BACHELOR OF ECONOMICS
THAMMASAT UNIVERSITY

(Tentative) Course Syllabus

For

Economics Courses

Semester 2/2021

EE100 Academic Writing for Economic Issues

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

Lecture Time: Tuesday, 14.00 – 17.00 hours

Lecture Venue: Room 203, Faculty of Economics

Instructor: Eric D. Ramstetter,

Room Office Room 470, Faculty of Economics 4F

Email: ramstmnc at gmail.com

Prerequisites: 2nd year student or above *(have taken at least 34 credits)*

COURSE DESCRIPTION AND OBJECTIVES:

In this seminar-style class, students will first read and summarize a large volume of shorter, simpler papers in economics' journals. Students will write outlines and summaries of the readings, and present them in class. The instructor will correct mistakes as necessary with the assistance of other students in the class. Second, students will write a short essay (see guidelines on p. 7) reviewing the academic economic literature on a topic to be chosen by the student in consultation with the instructor. Students will practice how to outline an essay by sections and paragraphs, how to make paragraphs flow naturally, and how to write, clear, succinct introductions and conclusions, in essays that are easy for the reader to understand.

COURSE EVALUATION:

A term paper of 3000-3500-words will account for 70% of the course grade. Term papers will survey the economics' literature on the student's chosen research topic; see "Term Paper Guidelines" on p. 6 for details. Class 9 is tentatively scheduled for student presentations of short, preliminary outlines of proposed term papers and related discussions. The purpose of the outline presentations is to help students refine their chosen topic, clearly state the core, analytical question(s) that their survey paper asks, and organize their papers so they become easier to write. Discussions of presentations will also emphasize how students need to read and summarize a large number of academic, refereed papers, and how to cite the papers carefully in the paper and in the list of references. For students planning to write a thesis or dissertation, it may be beneficial to use the term paper as practice for part that thesis or dissertation. The most important principle when writing a paper is to make it very easy for the reader of the paper to find the references cited and evaluate the author's interpretation of those references.

WARNING: If you plagiarize or fail to cite sources appropriately, you will FAIL THIS CLASS and may be subject to suspension or expulsion from the University for academic dishonesty

30% of class evaluation will be based on attendance, outlines & presentations, and participation in class discussions. Students will be required to prepare 1-2 page outlines of assigned course readings and term papers, and to present them in class in about 10-15 minutes. In your reading and term-paper outlines, please use no graphics or powerpoint. Rather please only use text and maybe a simple equation or two, in simple Word (docx) format (e.g, 12 point Times New Roman font on A4 paper) so the instructor can add revisions, as appropriate. Please submit all outlines by email to my teaching email (ramtmnc at gmail.com) by 6am of the day of your presentation them. Presentations will be followed by comments from the instructor and general discussion.

Final papers should be submitted in Microsoft Word (docx) or Adobe Acrobat format (pdf) to my teaching email (ramstmnc at gmail.com). Please see the "Term Paper Guidelines" on p. 6 for details. The instructor encourages students to choose a topic related to the subject students are considering for theses or dissertations, and perhaps eventual publication. An important goal of the class is to help students to learn research and writing techniques necessary to write a good thesis or dissertation, and eventually publish academically. These analytical, statistical, and writing techniques will also be useful in non-academic careers (e.g, business or government).

CONSULTATIONS: The instructor will be available for student consultations before and after most classes. It is also possible to make appointments for other times. Please confirm the date and time of appointments by email at least 24 hours before the appointment.

COURSE MATERIALS: Course materials will be maintained on a usb drive and on the classroom PC in 2 folders: (1) the "SyllabusAssignmentsReadings" folder will contain this syllabus, a list of reading assignments, and all readings; (2) the "Outlines" will contain all student outlines, which will be made available to all students in the class. Updates to these folders will be provided as necessary. Please bring a usb flash drive or a PC/tablet with a USB port to class to receive timely updates.

DETAILED SCHEDULE AND READING LIST (1/4)

Classes will be Tuesdays at 1400-1700. Makeups will likely be necessary because of holidays and will be announced when confirmed.

Part 1: Economic Growth and Development

Class 01 11 Aug:

00-Introductions and review of citation methodology; discussion of plagiarism

01a-Feldstein, Martin (2017), "Underestimating the Real Growth of GDP, Personal Income, and Productivity", *Journal of Economic Perspectives* 31 (2): 145-64.

01b-Waldfogel, Joel (2017), "How Digitization Has Created a Golden Age of Music, Movies, Books, and Television." *Journal of Economic Perspectives* 31 (3): 195-214

Class 02 18 Aug

02a-Gollin, Douglas (2014), "The Lewis Model: A 60-Year Retrospective." *Journal of Economic Perspectives* 28 (3): 71-88.

02b-Mokyr, Joel, Chris Vickers, and Nicolas L. Ziebarth (2015), "The History of Technological Anxiety and the Future of Economic Growth: Is This Time Different?" *Journal of Economic Perspectives* 29 (3): 31-50.

02c-Acemoglu, Daron and James Killian (2019), "Automation and New Tasks: How Technology Displaces and Reinstates Labor", *Journal of Economic Perspectives*, 33(2), 3-30.

02d-Bloom, Nicholas, John Van Reenan, and Heidi Williams (2019), "A Toolkit of Policies to Promote Innovation", *Journal of Economic Perspectives*, 33(3), 163-184.

Class 03 25 Aug

03a-Bernanke, Ben S. (2013), "A Century of US Central Banking: Goals, Frameworks, Accountability." *Journal of Economic Perspectives* 27 (4): 3-16.

03a-Tarullo, Daniel K. (2019), "Financial Regulation: Still Unsettled a Decade After the Crisis", *Journal of Economic Perspectives*, 33(1), 61-80.

03c-Aikman, David, Jonathan Bridges, Anil Kashyap, and Caspar Siegert (2019), "Would Macroprudential Regulation Have Prevented the Last Crisis?", *Journal of Economic Perspectives*, 33(1), 107-130.

03d-Kapur, Devesh (2020), "Why Does the Indian State Both Fail and Succeed?", *Journal of Economic Perspectives*, 34(1), 31-54.

Class 04 01 Sep

04a-Eichengreen, Barry, and Ngaire Woods (2016), "The IMF's Unmet Challenges." *Journal of Economic Perspectives* 30 (1): 29-52.

04b-Ravallion, Martin (2016), "The World Bank: Why It Is Still Needed and Why It Still Disappoints." *Journal of Economic Perspectives* 30 (1): 77-94.

04c-Baldwin, Richard (2016), "The World Trade Organization and the Future of Multilateralism." *Journal of Economic Perspectives* 30 (1): 95-116.

04d-Easterly, William, and Tobias Pfutze (2008), "Where Does the Money Go? Best and Worst Practices in Foreign Aid." *Journal of Economic Perspectives* 22 (2): 29-52.

DETAILED SCHEDULE AND READING LIST (2/4)

Part 2: Internationalization, Firms, Productivity, and Wages

Class 05 08 Sept

05a-Bernard, Andrew B., J. Bradford Jensen, Stephen J. Redding, and Peter K. Schott (2007), "Firms in International Trade", *Journal of Economic Perspectives* 21 (3): 105-130.

05b-Melitz, Marc J. and Daniel Trefler (2012), "Gains from Trade when Firms Matter", *Journal of Economic Perspectives*, 26(2), 91-118.
05c-Haskel, Jonathan, Robert Z. Lawrence, Edward E. Leamer, and Matthew J. Slaughter. (2012), "Globalization and U.S. Wages: Modifying Classic Theory to Explain Recent Facts." *Journal of Economic Perspectives* 26 (2), 119-140.
05d-Amiti, Mary, Stephen J. Redding, and David E. Weinstein (2019), "The Impact of the 2018 Tariffs on Prices and Welfare", *Journal of Economic Perspectives*, 33(4), 187-210.

Class 06 15 Sept
06a-Williamson, Oliver E (2002), "The Theory of the Firm as Governance Structure: From Choice to Contract", *Journal of Economic Perspectives* 16 (3): 171-195.
06b-Binder, Ariel J. and John Bound (2019), "The Declining Labor Market Prospects of Less-Educated Men", *Journal of Economic Perspectives*, 33(2), 163-190.
06c-Coile, Courtney C. and Mark G. Duggan (2019), "When Labor's Lost: Health, Family Life, Incarceration, and Education in a Time of Declining Economic Opportunity for Low-Skilled Men", *Journal of Economic Perspectives*, 33(2), 191-210.
06d-Elsby, Michael W. L. and Gary Solon (2019), "How Prevalent Is Downward Rigidity in Nominal Wages? International Evidence from Payroll Records and Pay Slips", Men", *Journal of Economic Perspectives*, 33(3), 185-201.

Class 07 22 Sept
07a-Boeri, Tito, Giulia Giupponi, Alan B. Krueger, and Stephen Machin (2020), "Solo Self-Employment and Alternative Work Arrangements: A Cross-Country Perspective on the Changing Composition of Jobs", *Journal of Economic Perspectives*, 34(1), 170-195.
07b-Athey, Susan and Michael Luca (2019), "Economists (and Economics) in Tech Companies", *Journal of Economic Perspectives*, 33(1), 209-230.
07c-Goldin, Claudia, and Joshua Mitchell (2017) "The New Life Cycle of Women's Employment: Disappearing Humps, Sagging Middles, Expanding Tops", *Journal of Economic Perspectives* 31 (1), 161-182.
07d-Juhn, Chinhui, and Kristin McCue (2017), "Specialization Then and Now: Marriage, Children, and the Gender Earnings Gap across Cohorts." *Journal of Economic Perspectives* 31 (1), 183-204.

No Classes during 28 Sep to 3 Oct (no midterm for this seminar-style class)

Class 08 06 Oct
08a-Alvaredo, Facundo, Anthony B. Atkinson, Thomas Piketty, and Emmanuel Saez (2013), "The Top 1 Percent in International and Historical Perspective." *Journal of Economic Perspectives* 27 (3), 3-20.
08b-Mankiw, N. Gregory (2013), "Defending the One Percent", *Journal of Economic Perspectives* 27 (3): 21-34.
08c-Kaplan, Steven N., and Joshua Rauh (2013), "It's the Market: The Broad-Based Rise in the Return to Top Talent", *Journal of Economic Perspectives* 27 (3): 35-56.
08d-Bivens, Josh, and Lawrence Mishel (2013), "The Pay of Corporate Executives and Financial Professionals as Evidence of Rents in Top 1 Percent Incomes", *Journal of Economic Perspectives* 27 (3): 57-78.

No class 13 Oct (holiday)

DETAILED SCHEDULE AND READING LIST (3/4)

Class 09 20 Oct: All students present paper outlines

Part 3: Imperfect Competition, Firms, Market Failures, and Economic Policy

Class 10 27 Oct
10a-Einav, Liran, and Jonathan Levin (2010), "Empirical Industrial Organization: A Progress Report." *Journal of Economic Perspectives* 24 (2): 145-162.
10b-Basu, Susanto (2019), "Are Price-Cost Markups Rising in the United States? A Discussion of the Evidence", *Journal of Economic Perspectives*, 33(3), 3-22.
10c Berry, Steven, Martin Gaynor, and Fiona Scott Morton (2019), "Do Increasing Markups Matter? Lessons from Empirical Industrial Organization", *Journal of Economic Perspectives*, 33(3), 44-68.
10d-Shapiro, Carl (2019), "Protecting Competition in the American Economy: Merger Control, Tech Titans, Labor Markets", *Journal of Economic Perspectives*, 33(3), 69-93.

Class 11 05 Nov
11a-Baker, Jonathan B. (2003), "The Case for Antitrust Enforcement." *Journal of Economic Perspectives* 17 (4): 27-50.

11b-Lamoreaux, Naomi R. (2019), "The Problem of Bigness: From Standard Oil to Google", Journal of Economic Perspectives, 33(3), 94-117.
11c-Basker, Emek (2007), "The Causes and Consequences of Wal-Mart's Growth." *Journal of Economic Perspectives* 21 (3): 177-198.
11d-Lang, Kevin and Ariella Kahn-Lang Spitzer (2020), "Race Discrimination: An Economic Perspective", *Journal of Economic Perspectives*, 34(2), 68-89

Class 12 12 Nov
12a-Goolsbee, Austan D. and Alan B. Krueger (2015), "A Retrospective Look at Rescuing and Restructuring General Motors and Chrysler", *Journal of Economic Perspectives*, 29(2), 3-24
12b-Syverson, Chad (2019), "Macroeconomics and Market Power: Context, Implications, and Open Questions", *Journal of Economic Perspectives*, 33(3), 23-43.
12c-Hoynes, Hilary, Douglas L. Miller, and Jessamyn Schaller (2012), "Who Suffers During Recessions?", *Journal of Economic Perspectives*, 26(3), 27-48.
12d-Hall, Robert E. (2010), "Why Does the Economy Fall to Pieces after a Financial Crisis?", *Journal of Economic Perspectives* 24 (4): 3-20.

