Relationships and Market Structure

This chapter explores the structural features that distinguish most developing countries from the industrial-country model, emphasizing the need to take structural factors into account in macroeconomic analysis.

Reading

* Agenor and Montiel, Ch 1-3

9. Macroeconomic Fluctuations

This chapter explores a wide range of regularities in macroeconomic fluctuations in developing countries; relationship between economic fluctuations in developing countries and output of industrial countries and the world real interest rate; the role of supply-side shocks in driving business cycles in developing countries.

Reading

* Agenor and Montiel. Ch.4

Mankiw Ch.9-11

10. Fiscal Deficits, Government Debt and Public Solvency

The chapter examines the nature and implications of fiscal rigidities, inadequate tax base and administrative difficulties in tax collection and effect of fiscal deficits on a variety of macroeconomic variables, excessive debt both external and domestic.

Reading

* Agenor and Montiel. Ch.5

* Mankiw Ch.16

11: Stabilization, the Formal-Informal Sectors, Populism

The chapter discusses the role of labor markets in the context of short-run macroeconomic adjustment in developing countries by examining the role of labor market segmentation and sectoral wage rigidity.

Reading

* Agenor and Montiel, Ch.9

12: Financial Markets, Capital Mobility, Monetary Policy

The chapter analyses the tools of monetary policy and the monetary transmission mechanism in the context of a developing economy that is semi-open financially.

Reading

* Agenor and Montiel, Ch.6

Mankiw Ch.12-14

13. Exchange-Rate Regimes and Management, Currency Crises and International Monetary Cooperation

This chapter discusses international financial architecture, financial crises, and evolution of international monetary cooperation, G8 policy coordination and regional monetary unification

Reading

* Agenor and Montiel, Ch.7-8

Mankiw Ch.12-14

* Montiel, Peter J.. *International Macroeconomics*. Wiley-Blackwell, 2009, Ch.16-18

14. Macroeconomic Policy Debates: Stabilization Policy and Structural Reforms

This chapter discusses the debates on policy making in an uncertain world, why and how structural reforms may be needed regarding trade, wage, financial, and exchange market

Reading

* Mankiw Ch.15

* Agenor and Montiel, Ch.18, 20

Dullien, Sebastian; Hansjorg Herr; Christian Kellermann. *Decent Capitalism*. Pluto Press, 2011. Ch.6-9

15. Alternative Growth Models

Issues in alternative development path will be discussed such as “middle income trap” and the ideas of “pro-poor growth” and “green growth”

Reading

Agenor and Montiel, Ch.17

Mankiw Ch.7-8

Grimm, Michael; Stephan Klasen; and Andrew McKay . Determinants of pro-poor growth. Palgrave Macmillan, 2007.

Dullien, Sebastian; Hansjorg Herr; Christian Kellermann. *Decent Capitalism*. Pluto Press, 2011. Ch.6, 10.

COURSE OUTLINE (Tentative)

EE381 Economics of Transportation

COURSE DESCRIPTION:

The role of transportation in domestic and international economy, the relationship between transportation and location of production sites and businesses, the criteria and economic reasons for transportation pricing, private and social costs related to transportation, the relationship between transportation in the city and city expansions, problems and policies related to investment in urban transportation.

PREREQUISITES: a) EE 210 or b) EE 211 or c) EE 213

COURSE OBJECTIVE:

The objective of this course is to offers students insight into consumer and firm behavior. Economic theory and its applications enhance transport demand analysis, transport pricing, and transport policy evaluation. We will discuss important issues such as theory of the market and market failure in the transportation sector. Throughout the course, we will examine the effects of relevant public policies in Thailand and other countries. Students will have an opportunity to apply these understanding and interest on specific transport economics topic on their research paper.

TEXTBOOKS AND OTHER DOCUMENT MATERIALS:

***Button, K. (2010). Transport Economics. 3rd ed. Edward Elgar Publishing Ltd.

*** Mallard G., and Glaister S. (2008). Transport Economics: Theory, Application and Policy. Palgrave Macmillan.

Hensher, D.A. and Button K.J. (2003). Handbook of Transport and the Environment. Elsevier.

Jara-Diaz, S. (2007). Transport Economic Theory. Elsevier Science.

Several articles from each topic reading list

*** **Main Textbook**

GRADING The final grade of the course will be based on the following items:

1. Mid-term exam	35
2. Team paper and presentation	15
3. Participation and Attendance	5
4. Final exam	45

Note: The mid-term and final exams are closed books and closed notes. Midterm and final exam dates are not changed due to the official schedule from BE program. Only physical condition with approval medical document is allowed for postponing the exam.

Team Paper and presentation

Team research paper will involve a 10-12 page (approx.) and in-class presentation. Each team may select any topics related to Economics of transportation. The maximum number of student in each team is 4 students.

Each team will be assigned to present their topics at the beginning week of November. The length of the presentation is approximately 15 minutes. After the presentation, students can get feedback from instructor and classmates to improve and make some changes before submitting the final version at the end of semester. The due date of paper is November 28th, 2013 in class.

The report must include introduction, literature review, methodology (if applicable), analysis result, conclusion and references. The total score is based on completion of each section. Copy and plagiarize are prohibited, your score will be zero for plagiarism or copy without appropriate citation and reference (see MLA or APA citation style).

The examples of style are in website

MLA Style: <http://www.liu.edu/CWIS/CWP/library/workshop/citmla.htm>

APA Style: <http://www.liu.edu/CWIS/CWP/library/workshop/citapa.htm>

Chicago Style: <http://www.liu.edu/cwis/cwp/library/workshop/citchi.htm>

TENTATIVE COURSE OUTLINE

1. Introduction to Transport Economics

- The economic characteristics of transport
- The global picture of transport, transport markets and transport industries
- Transport and industrial location
- Output, market area and transport costs

Reading Lists:

***Button (Chapter 1, 2, and 3)

*** Mallard G., and Glaister S. (Chapter 1)

THE THEORY OF THE MARKET: AN OVERVIEW

2. The Demand for Transport

- Factors that influence travel demand
- Elasticity of demand
- The valuation of travel time savings
- The demand for car ownership

Reading Lists:

***Button (Chapter 4)

*** Mallard G., and Glaister S. (Chapter 3)

3. The Direct Costs of Transport

- The supply of transport
- Fixed and variable costs
- Economies of scale, scope, density and experience
- Specific, joint and common costs
- Problems of common cost allocation
- Transport user costs and the notion of generalized costs
- The bunching of services
- Costs and the measurement of economic efficiency

Reading Lists:

***Button (Chapter 5)

*** Mallard G., and Glaister S. (Chapter 4)

4. Pricing of Transport Services

- The principles of pricing
- Matching supply with demand
- Marginal cost pricing
- Price differentiation and price discrimination
- Transport subsidies, operational objectives and pricing

Reading Lists:

***Button (Chapter 7)

5. Monopoly

- Definition and barrier to entry
- The model
- Price discrimination
- European competition policy
- Public service vehicle operations in Britain

Reading Lists:

*** Mallard G., and Glaister S. (Chapter 6)

6. Monopolistic Competition

- The model and outcomes
- Competition
- The road-haulage market in the European Union and Great Britain

Reading Lists:

*** Mallard G., and Glaister S. (Chapter 7)

7. Oligopoly

- Definition and model
- Location decisions
- The European air industry
- The global car industry

Reading Lists:

*** Mallard G., and Glaister S. (Chapter 8)

MARKET FAILURE IN THE TRANSPORT SECTOR: AN OVERVIEW

8. External Costs of Transport

- What are the externalities?
- Transport and the environment
- Introduction to traffic congestion
- The economic costs of congestion
- The positive externalities of cycling

Reading Lists:

***Button (Chapter 6)

*** Mallard G., and Glaister S. (Chapter 9)

9. Public and Demerit Goods

- Public goods: the theory
- Street lighting
- Provision of roads

Reading Lists:

*** Mallard G., and Glaister S. (Chapter 10)

POLICY: AN OVERVIEW

10. Privatisation and Deregulation

Reading Lists:

*** Mallard G., and Glaister S. (Chapter 12)

11. General Forms of Government Intervention

Reading Lists:

*** Mallard G., and Glaister S. (Chapter 15)

12. Some Economics of Transport Logistics

- What is transport logistics?
- Transport costs, warehousing and inventory holdings
- Urban logistics
- Green logistics
- International logistics

Reading Lists:

***Button (Chapter 10)

13. Optimizing Traffic Congestion

- Road pricing
- Examples of urban road pricing
- Some difficulties with road pricing
- Outcomes of road pricing implementation
- Parking policies
- Congestion pricing at airports
- Congested seaports

Reading Lists:

***Button (Chapter 9)

*** Mallard G., and Glaister S. (Chapter 16)

Course Outline

EE481 Industrial Economics

Number of credits: 3 credits

Course Description:

Behavior of production unit and relationship among the units under different market structures by analyzing producer behavior market structure, conduct and performance, the analysis of price theory using Game Theory as an analysis tool.

Prerequisites: EE 311

Course Objectives:

In this course, we will study behaviors of firms in imperfectly competitive markets. First, to provide a simple benchmark, characteristics and decisions made by a monopoly will be discussed. Then, the more complex oligopoly market will be examined. We will use game-theoretic approaches to analyze firms' decisions. Such decisions would be on pricing strategies, non-pricing strategies, product-differentiation, product quality, advertising, R&D, etc. In addition, some regulatory tools to prevent abuse of market power and promote market efficiency will be covered.

In terms of learning goals, students are expected to develop critical thinking, quantitative reasoning, communication and lifelong learning skills. There will be 3 forms of assignments - homework, essays and group presentation. For the homework (mostly are problem sets), students are expected to practice their critical thinking and quantitative reasoning skills. For the essays and group presentation, students are expected to develop and improve critical thinking, communication and lifelong learning skills. Students are expected to be able to apply economics tools in solving and explaining firms and business behaviors.

Textbooks:

1. ** Carlton, D.W. and J.M. Perloff, *Modern Industrial Organization*, 4th Edition, Addison-Wesley, 2005. (abbreviation = CP)
** used as the main text.
2. *Church, J. and R. Ware, *Industrial Organization: A Strategic Approach*, International Edition, McGraw-Hill, 2000. (abbreviation = CW)
*used as the main text for some lessons. This book is available free online for non-commercial purposes.
3. Rasmusen, E., *Games & Information*, 3rd. Edition, Backwell, 2001.
*used as the main text for some lessons. This book is available free online for non-commercial purposes.

4. Tirole, J., *Industrial Organization*, The MIT Press, 1989.
 * more advanced but very fun to read.

Other teaching materials:

5. PowerPoint presentations will be uploaded on Moodle at least 1 days prior to class.
 6. My complete teaching notes will be uploaded before midterm and before final exams.

Other readings:

7. Harvard Business Review (<http://hbr.org/>)
 8. The Economist (<http://www.economist.com/>)
 9. Prachachat Online (<http://www.prachachat.net/>) หนังสือพิมพ์ประชาชนธุรกิจ
 10. Bangkokbiznews (<http://www.bangkokbiznews.com/home/>) หนังสือพิมพ์กรุงเทพธุรกิจ

Teaching Plan:

Topics

1. Introduction and Theory

Overview	CP 1 or CW 1
The Firm and Cost / Theory of the Firm	CP 2 or CW 3

**There is a quiz on cost concepts (which you already learned in EE311) in the third class.*

2. Dominant Firm

Dominant Firm	CP 4
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**You should have learned about monopoly already from EE311.*

3. Game Theory

Static Games	R 1, 2, 3
Dynamic Games	R 4, 5, 6

4. Oligopoly

Cartel	CP 5
Cournot model	CP 6 or CW 8.2
Bertrand model	CP 6 or CW 8.3
Multi-period Models of Oligopoly	CP 6 or CW 10
Industry Structure and Performance	CP 8

5. Business Practices Strategies and Conduct

Price Discrimination	CP 9, CP 10
Strategic Behavior	CP 11
Vertical Integration and Vertical Restrictions	CP 12

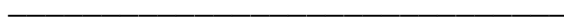
6. Government Policies

Antitrust	CP 19 or CW 19
Regulation	CP 20 or CW 24

7. Other Issues

Production Differentiation (if time allows)	CP 7 or CW 11
Auction	R 13
Advertising	CP 14 or CW 17
R&D and Patent	CP 16 or CW 18

*If there is any handout or additional reading, it will be posted on Moodle prior to class. Students are responsible to review the topic ahead of the class for more effective learning.



Course Outline

EE 482 Public Policy and Industrialization

Number of credits: 3 credits

Prerequisites : EE312

Course description

Industrial development strategy theories, the importance of industrial sector and industrial development on Thailand economic system, the evolution of industrial policy in Thailand, the role of government in industrial sector, laws related to industrial sector.

Supplementary Texts

1. Akira Suehiro (2008), Catching-up Industrialization: The Trajectory and Prospects East-Asian. (Translation by Tom Gill), University of Hawaii Press.
2. John Weiss (2011), The Economics of Industrial Development
3. Laurids S. Lauridsen (2003). State, institutions and industrial development: industrial deepening and upgrading policies in Taiwan and Thailand compared /

Evaluation

- | | |
|------------------------------------|---|
| 1. Seminar presentation and papers | 50% |
| 2. Class Participation | 10% |
| 3. Midterm Examination | 20% (March 5 th , 2014 14.00-15.30.) |
| 4. Final Examination | 20% (May 20 th , 2014 ; 9.00 – 12.00.) |

Industry seminar presentation and papers

Seminar and group project on comparative industrial policies: Thai and International Experiences (USA; China; India; Malaysia; NIEs)

→ Show how these countries promote their industrial development? From, Thai Industrial Policies: (300 Baht minimum wage; AEC; corporate tax revision etc.)

Seminar and group project on Thai Industrial Development and Policies: (Automotive; Electronics; Food processing; Energy etc.)

→ Show the nature of each industry and how public policies affect their development

→ Show how Thai government's current policies affect industrial sector?

Class Discussion

To encourage discussions in the class, 3-4 students will be called upon to ask questions or to discuss any course material in every class.