DETAILED SCHEDULE AND READING LIST (4/4)

Part 4: Externalities and Market Failures: Environment, Health, and Human Capital

Class 13 19 Nov
13a-Auffhammer, Maximilian (2018), "Quantifying Economic Damages from Climate Change", *Journal of Economic Perspectives*, 32(4), 33-52.
13b-Gillingham, Kenneth and James H. Stock (2019), "The Cost of Reducing Greenhouse Gas Emissions", *Journal of Economic Perspectives*, 32(4), 53-72
13c-Banzhaf, Spencer, Lala Ma, and Christopher Timmins (2019), "Environmental Justice: The Economics of Race, Place, and Pollution", *Journal of Economic Perspectives*, 33(1), 185-208.
13d-Allcott, Hunt, Benjamin B. Lockwood, and Dmitry Taubinsky (2019), "Should We Tax Sugar-Sweetened Beverages? An Overview of Theory and Evidence", Journal of Economic Perspectives, 33(3), 202-227.

Class 14 26 Nov
14a-Kulp, Scott A. and Benjamin H. Strauss (2019), "New elevation data triple estimates of global vulnerability to sea-level rise and coastal flooding", Nature Communications, (2019) 10:4844 | https://doi.org/10.1038/s41467-019-12808-z | www.nature.com/naturecommunications.
14b-Hsiang, Solomon and Robert E. Kopp (2018), "An Economist's Guide to Climate Change Science", *Journal of Economic Perspectives*, 32(4), 3-32.
14c-Goulder, Lawrence H (2013), "Markets for Pollution Allowances: What Are the (New) Lessons?" *Journal of Economic Perspectives* 27 (1): 87-102.
14d-Kling, Catherine L., Daniel J. Phaneuf, and Jinhua Zhao (2012), "From Exxon to BP: Has Some Number Become Better Than No Number?" *Journal of Economic Perspectives* 26 (4): 3-26.

Class 15 to be decided
15a-Currie, Janet and Reed Walker (2019), "What Do Economists Have to Say about the Clean Air Act 50 Years after the Establishment of the Environmental Protection Agency?", *Journal of Economic Perspectives*, 33(4), 3-26.
15b-Schmalensee, Richard and Robert N. Stavins (2019), "Policy Evolution under the Clean Air Act", *Journal of Economic Perspectives*, 33(4), 27-50.
15c-Keiser, David A. and Joseph S. Shapiro (2019), "US Water Pollution Regulation over the Past Half Century: Burning Waters to Crystal Springs?", *Journal of Economic Perspectives*, 33(4), 51-75.
15d-Zheng, Siqi, and Matthew E. Kahn (2017), "A New Era of Pollution Progress in Urban China?" *Journal of Economic Perspectives* 31 (1): 71-92.

Essay Guidelines, submit to "ramstmnc [at] gmail.com",
deadline will be announced after the date of class 15 (makeup for 13 August) is determined

1. Topic: Please help the instructor and other students develop a list of potential topics. In classes 7 and 8, please identify at least 3 topics that interest you and write a proposed title and a short (3-5 sentences) paragraph describing each topic you identify. Please choose topics are sufficiently specific as to be easily discussed in about 5 pages (or about 2500 words), but not so narrow as to be irrelevant or difficult to find research references about the topic. Initially, most students tend to choose topics that are too broad to analyze clearly, making it very difficult to write a clear, coherent essay. Correspondingly, the instructor and students will collaborate to develop a list of specific topics from which students will choose. An important

goal of the class is to help students to learn research and writing techniques necessary to write longer papers or theses or eventually publish academically if that is the goal. The analytical, statistical, and writing techniques used will also be useful in non-academic careers (e.g, business or government).

2. Structure: Please write a simple review of the economics literature on the topic you choose using the following, simple structure.
a. Introduction (1-2 paragraphs, maximum of about 1 page double-spaced, explaining the major analytical questions considered in the essay and the essay's structure)
b. Main body of the essay (about 3 pages double-spaced, text only)
c. Conclusion (1-2 paragraphs, maximum of about 1 page double-spaced, explaining the major conclusions of your essay.
d. References (about 1 page single-spaced, for about 15 references)

3. Bibliography and references: Please use the author (year) reference style similar to that in the list class readings above. Please be sure to review AT LEAST 10 academic papers in your essay and include a list of references giving standard bibliographic details for each paper that allows the reader to easily find the referenced paper. Please use primarily papers that have been refereed and published in international journals, such as papers used for this class. The *Journal of Economic Literature* and the *Journal of Economic Surveys*, as well as the class materials are good journals to begin your literature search with because they contain a large number of literature surveys on a wide range of topics.

4. Citations: In the course of writing your literature review essay, you will have to refer to previous studies. It is important to cite those sources clearly so you can avoid plagiarism and so the reader can easily verify the validity of your statements. Statistical sources should be cited in a similar way as academic papers. The simplest method of citation is to the author (year) system. If paraphrasing someone, you would say something like Keynes (1936, p. 250) emphasized the volatility of investment flows and their effects on economic cycles. If making a direct quote, please be use quotation marks: Keynes (1936, p. 250) emphasized how economists often failed to understand the implications of the "animal spirits of investors" for economic cycles.

5. Essay length: 2500 words or less, including references, notes, etc.; ideally about 5 A4 pages, using Times Roman 12 point font, spacing =double (2) for the text, and spacing =single (1) tables and reference lists. Length may vary as necessary to cover your topic, but essays should be no more than 7-8 pp. including tables and references. Shorter essays are generally better essays.

6. Format: Please submit the paper in one file in Adobe Acrobat v11 or earlier format (*.pdf) or in Word 2016 or earlier format (*.docx, *.doc) format.

EE200 Data Science for Economic Analysis

Number of credits: 3 credits

Course description

Learning to work with data. Topics include (1) data sampling and cleaning (2) data storage and management (3) exploratory data analysis (4) prediction based on statistical tools such as regression, classification and clustering (5) communication of results through visualization and summary statistics. Students learn through real--world examples using programs such as advanced MS Excel, Python or R..

Prerequisite: 2nd year student or above.
(have taken at least 34 credits)

<u>Course objective</u>:

In this course, students will learn to conduct data analysis and project on their topic of interest. Since this course focuses on economic issues, your topic and group project should be related to either microeconomics or macroeconomics. What the course will do is to stimulate an active-learning environment. Unlike most of the other classes you have attended, there won't be that many lectures. My role in this class will be a coach and conductor, rather than a lecturer.

This course divides into two significant parts. In the first part, I hope to introduce you to essential elements of a proper idea about the data and data science. To do this, we will discuss how to come up with meaningful linkages between business, economics, and data. We will then discuss different components of standard data (your team paper). This part includes an introduction, literature review, theoretical framework, data acquisition, data management, prediction, and visualization of findings. You will be assigned to read and practice on data science projects as well as past seminar papers. The students will work on the suggested data and coding project.

In the second part, you will gradually take more roles in class. Each of you and your time will take a turn to present your topic, related literature, theoretical framework, methodology, and findings. Other students will pay close attention to your presentation. They will then come up with constructive comments and suggestions to improve your data science project. Occasionally, we will turn the class into individual meetings and team meetings. The course is where you discuss specific questions regarding your data science project and data skill with me.

<u>Textbooks:</u>

There is no textbook for this course. However, I will post some useful articles on Google Classroom. There is also a list of readings that will be in Google classroom

Suggested readings by topics will be available after knowing you guys:

1. **Data Science: business, computer, and statistics and mathematics**

   Data Literacy, Fact, and Truth.
   Talk to me.
   Design Thinking:
   OKRs:
   Designing Your Life:
   The Book of Why:
   3 Dimensions of Data Science, Statistics, and Econometrics.
   https://clevertap.com/blog/data-science/
   https://www.vox.com/the-highlight/2019/5/14/18520783/harvard-economics-chetty
   Data Science (MIT Press Essential Knowledge series)

Data for the People: How to Make Our Post-Privacy Economy Work for You
by Andreas Weigend
Everybody Lies: Big Data, New Data, and What the Internet Can Tell Us About Who We Really Are
by Seth Stephens-Davidowitz
https://datarockie.com/free-data-science-books/
Weapons of Math Destruction: How Big Data Increases Inequality and Threatens Democracy
https://www.businessinsider.com/netflix-facebook-cambridge-analytica-documentary-trailer-great-hack-2019-7

2. **Data Sampling and Cleaning**
https://towardsdatascience.com/sampling-techniques-a4e34111d808
http://siteresources.worldbank.org/INTPOVRES/Resources/477227-1142020443961/2311843-1142870725726/2337154-1328041661816/8405489-1342716080957/12-StataforSampling2012(KristenHimelein).pdf
https://www.tableau.com/learn/whitepapers/data-prep-best-practices

3. **Data Storage and Management**
http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.661.538&rep=rep1&type=pdf
https://www.bmc.com/blogs/data-lake-vs-data-warehouse-vs-database-whats-the-difference/

4. **Exploratory Data Analysis: Describe or Explain**
- Tabulation
- Excel
- Pivot
- Power BI
- Stata®
- R
- Python

Book of Why
Causal Inference in Statistics
Angrist, Joshua D., and Jörn-Steffen Pischke. Mastering 'Metrics: The Path from Cause to Effect. Princeton: Princeton University Press, 2015.

5. **Prediction**
- Machine Learning basic form.

https://bruegel.org/2018/11/machine-learning-and-economics/
Criteria for prediction
- Is it about causation?

http://www.equality-of-opportunity.org/bigdatacourse_stanford/
Mullainathan, Sendhil, and Jan Spiess. 2017. "Machine Learning: An Applied Econometric Approach." Journal of Economic Perspectives 31 (2): 87-106.
Stock, James H. and Mark W. Watson. Introduction to Econometrics. 4th Edition. Boston: Pearson, 2018. Note: earlier editions and all international editions printed in English are acceptable.

6. **Communication and Visualization**
- Storytelling with data
- Show and Tell
- Draw to Win
- Dashboard White Paper from Tableau
- Ted Talk by Han Rosling
- Ted Talk by Simon Sinek

Other teaching materials:

If there is any PowerPoint presentation, the file(s) will be on Google Classroom.

Evaluation:

1. Group Review of Literature AKA book review 10%
2. Group Presentations on software and coding comparison on Gartner 10%
3. Group presentations of project and coding requirement 10%
4. Group work on data visualization or dashboard: 20%
5. Group work on Python or R replication 10%
6. Final data science project and Communication 40%

Data Science Projects: A vital element of the course will be five small data projects, and final data science project, which will give students hands-on experience in working with data. We recommend and will support using the statistical software program like Stata® and Excel® for these projects, but students are welcome to use other applications (e.g., Power BI, R, Python, Tableau, RapidMiner, Alteryx), provided that their code and workflow are clear. The group projects are designed to be more substantial than traditional problem sets and will include significant coding, reading, and writing elements that will give students a sense of how data scientists work.

Collaboration Policy: Discussion and the exchange of ideas and works are essential to data science work. You and your teams are encouraged to consult and discuss with your classmates on the data projects and to share resources and codes. However, you should ensure that any work you submit for evaluation is the result of your work and that it reflects your integrity. You should also understand and practice the standard citation practices, and please cite any books, articles, websites, lectures, etc. that have helped you with your work. If you received any help with your work (e.g., feedback on drafts, help with code, or programming), you must also acknowledge and give credit to this assistance.

Your final Data Science Project

The project should be between 20-25 pages long presentation, including graphs, tables, dashboards, and figures (excluding bibliography and appendices). The paper should be composed of 5 main parts: 1) introduction 2) literature review 3) theoretical framework and methodology, and 4) findings 5) conclusion. We will discuss each section in more detail in class.

(This schedule is subject to change. Please see Google Classroom for changes to dates, etc.)

Class	Topics
10 Aug	Introduction - Review of Course and Data Science Resource. Identification of your project and install your tools. Conduct Group Meetings to identify your topics, relevant literature, and Data Science Tool.
17 Aug	Introduction - Review of Course and Data Science Resource. Identification of your project and install your tools. Conduct Group Meetings to identify your topics, relevant literature, and Data Science Tool.
24 Aug	*Book Review presentation*
31 Aug	*Workshop on Excel or PowerBI*
7 Sep	*Group presentation of Dashboard.*
14 Sep	*Workshop on Tableau or Power BI*

Class	Topics
21 Sep	*Workshop - R or Python*
	---- Midterm Exam: Submission of Data Science Project Interim Report
5 Oct	*Workshop - R or Python*
12 Oct	*Workshop - R or Python*
19 Oct	*Workshop - R or Python*
26 Oct	*Orange for Machine Learning*
2 Nov	*Orange for Machine Learning*
9 Nov	***SAS Programming***
16 Nov	*SAS Programming*
23 Nov	*Presentation of SAS Project*
	---- Final Project Presentation: Wednesday, TBA

EE401 Political Economics

Number of credits: 3 credits

Prerequisites: a) EE210 or b) EE211 and EE212 or c) EE213 and EE214

I. Course Description

Study different strands of economic thought, and how they explain the structure and evolution of societies. Doctrines taught will include:

- Classical political economy of Adam Smith on the economic impact of self-interest, competition and market efficiency.
- Malthus's population theory and its economic (and environmental) implications.
- Karl Marx's political economy on the exploitation of surplus value, capital accumulation, the reserve army of the unemployed, the impoverishment of the working class, the falling long-term profit rate tendency and the economic crisis. Also study Marxian development in the 20th century and the dependency theory.
- Neo-Classical economics, including its views on the business cycle, and its adoption by so many of the other social sciences.
- Keynesian macro-economic analysis, aggregate data, sub-optimal equilibriums, the paradox of thrift, and the role of government in "managing" markets.
- The Austrian economic analysis of the market process, and its methodological attacks on both Keynesian and Neo-Classical Economics
- Public Choice economics, and its attempts to analyze politics using economic tools and logic.
- New Institutionalism, including its views on developmental economics and economic history.

The final several weeks of the semester will be spent analyzing current world issues using the tools developed throughout the class. Issues that will be covered will (depending on events) include

- The great recession of 2008
- The Euro (the EU), Brexit
- China's rise, and the Chinese "bubble"
- Japan's Demographics
- Other events depending on circumstances

II. Evaluation

6-8 short essays 60 points
Final Exam: Wed, 15 May 2019, 9:00 – 12:00 40 Points

All but one of the short essays will ask you to critically comment on one of the articles or chapters presented in class, where I will be looking to see if you can identify the primary assumptions behind the model. I want you to be able to analyze the models logically, to be able to see what was left out in the interests of clarity.
The final essay will ask you to analyze a current issue in Political Economy using one (or more) of the schools of thought presented. Allowable topics include The Great Recession of 2008, the future of the Euro (and the EU), China's property bubble, Japan's Demographics, or other issues that may arise during class.
Depending on class size, the essays may be assigned as group projects or not. I will decide that once I have a better idea of how large the class is. I may also change to 4 slightly shorter essays if the class is small enough.

III. Course Readings

The course will rely on one primary textbook, but will be supplemented with numerous articles.
Caparosa, James A. and David P. Levine (1993) Theories of Political Economy, Cambridge University Press, Cambridge

Supplementary Articles:
Baumol, William “Entrepreneurship: Productive, Unproductive, and Destructive”
Becker, Gary “De Gustabus Est Non-Disputatum”
Hayek, Frederick “The Use of Knowledge in Society”,
“The Pretense of Knowledge”
Krugman, Paul “Increasing Returns and Economic Geography”
North, Douglass “A Neo-Classical view of the State” (chapter 3 of Structure and Change in Economic History)

Semester Outline:
1. Pre-Classical thinking: God, Mercantilism, Physiocrats
2. Classical thinking: Smith
3. Later Classical thinking
4. Marxism
5. Neoclassical Thought
6. Keynesian thinking
7. The Austrians
8. Neoclassical Thought and the Business Cycle
9. Public Choice Economics
10. New Institutionalism
11. Neoclassical Thought: Extensions
12. Applications: The great recession of 2008
13. Applications: The Euro, the EU, Brexit

IV: 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 exam you are caught cheating on, other punishments include automatically failing the course, and being suspended for one (or more) semesters.

EE406 Contemporary Economic Issues

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

Course Description:

EE406 is a general introduction to the subject matter and methods of economics, through the investigation of specific contemporary economic issues such as economic growth, inequality, poverty, and environmental deterioration.

The course's teaching assistants are Annop Jaewisorn, Parinya Mingsakul, and Halit Sriputkeat.

Course Objectives:

This course aims to provide students with a general knowledge about "contemporary" economic issues such as that of inequality, poverty, labour market institutions, social welfare, and environmental deterioration. To do so, the course will spend its focus on epidemics, and the significance of its relationship to the economy, politics, as well as historical changes.

The course is therefore naturally quite a departure from orthodox economics – and offer a more interdisciplinary approach to economic analyses. By doing so, we aim to

1. Equip students with tools to understand economic issues using definitions, principles, measurement, and observation;
2. Make students acquainted with economic data such as poverty rate, inequality indicators, labor market statistics, and budgetary statistics, and other indicators concerning public health;
3. Train students on academic writing and presentation through class assignments and guide the development of research methods.

Prerequisites: *EE211 and EE212*

Evaluation:

Midterm examination	30%
Group assignment	20%
- progress report I	
- progress report II	
- final paper	
Presentation	10%
Final examination	40%
Mid-Term Examination	Wednesday 30 September 2020 Time: 9-11 am
Final Examination	Saturday 12 December 2020 Time: 9-12 am

Main Text:

Class slides and references

Snowden, Frank M. (2019). *Epidemics and Society: From the Black Death to the Present*, Yale University Press. ProQuest Ebook Central, retrieved from https://ebookcentral.proquest.com/lib/thammasat-ebooks/detail.action?docID=5910244.

Recommended Text

Diamond, Jared. (1997). *Gun, Germs, and Steel: the Fates of Human Societies***.** W. W. Norton & Company.

Additional mandatory and suggested reading lists under each chapter will be provided via be-moodle.

Class Policies:

Attendance is strongly encouraged. It is the responsibility of the students to obtain any information announced in the class. Ignorance of such information due to absence of class is not a valid defence.

If a student has any question about the lecture, it is highly encouraged to raise them in class. For section 046402-03, please do not hesitate to consult the lecturer during office hours which is on Monday 9-11 am. For office hour visits, appointments must be made the Friday before, at the latest.

Exam materials are cumulative – meaning that in order to perform well in the finals, students must have good understanding of the materials covered throughout the course. Make-up examinations are not permitted unless; (i) in case of illness – you need to provide the faculty with the doctor's medical note; (ii) family emergency – case-by-case basis.

Students are encouraged to work together and exchange ideas outside of class. However, plagiarism and cheating will be treated seriously with disciplinary actions. Thammasat University and our faculty take academic integrity extremely seriously, and there will be academic consequences if you are found possibly guilty of misconducts. Please refer to the university guidelines if you have any questions.

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

Expected Learning Outcomes:

1. **Morality and Ethics**

Applicability	Expected Learning Outcomes
●	1.1 Students demonstrate integrity.
○	1.2 Students prioritize social and public benefits over personal ones.
●	1.3 Students are punctual and comply with the code of conduct of the institution and society at large.
○	1.4 Students are responsible and accountable to society, the nation, and the subject of economics.
○	1.5 Students realize the cultural and environmental value of the sustainable society.

2. **Knowledge**

Applicability	Expected Learning Outcomes
●	2.1 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.2 Students know and understand Thai and global economic structure, and the importance of major international economic events.
●	2.3 Students know and understand instruments of economic analysis.
●	2.4 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
○	2.5 Students are informed about related fields including sociology, business administration, education, law policy, and science.

3. **Intellectual Development**

Applicability	Expected Learning Outcomes
●	3.1 Students have developed individual critical thinking.
●	3.2 Students are sufficiently trained in research skills.
●	3.3 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

4. Interpersonal Skills and Responsibilities

Applicability	Expected Learning Outcomes
●	4.1 Students are responsible for assigned tasks and work in groups effectively.
○	4.2 Students have problem-solving skills.
○	4.3 Students show leadership skills and team spirit.
●	4.4 Students are always improving themselves.
●	4.5 Students have good interpersonal skills, adapting and working under different conditions.

5. Quantitative Analysis, Communication and Information Technology

Applicability	Expected Learning Outcomes
●	5.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
●	5.2 Students communicate effectively and select appropriate presentation methods.
●	5.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

Teaching Plans

Date*	**Topic**	**Reading**
12 Aug	**1. Introduction: Epidemics & Society (1.5 hours)** 1.1) Why the focus on epidemics? 1.1.1) Epidemics as economic phenomena; 1.1.2) Economic consequences of epidemics; 1.2) General course outline & evaluation	
2, 4, 9, 11, 16 Sep	**2. Labour & Epidemics (7.5 hours)** 2.1) Working condition as a cause of COVID-19 2.2) The Yellow Fever and working conditions of Slavery in Haiti 2.3) How the COVID-19 impact working conditions & labour market	
18, 23, 25 Sep, 7, 9 Oct	**3. Poverty, Inequality, and Epidemics (7.5 hours)** 3.1) Poverty as a cause of COVID-19 3.2) Cholera as a disease of the poor 3.3) Poverty & inequality after COVID-19	
14, 16, 21, 23 Oct	**4. Environment & COVID-19 (6 hours)** 4.1) How the misdirected relationship between human & nature causes COVID-19 4.2) Deforestation & Ebola 4.3) How the relationship between human and nature should be after COVID-19	
28, 30 Oct, 4, 6, 11 Nov	**5. Government mismanagement & Epidemics (7.5 hours)** 5.1) How government mismanagements caused COVID-19 5.2) Bubonic Plague in Bombay 5.3) SARS in China and the Chinese Government 5.4) Policies and measures after COVID-19	

Date*	Topic	Reading
13, 18, 20, 25, 27 Nov	**6. World Order & COVID-19 (7.5 hours)** 6.1) Smallpox & the Invasion of America 6.2) World Order after COVID-19	

**Dates are based on section 1 & 2*

EE409 Seminar in Political Economy and Economic History

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

Prerequisites Having completed at least two 400-level (or the above level) courses in the field of Political Economics and Economic History, excluding EE400, EE404, EE406 and EE500.

Course Description
Seminar and research on specific topics in political economy and economic history under supervision and guidance of the lecturer.

Objectives

1. To practice research-related skills including observation, thinking, defining the problem(s) and research question(s), analysis, reading, problem-solving by using relevant conceptual frameworks (from what students have learnt in 4xx and 40x courses), discussion, synthesis and formulation of the answer to the problem/research question, writing and presentation, and comments and critique.

2. To familiarise students to research methodologies in political economy and related fields.

3. To widening perspectives of students on relevant fields of economics through the process of research for possible frontier expansion in the future. Moreover, those skills accumulated throughout the processes could be easily improvised to apply to real-life works.

Class Etiquettes

To prepare the students for the real world working environment — presumably working as economists participating in research and conferences, the following etiquettes shall be strictly obeyed:

<u>Time-keeping and Punctuality</u>: students shall be punctual and must arrive within 10 minutes. Time-keeping is crucial for seminar; taking too long to complete certain tasks means lesser time for others. All presentation shall be no longer than 12 minutes sharp unless indicate otherwise.

<u>Participation</u>: academic advancement relies on contributive and constructive exchange of ideas; participation is essential. All students must participate promptly, either voluntarily or compulsorily. Class participation is compulsory; all students must be in all classes in order to be assessed. Absence of medical reasons is not acceptable unless bed-ridden accompanied by proper documents.

<u>Nuisance</u>: due to the nature of the course, nuisance shall be kept at minimum. Mobile phones and other communication devices shall not be used at all time if it is not for the matter relevant to the study; food and drink are prohibited; entrance to and exit from the room are discouraged except in life-threatening circumstances; conversations not related with the materials discussed are discouraged.

Failure to comply with these will result in the deduction of 10 points for everyone without any notification and, consequently, the grade will be continuously decreased.

Assessments

Since this course is designed for students to integrate their knowledge in the field through research, there is no examination whatsoever. Assessments are based on the students' ability to conduct research independently under supervision and guidance as well as necessary prerequisites students may need. Assignments would be given throughout the course. All assignments would be marked but some of them would be counted for assessment.

Each student is expected to deliver one independent term paper (the title/topic is subject to the permission from the lecturer; the length of not exceeding 30 A4 pages inclusive) and present it in front of the class (12 mins). Students are also required to write comments for friend's proposal and final paper. Other assignments are works that students need to deliver along the path to the finishing of the term paper.