Date	Topics
17 Jan.	Introduction: John Weiss (Ch1) <i>Industry and Development</i>
22 Jan.	Ha-joon Chang: (Ch4) <i>The Political Economy of Industrial Policy</i>
24 Jan.	(G1) Laurids S. Lauridsen <i>Strategic Industrial Policy and Latecomer Development</i>
29 Jan.	(G2) Akira Suehiro: (Ch2) <i>Latecomer, Flying Geese, and Competitive Advantages</i>
31 Jan.	(G3) Akira Suehiro: (Ch6) <i>Import Substitution, Export Promotion, and Industrial Policy</i>
5 Feb.	(G4) Sanjaya Lall: <i>Understanding Technology Development</i>
7 Feb.	(G5) Stiglitz Joseph: <i>Some Lesson from the East Asian Miracle</i>
12 Feb.	(G6) Sanjaya Lall: <i>Market-Stimulating" Technology Policies in Developing Countries: A Framework with Examples from East Asia</i>
14 Feb.	Seminar on Comparative Industrial Policies: International Experiences I (group 1 & 2)
19 Feb.	Seminar on Comparative Industrial Policies: International Experiences II (group 3 & 4)
21 Feb.	Seminar on Comparative Industrial Policies: International Experiences III (group 5 & 6)
26 Feb.	Seminar on Thai Industrial Development and Policies: Sector I (group 1 & 2)
28 Feb.	Seminar on Thai Industrial Development and Policies: Sector II (group 3 & 4)
Mid-term Week (Mar 3 rd -Mar 8 th , 2014)	
12 Mar.	Seminar on Thai Industrial Development and Policies: Sector III (group 5 & 6)
14 Mar.	(G1) Hajoong Chang: <i>Industrial Policy: Can We Go Beyond an Unproductive Confrontation?</i>
19 Mar.	(G2) Justin Lin: <i>New Structural Economics: A Framework for Rethinking Development</i>
21 Mar.	(G3) Dani Rodrik: <i>Industrial Policy for the 21st Century</i>
26 Mar.	(G4) Sanjaya Lall: <i>The Technological Structure and Performance of Developing Country Manufactured Exports, 1985-98</i>
28 Mar.	(G5) Prema Chandra: <i>Product Fragmentation and Trade Patterns in East Asia</i>
2 Apr.	(G6) McKinsey: <i>Trading myths: Addressing misconceptions about trade, jobs, and competitiveness</i>
4 Apr.	(G1) Somboon Siriprachai: <i>Industrialisation and Inequality in Thailand</i>
9 Apr.	(G2) Nipon Puapongsakorn: <i>Industrial Restructuring in Thailand</i>
11 Apr.	(G3) Laurids S. Lauridsen: <i>The Policies and Politics of Industrial Upgrading in Thailand during the Thaksin Era</i>

Date	Topics
16 Apr.	(G4) Patarapong Intarakumnerd: <i>National innovation system in less successful developing countries: the case of Thailand</i>
18 Apr.	(G5) Akira Suehiro: <i>“Industrial Restructuring Policies in Thailand: Japanese or American Approach”</i>
23 Apr.	(G6) Richard Doner: <i>Political Challenges of Innovation in the Developing World</i>
25 Apr.	Seminar on Thai Industrial Development and Policies II : Sector I (group 1 & 2)
30 Apr.	Seminar on Thai Industrial Development and Policies II: Sector II (group 3 & 4)
2 May.	Seminar on Thai Industrial Development and Policies II: Sector III (group 5 & 6)
7 May.	(Class) McKinsey: <i>Manufacturing the future: The next era of global growth and innovation</i>

Course Outline

EE 489 Seminar in Industrial Economics

Number of credits: 3 credits

Course Description:

Seminar and research on specific topics in industrial economics and industrial organization under supervision and guidance by the lecturer.

Prerequisites: Completion at least two 400-level courses in Industrial Economics

Texts:

- 1) Hewitt, T., Hazel, J., and Wield, D. (1995) *Industrialization and Development*. Oxford University Press.
- 2) Schhhmalensee, R. and Willig, R. D. (1989) *Handbook of Industrial Organization Volume I and II*. Elsevier Science Publishers B.V.
- 3) Tirole, J. (1989), *Industrial Organization*. Oxford University Press.

Articles:

- 1) Schmalensee, R., "Industrial Economics: An Overview", *The Economic Journal*, vol.98, No.392(Sept. 1988),pp. 643-681
- 2) Aiginger, K., Mueller, D. C., and Weiss C., "Objectives, topics and methods in industrial organization during the nineties: Results from a survey", *International Journal of Industrial Organization*, Vol.16, pp. 799-830, 1998.
- 3) Rodrik, D., "Industrial Policy for the Twenty-First Century", Paper prepared for UNIDO, Sept. 2004.

Contents included in each paper

- 1) Statement of the problem: to identify the problem that this paper plans to answer and explain why this problem is important.
- 2) Proposal must include;
 - a. Statement of the Problem
 - b. Objectives of the study and the scope of the study
 - c. Literature reviews
 - d. Research Methodology, including theoretical framework and survey method.
- 3) Final research paper; proposal and the results obtained from the study.

Time Schedule

	Date	Topics
1.Class Introduction	Aug. 16 th	Industrial Economics: Overview
2.Review1	Aug. 23 rd	Objectives, topics and methods in industrial organization during the nineties.
3.Review2	Sept. 6 th	Industrial Policy For The Twenty-First Century
4.Individual Discussion on Statement of the Problem	Sept.13 th	Preparing for Presentation on statement of the problem
5.Presentation 1	Sept. 20 th	Submit ppt.
6. Presentation 1 (cont.)	Sept. 27 th	Submit ppt.
7.In-class Discussion on papers	Oct. 11 th	Submit Statement of the Problem
8. Individual Discussion	Oct. 18 th	
9. Presentation 2	Oct.25 th	Proposal presentation
10.Presentation 2 (cont.)	Nov. 1 st	
11.Individual Discussion	Nov.8 th	Submit Proposal
12. Individual Discussion	Nov.15 th	Show me Draft Final
13.Presentation 3	Nov.22 nd	
14. Presentation 3 (cont.)	Nov. 29 th	Presentation the final research papers



(Tentative) Course Syllabus
for
Non-Economics Courses
Semester 1/2016

Course Outline

AC202 Management Accounting

Number of credits: 3 credits

Course Prerequisites *AC201 Financial Accounting or equivalent course*

Course Description : Develops foundational knowledge and skills needed to apply accounting data in planning and controlling business operations. Topics include costs, cost drivers and allocation, contribution margin and managerial budgeting.

Required Text : Garrison, Noreen, Brewer. Managerial Accounting, 14th. Edition (Thailand), McGraw-Hill/Irwin, 2012. ISBN: 9781121546349

Quizzes and Homework: Quizzes and homework will be given throughout the course. They are designed to evaluate student understanding of recently assigned reading materials. You will be allowed to drop some of the quizzes. No make-up quiz will be given. Homework will be graded based on quality and completeness. Homework will be collected at the beginning of the class. Late work will not be accepted.

Attendance: Students are expected to attend class. The material covered on the exams will include issues raised in lecture and class discussion. Those who arrive late or do not attend class are responsible for all material covered during class. Assignments are listed in this syllabus. Additional assignments and communication will be announced in class. I reserve the right to make any adjustments to the syllabus.

Policies and Procedures:

1. Regular class attendance and completion of all assigned homework are necessary to successfully complete this course.
2. The student is responsible for all subject matter (handouts, lecture materials, assignments, announcements, etc.) whether present or absent.
3. The student is expected to actively participate in class discussions.
4. I reserve the right to make any necessary adjustments to the syllabus.

Course Outline

BA 291 Introduction to Business

Number of credits: 3 credits

Course Description:

This course will introduce students to a complete overview of different aspects in business management and organization. Students will learn the important business functions, such as marketing, human resources, operational and quality management, accounting and financial management and how these functions are related to each other. Additionally, students will get to know the business environment and learn how to adapt their business strategies and organization to stay competitive in a turbulent business environment.

Prerequisites: -

Course Objectives:

After this course, students should be able to:

- understand the management process and business functions
- see the big picture of business organization and the relationship between business functions and able to plan the business systematically
- analyze the business environment and identify threats and opportunities from the changing environment and able to create sustainable competitive business models and strategies
- use knowledge in business management for the future specialized courses and career
- discuss and analyze the business cases and able to work in team

Course Format:

The courses will comprise of lectures, class discussions, presentations and case studies. Students should prepare for the class by reading the given textbooks and learning materials and regularly follow the news.

Main Textbook:

Pride, Hughes, Kapoor. "Introduction to Business." Cengage, 2012.

Suggested Literatures:

- Ferrell, Hirt, Ferrell (2009): Business – A changing world, 7th edition, Mc Graw-Hill.
- Robbins & Coulter (2010): Management, 10th edition Prentice Hall.

Class materials can be downloaded at <http://be-moodle.econ.tu.ac.th/>

Teaching Plan:

Class Schedule

Class	Date	Topics
1	14 Aug 2012	Course introduction
2	21 Aug 2012	Writing an effective business plan
3	28 Aug 2012	Business model The environment of business
4	4 Sep 2012	Business ethics and social responsibility
5	11 Sep 2012	Starting up a business – choosing the right options for organizing business SMEs and entrepreneurship
6 - 7	18, 25 Sep 2012	Introduction to business management process – “the POLC”
	2 Oct 2012 (14.00 – 15.30 hrs)	Midterm Examination
8	9 Oct 2012	Managerial decision and strategic planning
10	16 Oct 2012	Managing human resource

11	30 Oct 2012	Operational management
12 - 13	6, 13 Nov 2012	Developing marketing strategy
14	20 Nov 2012	Introduction to accounting and financial statement Analyzing financial statements
15	27 Nov 2012	Business plan presentation and review
	18 Dec 2012 (9.00 – 12.00 hrs)	Final Examination

**Please note, the class schedule can be rearranged as seen appropriated.*

FN201 Business Finance

Number of credits: 3 credits

Course Description:

This course provides an introduction to the theories of finance, which covers topics such as time value of money, net present value, business investment decision; firm's financial and cash flow analysis; financial assets valuation; fundamental analysis on risk and return; portfolio theory as well as an issue of corporate governance. The concepts developed in FN201 will form a foundation for further elective finance courses. Student will also learn how to use Excel to solve problems studied in the class.

Prerequisites: AC201 Fundamental Accounting

Recommended reading:

- Brigham, Ehrhardt, "Financial Management", 11th Edition (International Edition, Thomson 2008)

Teaching Plan:

Class contents

Lecture	Chapter	Topic
1	Ch.1 - 2	Topic 1: Introduction to Finance, Time Value of Money
2	Ch.2	Topic 2: Perpetuities & Annuities - 1
3	Ch.2	Topic 2: Perpetuities & Annuities - 2
4	Ch.16	Topic 3: Debt and Equity
5	Ch.10	Topic 4: Net Present Value & Investment Decisions Rules
6	Ch.3, 13	Topic 5: Financial Statements Analysis
7	Ch.3, 13	Topic 6: Case Study: Financial Statements Analysis & Cash Flow Analysis

8	-	Midterm (Saturday, October 6, 2012, 13.00 – 14.30 hrs)
9	Ch.6	Topic 8: Bonds Valuation
10	-	Topic 9: Hedging and Intro to Risk Management
11	Ch.4,23	Topic 10: Derivatives and FX Hedging
12	-	Topic 11: Excel
13	Ch.4,5	Topic 12: CAPM, Risk, Portfolio Theory 1
14	Ch.4,5	Topic 13: CAPM, Risk, Portfolio Theory 2
15	-	Recap material for Final

Course Outline

FN 211 Financial Markets

Number of credits: 3 credits

Course Description:

The study of money and the role of money in the economic system; the money market, monetary instruments, interest rate, financial management in the private and public sectors as it relates to the money market, commercial banks, financial institutions, the central bank and monetary policy.

Prerequisites: Second-year status

Recommended Textbooks:

1. Saunders and Cornett (2012), **Financial Markets and Institutions**, 5th Edition, McGraw-Hill: New York: NY.
2. McMillan and Pinto (2011), **Investments: Principles of Portfolio and Equity Analysis**, 1st Edition, Wiley. Chapter 1, 2, 3, and 10.

Equipment: Financial Calculator

Topics & Schedule

Class	Date	Topics	Textbook Reading
1	18/08/12	Introduction	Ch 1
2	25/08/12 (Postpone)	Determination of Interest Rates	Ch 2
3	01/09/12	Interest Rates and Security Valuation	Ch 3
4	08/09/12	Interest Rates and Security Valuation	Ch 3
5	15/09/12	Money Markets	Ch 5
6	22/09/12	Review before mid-term	
7	29/09/12	<i>Computer Lab Session</i>	
	06/10/12	Mid-term Examination (9.30 – 11.00)	

8	13/10/12	<i>Case Study I</i>	
9	20/10/12	Bond Markets	Ch 6
10	27/10/12	Stock Markets	Ch 8
11	03/11/12	Commercial Banks	Ch 11
12	10/11/12	Commercial Banks	Ch 12
13	17/11/12	Pension Funds	Ch 18
14	24/11/12	Review before final	
15	01/12/12	<i>Case Study II</i>	
	15/12/12	Final Examination (9.00 – 12.00)	

Course Outline

FN 311 Financial Management

Number of credits: 3 credits

Course Description:

A study of various financial policies affecting decision making in financial management and the various techniques of financial management under uncertainty both in allocation and acquisition of funds, and also business growth by merger and acquisition to achieve business goals effectively.

Prerequisites: (1) FN 201 and (2) BA 204 or ST 211 or ST 216 or ST 218

Course Objectives:

The objective of this course is to understand the concepts, tools and techniques commonly used in making financial decisions. This includes an understanding of the financial environment facing businesses as well as a working knowledge of the various financial instruments available. Important topics of financial management concepts will be discussed including the time value of money, asset valuation and risk and return. Moreover, practice of computer software related to financial risk and return calculation, sensitivity, scenario, and Monte Carlo simulation for business decision will also be addressed.

Required Text and Materials:

1. Fundamentals of Corporate Finance, Asia Global Edition, 2012, Mc Graw Hill, Stephen A. Ross, Randolph W. Westerfield, Bradford D. Jordan, Joseph Lim, and Ruth Tan.
2. Modern Financial Management, 2008, 9th edition, Mc Graw Hill, J. Stephen A. Ross, Westerfield, Jaffe, and Jordan

Teaching Plan:

Tentative Course Schedule

Date	Topic	Reading
Wed Aug 15 th	- Introduction to the course - The Goal of Financial Management - Agency Theorem	Chp. 1

Fri Aug 17 th	- Agency Theorem (continued) - Financial Markets - Financial Institutions	Chp. 1
Wed Aug 22 nd	- Financial Statements and Cash Flow - The Balance Sheet - The Income Statement - Net Working Capital - Financial Cash Flow - The Accounting Statement of Cash Flows	Chp. 2
Fri Aug 24 th	- Financial Statement Analysis - Ratio Analysis - The Du Pont Identity	Chp. 3
Makeup Class compensated for commencement days and the rehearsal day	- Financial Planning and Forecasting (AFN) 1 - Financial Planning and Forecasting (AFN) 2	Chp. 4
Wed Sept 5 th	- Review TVM and Practice 1	Chp. 5
Fri Sept 7 th	- Review TVM and Practice 1	Chp. 6
Wed Sept 12 th	- Review Valuation Theory 1	Chp. 7
Fri Sept 14 th	- Review Valuation Theory 2	Chp. 8
Wed Sept 19 th	- Review Capital Budgeting - NPV and other Investment Rules	Chp. 9
Fri Sept 21 st	- Making Capital Investment Decisions 1	Chp. 10
Wed Sept 26 th	- Making Capital Investment Decisions 2	Chp. 10
TBA (After Midterm exam week)	- Project Analysis and Evaluation 1 - Sensitivity Analysis, Scenario Analysis, and Break Even Analysis	Chp. 11
Fri Oct 12 th	- Project Analysis and Evaluation 2 - Monte Carlo Simulation	Chp. 11
Wed Oct 17 th	- Risk and Return	Chp. 12
Fri Oct 19 th	-Return and Risk: The Individual Asset - Return and Risk for Portfolios	

		Chp. 13
Wed Oct 24 th	- Diversification: An Example - CAPM	Chp. 13
Fri Oct 26 th	- CAPM - Practice	Chp. 13
Wed Oct 31 st	- Cost of Capital	Chp. 14
Fri Nov 2 nd	- Raising Capital	Chp. 15
Wed Nov 7 th	- Financial Leverage and Capital Structure Policy 1 - Modigliani and Miller Proposition I and II	Chp. 16
Fri Nov 9 th	- Financial Leverage and Capital Structure Policy 2 - Bankruptcy	Chp. 16
Wed Nov 14 th	- Optimal Capital Structure	Chp. 16
Fri Nov 16 th	- Dividends and Payout Policy - Does dividends matter? - Stock Repurchases	Chp. 17
Wed Nov 21 st	- Short-Term Finance and Planning - The operating cycle and the cash cycle - The cash budget - Short-term borrowing	Chp. 18

Fri Nov 23 rd	- Cash and Liquidity Management	Chp. 19
Fri Nov 28 th	- Credit and Inventory Management - Analyzing credit policy - Optimal credit policy - Credit analysis	Chp 20
Wed Nov 30 th	- Collection Policy - Inventory Management - Inventory Management Techniques	Chp 20

Course Outline

FN312 Investments

Number of credits: 3 credits

Course Description:

The course is designed to help students to analyse and understand the operation of investment and portfolio management. The course covers both description and theory. The descriptive material discusses available investment instruments and considers the purpose and operation of capital markets in the United States and around the world. The theoretical portion details how students should evaluate current investments and future opportunities in order to develop a portfolio of investments that will satisfy risk-return objectives. Finally, the students will look at the more practical topics of how investment practice or theory is influenced by the globalization of investments and capital markets.

Prerequisites : (1) FN 201, (2) MA 216 and (3) BA 204 or ST 211 or ST 216 or ST 218

Course Objectives:

The objective of this course is to provide a rigorous introduction of financial investment and portfolio management. The students will learn how to manage money in order to derive the maximum benefit from what they earn. The students will also learn about the investment alternatives that are available today and be able to develop a way of analyzing and thinking about investments that will remain in the years ahead and when new and different investment opportunities become available.

Textbooks:

Reilly, Frank K., and Keith C. Brown, “**Analysis of Investments and Management of Portfolios**”, 10th Edition, South-Western Cengage Learning 2012.

Teaching Plan:

The course is organized into following topics

1. The Investment Background
 - The Investment Setting
 - The Asset Allocation Decision
 - Selecting Investment in a Global Market
 - Organisation and Functioning of Securities Markets
 - Security-Market Indexes

2. Developments in Investment Theory
 - Efficient Capital Markets
 - An Introduction to Portfolio Management
 - An Introduction to Asset Pricing Models
 3. Valuation Principles and Practices
 - Analysis of Financial Statements
 - An Introduction to Security Valuation
 4. Analysis and Management of Common Stocks
 - Macro-analysis and Micro-valuation of the Stock Market
 - Industry Analysis
 - Company Analysis and Stock Valuation
 - Technical Analysis
 5. Analysis and Management of Bonds
 - Bond Fundamentals
 - The Analysis and Valuation of Bonds
 6. Derivatives security analysis
 - Introduction to Derivatives Markets and Securities
-

Course Outline

FN 323 Credit Analysis

Number of credits: 3 credits

Course Objectives and Course Description:

Throughout the course, you will learn to understand the business risk, financial statement risk, credit risk, credit risk modeling, credit risk instrument and credit derivatives, credit policy and evaluation. We add a bit ingredient on how the bank manages the credit risk through an introduction of credit risk model and credit risk instrument. The analysis of credit risk will be based on bank side and customer side using various credit risk model. We also address the latest issue on BASEL III.

On the business side, credit management is a passive and reactive discipline. This results in significant receivables assets weighing heavily on balance sheets, dragging down cash flow and inhibiting growth. That's why the receivables need careful attention. Through proper credit management, managers protect companies from the bad debt danger that lurks in the value chain. The course aims to help you to harness the power of credit to effectively manage the company's receivables.

Prerequisites: FN 201 Business Finance

Textbook:

- Course pack (Required)
- Wells Ron, Global Credit Management, Wiley 2003. (Supplement)
- Brigham, Intermediate Financial Management, Thomson Learning, 2006. (Supplement)
- Jorion, Philip, Financial Risk Manager (Supplement)

Teaching Plan:

Class Schedule

Session	Topics
1	Bank Credit facilities for customers
2	Banking products and Bank Risk Management
3	Bank Risk Management

4	Bank Risk Management
5	Credit Risk Model (Individual loan)
6	Credit Risk Model (Individual loan)
7	Credit Risk Model (Loan Portfolio)
	<u>Midterm Examination</u> (Tuesday, October 2, 2012, 14.00 – 15.30 hrs)
8	Credit Derivatives
9	Credit Derivatives
10	BASEL II and BASEL III
11	Credit Power and Business Development Why grant credit? Customer risk Country risk Financial statement risk
Session	Topics
12	Credit policy and terms of payment
13	International terms of payment
14	International terms of payment
15	Presentation
	<u>Final Examination</u> (Tuesday, December 18, 2012, 9.00 – 12.00 hrs)

The schedule can be altered as appropriate and will be notified in advance.

Pedagogy:

The course consists of a blend between lecture, case studies, project and presentation

Course Outline

FN331 Financial Institutions Management

Number of credits: 3 credits

Objectives and Course Description:

The objective of this course is to provide a rigorous introduction to the world of Financial Institutions. The students will learn how to analyze modern financial institutions management from a risk perspective. The students will look into an overview of the industry sector by sector, concentrating on balance sheet presentations, and also look into a risk management approach to analyzing modern financial institutions.

The course takes innovative approach and focuses on managing return and risk in modern financial institutions (FIs). The student will learn different type of risks faced by FI managers and the methods and markets through which these risks are managed are similar whether an institution is chartered as a commercial bank, a savings bank, an investment bank, or an insurance company.

The course features a discussion of modern FIs in the risk-management business. As in a world of perfect and frictionless capital markets, FIs would not exist and individuals would manage their own financial assets and portfolios. However, since real world financial markets are not perfect, FIs provide the positive function of bearing and managing risk on behalf of their customers through the pooling of risks and the sale of their services as risk specialists.

The course also covers dramatic changes and other recent major events, including innovations that have come about because of the technological advances such as structured financing, Internet banking, and the role of financial institutions in E-commerce. The course adds a greater coverage of financial institutions as risk-takers including strategic considerations and other financial innovations, such as credit derivatives, catastrophic insurance futures, and project financing. The Basel II Accord and the development of a two-pronged banking system with different capital regulations for a very large international banks and community banks is also discussed, as is the growing trend for financial institutions to be diversified originators and sellers of loans, transferring risk to the capital markets and investors. The growth and management of mutual funds, trading scandals, and regulatory reforms are also examined, along with ethical considerations for financial institution managers. The course also captures the major forces that are changing the financial landscape for financial institutions.

Ultimately the course will bring real world issues to life for students including challenges that financial institution managers face to meet often conflicting goals to satisfy stockholders, meet regulations, and

serve customers, employees, and the community well. Reputation is an essential asset for financial institutions, so ethical considerations should be a key concern for financial institution managers.

The course is divided into the 5 parts:

7. **Part I** explores the environment in which financial institutions operate, including the changes financial institutions face today, the role of financial institutions as risk-taking intermediaries, and the impact of regulation, technology, and financial innovation.
8. **Part II** provides background and a performance analysis of depository institutions, including coverage of credit unions and savings institutions, capital management and the Basel I and II requirements, and changes with technology, including securitizations, structured financing, Internet Banking, and E-Commerce.
9. **Part III** covers interest rate risk management, including theories of exchange rates, the theory of interest rates and interest rate measurement and immunization using duration, and interest rate and foreign exchange rate risk management and hedging with derivatives.
10. **Part IV** covers managing credit risk, liquidity, and liability management focusing on depository institutions, including an overview of new risk models and a sample bank credit analysis.
11. **Part V** examines different aspects of management for non-depository institutions, including insurance companies, investment banks, securities firms, and venture capitalist; mutual fund and pension fund management, securities firms; and finance companies, mortgage banks, and diversified service firms, along with merger and international management issues.

Textbooks:

Saunders, Anthony, and Cornett, Marcia M. *Financial Institutions Management: A Risk Management Approach, 7th Edition*. McGraw-Hill, International Edition 2011

Evaluation Methods:

1. Mid-term examination	30%
2. Final examination	30%
3. Group Presentation	20%
4. Quiz I	10%
5. Quiz II	10%

Course Outline

HR201 Principles of Management

Number of credits: 3 credits

Course Description:

The course provides a review of business and management as an area of theoretical development as well as a field of practice. It comprises classical management theories and modern approaches to organisation and business practices. Main blocks of the course are functions of management, managerial processes and interaction between organisations and their environment. The course includes elements of organisational behaviour.

Prerequisites: -

Course Objectives:

The main objective of the course is to present modern concepts of management to the students and to help them in developing skills in analysis of business organisations both in terms of their internal functioning and interaction with the environment. Students must understand the role of business in modern society. By the end of the course, students should be able to identify the principals of managing formal organizations, recognize the various challenges involved in management and give examples of organizational management functions of planning, organizing, leading and controlling.

The Course Aims to Ensure Students:

1. have a knowledge of management disciplines and an understanding of the relationship of other disciplines and perspectives and their impact on the management domain
2. have developed an understanding of political, environmental, global, ethical and moral issues and challenges
3. are capable of solving complex problems using critical, analytical and reflective thinking
4. have high levels of practical management skills while maintaining a critical appreciation of the limitations of these skills
5. are able to develop creative solutions to current and emerging issues
6. have developed an understanding of cultural and social diversity
7. are independent, and lifelong, learners
8. are able to communicate effectively.

In particular, students will develop the following skills and values:

- apply relevant theory to business practice
- identify relevant environmental factors (i.e. political, economic, social, technological etc.) affecting business
- analyse ethical and moral issues in business

- analyse and evaluate how environmental factors impact on business
- source and obtain relevant information
- evaluate and synthesise information
- critically analyse and reflect upon issues
- identify cause and effect of problems in business
- achieve creative solutions to business problems
- leadership skills
- skills in financial analysis
- information technology skills
- marketing skills
- conflict management skills
- evaluate alternative business solutions
- recommend solutions supported by rationale
- identify resource implications and restraints
- demonstrate creative thinking
- analyse the impact of culture in business situations
- recommend appropriate business responses to cultural and social diversity
- research skills
- academic integrity
- identify personal development needs
- report writing
- write business, marketing or project plans
- case study analysis
- academic writing
- oral presentation skills
- interpersonal/teamwork skills.

Textbook:

Daft R, 2010 “A New Era of Management” South Western, 10th Edition

This textbook has been chosen primarily because it relates closely to the objectives of the course but more particularly because it has an international focus that should make it more readable and applicable to students in Thailand. The textbook has a companion website for finding management-related information on the Internet. This site contains valuable self-assessment exercises.

Recommended reference materials:

Books

- Bartol, K.M., Martin, D.C., Tein, M. & Matthews, G. 2001, Management: A Pacific Rim Focus, 3rd edn, Irwin/McGraw-Hill, Sydney.
- Calingo, L.M.R. 1997, Strategic Management in the Asian Context: A Casebook in Business Policy and Strategy, Jacaranda Wiley, Brisbane.