Individual Term Paper	**50**	**percent**
Writing	40	percent
Presentation	10	percent
Comments and Critiques	**20**	**percent**
Proposal Comment	10	percent
Final Paper Comment	10	percent
Assignment	**30**	**percent**
Topic	5	percent
Literature Review	5	percent
Proposal	15	percent
Others	5	percent

Plagiarism Policy

•No student will copy another person's work, partially, substantially, or fully, without giving proper reference and citation.

•Any writing found to be plagiarised is subject to severe penalties (at least failure of the course) without further notice.

•It is more important for the writing to reflect students' ability to analyse than for it to be grammatically flawless. A clear and well-organised writing will better express student's idea.

Failure to comply with this policy will result in no assessment of any kind.

Organisation of the Classes

Because of the nature of the course, lectures are not essential. Lecturer is now a supervisor and a guide. Therefore, students' self-discipline and independence are utmost important. All deadlines are not negotiable. For the first half of the term (6 sessions), before the midterm examination, students would be trained to come up with individual independent topics. In the second half, students would be more engaged to their topics — despite being independent, their progress must be reported and shared on a regular basis.

Reading

Please use USC research guide "Organizing Your Social Sciences Research Paper" to gain most benefits. Use the link here: https://libguides.usc.edu/writingguide

Suggested readings by topics:

Democracy

- Becker, Gary S. 1983. "A Theory of Competition Among Pressure Groups for Political Influence." The Quarterly Journal of Economics. 98(3): 371–400.

- Besley, Timothy. 2006. Principled Agents?: The Political Economy of Good Government. Oxford, UK: Oxford University Press.

- Besley, Timothy and Stephen Coate. 1997. "An Economic Model of Representative Democracy." The Quarterly Journal of Economics. 112 (1): 85-114.

- De Figueiredo Jr., Rui J. P. 2002. "Electoral Competition, Political Uncertainty, and Policy Insulation." The American Political Science Review. 96(2): 321–33.

- Osborne, Martin J., and Al Slivinski. 1996. “A Model of Political Competition with Citizen-Candidates.” The Quarterly Journal of Economics. 111(February): 65–96.

- Boix, Carles. 2003. Democracy and Redistribution. New York: Cambridge University Press.

- Acemoglu, Daron, and James A. Robinson. 2006. Economic Origins of Dictatorship and Democracy. Cambridge, U.K.: Cambridge University Press.

- Acemoglu, Daron, and James A. Robinson. 2008. “Persistence of Power, Elites, and Institutions.” The American Economic Review. 98(1): 267–93.

- Lipset, Seymour Martin. 1959. “Some Social Requisites of Democracy: Economic Development and Political Legitimacy.” American Political Science Review. 53(1): 69-105.

- Lizzeri, Alessandro, and Nicola Persico. 2004. “Why Did the Elites Extend the Suffrage? Democracy and the Scope of Government with an Application to Britain’s ‘Age of Reform.’” The Quarterly Journal of Economics 119(May): 707–65.

Inequality

- Austen-Smith, David, and Michael Wallerstein. 2006. “Redistribution and Affirmative Action.” Journal of Public Economics 90(10-11): 1789–1823.

- Cameron, David R. 1978. “The Expansion of the Public Economy: A Comparative Analysis.” The American Political Science Review 72(4): 1243–61.

- Chattopadhyay, Raghabendra, and Esther Duflo. 2004. “Women as Policy Makers: Evidence from a Randomized Policy Experiment in India.” Econometrica 72(5): 1409–43.

- Goldin, Claudia. 2014. “A Great Gender Convergence: Its Last Chapter,” American Economic Review, 104(4): 1091-1119.

- Austen-Smith, David, and Michael Wallerstein. 2006. “Redistribution and Affirmative Action.” Journal of Public Economics 90(10-11): 1789–1823.

- Cameron, David R. 1978. “The Expansion of the Public Economy: A Comparative Analysis.” The American Political Science Review 72(4): 1243–61.

- · Debs, Alexandre and Gretchen Helmke. 2010. “Inequality under Democracy: Explaining the Left Decade in Latin America.” Quarterly Journal of Political Science. 5(3): 209-241.

- · Persson, Torsten, and Guido Tabellini. 1994. “Is Inequality Harmful for Growth?” The American Economic Review. 84(3): 600–621.

- Piketty, Thomas. 1995. “Social Mobility and Redistributive Politics.” The Quarterly Journal of Economics 110(3): 551–84.

- Piketty, Thomas, and Emmanuel Saez. 2007. “How Progressive Is the U.S. Federal Tax System? A Historical and Internaitonal Perspective.” Journal of Economic Perspectives 21(1): 3–24.

Welfare

- Fox Piven, Frances and Richard A. Cloward. 1971. Regulating the Poor: The Functions of Public Welfare. New York: Vintage Books.

- Moene, Karl Ove, and Michael Wallerstein. 2001. “Inequality, Social Insurance, Redistribution.” The American Political Science Review 95(4): 859–74.

- Persson, Torsten, Roland, and Guido Tabellini. 2007. "Electoral Rules and Government Spending in Parliamentary Democracy." Quarterly Journal of Political Science. 2(2): 155-188.

- Rodrik, Dani. 1998. "Why Do More Open Economies Have Bigger Governments?" Journal of Political Economy 106(5): 997–1032.

- Scheve, Kenneth and David Stasavage. 2010. "The Conscription of Wealth: Mass Warfare and the Demand for Progressive Taxation." International Organization 64(4): 529–61.

- Skocpol, Theda. 1992. Protecting Soldiers and Mothers: The Political Origins of Social Policy in the United States. Cambridge, MA: Harvard University Press.

- Swenson, Peter A. 2002. Capitalists Against Markets: The Making of Labor Markets and Welfare States in the United States and Sweden. New York, N.Y.: Oxford University Press.

- Wallerstein, Michael. 1999. "Institutions and Pay Inequality in Advanced Industrial Societies." American Journal of Political Science 43(3): 649–80.

Corruption

- Bardhan, Pranab. 1997. "Corruption and Development: A Review of Issues." Journal of Economic Literature. 35(September): 1320–46.

- Dunning, Thad. 2008. Crude Democracy. Cambridge, UK: Cambridge University Press.

- Ferraz, Claudio, and Frederico Finan. 2008. "Exposing Corrupt Politicians: The Effects of Brazil's Publicly Released Audits on Electoral Outcomes." The Quarterly Journal of Economics. 123(2): 703–45.

- Rose-Ackerman, Susan. 1999. Corruption and Government: Causes, Consequences, and Reform. Cambridge, UK: Cambridge University Press.

- Shleifer, Andrei, and Robert W. Vishny. 1993. "Corruption." The Quarterly Journal of Economics. 108(3): 599–617.

- Campos Edgardo J., Donald Lien, and Sanjay Pradhan (1999). "The Impact of Corruption on Investment: Predictability Matters", World Development, Volume 27, Issue 6, June 1999, pp. 1059–1067

- Emerson, Patrick M. (2006). "Corruption, competition and democracy", Journal of Development Economics, Vol. 81, pp. 193 – 212.

- Gupta, Sanjeev, Luiz de Mello, and Raju Sharan (2000). "Corruption and Military Spending", IMF Working Paper 00/23, Washington DC: IMF

- Jain, A. K. (2001). "Corruption: A Review". Journal of Economic Surveys, 15: 71–121.

- Javorcik, Beata S. & Wei, Shang-Jin, (2009). "Corruption and cross-border investment in emerging markets: Firm-level evidence," Journal of International Money and Finance, Elsevier, vol. 28(4), pages 605-624

- Lambsdorff, J.G. (2007) .The institutional economics of corruption and reform, Cambridge: Cambridge University Press

- Mauro, Paolo (1998). "Corruption and the Composition of Government Expenditure", Journal of Public Economics, Vol. 69, pp. 263-279.

- Murphy, Kevin M., Andrei Shleifer, and Robert W. Vishny (1991). “The Allocation of Talent: Implications for Growth”, Quarterly Journal of Economics, Volume 106:2, pp. 503-30

- Tanzi, Vito and Davoodi, Hamid R. (2000). “Corruption, Growth, and Public Finances”. IMF Working Paper, Vol. , pp. 1-27, 2000

Institutions (and Economic History)

- Ostrom, Elinor. 1990. Governing the Commons: The Evolution of Institutions for Collective Action. Cambridge, UK: Cambridge University Press.

- Olson, Mancur. 1965. The Logic of Collective Action. Cambridge, MA: Harvard University Press.

- North, Douglass C., and Barry R. Weingast. 1989. “Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England.” The Journal of Economic History. 49(04): 803–32.

- Przeworski, Adam, Mike Alvarez, José A. Cheihub, and Fernando Limongi. 2000. Democracy and Development: Political Institutions and Well Being in the World, 1950-1990. Cambridge, UK: Cambridge University Press.

- North, Douglass C., "Institutions," The Journal of Economic Perspectives, 5:1 (Winter 1991), pp. 97-112.

- North, Douglass C., "New Institutional Economics and Development." 1993 working paper (PDF file).

- North, Douglass C., "Economic Performance Through Time," The American Economic Review, 84 (June 1994), pp. 359-368.

- North, Douglass C., "Five Propositions about Institutional Change," in Explaining Social Institutions, Jack Knight and Itai Sened, eds., University of Michigan Press, 1995, pp. 15-26.

- North, Douglass C., "Understanding Economic Change," in Transforming Post-Communist Political Economies, Joan M. Nelson, Charles Tilly and Lee Walker, eds., Washington D. C.: National Academy Press, 1997, pp. 13-18.

- Allen, Douglas W., The Institutional Revolution: Measurement and the Economic Emergence of the Modern World, Chicago: University of Chicago Press, 2011.

- Acemoglu, Daron, Simon Johnson and James Robinson, "The Colonial Origins of Comparative Development: An Empirical Investigation," American Economic Review 91: 1369-1401, 2001.

- Rodrik, Dani, Arvind Subramanian, and Francesco Trebbi. "Institutions Rule: The Primacy of Institutions Over Geography and Integration in Economic Development," Journal of Economic Growth 9 (2): 131-165, 2004.

- Eggertsson, Thrainn. "No Experiments, Monumental Disasters: Why It Took a Thousand Years To Develop a Specialized Fishing Industry in Iceland,", Journal of Economic Behavior and Organization 30:1, pp. 1-23 ,1996.

- Engerman, Stanley and Kenneth Sokoloff, "Factor Endowments, Institutions, and Differential Paths of Growth Among New World Economies: A View from Economic Historians of the United States," in How Latin America Fell Behind: Essays on the Economic Histories of Brazil and Mexico, 1800-1914, edited by Stephen Haber, Stanford University Press, pp. 260-304, 1997.

- Banerjee, Abhijit and Lakshmi Iyer, "History, Institutions and Economic Performance: The Legacy of Colonial Land Tenure Systems in India," American Economic Review 95 (4): 1190-1213, 2005.

- Nunn, Nathan, "The Long-Term Effects of Africa's Slave Trades," Quarterly Journal of Economics 123 (1): 139-176, 2008.

Expected Learning Outcomes:

4. Morality and Ethics

Applicability	Learning Goals
●	1.6 Students demonstrate integrity.
○	1.7 Students prioritize social and public benefits over personal ones.
●	1.8 Students are punctual and comply with the code of conduct of the institution and society at large.
●	1.9 Students are responsible and accountable to society, the nation, and the subject of economics.
○	1.10 Students realize the cultural and environmental value of the sustenainable society.

5. Knowledge

Applicability	Learning Goals
●	2.6 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.7 Students know and understand Thai and global economic structure, and the importance of major international economic events.
●	2.8 Students know and understand instruments of economic analysis.
●	2.9 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
○	2.10 Students are informed about related fields including sociology, business administration, education, law policy, and science.

6. Intellectual Development

Applicability	Learning Goals
●	3.4 Students have developed individual critical thinking.
●	3.5 Students are sufficiently trained in research skills.
●	3.6 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

7. Interpersonal Skills and Responsibilities

Applicability	Learning Goals
●	6.1 Students are responsible for assigned tasks and work in groups effectively.
●	6.2 Students have problem-solving skills.
●	6.3 Students show leadership skills and team spirit.
●	6.4 Students are always improving themselves.
●	6.5 Students have good interpersonal skills, adapting and working under different conditions.