- Carlopio, J., Andrewartha, G., Armstrong, H. (adapted from the text by Whetten, D. & Cameron, K.) 2001, *Developing Management Skills in Australia*, 2nd edn, Prentice Hall, Sydney.
- Clegg, C., Legge, K. & Walsh, S. 1999, *The Experience of Managing: A Skills Guide*, Macmillan, London.
- Collins, R. & McLaughlin, Y. (eds) 1996, *Effective Management*, 2nd edn, CCH International, Sydney.
- Davidson, P. & Griffin, R. 2003, *Management: An Australian Perspective*, John Wiley & Sons, Brisbane.
- Du Brin, A.J. 2000, *Essentials of Management*, 5th edn, South-Western, London.
- Fulop, L. & Linstead, S. 1999, *Management, a Critical Text*, Macmillan, South Melbourne.
- McKenna, R. 1999, *New Management*, McGraw-Hill, Sydney.
- Quinn, RE, Faerman, SR, Thompson, MP, McGrath, MR & St Clair, LS 2011, *Becoming A Master Manager: A Competing Values Approach*, 5th edn, John Wiley & Sons Inc., New York.

Journals and papers:

- Academy of Management Review
- Far Eastern Economic Review
- Fortune
- Harvard Business Review
- Journal of General Management
- Journal of Management Studies
- Management Today
- Personnel Management
- Personnel Today

Websites

The Emerald Now site provides material on management trends and also reviews of management books and articles:

<http://fiordiliji.emeraldinsight.com/vl=6880821/cl=52/nw=1/rpsv/now/>

McGallen & Bolden Group, e-learning, total quality, and high-tech marketing:

<http://www.mcgallen.com/>

Asian Business Strategy and Street Intelligence, Asian business strategy news, marketing in Asia, street intelligence, consumer, political, economic and business trends direct from Asia:

<http://www.apmforum.com/>

Business Ethics, corporate social responsibility report:

<http://www.business-ethics.com/100best.htm>

Teaching Plan:

Week	Date	Topic	Chapter
		Part One: INTRODUCTION TO MANAGEMENT	
1	Make up*	Managing in Turbulent Times	1
2	Make up*	The Evolution of Management Thinking	2
		Part Two: THE ENVIRONMENT OF MANAGEMENT	
3	27 Aug 2012	Corporate Culture and the Environment	3
4	3 Sept 2012	Managing in a Global Environment	4
		Part Three: PLANNING	
5	10 Sept 2012	Planning and Goal Setting	7
6	17 Sept 2012	Strategy Formulation and Implementation	8
7	24 Sept 2012	Decision Making	9
	Oct 1-6 2012	<i>Mid Term Examination Period</i>	
		Part Four: ORGANIZING	
8	8 Oct 2012	Designing Adaptive Organizations	10
Week	Date	Topic	Chapter
9	15 Oct 2012	Change and Innovation	11
		Part Five: Leading	
10	22 Oct 2012	Dynamics of Behavior in Organizations	14
11	29 Oct 2012	Leadership	15
12	5 Nov 2012	Motivation	16
13	12 Nov 2012	Communication	17
		Part Six: Controlling	
14	19 Nov 2012	Quality and Performance	19

Interpret your findings, identifying strengths and weaknesses as a manager. Look for areas of prominence. Make reference to the wider literature. For example, are the four quadrants equal in your spiderwebs? Are you already in balance? What does this mean for management mastery. Are there obvious areas of strength and opposing weakness? What are these areas? Why might this be so?

Compile these findings into an interpretative report on your management style, explaining elements you see in your CVF 'spiderweb'. Be sure to include context in this interpretation. That means you should anchor the interpretation in discussions of your actual work and potential role as a manager or reference to other managers you might know. This will help explain 'what' and 'why' the spiderweb reflects what it does about you as a manager.

Marking criteria:

- Completion of the CVF Surveys (5 marks)
- Identification of practical evidence and discussion (5 marks)
- Application of evidence to the role of a manager (5 marks)
- Application of evidence to the elements of the frameworks (5 marks)
- professionalism and creativity in presentation, structure and use of appropriate referencing (5 marks)

Assignment 2 – Group Work: Lehman Brothers

Due: Week 16

Length: 3,000 Words

Assignment task:

Your assignment task requires your group to prepare an evaluative report of the management issues leading to and relating to the 2008 global 'Credit Crisis'. In particular, investigate the environmental, ethical and social responsibility issues involved in the collapse of the U.S. based investment bank Lehman Brothers.

Your report should take into account the relevant management issues and concepts in the following areas - critically evaluate the following three key areas:

Part A: The internal and external environment

Part B: Managerial ethics

Part C: Corporate social responsibility

The focus of your report should be the collapse of the United States based investment bank, Lehman Brothers. However, you should support your analysis of Lehman Brothers by reference to other examples of corporate collapse that you have encountered during your reading/research for this task.

The Internet and/or the Library (databases) should provide effective and efficient research sources. This gives you the opportunity to explore and experiment with these research resources, which will stand you in good stead for your ongoing study.

This exercise should also be of great assistance in helping you develop an appropriate professional structure and format for your assignment whilst ensuring acceptable academic rigour is maintained.

Marking criteria:

Each part of Assignment 1 will be marked against the following criteria:

- ability to identify and critically discuss management issues, with reference to the case in question and then more broadly making explicit linkages to unit concepts (13 marks)
- depth of understanding/knowledge of unit concepts; evidence of some wider reading/research to confirm understanding as related to other contexts (7 marks)
- professionalism and creativity in presentation, structure and use of appropriate referencing (5 marks)

Note: Please try to work within the word limit or presentation marks will be forfeited.

Policy on attendance and class participation:

Attendance, attitude, and preparation are important. Positive contributions to the class can provide rich reciprocal learning experiences. The right attitude means: a desire and willingness to study and learn, preparation as directed, and putting forth effort even when it may be inconvenient or difficult. It also means: being ready to answer questions when called upon, volunteering answer to questions or asking questions and actively listening to the instructor and other class members.

Course Syllabus

MK 202 FUNDAMENTALS OF MARKETING

Number of credits:	3 credits
Lecture Time:	Thursdays, 2.00 – 5.00 p.m.
Lecture Venue:	Room 206, Faculty of Economics

Course Description:

A study of concepts and theories related to marketing and value creation for customers. Principal topics include marketing strategic formulation, consumer research, core marketing strategies (segmentation, targeting and positioning), and essential marketing activities to add value to the brand. This course provides perspectives fundamental to the marketing foundation for which marketing strategies are formed.

Course Objectives:

This course is designed for students who wish to conduct marketing activities in the future for organizations. Given full participation in the course students will:

1. gain an understanding of the marketing function in today's dynamic global business environment;
2. develop an appreciation and knowledge of how and when to implement marketing strategies;
3. show an understanding of how customers' responses to marketing affect people's lives and their culture;
4. possess a good foundation for further studies in marketing

Required Text and Materials:

- *Marketing: An Introduction (An Asian Perspective)* by Armstrong, Kotler and da Silva, 7th Edition, Prentice Hall
- *Strategic Brand Management* by Kevin Lane Keller, 3rd Edition (International), Prentice Hall

Course Outline:			
ession	Dates	Topics	Notes
1	Thurs 23 Aug	Introduction to marketing	Dr. Somboon
2	Sun 2 Sep (9 am -12 pm)	The market environment	Dr. Suthikorn
3	Sun 2 Sep (1 - 4 pm)	Value chain in marketing	Dr. Suthikorn
4	Thurs 13 Sep	Segmentation, targeting and positioning	Dr. Pattana
5	Thurs 20 Sep	Consumer behavior	Aj. Suwalya
6	Thurs 27 Sep	Qualitative market research	Dr. Somboon
-	Thurs 4 Oct	Midterm examination	3.30 – 5.00 p.m.
7	Sun 7 Oct (9 am -12 pm)	Consumer insight	Dr. Somboon
8	Sun 7 Oct (1 - 4 pm)	Presentation I	Dr. Somboon
9	Thur 11 Oct	Marketing in the digital age	Dr. Nopporn
10	Thur 18 Oct	Product & service strategy	Dr. Nopporn
11	Thur 25 Oct	Integrated marketing communication	Aj. Suwalya
12	Thur 1 Nov	Presentation II	Aj. Suwalya

13	Thur 8 Nov	Pricing strategy	Dr. Pattana
14	Thur 15 Nov	Distribution channel	Dr. Suthikorn
15	Thur 22 Nov	Presentation III	Dr. Nopporn
-	Fri 14 Dec	Final examination	9 am – 12 pm

Note: Midterm examination period: October 1 – 6, 2012 (no classes held during this period)

Assignments:

Throughout the course, three group assignments will be given as a means to reinforce the marketing theories and concepts discussed in class. Students are required to form their team to complete all assignments, each of which is worth 10 % of the total marks.

Participation and Discussion

Class participation provides students with the opportunity to share their ideas and analyses with their classmates. Students are NOT expected to have the “right” answers, yet logical views on issues being discussed. Nor are you expected to dominate the discussion in every class. Students are, however, required to be prepared and contribute *regularly* to the classroom discussion. The evaluation scheme is designed to encourage participation by judging both the **quality** and **quantity** of participation.

Course Outline

MK 312 Marketing Management

Number of credits: 3 credits

Course Description

The course is designed to provide B.E. students comprehensive understanding of marketing management concepts and theories. This course will offer students the opportunity to develop and strengthen their marketing strategies as they will be required to formulate a comprehensive marketing plan that will prepare them to become successful marketing managers in the future. Students will also be exploring marketing problems and apply marketing concepts to real life cases as this course enhances both a strategic marketing perspective combined with the actual implementation of the planning process. Student participation is one of the key learning success factors since this course will allow students to create and share ideas with one other either being in group or individual work.

Prerequisite: MK311

Course Objectives

1. To provide students an in-depth understanding of how to build, develop, and analyze the complete marketing plan, a key success in strategic planning.
2. To explain how marketing and the concept of management both in planning and strategy is fundamental in the development of a marketing plan at a strategic level on both a local & international platform.
3. To identify, explore and work on practical marketing cases and apply marketing concepts in business and non-business enterprises to further strengthen the understanding of marketing management.
4. To prepare students to become effective marketing managers by developing, apart from in-depth understanding of the strategic marketing management and planning process, but also in the area of analytical thinking, creativity, innovation and presentation, skills needed to succeed in the corporate world.

Required Text

Svend Hollensen, Marketing Planning : A Global Perspective

Second Edition(2010), ISBN -13 978-0-07-712713-8, McGraw –Hill Education (UK) Limited

Project Term Paper & Presentation

30%

Note: The Project begins on the first day of class with the formation of the project team. The team is required incorporate theories, concepts, models, and other relevant information (ex. Facts, figures, external source data) into the analysis for the project term paper as group work progress will be gradually developed throughout the semester. The term paper will be due on the last day of class with approx. 30 minutes presentation.

Class Participation and Attendance

20%

Note: Participation includes attendance, discussions and assignments. There will be open discussions and 'brainstormings' on the context, marketing cases and various business issues.

Student Responsibility

- Student is expected to do the reading of the chapter well before time of instruction
- Every class assignment needs to be turned in on time. Late turn-in will be accepted with no score assigned to it.
- The instructor may not, sometimes, cover the whole chapter in detail; however, if those missing details are stated in the course syllabus, it is therefore students' responsibility to review the material.
- Important notice: Attendance is very important , therefore 3 lates equals 1 absent and 4 absents you are not allowed to take the final exam.

Class Schedule

Date	Topic	Chapter
August 20, 2012	Class Introduction Group Formation, class introduction & planning exercise Why prepare a marketing plan?	1
August 27, 2012	Introduction The main stages of developing a marketing plan Why prepare a marketing plan?	1

September 3, 2012	<p>Assessing the internal marketing situation</p> <p>Market Orientation View(MOV)</p> <p>Resource Based View (RBV)</p> <p>Market driven vs. market driving</p> <p>Major sources of competitive advantage: value and cost</p>	2
September 10, 2012	<p>Assessing the external marketing situation</p> <p>PEST analysis</p> <p>Relations to actors in the industry value net</p> <p>Analyzing buying processes in the B2B market</p>	3
September 17, 2012	<p>SWOT Analysis</p> <p>Elements of the SWOT Analysis</p> <p>Matching and converging in the SWOT Matrix</p> <p>The application of the SWOT analysis</p> <p>Necessary Analysis</p> <p>Benefits and Barriers to conducting a SWOT analysis</p>	4
September 24,2012	<p>Strategic market planning</p> <p>Vision and mission statement</p> <p>Strategic Objectives</p>	5

	<p>Estimation of the planning gap, and problem diagnosis</p> <p>The search for strategic alternatives for closing the “planning gap”</p> <p>Strategy evaluation and selection</p> <p>Estimating financial consequences</p>	
October 1, 2012	Midterm Exam	13:30-15:00 hrs.
October 8, 2012	<p>The segmentation process</p> <p>The benefits and underlying premises of market segmentation</p> <p>The STP(segmentation, targeting, positioning)approach</p> <p>Segmenting consumer markets (B2C)</p> <p>Segmenting business markets (B2B)</p>	6
October 15, 2012	<p>Marketing mix decisions I: product</p> <p>Product mix decisions</p> <p>Different product levels</p> <p>Product differentiation</p> <p>Differentiating the augmented product</p> <p>Brand equity</p> <p>The New product development (NPD) process</p> <p>Brand stretching</p> <p>Co-branding and Ingredient Branding</p>	7

<p>October 22, 2012</p>	<p>Marketing mix decisions II: pricing</p> <p>Environmental factors</p> <p>General marketing strategy</p> <p>Pricing objectives</p> <p>Pricing strategy</p> <p>Pricing tactics</p> <p>Marketing mix decisions III: distribution</p> <p>The role of the intermediary</p> <p>Entry model strategy</p> <p>Designing and managing the channel structure</p> <p>Global distribution channel design</p> <p>Multiple channel strategy</p> <p>Logistics</p> <p>The Internalization of Retailing</p>	<p>8</p> <p>9</p>
<p>October 29, 2012</p>	<p>Marketing mix decisions IV: communication</p> <p>Advertising</p> <p>Sales promotion</p> <p>Public relations and sponsorship</p> <p>Internet promotion</p> <p>Direct marketing</p> <p>Personal selling</p> <p>Push and Pull strategies</p> <p>Combining communications and distribution: multi-channel customer management (MCCM)</p>	<p>10</p>

November 26, 2012	Project Presentation	Presentation
December 17, 2012	Final Exam	9:00-12:00 hrs.

Course Outline

MK341 Special Topics in Marketing 1

PROLOGUE

In 2003, Nintendo was in trouble. Nintendo's Gamecube was considered a failure compared to the highly successful Microsoft Xbox and Sony Playstation 2. With the XBOX 360 and PS3 in development, many thought Nintendo was doomed. Yet in 2006, Nintendo released the Wii, delighting consumers, shocking competitors, and changing the industry forever. In 2010, Sony and Microsoft still haven't caught up, while Nintendo has jumped far ahead of the giants.

The Wii was no accident - it was a breakthrough innovation, from a company that learned how to become great at innovation.

Can the formula for Nintendo's successes be learned? Can similar successes be achieved in other industries? Can innovation help graduates succeed in a wide variety of careers?

Yes, yes, and yes.

READINGS

Core Reading: Peter Skarzynski and Rowan Gibson, *Innovation to the core: a blueprint for transforming the way your company innovates*, 2008 Harvard Business Press ISBN-13: 978-1-4221-0251-0

Several supplementary readings will also be assigned. Copies of the core and supplementary reading assignments, as well as the lecture slides, will be made available to students on the BE Moodle website (<http://be-moodle.econ.tu.ac.th>) as well as the class Facebook page ("MK391 – BE Program Thammasat University , 2011").

Recommended news and articles will also be regularly posted to the class Facebook wall.

OFFICE HOURS

By appointment.

OVERALL COURSE DESCRIPTION

This course provides a foundation of innovation concepts, tools and frameworks, with focus on the development of innovative new products, services, and social/economic programs. The course is biased to the development of breakthrough innovations over incremental innovations.

WHO THE COURSE IS FOR

The target student is interested in developing innovative new products, services, and programs in companies, startups, or social/economic development organizations. The course builds and enhances both critical analysis skills as well as creative thinking skills. From the career perspective, students close to graduating or who expect to be doing internships in business, management, development, or policy will benefit most, since the class develops “hands-on” competences that are best maintained by active use.

Students will leave the class with the ability to identify innovation opportunities in the world around them, evaluate the potential success of new ideas, and promote innovation in organizations they work in and lead. They will be provided with an up-to-date theoretical foundation of innovation from a variety of modern thought leaders.

HOW THE COURSE WILL BE TAUGHT

The class draws on lectures, class discussions, articles, in-class exercises, and a small number of case studies. Short assignments will be regularly given. Students will often be asked to find examples of new products they see in the world around them, and to analyze them from an innovation perspective, and to present and defend their analysis. A multi-stage group term paper will be assigned.

GRADING

Individual Class Participation: 25%

Individual Assignments: 30%

Group Term Paper: 35%

Final Exam: 10%

(The grading portion is subject to change.)

Individual Class Participation: Students can participate by asking questions in class, answering questions, asking for clarification, asking for examples, providing examples, providing counter-examples, and providing general comments. Students can also get participation credit by participating in the class Facebook Wall (e.g., posting news/articles, commenting, asking and answering questions)

TOPICS COVERED

19/8: Overview and Introduction to Innovation

- Challenges this class will prepare you to overcome, successes this class will prepare you to achieve
- Overview of topics covered, goals and teaching methods, grading, rules, introduction to instructor
- What is innovation

22/8: Deadline for dropping

26/8: Customers

- Understanding the customer/consumer/user/market, with a practical workshop

2/9: Competencies

- Competencies: skills, processes, tools, values, assets, and relationships that can help sustainably succeed, with a practical workshop

9/9: Trends

- Trends and discontinuities and innovation opportunities, with a practical workshop

16/9: Orthodoxies

- Orthodoxies and industry assumptions, with a practical workshop

30/9: Ideation 1

- Linear “smashing” ideation techniques, and practical workshop

30/9: Midterm week, no class

7/10: Ideation 2

- Non-linear ideation techniques, and stretching ideas

14/10: Platforms

- Principles and practical workshop

21/10: Business models and idea evaluation

- From innovative ideas to innovative business models, introduction to strategic architectures, introducing the idea brief
- Evaluating ideas, risk management, experimentation, stage-gates, developing the idea brief – principles and practical workshop

28/10: Development and design

- Product development: problems and principles
- Industrial design: pitfalls in design, the problem of novel aesthetics, user-centered design, principles of good industrial design

4/11: Late-stage issues

- Product testing, branding, packaging, marketing communications
- Product launch, product life-cycle management

11/11: People Management for innovation

- Innovation teams, roles, skills, development, incentives, front-line innovation

18/11: Innovation strategy models

- The nature of industry leadership, organization of resources

25/11: Measuring innovation and wrap-up

- Principles and pitfalls

16/12: Final Examination (09.00-12.00 hrs.)

Course Outline

MA 216 Calculus for Social Science 1

Number of credits: 3 credits

Course Description:

Limits and continuity of one variable; differentiation of algebraic functions and transcendental functions; implicit differentiation; higher-order differentiation; Roll's theorem; the mean-valued theorem; applications of derivative for finding the limit and extremum of functions; differentials and its applications; antiderivatives; indefinite integrals and integration; definite integrals and applications of area integral; functions of several variables; limits and continuity of functions of several variables; partial derivatives; the chain rule; total differential and its applications.

Prerequisites: -

Course Objectives:

Calculus has influenced nearly every branch of natural and social sciences, since its invention about three hundred years ago. Calculus is not only one of the most beautiful ideas in the history of human thought, but also one of the most useful and influential. This course is designed to give students the basic quantitative skill of single-variable calculus. The course covers the reviews of functions, graphs and limits, differentiation, application of derivatives, integration and introduction to multi-variable calculus. Students will not only learn to solve the problem but also learn the concepts behind to enhance understanding and minimise memorising.

Reading lists:

In addition of attending lectures and following handouts and assignments, students are recommended to consult textbooks for further examples and alternative explanations. The class discussion will follow **Hoffman and Bradley** which gives a number of examples related to economics as well as other fields. Other books given are also suitable. If you already have a similar book, it is not absolutely necessary to acquire another one.

1. **Hoffman, L.D., and Bradley, G.L.,** *Calculus for Business, Economics, and the Social and Life Sciences*, 9th edition, McGraw Hill, 2007. (Recommended)
2. **Haeussler, E.F.Jr., Paul, R.S., and Wood, R.,** *Introductory Mathematical Analysis for Business, Economics, and the Life and Social Sciences*, 11th edition, Prentice Hall, 2006.
3. **Goldstein, L.J., Lay D.C., and Schneider, D.L.,** *Calculus and Its Applications*, 9th edition, Prentice-Hall International Editions.

4. **Sydsaeter, K. and Hammond, P.J.**, *Mathematics for Economic Analysis*, Prentice Hall, 2002.
5. **Klein, M.**, *Mathematical Methods for Economics*, 2nd Edition
6. **Simon, C., and Blume L.**, *Mathematics for Economists*, Norton & Company, 1994.
7. **Chiang, A.**, *Fundamental Methods of Mathematical Economics*, 3rd Edition, McGraw-Hill, 1984.

Teaching Plan:

Tentative Schedule

Week/Section	Topic
1/1-2	1. Functions, Graphs, and Limits Function of a single variable, the graph of a function, linear function, functional models, limits, One-side limits and continuity
2/3-4	
3/5-6	2. Differentiation: Basic Concepts The derivative, techniques of differentiation, Product and Quotient rules, higher-order derivatives, the chain rule, marginal analysis and approximations using increments, implicit differentiation and related rates
4/7-8	
5/9-10	
6/11-12	3. Additional Applications of the Derivatives Increasing and decreasing functions, relative, extrema, concavity and points of inflection, curve sketching, optimisation
7/13-14	
8	Midterm examination
9/15-16	3. Additional Applications of the Derivatives (continue)
10/17-18	4. Exponential and Logarithmic Functions Exponential and logarithmic function, differentiation of logarithmic and exponential functions, additional exponential models
11/19-20	5. Integration Anti-differentiation: the indefinite integral, integration by substitution, the definite integral and the fundamental theorem of calculus, applied definite integration: area between curves and average value, additional applications to business and economics
12/21-22	
13/23-24	6. Additional topic in Integration Integration by parts, integral table, improper integrals,
14/25-26	
15/27-28	7. Introduction to Calculus of Several Variable Functions of several variables, partial derivatives
16/29-30	
	Final examination

Course Outline

MA217 Calculus for Social Science 2

Number of credits: 3 credits

Course Description:

Matrices, determinants, solutions of system of linear equations, higher order partial derivatives, application of maximum and minimum of several variables functions with unconstraint and constraint, techniques of integration for one variable functions, polar coordinates and area in polar coordinates, multiple integration and its applications.

Prerequisite: MA 216

Course Objectives:

Calculus has influenced nearly every branch of natural and social sciences, since its invention about three hundred years ago. Calculus is not only one of the most beautiful ideas in the history of human thought, but also one of the most useful and influential. This course is designed to train students to understand and appreciate both theory and calculation. In each topic, students will not only learn how to solve the problem but also learn the concepts, the hypotheses behind and how to apply them correctly. The student should be able to understand and apply the topics covered in the course which are: higher order partial derivatives, application of maximum and minimum of several variables functions with unconstraint and constraint, matrices, determinants, solutions of system of linear equations, techniques of integration for one variable functions, multiple integration and its applications.

Reading lists:

In addition of attending lectures and following handouts and assignments, students are recommended to consult textbooks for further examples and alternative explanations. The class discussion will follow Hoffman and Bradley (2007) and Klein (2002) which give many economic examples and other fields. Other books are also suitable. If you already have a similar book, it is not absolutely necessary to acquire another one.

8. **Hoffman, L.D. and Bradley, G.L.**, *Calculus for Business, Economics, and the Social and Life Sciences*, 9th edition, McGraw Hill, 2007. (Recommended)
9. **Klein, M.**, *Mathematical Methods for Economics*, 2nd Edition, Pearson Education, 2002. (Recommended)
10. **Chiang, A. and Wainwright, K.**, *Fundamental Methods of Mathematical Economics*, 4th Edition, McGraw-Hill, 2005.

11. **Barnett, R., Zeigler, M. and Byleen,** *College Mathematics for Business and Economics, Life Science, and Social Science*, 10th edition, Pearson Education, 2005.
12. **Haeussler, E.F.Jr., Paul, R.S., and Wood, R.,** *Introductory Mathematical Analysis for Business, Economics, and the Life and Social Sciences*, 11th edition, Prentice Hall, 2006.
13. **Sydsaeter, K. and Hammond, P.J.,** *Mathematics for Economic Analysis*, Prentice Hall, 2002.
14. **Simon, C., and Blume L.,** *Mathematics for Economists*, Norton & Company, 1994.

Calculator during Examination:

- No calculator
- A non-scientific calculator
- A basic scientific/financial calculator (with exponential and logarithmic functions) but not graphical calculator
- A scientific/financial and graphical calculator
- Other e.g.

Familiarise yourself with your calculator.

Tentative Schedule and Course Outline

Section	Date	Topic
1	18 Aug	Functions of several variables and partial differentiation (Revision)
2	25 Aug (Postpone)	Application of maximum and minimum of several variables functions with unconstraint
3	1 Sept	Application of maximum and minimum of several variables functions with equality constraints
4	8 Sept	Application of maximum and minimum of several variables functions with equality constraints (cont.)
5	15 Sept	Application of maximum and minimum of several variables functions with inequality constraints
6	22 Sept	Application of maximum and minimum of several variables functions with inequality constraints (cont.)
7	29 Sept	Application of maximum and minimum of several variables functions with mixed constraints
	Sat 6 Oct	Midterm examination, 9:30-11:00 hrs.

8	13 Oct	Techniques of integration for one variable functions
9	20 Oct	Techniques of integration for one variable functions (cont.)
10	27 Oct	Multiple integration and its applications
11	3 Nov	Multiple integration and its applications (cont.)
12	10 Nov	Matrices, Algebra of Matrices, Elementary Operations
13	17 Nov	The inverse of a matrix, Determinants, Some Properties
14	24 Nov	Solutions of system of linear equations
15	1 Dec	Revisions of Examination
	Sat 15 Dec	Final examination, 9:00-12:00 hrs.

!!!! Familiarise yourself with this. !!!!

!!!! This is what you will be given in your examination. !!!!

Formulas

Differentiation

We assume that u is a differentiable function of x .

$$\frac{d}{dx}(c) = 0$$

$$\frac{dy}{dx} = \frac{dy}{du} \cdot \frac{du}{dx}$$

$$\frac{d}{dx}(x^n) = n x^{n-1}$$

$$\frac{d}{dx}(u^n) = n u^{n-1} \frac{du}{dx}$$

$$\frac{d}{dx}[c f(x)] = c f'(x)$$

$$\frac{d}{dx}(\ln u) = \frac{1}{u} \frac{du}{dx}$$

$$\frac{d}{dx}[f(x) \pm g(x)] = f'(x) \pm g'(x)$$

$$\frac{d}{dx}(e^u) = e^u \frac{du}{dx}$$

$$\frac{d}{dx}[f(x)g(x)] = f(x)g'(x) + f'(x)g(x)$$

$$\frac{d}{dx}(\log_b u) = \frac{1}{(\ln b)u} \cdot \frac{du}{dx}$$

$$\frac{d}{dx} \left[\frac{f(x)}{g(x)} \right] = \frac{g(x)f'(x) - f(x)g'(x)}{[g(x)]^2}$$

$$\frac{d}{dx}(a^u) = a^u (\ln a) \frac{du}{dx}$$

Integration

$$\int k dx = kx + C$$

$$\int [f(x) \pm g(x)] dx = \int f(x) dx \pm \int g(x) dx$$

$$\int x^n dx = \frac{x^{n+1}}{n+1} + C, \quad n \neq -1$$

$$\int [u(x)]^n du = \frac{u^{n+1}}{n+1} + C$$

$$\int e^x dx = e^x + C$$

$$\int e^u du = e^u + C$$

$$\int kf(x) dx = k \int f(x) dx$$

$$\int \frac{1}{u} du = \ln|u| + C, \quad u \neq 0$$

Least Squares Approximation

$$\hat{y} = \hat{a} + \hat{b}x$$

$$\hat{a} = \frac{\left(\sum_n x_i^2\right)\left(\sum_n y_i\right) - \left(\sum_n x_i\right)\left(\sum_n x_i y_i\right)}{n \sum_n x_i^2 - \left(\sum_n x_i\right)^2} \text{ and}$$

$$\hat{b} = \frac{\sum_n x_i \sum_n y_i - n \sum_n x_i y_i}{\left(\sum_n x_i\right)^2 - n \sum_n x_i^2}$$

MA 332 Linear Algebra

Number of credits: 3 credits

Prerequisites: *second-year status*

Course description

This course is an introduction to concepts, algorithms, theory, and applications of linear algebra. The topics will be delivered in this course are matrices, algebra of matrices, elementary operations and elementary matrices, rank of a matrix, determinants, inverse of matrices, system of linear equations and solutions, Cramer's rule, vector spaces, bases and dimension of vector space, linear transformation, eigenvalues, eigenvectors, diagonalization of a matrices, inner product spaces, Gram-Schmidt process, applications of linear algebra.