8. Quantitative Analysis, Communication and Information Technology

Applicability	Learning Goals
●	8.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
●	8.2 Students communicate effectively and select appropriate presentation methods.
●	8.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

Teaching Plan and Class Schedule

Week	Date	Agenda	Assignment
1	15-Jan-20	Introduction - Review of Course and Research Resources. Identification of Topics. Individual Meetings to identify research topics, relevant literature Selection of reading materials for future classes	Read the suggested readings and start thinking about your topic.
2	22-Jan-20		
3	29-Jan-20	Outlining the steps for research and group comment on past papers	Yes – Powerpoint presentation
4	5-Feb-20	Reviewing research question	Yes – Powerpoint presentation
5	12-Feb-20	Literature review – individual consultation	Yes – Powerpoint presentation
6	19-Feb-20	Research methods – individual consultation	Yes – Powerpoint presentation
7	26-Feb-20	Workshop- How to write a good research paper	
8	4-Mar-20	Midterm Week, No Class.	
9	11-Mar-20	Presenting a proposal	Yes - Powerpoint presentation And a proposal paper
10	18-Mar-20	Consultation on progress	
11	25-Mar-20	Consultation on progress	
12	8-Apr-20	Presenting preliminary results	Yes – Powerpoint presentation
13	22-Apr-20	Finalizing paper	
14	29-Apr-20	TBA (maybe Guest Lecturer/consultation)	

15	6 May 20	Final Presentation	Submit your draft final
Term Assignment	20-May-17	Submit Your Final Paper	

EE211 Principles of Microeconomics

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

Course Description:

Principles of microeconomics such as value, price, resource allocation, introduction to theories of consumption and production with an emphasis on factors determining supply and demand of goods and services, determination of price and efficiency of resource allocation in perfect and monopoly markets; competitive factor market and introductory concepts of market failures.

Prerequisites: *For economics major students or students aimed to transfer to economics major only*

Course Objectives:

After completing this course, students should have developed a range of skills enabling them to understand economic concepts and use those concepts to analyze specific questions.

By the end of this course, students should be able to:

- Understand the concept of opportunity cost
- Understand market forces of supply and demand
- Understand the concept of elasticities
- Understand the concept of consumer and producer surpluses
- Understand consumer behavior.
- Understand firm behavior in perfectly competitive and in monopoly structure.
- Analyze different types of market structures (a competitive market Vs. Monopoly).
- Understand how to apply economic principles to a range of policy questions.

Students should also have the skills needed to:

- Use supply and demand diagrams to analyze the impact of overall changes in supply and demand on price and quantity.
- Calculate producer and consumer surplus.
- Solve a consumer's utility maximization problem mathematically and graphically; analyze the impact of changes in price and income on a consumer's decision via shifting income and substitution effects.
- Solve a firm's cost minimization problem mathematically and graphically.
- Analyze the behavior of firms in a perfectly competitive market in the short-run and the long-run.
- Analyze the behavior of firm in a monopoly and calculate the resulting changes in producer or consumer surplus.
- Use economic tools to analyze economic policies.

Expected Learning Outcomes:

1. Morality and Ethics

Applicability	Expected Learning Outcomes
●	1.11 Students demonstrate integrity.
○	1.12 Students prioritize social and public benefits over personal ones.
●	1.13 Students are punctual and comply with the code of conduct of the institution and society at large.
○	1.14 Students are responsible and accountable to society, the nation, and the subject of economics.

○	1.15 Students realize the cultural and environmental value of the sustenainable society.

2. Knowledge

Applicability	Expected Learning Outcomes
●	2.11 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.12 Students know and understand Thai and global economic structure, and the importance of major international economic events.
●	2.13 Students know and understand instruments of economic analysis.
●	2.14 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
○	2.15 Students are informed about related fields including sociology, business administration, education, law policy, and science.

3. Intellectual Development

Applicability	Expected Learning Outcomes
●	3.7 Students have developed individual critical thinking.
●	3.8 Students are sufficiently trained in research skills.
●	3.9 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

4. Interpersonal Skills and Responsibilities

Applicability	Expected Learning Outcomes
●	8.1 Students are responsible for assigned tasks and work in groups effectively.
○	8.2 Students have problem-solving skills.
○	8.3 Students show leadership skills and team spirit.
●	8.4 Students are always improving themselves.
○	8.5 Students have good interpersonal skills, adapting and working under different conditions.

5. Quantitative Analysis, communication and information technology

Applicability	Expected Learning Outcomes
○	11.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
○	11.2 Students communicate effectively and select appropriate presentation methods.
○	11.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

Remark: ● Primary expected outcome ○ Secondary expected outcome

Textbooks:

Mankiw, N.G. Principles of Microeconomics, 9th ed., Cengage, 2020 (ISBN-13: 9789814915359 ISBN-10: 9814915351) ***with MINDTAP***

Krugman, P. and Robin Wells, ***Microeconomics***. 3rd ed. Macmillan Education, 2012. (Hereafter, KW)—*Earlier editions are applicable.*

Student Resources:

Mankiw's Text:

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

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

Other Texts & Material:

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

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

Student Resources for Frank's text:

http://highered.mheducation.com/sites/0073375942/student_view0/student_study_resources.html

Karl E. Case, Ray C. Fair, and Sharon E. Oster. Principles of Microeconomics plus MyEconLab with Pearson eText, Global Edition, 12/E, 2017, Pearson. -*Earlier editions are applicable.*

Pindyck, Robert S. and Rubinfeld, Daniel L., Microeconomics, (8th Ed.) New Jersey: Pearson Education, Inc., 2013.

Supplementary Reading (for fun)**:**

Frank, Robert. ***The Economic Naturalist: In Search of Explanations for Everyday Enigmas*** (Paperback). Basic Books (April 7, 2008).

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

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)

List of Economics Films:

"Star Wars"

Dr. Strangelove or: How I Learned to Stop Worrying and Love the Bomb (1964)

"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.

"An Inconvenient Truth", 2006 - Capitalism and the environment

"Moneyball", 2011 - About an econometric model

"Inside Job", 2010 - About the 2007-2008 financial crisis

"Margin Call", 2011 - About the 2007-2008 financial crisis

"The Big Short" 2015 - About the 2007-2008 financial crisis

"The Dark Knight" 2008 - Oligopolies and Game Theory

"Anchorman" 2004 - Efficiency and Externalities

"Indiana Jones" - Demand and Supply

"Margin Call" (2011)

Some Useful Links:

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

Greg Mankiw's Blog: http://gregmankiw.blogspot.com/

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

Krugman's Blog: http://krugman.blogs.nytimes.com/

The Undercover Economist: http://timharford.com

The Airport Economist : http://www.theairporteconomist.com

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

Evaluation:

Midterm Examination	35 %
Final Examination	45 %
Quizzes	20 %
Total	**100%**

Study Plan:

Remark: The class schedule shown above may be adjusted during the semester as needed.

Sessions	Date	Topics	Activities/Text & Materials/ Media
#1: **Economics: The Study of Choice**	11-14 Aug (2 lectures)	○ **What is Economics all about?** ○ **The Basic Economic Problems** ○ **Circular Flow** ○ **Microeconomics Vs. Macroeconomics** ○ **Confronting Scarcity: Production Possibilities Curve (PPC)** ▪ Assumptions ▪ An Illustration of Scarcity, Choice and Opportunity Costs Using the PPC ▪ Economic Growth and Changes in the PPC ○ **Economists' Tool Kit** ▪ Equilibrium Analysis ▪ Comparative Static Analysis ▪ Constrained Optimization	**Read**: Mankiw, chs.1-2; KW, chs.1-2
#2-#3: **Demand, Supply, and Equilibrium**	18-28 Aug (4 lectures)	○ **Market: Meaning and Components** ○ **Demand: Buyers' Behavior** • Meaning • Law of Demand • Individual and Market Demands • The Determinants of Demand (or Demand Shifters) • The Distinction of "Change in Quantity Demanded" and "Change in Demand" ○ **Supply: Sellers' Behavior** • Meaning • Law of Supply	**Read**: Mankiw, ch.4; KW, ch.3

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<td></td>
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<td>• Firm and Market Supplies
• The Determinants of Supply (or Supply Shifters)
• The Distinction of “Change in Quantity Supplied” and “Change in Supply”
o Market Equilibrium: When Demand and Supply Meet
• Meaning and How to Determine the Equilibrium
• What Will Happen if Market is Not Yet in an Equilibrium? (Adam Smith’s Invisible Hand or Market Clearing Process)
o Shocking an Equilibrium
• When demand curve shifts
• When supply curve shifts
• When both demand and supply curve simultaneously shift</td>
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<td>#4: Elasticity: A Measure of Response</td>
<td>1-4 Sep
(2 lectures)</td>
<td>o Elasticity
▪ Meaning
▪ Measurement
▪ Why Elasticity? :Absolute Change, Relative Change, and Percentage Change
o Price Elasticity of Demand: Defined
▪ Computing Price Elasticity of Demand
• Point-Price Elasticity of Demand
• Arc-Price Elasticity of Demand
• Determinants of Price Elasticity of Demand
• Total Revenue and Price Elasticity of Demand
o Other Demand Elasticities
• Income Elasticity of Demand
• Cross Price Elasticity of Demand
o Elasticity of Supply: Meaning, Measurement and Determinants</td>
<td>Read: Mankiw, ch.5; KW, ch.6</td>
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<tr>
<td>#5: Consumers, Producers, and the Efficiency of Markets</td>
<td>8-9 Sep
(1 lecture)</td>
<td>o Consumer Surplus
▪ Willingness to Pay (WTP)
▪ Using the Demand Curve to Measure Consumer Surplus
▪ Effect of a Price Change on Consumer Surplus
▪ What Does Consumer Surplus Measure?
o Producer Surplus
▪ Cost and the Willingness to Sell
▪ Using the Supply Curve to Measure Producer Surplus
▪ Effect of a Price Change on Producer Surplus
▪ What Does Producer Surplus Measure?
o Market Efficiency</td>
<td>Read: Mankiw, ch.7; KW, ch.4</td>
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<td>#6 Applications on Demand, Supply, and Government Policies</td>
<td>10-11 Sep
(1 lecture)</td>
<td>
○ Government Intervention in Market Prices
▪ Price Ceilings
  ▪ Its effect on price and quantity
  ▪ Its inefficiency in resource allocation
  ▪ Welfare Analysis of Price Ceilings (Who gain and lose from the policy?)
▪ Price Floors
  ▪ Its effect on price and quantity (Case study: Agricultural commodities)
  ▪ Its inefficiency in resource allocation
  ▪ Welfare Analysis of Price Ceilings (Who gain and lose from the policy?)
▪ Effects of Taxes
  • A Unit Tax Vs. Ad Valorem Tax
  • Meaning and Effect of a Unit Tax on Supply and Demand Curves
  • A Unit Tax Imposed on Producers Vs. A Unit Tax Imposed on Consumers
    • Its effect on price consumers paid, price producers received, consumes' tax burden, producers' tax burden, government tax revenue, consumer and producer surplus, and total surplus
    • Demand and Supply Elasticities: Implications on tax burdens incurred by consumers and producers
    • The differences between Unit Tax imposed on producers and on consumers
▪ Effects of Subsidy Given to Producers
</td>
<td>Read: Mankiw, ch. 6;
KW, chs.5 and 7</td>
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<tr>
<td>#7-#9: The Theory of Consumer Choice</td>
<td>15-25 Sep
(4 lectures)</td>
<td>
○ Utility Theory (or Cardinal Approach)
• The Meaning of Utility
• Relationship between Total Utility and Marginal Utility
• Law of Diminishing Marginal Utility
• Consumers' Equilibrium (or Rational Spending Rule) and Change in Equilibrium
</td>
<td>Read: Mankiw, ch.21;
KW, chs.10-11;
Frank, chs.3-4;;
Lipsey, ch. 6 (& appendix);</td>
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		o **Indifference Curves Theory (or Ordinal Approach)** o What a Consumer Wants • The Meaning of Indifference Curve • Properties of Indifference Curve • Slope of Indifference Curve and Marginal Rate of Substitution (MRS) o What the Consumer Can Afford • Budget Line: Meaning, Slope, and Change in Budget Line o How the Consumer Optimally Chooses o Consumer Equilibrium and Change in Equilibrium o Derivation of an Individual Demand Curve Using Indifference Curves and Budget Lines o How a Consumer Responds to Change in Price: Substitution and Income Effects (Hicksian Approach)	
#10-#12: **Production and Cost in the Short-Run and in the Long-Run**	6-28 Oct (7 lectures)	o **Firm and the Objectives of Production** o **Production Functions** o **The Meaning of Cost** ▪ Economic and accounting costs ▪ Sunk costs ▪ Private cost and social cost o **Distinction between Short-run and Long-run** o **Production and Costs in the Short-run** ▪ Total Product (TP), Average Product (AP), Marginal Product (MP) ▪ Relationship of TP, AP, and MP ▪ Law of Diminishing Returns ▪ Stage of Production o **Relationship between Costs and Production** o **Short-run Costs of Production: TFC, TVC, TC, AFC, AVC, ATC, MC** o **Production and Costs in the Long-run** **Isoquant** o Isocost o Least Cost Combination o Expansion Path o The Meaning of Returns to Scale o Long-run Costs of Production: LTC, LAC, LMC o Relationship between Expansion Path and LTC o Relationship between Long-run and Short-run Costs o Economies and Diseconomies of Scale	**Production in the Short-Run** **Read:** Mankiw, ch.13; KW, ch.12; Frank, chs.9-10; Supplement Note provided in our class, **Production in the Long-Run** **Read:** Supplement Note provided in our class; Frank, chs. 9-10; KW, ch. 12