Course objective

After successful completion of this course, students should be able to demonstrate competence with the basic ideas of linear algebra including concepts of linear systems, independence, theory of matrices, linear transformations, bases and dimension, eigenvalues, eigenvectors and diagonalization.

Outline and weekly teaching plan

Week	Topic
1	Systems of linear equations ,The geometry of linear equations,Matrix operation and row operations
2	Echelon forms, complete solutions to $Ax=b$, matrix Inverses , elementary matrices and LU decomposition
3	Vector spaces and subspaces
4	Linear independence , spanning, Basis, dimension and rank
5	Linear Transformation and change of basis
6	Orthogonality, Orthogonal projections
7	Revision for midterm

8	Midterm Exam on 6 October 2014 at 8.00-10.00 am
9	Least square approximations, the Gram-Schmidt process
10	Determinant, Cramer rules
11	Eigenvalue, Eigenvectors and diagonalisation
12	Makov chain
13	Symmetric matrices , Quadratic function and quadratic forms
14	Positive definiteness
15	Constrain Optimisation and Linear Programmning
16	Linear Programming (continue) and Revision for final

Course evaluation

The final grade will be based on the following

- Quizzes 10%
- Midterm examination: 40%
- Final examination: 50%

Text: Handouts

References:

Linear algebra and its applications by Gilbert Strang ,International Thomson Publishing; 3rd edition (1988) ISBN: 0155510053.

Linear algebra and its applications by David C. Lay , 3rd edition , Addison Wesley

Linear algebra with applications 4th edition by W. Keith Nicholson, McGraw Hill, 2002

Elementary Linear algebra 7th edition by Bernard Kolman and David R. Hill, 2000, Prentice Hall.

Course Outline

ST216 Statistics for Social Science 1

Number of credits: 3 credits (3-0-6)

General Information:

This course provides an introduction to the concept and applications of Statistics for Economics. As a practicing economist, you would have come across a tremendous amount of information that is contained in data. Statistics helps you extract and understand this information. It answers questions such as, How should we summarize this mountain of data? and, To what extent should you really believe these numbers and their implications? It thus helps complement your economics knowledge, experience and intuition with the knowledge that is contained in the numbers that you come across, which ultimately leads to better decision-making.

The course does not require advanced math knowledge, and your performance in this course will depend on conceptual skills that you develop through assignments, exercises, and class lectures. Some of you might have taken statistics from high school. These courses do not necessarily promise your success in this class because statistics courses vary in terms of content and approach.

Course Description:

Introduction to descriptive statistics; index numbers; unconditional and conditional probability; random variables and probability distribution; unconditional and conditional expectations; elementary sampling and sampling distribution; estimation and hypotheses testing for one population; statistical package results interpretation.

Prerequisites: -

Course Objectives:

This course covers the standard methods of descriptive statistics and some statistical inference needed for economics. The purpose of the course is to provide students in the economic sciences with enough understanding of statistical ideas and methodology to communicate knowledgeably and effectively with specialists in these technical areas. Upon successful completion of this course, students will be able to complete the following tasks:

1. Explain basic concepts of social statistics (e.g., population, sample, sampling distribution).
2. Summarize numeric data by computing descriptive statistics (e.g., mean, variance) and by creating tables and graphs. For each procedure, students will learn a hand calculation method

(using calculators) and a computer method (using software called SPSS-computer outputs interpretation)

3. Compute various inferential statistics (e.g., z, t and chi-square statistics) using both hand calculation and computer method (computer outputs interpretation)
4. Parameter estimations and test hypotheses applying probability theory.
5. Explain the differences among various statistical techniques and identify an appropriate technique for a given set of variables and research questions.

The widespread availability of computer software packages is revolutionizing statistics education. Each year, more and more students enter statistics course with a good experience in computer technology and an expectation of using computer packages to solve problems in statistics. Because of this trend, this course will also focus on reading and interpreting the computer outputs. The computer software used in the course is SPSS for windows.

Main Text:

Anderson, David R., Sweeney, Dennis J., and Williams, Thomas A. *Statistics for Business and Economics*. Eleventh Edition. International Student Edition South-Western, 2011.

Other Recommended Book:

1. Berenson, Mark L., Levine, David M., and Krehbielm Timothy C. *Basic Recommended Business Statistics*. Eleventh Edition. Pearson/Prentice Hall, 2009.
2. Lind, Douglas A., Marchal, William G., and Wathen, Samuel A. *Basic Statistics for Business and Economics*. Seventh Edition. McGraw-Hill Irwin, 2011.
3. McClave, James T., Benson, P. George, and Sincich, Terry. *Statistics for Business and Economics*. Eleventh Edition. Student Edition. Prentice Hall, 2011.
4. Newbold, Paul, Carlson, William L., and Thorne, Betty. *Statistics for Business and Economics*. Fifth Edition. Pearson Education, Inc., 2003.

Teaching Plan:

Class Schedule

Class	Date	Topics	Chapter	Section
1-2	Aug 15,17	1. Data and Statistics	1	
		1.1 What is Statistics?		1.4
		1.2 Types of Statistics		1.5
		1.2.1 Descriptive Statistics		
		1.2.2 Statistical Inference		
		1.3 Statistical Data		1.2
		1.3.1 Data, Element, Variable		
		1.3.2 Types of Data		
		1.4 Scales of Measurement		1.2
		1.4.1 Nominal Scale		
		1.4.2 Ordinal Scale		
		1.4.3 Interval Scale		
		1.4.4 Ratio Scale		
3-5	Aug 22, 24, 29	2. Describing Data: Frequency Tables, Frequency Distributions and Graphic Presentation		
		2.1 Summarizing Qualitative Data (Categorical Data)	2	2.1
		2.1.1 Frequency Distribution		
		2.1.2 Relative Frequency Distribution		
		2.1.3 Bar Charts and Pie Charts		
		2.2 Summarizing Quantitative Data (Numerical Data)		2.2
		2.2.1 Frequency Distribution		
		2.2.2 Relative Frequency Distribution		
		2.2.3 Histogram and Frequency Polygon		
		2.2.4 Cumulative Frequency Distributions		
		2.2.5 Stem-and-Leaf Displays		2.3
Class	Date	Topics	Chapter	Section
6-7	Aug 31, Sep 5	3. Measures of Location	3	
		3.1 Mean		3.1
		3.1.1 Sample Mean		
		3.1.2 Population Mean		
		3.2 Weighted Mean		
		3.3 Median		
		3.4 Mode		
		3.5 Percentiles, Deciles and Quartiles		
8-9	Sep 7, 12	4. 4.1 Measures of Dispersion (Measures of Variability)		3.2
		4.1.1 Range		
		4.1.2 Interquartile Range		

		4.1.3 Mean Deviation	
		4.1.4 Variance and Standard Deviation	
		4.1.5 Coefficient of Variation	
		4.2 Exploratory Data Analysis: Box- Plot	3.3
10-12	Sep 14, 19, 21	5. Introduction to Probability	4
		5.1 Random Experiment and Sample Space	4.1
		5.2 Approaches to Probability	4.1-4.4
		5.2.1 Classical Probability	
		5.2.2 Relative Frequency Probability	
		5.2.3 Subjective Probability	
		5.3 Properties of Probabilities	4.1-4.4
		5.4 Rules of Addition	4.1-4.4
		5.5 Conditional Probability	4.4
		5.6 Rules of Multiplication	4.1-4.4
		5.7 Tree Diagrams	4.4
		5.8 The Bayes' Theorem	4.5
		5.9 The Multiplication Formula	4.1
		5.10 The Permutation Formula	4.1
		5.11 The Combination Formula	4.1
13-15	Sep 26, 28, Oct 10	6. Discrete Probability Distributions	5
		6.1 Random Variables	5.1-5.2
		6.1.1 Discrete Random Variables	
		6.1.2 Continuous Random Variables	
		6.2 Expected Values and Variances of Random Variables	5.3
		6.3 The Binomial Probability Distribution	5.4
		6.4 The Poisson Probability Distribution	5.5
16-18	Oct 12, 17, 19	7. Continuous Probability Distributions	6
		7.1 General Probability Distributions for Continuous Random Variables	
		7.2 Normal Probability Distribution	6.2
		7.3 Areas under the Normal Curve	6.2
		7.4 Normal Approximation to the Binomial Probability Distribution	6.3
Class	Date	Topics	Chapter Section
18-19	Oct 19, 24	8. 8.1 Bivariate Distributions	5 5.7 (Reference No. 4)
		8.2 Conditional Probability Function	5 5.7 (Reference No. 4)
		8.3 Conditional Expectation	5 5.7 (Reference No. 4)
20	Oct 26	9. Sampling and Sampling Distributions	7
		9.1 Methods of Probability Sampling	7.2,7.8
		9.2 Sampling Distribution of the Mean	7.5
		9.3 Standard deviation of Sample Mean	7.5
		9.4 Central Limit Theorem	7.5

		9.5 Point Estimation	7.3,7.7
21-24	Oct 31, Nov 2, 7, 9	10. Interval Estimation	8
		10.1 Interval Estimation of a Population Mean: Known Population Standard Deviation	8.1,8.2
		10.2 Interval Estimation of a Population Mean: Unknown Population Standard Deviation	8.1,8.2
		10.3 Interval Estimation of a Population Proportion	8.4
		10.4 Determining the Sample Size	8.3
25-30	Nov 14, 16, 21, 23, 28	11. Hypothesis Testing	9
		11.1 Developing Null and Alternative Hypotheses	9.1
		11.2 Steps of Hypothesis Testing	9.1
		11.3 Type I and Type II Errors	9.2
		11.4 One-Tailed and Two-Tailed Tests of Significance	9.3
		11.5 Hypothesis Tests about a Population Mean	9.4,9.5
		11.5.1 Known Population Variance	
		11.5.2 Unknown Population Variance	
		11.6 Hypothesis Tests about a Population Proportion	9.6
		11.7 Hypothesis Tests about a Population Variance	11 11.1
31	Nov 30	12. Index Numbers	17 17.1-17.7
		12.1 The Meaning of Index Numbers	
		12.2 Types of Index Numbers	
		12.2.1 Price Indexes	
		12.2.2 Quantity Indexes	
		12.2.2 Quantity Indexes	

Course Outline

PY 211 General Psychology

Number of credits: 3 credits

Course Description:

Study history and methodology of psychology, biological foundation of behavior, human development, motivation, perception, learning, cognition, personality, and social behavior.

Prerequisites: -

Course Objectives:

1. To provide broad coverage of the field of psychology, introducing the theories, research, and applications that constitute the discipline.
2. To serve as an impetus for students to think critically about psychological phenomena, particularly those that have an impact on their everyday lives.
3. To arouse intellectual curiosity and build an appreciation of how psychology can increase students' understanding of the world around them.

Recommended Texts:

1. Coon, D. & Mitterer, J. (2012). *Gateways to Psychology: An Introduction to Mind & Behavior*. 13th ed., Wadsworth, Cengage Learning.

Suggested Readings:

1. Feldman, Robert (2010) *Essentials of Understanding Psychology*, 9th ed., New York: McGraw –Hill.
2. Kalat James, W. (2010) *Introduction to Psychology*, 9th ed., Pacific Grove, CA: Wadsworth Publishing.
3. Lahey, Benjamin B. (2011) *Psychology: An Introduction*, 11th ed. New York : McGraw-Hill..
4. Weiten, Wayne (2008) *psychology: Themes and Variations*. 8th ed. Pacific Grove, CA: Wadsworth Publishing.

Teaching – Learning Methods:

Lecture, exercise, case study, group discussion, role play and self-study.

Teaching Aids: Computers, video, and illustrations.

Course Syllabus TU 100 Civic Education

Number of credits 3 credits

Course Description

The course is designed for the first-year students to learn and understand the concept of “citizenship” in a democratic context. Through problem-based and activity-oriented approach, students will be provided with opportunity to advance their self-development to become a decent citizen who lends responsibility in addressing issues and proposing resolutions in their society

Prerequisites - none

Teaching and Learning Approach

The course promotes self-development and interactive participation. Reading materials and movies are recommended, but highly encouraged.

Recommended Reading Materials

1. Dhamma Trinity for Equilibrium of Life
2. Mangalasutta: Roadmap for Human Resource Development
3. The Three Pillars of Law
4. The future of human nature

Movie

1. Animal Farm
2. Trading Women
3. Abraham Lincoln Biography
4. Dr. Babasaheb Ambedkar Life
5. Mother Teresa

Structure of the Course

	Date	What to Learn	Activity	Venue
1	17 Aug	(i) Get-to-know each others (ii) Introduction to the course objectives, the conduct of the class, and the evaluation	Group discussion	Room 101
2	24 Aug	Perceived role of individuals with respect to family, community, country, and the	9:00-10:30 Animal Farm	Room 101

	Date	What to Learn	Activity	Venue
		world (in the context of evolution of the society)	10.30-12.00 Discussion	G1: 201 G2: 202 G3: 206
3	31 Aug	Perceived role (cont.) and Arts of Listening	Discussion/ Role play	G1: 201 G2: 202 G3: 206
4	7 Sept	Holistic analysis of human problems <ul style="list-style-type: none"> • to address challenges and problems in society in the context of liberty, rights and responsibility • to discuss upon selected problems, eg: social disparity, environmental degradation, moral and ethical deterioration, corruption, war and conflicts etc. • to propose recommendations that fit to a given social, geographic, and cultural context. 	9:00-10:30 Trading Women	Room 101
			10.30-12.00 Discussion	G1: 201 G2: 202 G3: 206
5	14 Sept	cont. (activity)	Discussion	G1: 201 G2: 202 G3: 206
6	21 Sept	Learning Social Problems	Field Trip	Three designated locations
7	28 Sept	cont. (activity)	Discussion/ Presentation	G1: 201 G2: 202 G3: 206
8	5 Oct	mid-term week	No Class	No Class
9	12 Oct	Leadership	Movie	
			Abraham Lincoln Biography	room 201

	Date	What to Learn	Activity	Venue
			Dr. Babasaheb Ambedkar Life	room 202
			Mother Teresa	room 206
10	19 Oct	Leadership (cont.)	Discussion	G1: 201 G2: 202 G3: 206
11	26 Oct	Learning about human thoughts and decision making process to achieve sustainable democracy	Guest Speaker: the Most Venerable Arayawangso	Main Auditorium, Thammasat Univ. (Ta Prachan)
12	2 Nov	Improvement of quality of life and sustainable growth in the era of globalisation and advanced innovation	Activity	G1: 201 G2: 202 G3: 206
13	9 Nov	Guest lecturer/ Panel Discussion.... “Social Responsibility as the Engine for Growth”	To be confirmed	Room 101
14	16 Nov	Students Group Meeting	Student Group meeting under supervision	G1: 201 G2: 202 G3: 206
15	23 Nov	Group presentation	Project-based presentation	Room 101
16	30 Nov	Group presentation	Project-based presentation	Room 101

Evaluation

This course is designed to provide students with scenarios and activities to learn, to understand and to develop their right views into attitudes and manner so that they can cultivate social responsibility. As a citizen of a community, they should be able to play different roles in different scenario. They lead when to lead; they follow when to follow; they can listen; they can speak; they can take an appropriate role in a right context so as to yield

The evaluation is on the following scheme

- Group participation 30
- End-of-lecture diary 30
- Presentation 10
- Group Project 20
- Attendance and manner based on students' own criteria 10

End-of-lecture Diary

At the end of each lecture and class activity, students are required to write the end-of-lecture diary to summarise what they have learned, acquired, and experienced. The subject content should reflect their impression and insights gained from the activity and lessons learned. Students are also welcomed to express their suggestions regarding what to be done next in order to fulfill the pre-determined objectives of the course.

The diary should not exceed 500 words. Please submit the diary at BE office no later than on Wednesday 4pm in the following week.

Please make sure to sign-up when you submit any assignments.

Group Project

Students form a group of 10 members to observe real-life problems. On their own choice, students choose one problem to undertake preliminary survey of the fact findings to analyse how and why the problem had developed. Based on holistic approach, the group will propose resolutions. It is strongly recommended that students would address problems and design the resolution in the context of general and sustainable equilibrium of life.

Presentation

Students will be provided with different opportunities to give presentation, both individual and group-based. The objectives are to learn to listen, comprehend, speak and give responses. Learning from others will be promoted over the presentation as well.

Attendance and Manner

Based on students own criteria that are agreed upon at end of the first class, no matter what, students will be evaluated accordingly.

Course Outline

TU 111 Thailand in Historical, Social and Cultural Perspective

Number of credits: 3 credits

Course Description:

The first part of the lecture will cover the formation and social evolution of the kingdom of Thailand from the Tai origin to the Empire of Ayutthaya into Siam Era and the civil society of Bangkok. This will give the basic understanding of Thai civilization which will enable students to address and examine the national identity characteristics and the way Thailand struggles to find its own place in the global stage better. The latter part of the lecture will cover the concepts and characteristics of Buddhism and materialism, art and literature, standard of values and nation-building which will portray the clear picture of the future direction of Thai society.

Prerequisite: -

Course Objective:

To study a background of Thai society from the aspects of history, culture and knowledge since the period of Siam until the nation state era of Thailand. The focus will be on the making of Thai national identity and the social and cultural development direction in the global context.

Topics to Be Covered:

Origin: the Tai History and the Classical Empires
Sukhothai Era
The Empire of Ayutthaya
Early Bangkok Empire
King Chulalongkorn and Modernization
Elite Nationalism in King Vajiravudh's Reign
Phibun and His Nationalism

Second World War and the Economic Boom of the Bangkok Era
Civil Society and Thailand's Boom and the Crisis
Thaksin Era
Thai Buddhism and National Identity
Standard of Values: Sanuk, Mai Pen Rai and Cool Hearted
Thai Art and Literature
Pop Culture and Materialism

Reading List:

- 1) Thailand: A Short History by David Wyatt. Silkworm Books, Chiang Mai, 2003.
- 2) Thailand, Economy and Politics by Pasuk Phongpaichit and Chris Baker, Oxford University Press, Kuala Lumpur, 1997.
- 3) Thailand's Boom and Bust by Pasuk Phongpaichit and Chris Baker, Silkworm Books, Chiang Mai, 1998.
- 4) Inside Thai Society: Interpretations of Everyday Life by Niels Mulder, The Pepin Press, Amsterdam, 1996.
- 5) Reflections on Thai Culture by William J. Klausner, The Siam Society, Bangkok, 1993.
- 6) National Identity and Its Defender by Craig J. Reynolds, Silkworm Books, Chiang Mai, 1993.
- 7) Transformation of Thai Concepts of Aesthetics by Mattani Rutnin, Thai Khadi Institute, Thammasat University, Bangkok, 1981.
- 8) Materializing Thailand by Penny Van Esterik, Berg, Oxford, 2000.

Activity

Lecture and presentation

Individual & group reports and presentation

Class Schedule

Class	Date	Topics
1	20/08/12	Pre-historic Time
2	27/08/12	Dvaravadi & Sukhothai Era
3	03/09/12	Ayudhaya I
4	10/09/12	Ayudhaya II
5	17/09/12	Early Bangkok: the Old Order
6	24/09/12	Early Bangkok: Reform
7	08/10/12	Elite Nationalism: Rama VI
8	15/10/12	The Last Absolute Monarch: Rama VII
9	22/10/12	Molding Post-Absolutist Culture
10	29/10/12	American Era
11	05/11/12	Ideologies
12	12/11/12	Thai Buddhism, Pop Culture and Materialism

13	19/11/12	Discussion and Preparation for Final Group Project
14	26/11/12	Group Presentation and Report I (12.00-15.00)
15	26/11/12	Group Presentation and Report II (15.00-18.00)

Course Outline

TU124 Society and Economy

Number of credits: 3 credits

Course Website: <http://groups.yahoo.com/group/soc-econ>

Course Description:

Aside from guidance lectures, self-reading before the class and *interactive* discussions are necessarily required in essence. Students are portrayed a vast landscape relationship between the crucial components making up the society and the economy today. Lecture sequences leading through a series of evolutionary development of social and economic ideologies and institutions, and selected contemporary issues are expected to supplement students in better evaluating the socio-economic multi-dimensional problems and policies in a more holistic manner.

It must attentively be noted that this course aims at paving a “big map” to show what essentially *there* are that could be ‘explored’ in the inter-linkages between social, cultural, political and economic factors. It also aims at exercising thoughts using some basic economic rationale. In order to “learn” from this course, it is the students’ own task to use this map to further pursue their outside-classroom self-study through reading, watching, observing, writing and, most importantly, synthesising all the scattered pieces of information collected. Please note that ALL students are required to register in the course website to upload assignments, download course materials and receive important notifications.

Prerequisites: -

Course Objectives (In fact, *Our Mission together!*):

1. Students study the inter-relationship between the crucial components making up the society and economy in a multi-dimensional approach.
2. Students learn to formulate their ideas and thinking through reading, class discussion, and information synthesizing.
3. Students learn to orally express their ideas and write good academic essays.

Main Text:

Phijaisanit, E. (2008) *Understanding the Essence of Economics through the Context of*

Societal Events. Textbook for the Course “Society and Economy” Bachelor of Economics (BE) International Program, Thammasat University (downloadable from the course website)

Teaching Plan:

Topic 1. Introduction to the Study of Society and Economy

- ❑ Course overview
- ❑ The economic problem as one of the basic survival problems
- ❑ Economics: a crucial component in social sciences
- ❑ General methodology
- ❑ Society and economy inter-linkages

 Reading:

Phijaisanit, Ch 1-2

Topic 2. Urbanisation and Economic Expansion

- ❑ Rationale framework of societal changes
- ❑ Characteristics, norms and values of the ancient-type society
- ❑ Influencing factors to changes
- ❑ New characteristics, norms and values
- ❑ Philosophy of trade – an account of the phenomena

 Reading:

Phijaisanit, Ch 3

 Extra:

Akira, S. (1996) *Capital accumulation in Thailand 1855-1985*. Chiangmai: Silkworm

Ch2.1: The Bowring Treaty pp. 16-38; Ch 3: The rise of capitalist groups: 1855-1932 pp. 42-98

Topic 3. Looking Through Industrialisation

- ❑ The important industrial turning point
- ❑ Theoretical perspectives on the Industrial Revolution
- ❑ Impacts of technology
- ❑ Economies of scale production
- ❑ Changes in social and market structure
- ❑ Industrialisation in developing countries: the case of Thailand in brief

 Reading:

Phijaisanit, Ch 4

 Extra:

Siriprachai, S. (1997) “Industrialisation and inequality in Thailand,” in J. D. Schmidt et al
(eds) *Social changes in Southeast Asia*. (London: Longman), pp 183-205

Warr, P. (1993) “The Thai economy,” in Warr, P. (ed) *The Thai economy in transition*,
Cambridge University Press, pp. 1-80

Topic 4. Recognising Capitalism across Time

- Feudal heritage revisited
- The common market and trade
- Corporatism
- Structural changes
- Prosperity and convergence
- Conscious capitalism

 Reading:

Phijaisanit, Ch 5

 Film:

The story of stuff, Annie Leonard (<http://www.storyofstuff.org>)

--- Mid-term Break---

Topic 5. Issues of Socialism

- Primal themes of socialism
- The historic shift
- The Soviet system in retrospect
- Transition to capitalism
- The future of socialism

 Reading:

Phijaisanit, Ch 6

 Extra:

Einstein, A. (1998) “Why Socialism?” *Monthly Review*, Vol. 50 No. 1, May

Moore, S. and F. Engels, trans. (1969) *Manifesto of the Communist Party*. Moscow:

Progress Publisher (recommended for those with abundance of extra time!)

Topic 6. Role of the Public Sector & Social Welfare Provisions

- ❑ Overview of the basic role of the public sector
- ❑ Economic rationale for government
- ❑ Musgrave's classification of the state
- ❑ Discussion of Asian style democracy: Case of 1997 Asian Economic Crisis
- ❑ Overview of Social Welfare Provisions in Thailand

Reading:

Phijaisanit, Ch 7 and additional powerpoint handout (to be uploaded in the course website)

Extra:

Siamwalla, A. (2000) "The Anatomy of Thai Economic Crisis," Thailand Development

Institute (TDRI), May

Stiglitz, J. E. *Economics of the public sector* (any edition), London: W.W. Norton

Ch1: The public sector in a mixed economy, Ch3: The economic rationale for government

Tasarika, E. (2004) "A recapitulation of Asian financial crisis and institutional factors,"

Thammasat Economic Journal, Vol 22 (1), March

Topic 7. Poverty and Inequality

- ❑ The concept of poverty
- ❑ The concept of inequality
- ❑ Rural-urban aspects of poverty and inequality
- ❑ Poverty cases in Asia
- ❑ Growth, inequality and poverty inter-relationship

Reading:

Phijaisanit, Ch 8

Topic 8. Aspects of Globalisation

- ❑ Defining globalisation
- ❑ Globalisation eras
- ❑ Catalysts of globalisation
- ❑ Emerging market economies
- ❑ Impacts of globalisation
- ❑ Impacts of globalisation on primitive local communities
- ❑ Globalisation, consumerism, environment and our well-being

 Film:

The story of change, The story of cap & trade (<http://www.storyofstuff.org>)

 Reading:

Phijaisanit, Ch 9

 Extra:

Sachs, J. (1996) “Globalisation and Employment,” Public Lecture, Geneva, 18 March,

International Labour Organisation: International Institute for Labour Studies

Sussangkarn, C. (2000) “Globalisation and institution building,” *TDRI Quarterly*

Topic 9. Rethinking Social Capital and Eco-system

- ❑ Introduction: The broad scenario
- ❑ The groundwork ideas of social capital and its linkage to eco-tourism
- ❑ Social capital in Thailand
- ❑ Corporate Social Responsibility

 Reading:

Phijaisanit, Ch 10 and additional powerpoint handout (to be uploaded in the course website)

 Extra:

Tasarika, E. (2001) “Community values and conservation: a case study in Ayudhya

province,” *Thammasat Economic Journal*, Vol. 20, no. 4, December 2002

TU 124 Class Activities

Week1: Topic 1

Week 2: Topic 2

Week 3: Group Debates: Group 1 vs Group 2; Group 3 vs Group 4

Week 4: Group Debates: Group 5 vs Group 6; Group 7 vs Group 8

Week 5: Topic 3

Week 6: Topic 4

Week 7: Film, Case Studies and Group Exercises

(Reminder: Individual Term Paper Deadline on Tuesday, 25 Sept 2012, 16.30hr.!))