#11-#13: **Market Structure**	29 Oct – 18 Nov (6 lectures)	○ **Meaning** ○ **Structure of Perfect and Imperfect Markets** ○ **Producer's Objectives** ○ **The Meanings of Profits and Loss** ○ **Profit Maximization** ▪ TR-TC Approach ▪ MR-MC Approach ○ **Perfectly Competitive Market** ▪ The Nature of Demand, TR, MR, AR and Their Relationships ▪ Short-run Equilibrium ▪ Derivation of Firm's and Market's Short-run Supply Curves ▪ Long-run Equilibrium ○ **Monopoly** ▪ Causes of Monopoly ▪ The Nature of Demand, TR, MR, AR and Their Relationships ▪ Short-run Equilibrium ▪ Economic Effects of Monopoly ○ **Comparison between Perfect Competition and Monopoly**	**Read:** Mankiw, chs.14-15; KW, chs. 13-14
#14: **Factor Markets**	19-25 Nov (2 lectures)	○ **Demand for factor as a derived demand** ○ **The firm's demand for a factor** ○ **The supply of a factor** ○ **Determination of factor prices** Under the two scenarios: 1) Both factor market and output market are perfectly competitive. 2) Factor market is perfectly competitive but output market is under monopoly	**Read:** Mankiw, ch.18; KW, ch. 20; Perloff, ch. 15.1-15.3
#15: **Market Failure**	26-27 Nov (1 lecture)	○ **Meaning and Characteristics** ○ **Origins of Market Failure** ▪ Monopoly Power ▪ Public Goods ▪ Externalities ▪ Asymmetric Information ○ **Consequences of Market Failure** ○ **Correction of Failure and Imperfections: Government or Private sector**	**Read:** Mankiw, chs.10-11, 15 and 22; KW, chs. 17-18 **Watch:** "Erin Brockovich" , "Day After Tomorrow".

EE 212 Principles of Macroeconomics

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

Course Description:

Indicators, goals and problems in macroeconomics. Determinati on 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.

Course Objectives

Student shall be equipped with knowledge of principle of macroeconomics. By the end of the semester student should understand macroeconomic news and be able to analyze cause and effects of key macroeconomic varia

Evaluation:

Homework and other individual or group assignments/quizzes 10% Midterm exam (Tuesday 29 September 2020, 09.00 a.m. – 11.00 a.m.) 35% Final exam (Thursday 3 December 2020, 09.00 a.m. – 12.00 p.m.) 55%

Main Text (Choose one of these textbooks, then choose the latest edition available for that textbook):

Case, Karl E., Ray C. Fair and Sharon M. Oster (2017), ***Principles of Macroeconomics*** (13^{th} ed.): Pearson International Edition.

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

Recommended Text

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

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

Course Policy

- Use of cellphone or electronic device is not allowed in class unless specify in class or for reasonable purposes
- Dress properly to class
- No make up exam

Topics:

1. **Introduction to Macroeconomics (4.5 hours)**

1.1 Introduction to Economics
1.2 Macroeconomic objectives and macroeconomic policy
1.3 Types of macroeconomics variables
  1.3.1 Stock vs flow variables
  1.3.2 Real vs nominal variables
1.4 Key Macroeconomic variables
  1.4.1 Output/Input
  1.4.2 Employment/Unemployment
  1.4.3 Price level/Inflation
  1.4.4 Interest rate
  1.4.5 Exchange rate
1.5 Brief history of macroeconomics

Read: Case, Fair & Oster, ch. 5, 7; LRS, ch. 1, 2, 19, 31; Mankiw ch. 1, 2, 23

2. National Income and National Product (4.5 hours)

2.1 The component of macro economy
2.2 Circular flow diagram
2.3 National income and product account
2.4 GDP vs GNP
2.5 Measurement of GDP
  2.5.1 Product approach
  2.5.2 Expenditure approach
  2.5.3 Income approach

2.6 Nominal GDP vs. Real GDP and GDP deflator
2.7 Limitation of GDP concept

Read: Case, Fair & Oster, ch. 6; LRS, ch.20, Mankiw ch. 10, 11

3. National Income and Equilibrium Determination (9 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 Present Value (PV) and net present value (NPV) concept
    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
  3.3.3 Changes in equilibrium national income and adjustment to new equilibrium
3.4 Paradox of Thrift
3.5 Inflationary and deflationary gap
3.6 Keynesian, Classical and Non-Keynes non-classical concept

Read: Case, Fair & Oster, ch. 8; LCR, ch.21, 22

4. Fiscal Policy at work (3 hours)

4.1 Meaning of fiscal policy
4.2 Objectives of fiscal policy
4.3 Fiscal policy tools
  4.3.1 Government expenditure
  4.3.2 Government transfer payment

4.3.3 Government revenue
4.3.4 Public debt
4.4 Types of government policy

Read: Case, Fair & Oster, ch. 9; LCR, ch. 32, Froyen Ch. 18, Mankiw ch. 21

5. The Money Market and Monetary Policy (3 hours)

5.1 Money creation and money multiplier
5.2 Money and money market
5.3 Money supply and Central bank roles
5.3.1 Money supply
5.3.2 Central bank roles
5.4 Demand for money
5.5 Equilibrium in money market
5.6 Changes in equilibrium money market

Read: Case, Fair & Oster, ch. 10; LRS, ch. 27, 28, 29, Froyen ch. 16, Mankiw ch. 16

6. The IS-LM Model (9 hours)

6.1 Product market and IS curve
6.1.1 Investment, interest rate and product market equilibrium
6.1.2 The derivation of IS curve
6.1.3 Factors determining slope of IS curve
6.1.4 Shifts in IS curve
6.2 Money market and LM curve
6.2.1 The derivation of LM curve
6.2.2 Factors determining slope of LM curve
6.2.3 Shifts of LM curve
6.3 IS-LM in terms of equation
6.4 The IS-LM combined
6.5 Changes in equilibrium of product and money market

Read Froyen, ch. 7

7. Policy effectiveness (3 hours)

7.1 Fiscal policy effectiveness
7.1.1 Fiscal policy effectiveness and slope of IS curve
7.1.2 Fiscal policy effectiveness and slope of LM curve
7.2 Monetary policy effectiveness
7.2.1 Monetary policy effectiveness and slope of IS curve
7.2.2 Monetary policy effectiveness and slope of LM curve

Read Froyen, ch. 7

8. The AD-AS Model and Inflation (6 hours)

8.1 Aggregate Demand (AD)
- 8.1.1 The derivation of AD curve from IS-LM model
- 8.1.2 Move along AD curve
- 8.1.3 Shift of AD curve

8.2 Aggregate Supply (AS)
- 8.2.1 Short-run AS
- 8.2.2 Long-run AS
- 8.2.3 Move along AS and shift of AS

8.3 Equilibrium and changes in equilibrium
- 8.3.1 Equilibrium in AD-AS model
- 8.3.2 Changes in equilibrium in AD-AS model

8.4 The analysis of fiscal policy and monetary policy using AD-AS model

8.5 Inflation
- 8.5.1 Definition
- 8.5.2 Causes of inflation
  - 8.5.2.1 Demand-pull inflation
  - 8.5.2.2 Cost-push inflation
- 8.5.3 Phillips Curve

Read: Case, Fair & Oster, ch. 12, 13; Froyen, ch. 8, ch. 10; LRS, ch. 23, 24, 25, 30; Mankiw ch. 20, 21, 22

9. International Economics (3 hours)

9.1 Introduction to international trade

9.2 The Balance of Payment

9.3 Relationship between difference in saving and investment and current account

9.4 The market for foreign exchanges
- 9.4.1 Meaning and importance of foreign exchange rate
- 9.4.2 Demand for foreign exchanges
- 9.4.3 Supply of foreign exchanges
- 9.4.4 Exchange rate system

Read: Case, Fair & Oster, ch. 19; LRS, ch. 34, 35, Froyen ch. 14, Mankiw ch. 18

EE 311 Microeconomics Theory

Course Description:

Prerequisites: *EE 211 and MA 216*

Demand and supply analysis, consumer behaviour and demand theory, production and cost of production, different types of product market structures, price determination in factor markets, decision-making over time, general equilibrium analysis, and introductory welfare economics and public policy.

Ojectives of the course:

1. Understand and able to apply the consumer behavior and demand theory.
2. Understand and be able to explain the relationship between inputs and output in the short run and long run. Understand types of cost curves and their properties as well as understanding the relationship between production and costs.
3. Know the characteristics of each type of product market structure. Know how to determine the equilibrium price and quantity for each market structure.
4. Know how to determine the equilibrium price and quantity for each type of factor market.
5. Understand the three general equilibrium conditions and the Pareto optimality concept.
6. Understand the factors the lead to market failure and the way to solve the market failure.

Method of Instruction: There are a total of 60 class-hours for this course or 4 hours per week. Class activities in each week will consist of three hours of lectures, and one hour of discussions, exercises and quizzes. Students are expected to work on about four 15-minute quizzes during class hours, and participate in class discussions.

Student Evaluation:

Group work	10%
Quizes	5%
Book Summary	5%
On-line exercises	5%
Mid-term examination	30%
Final examination	45%

Main Textbooks

There are several textbooks that cover similar materials. **The first three books will be used extensively, but, for many topics, they can be used interchangeably with the other listed books.** It is important to realise, however, that no single textbook contains **all** the materials covered in this course. It is therefore essential that you read several sources, and that you review the concepts listed under "REVIEW" on your own, so that our time can be more valuably spent on new topics.

1) Besanko, David, and Ronald R. Braeutigam, *Microeconomics: An Integrated Approach*, (4th ed.) New York: John Wiley& Sons, 2014.

2) Pindyck, Robert S. and Daniel E. Rubinfeld. *Microeconomics,* (9th ed.), New Jersey: Prentice -Hall, 2018.
3) Perloff, *Microeconomics*, (8th ed.) Boston: Peason, 2018.
4) Salvatore, Dominick, *Microeconomics: Theory and Applications,* (5th ed.), New York: Oxford University Press. 2008.
5) Frank, Robert H. (8th ed.). *Microeconomics and Behavior,* New York: McGraw-Hill, 2010.
6) Miller, R.L., and R.P.H. Fishe. *Microeconomics: Price Theory in Practice,*New York: Harper Collins, 1995.
7) Hirshleifer, Jack *Price Theory and Applications* (6th ed.), New Jersey: Prentice - Hall, 1998.
8) Griffiths, Alan and Stuart Wall, *Microeconomics: Theory & Applications,* London: Longman, 2000.
9) Nicholson, Walter and Christopher M. Snyder, *Intermediate Microeconomics and Its Application,* (11th ed.), Dryden Press, 2009.
10) Varian, Hal *Intermediate Microeconomics*, (5th ed.) New York: Norton, 1999.

Note: additional readings will be assigned during the semester, and readings on specific topics are given in the "boxes" under "Teaching Plan".

Supplemenatary Reading (Choose ONE for Book Summary)

Acemoglu, Daron, and James A Robinson (2012). *Why Nations Fail: The Origins of Power, Prosperity and Poverty* New York: Crown.

Banerjee, A. V., & Duflo, E. (2012). *Poor economics: a radical rethinking of the way to fight global poverty.* Paperback edition. New York: PublicAffairs.

Wheelan, Charles J. (2002) *Naked economics: undressing the dismal science* New York : Norton

Supplementary Reading (for fun)**:**

Levitt, Steven D. and Stephen J. Dubner, *Freakonomics,* New York: Harper Torch, 2006.

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!*, Oxford University Press, 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.

Oyer, Paul, *Everything I Ever Needed to Know about Economics I Learned from Online Dating*, Harvard Business Review Press, 2014.

Dan Ariely, *The Upside of Irrationality: The Unexpected Benefits of Defying Logic at Work and at Home*, Harper; 1 edition (June 1, 2010)

Dan Ariely, *Predictably Irrational, Revised and Expanded Edition: The Hidden Forces That Shape Our Decisions*, Harper Perennial; 1 Exp Rev edition (April 27, 2010)

Dan Ariely, *The Honest Truth About Dishonesty: How We Lie to Everyone--Especially* Ourselves, Harper Perennial; Reprint edition (June 18, 2013)

Movies:

"A Beautiful Mind" Universal Studios, 2001.

"An Inconvenient Truth", 2006.

"Inside Job", 2010.

Some Useful Links:

Student Resources for Frank's text:

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

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.theairporteconomist.com

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

Expected Learning Outcomes:

9. Morality and Ethics

Applicability	Expected Learning Outcomes
●	1.16 Students demonstrate integrity.
○	1.17 Students prioritize social and public benefits over personal ones.
●	1.18 Students are punctual and comply with the code of conduct of the institution and society at large.
○	1.19 Students are responsible and accountable to society, the nation, and the subject of economics.
○	1.20 Students realize the cultural and environmental value of the sustenainable society.

2. Knowledge

Applicability	Expected Learning Outcomes
●	2.16 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.17 Students know and understand Thai and global economic structure, and the importance of major international economic events.
●	2.18 Students know and understand instruments of economic analysis.
●	2.19 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
○	2.20 Students are informed about related fields including sociology, business administration, education, law policy, and science.

3. Intellectual Development

Applicability	Expected Learning Outcomes
●	3.10 Students have developed individual critical thinking.
●	3.11 Students are sufficiently trained in research skills.
●	3.12 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

4. Interpersonal Skills and Responsibilities

Applicability	Expected Learning Outcomes
●	10.1 Students are responsible for assigned tasks and work in groups effectively.
●	10.2 Students have problem-solving skills
○	10.3 Students show leadership skills and team spirit.
●	10.4 Students are always improving themselves.
○	10.5 Students have good interpersonal skills, adapting and working under different conditions.

5. Quantitative Analysis, Communication and Information Technology

Applicability	Expected Learning Outcomes
○	14.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.

●	14.2 Students communicate effectively and select appropriate presentation methods.
○	14.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

Teaching Plan:

1. Introduction

1.1 Why Study Microeconomics?

Application of Demand and Supply concepts: government intervention

Review: Concepts of consumer and producer surplus.

Read: Besanko & Braeutigam Chs. 2 & 9, Pindyck & Rubinfeld Chs. 2 and 9, Perloff

2. Consumer Behavior and Demand Theory

2.1 Indifference Curve Analysis

- assumptions
- analysis of goods, bads, neuters

Review: Properties of indifference curves.

Read: Besanko & Braeutigam Ch. 3 & 4., Pindyck & Rubenfeld Ch. 3, Perloff Ch.4 & App. 4A, Salvatore Ch.3 (3.1-3.2), Frank Ch.3, Hirshleifer Ch. 3(pp.70-73), Miller & Fishe Ch.5,

2.2 Consumption equilibrium and changes in equilibrium

- consumption equilibrium and duality
- changes in income
- changes in price: income effect and substitution effect
- compensated and uncompensated demand curves
- market demand
- network externalities
- application: vouchers vs. income transfers
- revealed preferences, index numbers, and welfare changes

Review: Construction of demand curves, elasticities.

Read: Besanko & Braeutigam Ch. 5, Pindyck & Rubenfeld Ch. 4, Appendix, Perloff Ch. 5; Salvatore Ch 3 (3.4-3.5) Chs.4 -5, Frank Ch.4-5, Appendix; Hirshleifer Ch.4,Ch.5 (pp.117-152), Miller & Fishe Ch.4 (pp.119-120); Appendix 5A and Ch.6, Griffiths and Wall Ch.1 (pp.33-50), Ch.2, (pp.55-68) , Varian Ch. 7.8 & Ch. 8.

2.3 Intertemporal consumption (consumption overtime)

- time preference and time value of money
- cases: regular income, productive opportunities, inheritance
- supply of saving

- consumption and pricing of durable goods and non-renewable resouces

> **Read**: Pindyck & Rubinfeld Ch.15, Perloff Ch. 16, Salvatore Ch.16, Frank Ch.15 Appendix,

2.4 Consumption under uncertainty

- expected utility
- preference toward risk
- gambling and insurance
- The Demand for Risky Assets

> **Read**: Besanko & Braeutigam Ch. 15 (15.1-15.4), Pindyck & Rubinfeld Ch.5, Perloff Ch.17 (17.1-17.2), Salvatore Ch.6, Frank Ch.6 (pp.198-210), Miller & Fishe Ch.5 (pp.644-649), Griffiths & Wall Ch.3 (pp.102-113).

3. Transactions Costs and Institutional Economics

- costs of market exchange
- components of transactions costs
- optimal search
- meaning of “institutions”
- origin of firms, an example of an institution
- rules, behavior and objectives of the firm
  - profit maximization
  - utility maximization and satisficing

> **Read**: Miller & Fishe Ch.7, Frank Ch.6 Appendix, Griffiths and Wall Ch.5, Baumol W.J.Economic Theory and Operations Analysis, 4 th ed.(Prentice – Hall) 1977, Ch.15, Kreps, A Course in Microeconomic Theory, (Harvester Wheatsheaf) 1990, Ch. 20, Coase “The Nature of the Firm”, Economica, 4:386-405, 1937, Stigler, “The Economics of Information”, Journal of Political Economy, 69:3, 1961.

4. Production and Costs

4.1 Production equilibrium

- least cost combination
- duality in production
- relationship between product curves and cost curves

4.2 Production functions and costs

- homogeneous production functions and their properties
- returns to scale
- elasticity of substitution

> **Review**: All product and cost curves; e.g. AP, MP, TP, TC, AC, MC.
>
> **Read**: Besanko & Braeutigam Ch. 6-8, Pindyck & Rubinfeld Chs.6-7, Perloff Ch.6-7, Salvatore Chs. 7-8, Frank Chs.9-10, Miller & Fishe Chs.8-9, Griffiths & Wall Ch.4.

5.Product Markets

5.1 Perfectly competitive markets

- long-run equilibrium and efficiency

Review:	Characteristics of perfectly competitive markets, price and output under perfect competition.
Read:	Besanko & Braeutigam Ch. 9, Pindyck & Rubinfeld Ch.8, , Perloff Ch. 8, Hirshleifer & Glazer Ch.7 (pp.175-186), Salvatore Ch.9, (pp.240-248), Frank Ch.11, Miller and Fishe Ch.10, Griffiths and Wall

5.

- meaning of market power
- price and output determination
- multi-plant monopoly
- monopoly and resource allocation
- regulation of monopolies and contestable markets
- other pricing strategies
  - price discrimination: degrees and hurdles
  - two-part tariffs and other strategies

Review:	Simple monopoly
Read:	Besanko & Braeutigam Ch. 11.1-11.6 & 12, Pindyck & Rubinfeld Ch.10 (10.1-10.4 and 10.7) & Ch.11, Perloff Ch.11,12; Salvatore Ch.10 & Ch.13, Frank Ch.12, Miller & Fishe Ch.11-12,

5.3 Monopolistic competition

- characteristics of monopolistic competition
- equilibrium price and output in the short run and long run
- implications on resource allocation

Read:	Besanko & Braeutigam Ch. 13.5, Pindyck & Rubinfeld Ch.12.1, Perloff 13.7, Frank Ch.13, Miller & Fishe Ch.13 (pp.515-523), Salvatore Ch. 11 (11.1-11.2)

5.4 Oligopoly

- meaning of oligopoly
- various models of oligopoly:
  - kinked demand
  - collusion and cartel
  - Cournot, Bertrand and Stackelberg
  - price leadership or dominant firm
- game theory and its application to oligopolistic markets
  - introduction
  - equilibrium: Dominant strategy, Nash equilibrium, Maximin
  - Prisoners' dilemma
  - sequential games
  - Strategic moves: entry deterrence

Read:	Besanko & Braeutigam Ch. 13.1-13.4 & 14, Pindyck and Rubinfeld Ch.12.2-12.6 & Ch.13, Perloff Ch. 13,14, Hirshleifer Ch.10, Salvatore Ch.11 (11.3-11.8) Ch. 12 , Frank Ch.13, Miller & Fishe Ch.13 (pp.526-557); Chiang, Fundamental Methods of Mathematical Economics, Ch. 21.

6. Factor Markets

6.1 Competitive factor markets

- demand for a factor (cases of one variable input and several variable inputs)
- supply of inputs to a firm and market supply of inputs
- price and quantity of factor employed

Read:	Pindyck & Rubinfeld Ch.14.1-14.2, Perloff Ch.5 (5.5), 15 (15.1).Hirsheifer Ch.11, Salvatore Ch. 14, Frank Ch.14, Miller & Fishe Ch.14 (pp.565-592),Griffiths & Wall Ch.9 (pp.379-383).

6.2 Factor Markets with Monopoly and Monopsony Power

- marginal revenue product
- marginal and average factor cost
- price and quantity of factor employed

Read:	Besanko & Braeutigam Ch. 11.7, Pindyck and Rubinfeld Ch. 10.5-10.6 & Ch.14.3, Perloff Ch. 15 (15.2, 15.3), Hirshleifer Ch.11 (pp.333-341), Frank Ch.14, Miller & Fishe Ch.14 (pp.595-599), Griffiths & Wall Ch.9 (pp.383-385), Salvatore Ch.15.

6.3 Factor Markets with Monopoly Power of Seller of Input

- monopoly power over the wage rate
- price and quantity of factor employed
- bilateral monopoly

Read:	Pindyck & Rubinfeld Ch.14.4, Hirshleifer Ch.12 (12.4) (pp.356-363), Salvatore Ch.15, Miller & Fishe Ch.14 (pp.599-606).

6.4 Economic Rent

- meaning of economic rent
- rent-seeking behavior and resource allocation

Read:	Besanko & Braeutigam Ch. 9.5,Pindyck and Rubinfeld Ch.14 (pp.529-532), Frank Ch.15 (pp.569-70), Hirshleifer Ch.12 (12.7), Miller & Fishe Ch.14 (pp.588-589), Griffiths &

7. General Equilibrium Analysis and Welfare Economics

7.1 General Equilibrium: consumption, production, and exchange

- welfare criteria
- Pareto optimum and efficiency
- perfect competition and Pareto optimum
- welfare maximization and Pareto optimum conditions

Read:	Besanko & Braeutigam Ch. 16.1-16.4.Pindyck & Rubinfeld Ch.16 (16.1-16.4, 16.6), Perloff Ch. 10, Hirshleifer Ch.15 (15.2), Miller & Fishe Ch.16, Salvatore Ch.17, Frank Ch.16,

7.2 Market Failure and Imperfections

- imperfect competition, externalities, public goods, and asymmetric information
- correction of failure and imperfections: government or private sector

Read: Besanko & Braeutigam Ch. 17, Pindyck & Rubinfeld Ch.16 (16.7) & Chs.17-18, Perloff Ch. 18,19, Hirshleifer Ch.15 (15.3), Miller & Fishe Ch.17,Salvatore Chs.18-19, Frank Chs.17-18, Griffiths & Wall Ch.9 (pp.433-437) & Ch.11.

Teaching Plan:

No.		Date	Topics
1	F	14 Aug	Application of Demand and Supply concepts: government intervention
2	W	19 Aug	Application of Demand and Supply concepts: government intervention
3	F	21 Aug	Consumer Behavior and Demand Theory: Indifference Curve Analysis
4	W	26 Aug	Consumption equilibrium and Changes in equilibrium
5	F	28 Aug	Applications: vouchers vs. income transfers, Revealed preferences, index numbers
6	M* (substitute for 12 Aug)		Intertemporal consumption/
7	W	2 Sep	Intertemporal consumption
8	F	4 Sep	Consumption under uncertainty
9	W	9 Sep	Consumption under uncertainty
10	F	11 Sep	Production and Costs
11	W	16 Sep	Production and Costs
12	F	18 Sep	Perfectly competitive markets/
13	W	23 Sep	Monopoly
14	F	25 Sep	Monopoly
Midterm exam			
15	W	7 Oct	Pricing strategies
16	F	9 Oct	Pricing strategies

No.		Date	Topics
17	W	14 Oct	Monopolistic competition and Oligopoly
18	F	16 Oct	Various models of oligopoly/
19	W	21 Oct	Various models of oligopoly
20	M* (substitute for 23 Oct)		Game theory and its application
21	W	28 Oct	Game theory and its application
22	F	30 Oct	Factor Markets
23	W	4 Nov	Factor Markets
24	F	6 Nov	Factor Markets/
25	W	11 Nov	General Equilibrium Analysis
26	F	13 Nov	General Equilibrium Analysis
27	W	18 Nov	General Equilibrium Analysis
28	F	20 Nov	Market Failure and Imperfections
29	W	25 Nov	Market Failure and Imperfections
30	F	27 Nov	Market Failure and Imperfections/
Final Examination			

EE 312 MACROECONOMIC THEORY

1. **Number of credits**: 4 credits (4-0-8)
2. **Course Description**

The model of joint equilibrium in product markets, money markets, and foreign exchange markets (the IS-LM-BP model); changes in equilibrium; product markets and labor markets; the model of aggregate supply and demand in closed and open economies; inflation, unemployment, and the Phillips curve; economic stabilization policies; growth theory, new Keynesian economic theory; the real business cycle theory; applications of Macroeconomic theory to analyze economic situations.