Week 8: Mid-term Week (No Class)

Week 9: Topic 5

Week 10: Topic 6

Week 11: Group Debates: Group 1 vs Group 2; Group 3 vs Group 4

Week 12: Group Debates: Group 5 vs Group 6; Group 7 vs Group 8

Week 13: Topic 7

Week 14: Topic 8

Week 15: Topic 9

Week 16: Films, Case Studies and Group Exercises

Debate Rules:

1. Each group takes turn to talk for 5 minutes each round.
2. There are 4 rounds.
3. Audiences cast vote for the group that presented most convincing arguments
4. Count the votes to see the winner group

Wednesday, 29 August 2012

Debate # 1: “If nature were unlimited, then the concept of “scarcity” would NOT exist”

Group 1: Defending the motion: Agree with the above statement

Group 2: Against the motion: Disagree with the above statement

Debate # 2: “If humankind behavior were completely unpredictable, life insurance would not be a profitable business”

Group 3: Defending the motion: Agree with the above statement

Group 4: Against the motion: Disagree with the above statement

Wednesday, 5 September 2012

Debate #3: “Power tends to come after wealth in our modern society”

Group 5: Defending the motion: Agree with the above statement

Group 6: Against the motion: Disagree with the above statement

Debate #4: “Trading merchants’ activities were disruptive to the then existing static feudal life”

Group 7: Defending the motion: Agree with the above statement

Group 8: Against the motion: Disagree with the above statement

Wednesday, 24 October 2012

Debate #5: “State should force people to consume minimally and transfer resources to capital building”

Group 1: Defending the motion: Agree with the above statement

Group 2: Against the motion: Disagree with the above statement

Debate #6: “Capitalism promotes selfishness”

Group 3: Defending the motion: Agree with the above statement

Group 4: Against the motion: Disagree with the above statement

Wednesday, 31 October 2012

Debate #7: “Healthcare should be free for all in Thailand”

Group 5: Defending the motion: Agree with the above statement

Group 6: Against the motion: Disagree with the above statement

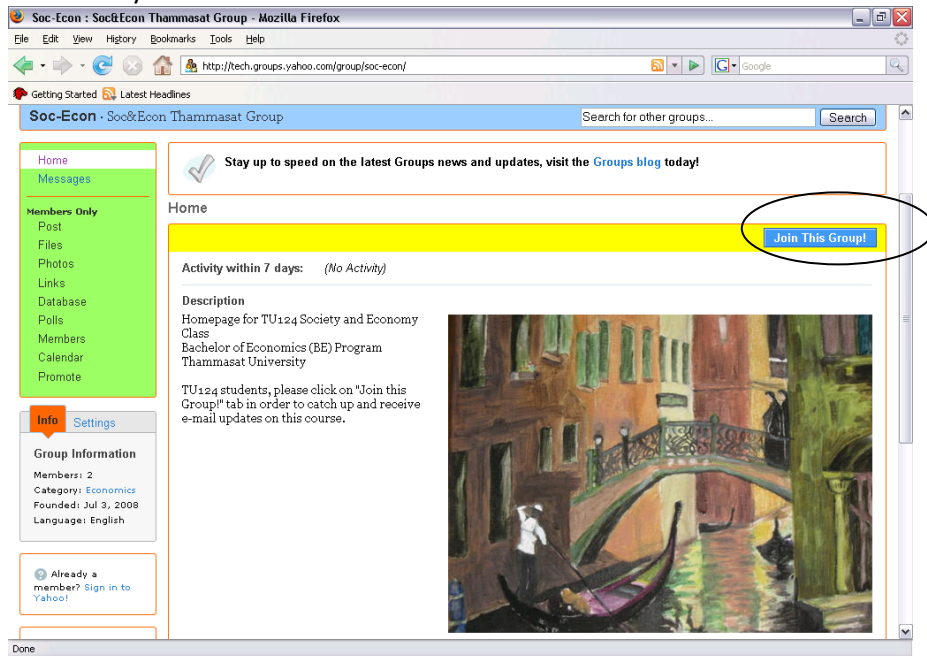
Debate #8: “Unemployment insurance makes people lazy and, therefore, harms the economy”

Group 7: Defending the motion: Agree with the above statement

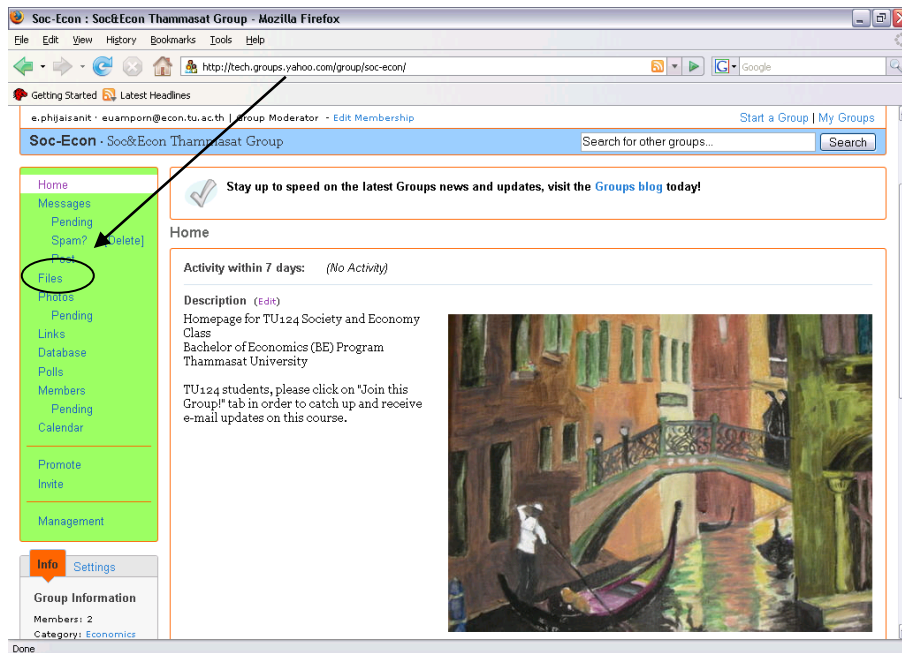
Group 8: Against the motion: Disagree with the above statement

Guideline for Registering at the Course Website

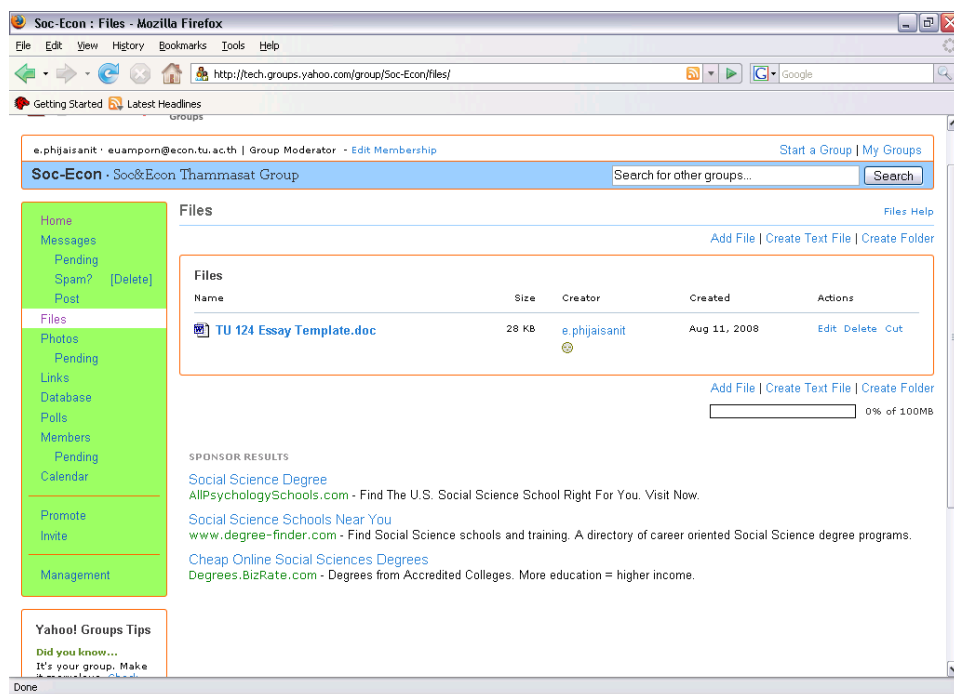
1. Type the Course Website URL using your internet browser (such as Internet Explorer or Netscape, etc). When you see this screen, click on “Join this Group!”. If you do not have yahoo account, you will have to register for one. Then you can have access to the website.



2. Once you have registered, you may sign in and see this screen. To download the files for this course, click on “Files” on the left-hand corner.



3. Then, you will see the available files for this course. Please download these files, read them, do your homework and prepare for class discussion.



4. Later on, you may look around the website and, perhaps, may see your pictures in the “Photos” section, so watch out if you plan to sleep in class!



Assessment:

Group Debates and Exercises (See topics and dates on pages 7-8) 20%

Individual Term Paper (Deadline: **Tues, 25 Sept 2012, 16.30 hrs**)* 40%

Final Exam 40%

(Saturday, December 15, 2012, 13.30 – 16.30 hrs)

*Please submit your Term Papers at the BE Office by the deadline. The highest score for late submission is no higher than 50% of the total score. The instructions and template for the term paper can be downloaded from the course website.

Course Outline

TU 152 Fundamental Mathematics

Number of credits: 3 credits

Course Description:

Logical rule for proving; methods of proofs, arguments, mathematical induction, proofs of theorems of inequalities and absolute values, inequalities solving, functions, type of functions, applications of functions, curve sketching, partial fractions decomposition, solving of simple systems of linear equations.

Prerequisites: -

Recommended Text and Materials:

Haeussler Jr., E. F., Paul, R. S., and Wood, R. J. (2011) Introductory Mathematical Analysis for Business, Economics, and the Life and Social Sciences, 13th Edition, New Jersey: Prentice Hall.

Teaching Plan:

Course Schedule:

Week	Sessions	Topic	Reading Assignments	Homework Assignments
1	14 , 16 August 2012	Introduction to fundamental mathematics	-	TBA
		Logical Rules for Proving; methods of proofs, arguments, mathematical induction	-	
2	21 , 23 August 2012	Applications and More Algebra	Chapter 1	
3	28, 30* August 2012	Functions	Chapter 2	
4	4, 6 September 2012			
5	11, 13 September 2012	Graph		
6	18, 20 September 2012	Lines and Parabola	Chapter 3	
7	25, 27 September 2012	System		

Midterm Exam Week			
8	9, 11 October 2012	Exponential Functions	Chapter 4
9	16, 18 October 2012	Limits and Continuity	Chapter 10
10	23*, 25 October 2012	Differentiation	Chapter 11
11	30 October 2012, 1 November 2012	Curve Sketching	Chapter 13
12	6, 8 November 2012		
13	13, 15 November 2012		
14	20, 22 November 2012	Partial Fraction Decomposition	Handout
15	27, 29 November 2012		

Class Assignment and Quiz:

The assignments and quizzes are accounted for 20%. Members of group will be changed for each quiz. There will be a quiz and assignment regularly during the term. The quiz might or might not be announced in advance. The system for quizzes and assignments are set as indicated in “Fundamental Mathematics Premier League”.

Class Rules:

- The class will start no later than 15 minutes. Those who come after this period will consider late.
- No talking during the class. If you have any questions, please raise your hand. Consulting with each other is not allowed during teaching time since it might interrupt the others who pay attention to the class. However, you are allowed to consult with your friends during the tutorial sessions.
- Please pay attention to the class; any other activities (such as playing game, reading cartoons, etc.) during the class time are not permitted.
- Late assignments and quizzes will not be accepted in any circumstances.

- Leave the room immediately when you finish the quiz. There will be a quiz after the session. Student who finishes the quiz early is allowed to leave the room. You are expected to leave the room immediately after you submit the quiz.
- Check your score regularly and report an error if there is any. Students are responsible for monitoring their own scores, you must report an error within one week after the score is announced, otherwise the score will not be changed in any circumstance.
- Quizzes cannot be retaken in any circumstances.
- Do not copy assignments and quizzes from others. If there is an evidence of cheating, the whole class will receive a score of zero for that particular assignment or quiz.
- You cannot check your answers with your friends before submitting a quiz. Failing to do so will lead to point deduction, which is up to 50%.

Fundamental Mathematics Premier League (FMPL):

Fundamental Mathematics Premier League is a project that will encourage students to gain mathematical knowledge by taking quizzes and doing assignments during the term. The total score for this project accounts for 20%. There are the rules for the game as follows:

1. Students will be put into a team which consists of 3-4 members. This group will be changed every week.
2. There will be many quizzes during the term. Normally the quiz will be held right after the end of each chapter. This can even be on the same day as that content is taught. Thus students must pay attention during the class.
3. Each team is allowed to consult within the team during the quiz. Consulting with other teams will be subjected to point deduction.
4. If there is a missing team member, the remainders of the team have to write the quiz all by themselves. Students who miss the quiz will receive a score of zero on that particular quiz.
5. Each team needs to return the quiz within time limit, which will be announced before the quiz begins. Failing to do so will lead to point deduction.

Term project:

Students in a group of 5-6 need to submit and present the term projects, which consists of

1. Math in everyday life (2.5%)

Students need to find interesting article (from book, internet, etc.) that shows how Mathematics can make life better. Each group needs to write up the 2-page summary of what you read and submit your report on 22 November 2012.

2. Math for economics (2.5%)

Same group of students write up 2-page report explaining how contents in this class can be applied in economics. This can include examples of uses, etc. The work must be submitted on 22 November 2012.

3. Class participation (5%)

Since there is time limit in class, students can participate via social media (Facebook). Each student can add me as a friend in Facebook and join group TU152 Term 1/2012 BE. Everyone is encouraged to post topics related to Mathematics for discussion. Same group of students (in work 1 and 2), can share your opinion (please indicate which group and section you belong to). Only opinions that receive my “like” will get credit for your valuable participation.