3. **Prerequisites**: a) EE211 and EE212 or b) EE213 and EE214

4. **Objective of the Course**

To provide students with an understanding of macroeconomic theory and its analytical approach to economic system, as well as an ability to apply macroeconomic theory to economic problems and policies.

5. **Evaluation**:

Quiz/Assignment	20	points
Mid-term exam	35	points
Final exam	45	points
Total	**100**	points

6. **Textbooks**:

- Mankiw Gregory "Macroeconomics. Pearson Education, 2016 (M.)
- Froyen Richard. Macroeconomics: Theories and Policies. 10th edition. Pearson Education Limited, 2013. (F.)
- Williamson Stephen D. Williamson. Macroeconomics. 5th edition. Pearson Education Limited, 2018. (W.)

Supplement readings will be posted on the *BE moodle* and *Google classroom*.

7. **Expected Learning Outcomes**:

a. **Morality and Ethics**

Applicability	Expected Learning Outcomes
●	1.21 Students demonstrate integrity.

○	1.22 Students prioritize social and public benefits over personal ones.
●	1.23 Students are punctual and comply with the code of conduct of the institution and society at large.
○	1.24 Students are responsible and accountable to society, the nation, and the subject of economics.
○	1.25 Students realize the cultural and environmental value of the sustenainable society.

b. Knowledge

Applicability	Expected Learning Outcomes
●	2.21 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.22Students know and understand Thai and global economic structure, and the importance of major international economic events.
●	2.23Students know and understand instruments of economic analysis.
●	2.24 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
○	2.25Students are informed about related fields including sociology, business administration, education, law policy, and science.

c. Intellectual Development

Applicability	Expected Learning Outcomes
●	3.13 Students have developed individual critical thinking.
●	3.14 Students are sufficiently trained in research skills.
●	3.15 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

d. Interpersonal Skills and Responsibilities

Applicability	Expected Learning Outcomes
●	12.1 Students are responsible for assigned tasks and work in groups effectively.
●	12.2 Students have problem-solving skills.

○	12.3 Students show leadership skills and team spirit.
●	12.4 Students are always improving themselves.
○	12.5 Students have good interpersonal skills, adapting and working under different conditions.

e. Quantitative Analysis, Communication and Information Technology

Applicability	Expected Learning Outcomes
○	17.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
○	17.2 Students communicate effectively and select appropriate presentation methods.
○	17.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

8. Lecture / schedule:

Topics	Reading
1. Overview and introduction *(**0.5 lecture**)*	
1.1) Class overview: *logistic information*	
1.2) Roadmaps: *where we are headed*	
1.3) Measuring macroeconomic activities	
	W. Ch. 1/ Ch. 2

Part I Closed-economy business cycle fluctuations

Topics	Reading
2. Introduction to business cycle studies and economic fluctuation (*0.5 lecture*)	
2.1) What is a business cycle?	
2.1.1) Nature of macroeconomic data	
2.1.2) Measuring and characterizing business cycles	
2.1.3) Business cycles of macroeconomic variables	*W. Ch. 3*
2.2) Framework for business cycles theory	
2.2.1) Modelling interconnected of macroeconomy	*M. Ch. 10*
2.2.2) What causes business cycles?	
2.2.3) Overview of AD-AS framework	
3. The core AD-AS framework (*5 lectures*)	
3.1) The Classical long-run macroeconomy (1.5 lectures)	
3.1.1) How long is the long-run?	F. *Ch. 3 - 4*
3.1.2) Aggregate production function	*M. Ch 3*
3.1.3) Labour market outcome	
3.1.4) Potential output *and* Natural rate of unemployment	
3.2) Foundation of aggregate demand theory (1 lecture)	
3.2.1) Keynesian DAE	
3.2.2) The IS-LM model	
3.3) Foundation of aggregate supply theory (1 lecture)	
3.3.1) Long-run aggregate supply	*F. Ch. 5 - 6*
3.3.2) Short-run aggregate supply	
3.4) AD-AS equilibrium and business cycles (1.5 lectures)	
3.4.1) Short-run fluctuations	
a) Shocks and Propagation mechanism	
b) Macroeconomic policy analysis	*M. Ch. 14*

Topics	Reading
3.4.2) Medium-run fluctuations *a) Swift adjustment process* *b) Gradual adjustment process* *c) Staggered adjustment process* 3.4.3) How well does the AD-AS framework fit the data?	
4. Inflation and business cycles (2 lectures) 4.1) Some stylized facts of inflation 4.2) Long-run theory of inflation 4.2.1) Quantity theory of money 4.2.2) Cost and benefit of inflation 4.3) Business cycles perspectives of inflation 4.3.1) The Phillips curve and its derivation 4.3.2) Short-run *and* Long-run Phillips curve 4.4) Macroeconomic policy design	*M. Ch. 5* *M. Ch. 14*
Part II Open-economy business cycle fluctuations	
5. International financial markets *(2 lectures)* *5.1)* Keep tracking in the globally connected economy: *international accounts* 5.1.1) Current account 5.1.2) Capital account 5.1.3) Balance of payments account 5.2) Foreign exchange market 5.2.1) Exchange rate determination: *Long-run PPP approach* 5.2.2) Exchange rate determination: *Short-run approach* a) *Demand and Supply for foreign currency* *b) Equilibrium exchange rate and Balance of payments* 5.2.3) Exchange rate regimes a) *Flexible exchange rate* *b) Fixed exchange rate and Interventions* *c) Exchange rate policies and sterilizations*	*F. Ch 14*
6. Framework for open-economy business cycle analysis *(3 lectures)*	

Topics	Reading
6.1) An open-economy macroeconomics model: *IS-LM-BP framework*	*F. Ch 15*
6.1.1) Open-economy IS curve	
6.1.2) Open-economy LM curve	
6.1.3) The balance of payment curve (BP curve)	
6.2) Disequilibrium and adjustments towards equilibrium	
6.2.1) Adjustments under flexible exchange rate	
6.2.2) Adjustments under fixed exchange rate	
6.3) Macroeconomic shocks and open-economy propagation mechanism	
6.3.1) Origin of the fluctuations	
6.3.2) Spill-over effect and international transmission of shocks	
6.3.3) Equilibrium adjustment under different exchange rate regimes	
6.3.4) The case of flexible exchange rate regime	
6.4) Macroeconomic policies under a small opened economy	
6.4.1) Macroeconomic imbalances and policy corrections	
6.4.2) Issues on policy effectiveness	
6.4.3) The impossibility trinity theorem	
Midterm exam	

Part III: Micro-foundation approach to macroeconomics

7. A Closed-Economy One-Period Macroeconomic Model ***(2.5 lectures)***	
7.1) General equilibrium macroeconomy and Circular flow of macroeconomy	
7.2) Optimizing-agent decision	*W.Ch 4*
7.2.1) Households	
a) Preferences over consumption and leisure	
b) Choice set and constraint	
c) Work-leisure decision and labor supply	
7.2.2) Firms	
a) Production and technology	
b) *Profit maximization problem and labour demand*	
7.3) Competitive equilibrium and Pareto optimality	
7.3.1) Government and tax	
7.3.2) Equilibrium	
7.3.3) Pareto optimality	*W.Ch 5*
7.4) Model applications	
7.4.1) Changes in government spending	
7.4.2) Changes in total factor productivity	
7.5) How well does the model fit the data?	
8. **Two-Period model: the consumption-savings decision** ***(3 lectures)***	
8.1) Credit market and allocation over time	*W. Ch. 9*
8.2) Preference over life-time consumption	

Topics	Reading
8.2.1) Intertemporal life-time consumption problem	
8.2.2) Behaviour of current consumption and its determinants	
a) Effect of interest rate on consumption and saving behaviour	
b) Effect of permanent and temporary increases in income	
8.3) Government sector and Competitive equilibrium	
8.4) The Ricardian equivalence theorem	
9. A Real Intertemporal Model with Investment (***4 lectures***)	W. Ch.11
9.1) Circular flow of a production economy over time	
9.2) Optimizing-agent decision under intertemporal environment	
9.2.1) Consumer's problem	
a) Current labour supply	
b) Demand for consumption goods	
9.2.2) Consumer's problem	
a) Current labour demand	
b) Investment decision	
9.3) Competitive equilibrium	
9.4) Model applications	
9.4.1) Changes in government spending	
9.4.2) Change in capital stock	
9.4.3) Change in total factor productivity	
10. Long-term Economic Growth (***2.5 lectures***)	
10.1) Long-term growth stylized-facts	W. Ch.7
10.2) Growth accounting	
10.3) Solow growth model	
10.4) Theory confronts with data	
10.5) Income disparities	W. Ch.8
10.6) Growth policies	

EE 320 Introductory Mathematical Economics

Number of credits: 3 credits

Course description:

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: a) EE 211, EE 212 and MA 216 (or MA211)

or b) EE 213, EE 214 and MA216 (or MA 211)

Course objectives:

1. To equip students with essential mathematical concepts and tools in studying economics.
2. To expose students to the application of mathematical concepts in analyzing economic problems.

Main Text:

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

Saelee, Kittichai (2019) *Lecture on introductory mathematical economics* (**KS**)

Expected Learning Outcomes:

10. Morality and Ethics

Applicability	Learning Goals
●	1.26 Students demonstrate integrity.
○	1.27 Students prioritize social and public benefits over personal ones.
●	1.28 Students are punctual and comply with the code of conduct of the institution and society at large.

○	1.29 Students are responsible and accountable to society, the nation, and the subject of economics.
○	1.30 Students realize the cultural and environmental value of the sustenainable society.

11. Knowledge

Applicability	Learning Goals
●	2.26 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.27 Students know and understand Thai and global economic structure, and the importance of major international economic events.
●	2.28 Students know and understand instruments of economic analysis.
●	2.29 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
○	2.30 Students are informed about related fields including sociology, business administration, education, law policy, and science.

12. Intellectual Development

Applicability	Learning Goals
●	3.16 Students have developed individual critical thinking.
●	3.17 Students are sufficiently trained in research skills.
●	3.18 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

13. Interpersonal Skills and Responsibilities

Applicability	Learning Goals
●	14.1 Students are responsible for assigned tasks and work in groups effectively.
●	14.2 Students have problem-solving skills.
○	14.3 Students show leadership skills and team spirit.
●	14.4 Students are always improving themselves.
○	14.5 Students have good interpersonal skills, adapting and working under different conditions.

14. Quantitative Analysis, Communication and Information Technology

Applicability	Learning Goals
●	20.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
○	20.2 Students communicate effectively and select appropriate presentation methods.
●	20.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

Course Outline:

Topics	
1. Introduction - Importance and needs to use mathematics in economics. - The nature of theory, economic model and mathematics.	CW. Ch. 1
2. Mathematics and Economic Relations - Relations and functions - Types of functions	CW. Ch.2
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

Topics	

4. Linear Model, Basic Matrix Algebra and Applications
- 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:
  - Partial market equilibrium
  - Excise tax and market equilibrium
  - Simple macroeconomic model
  - IS-LM model
	CW.
	
	Ch. 4, 5

5. Nonlinear Model and Differential Calculus in Economic Theory
- Quadratic theory
- Other nonlinear functions
- Slope and derivatives of a function
- Rule of differentiation
- Non differentiable functions
- Examples in Economics
  - Derivative and marginality
  - Relations among the total, the average and the marginal functions
  - Elasticity, total revenue and marginal revenue
	CW. Ch. 6, 7, 8

Topics	

6. Optimization without Constraints: One Independent Variable Case
- Maxima, minima and inflection point
- Convexity and concavity
- Maximize profits
  - Competitive market case
  - Monopoly case
- Effects of taxes
  - Lump-sum tax
  - Profit tax
  - Excise tax
- Maximization of tax revenue
	CW. Ch. 9

MIDTERM	

7. Derivatives of More-Than-One Independent Variable Function
- First-order partial derivatives
- Second-order partial derivatives
- Differential
- Total differential
- Total derivatives
- Implicit function and its derivative
- Examples in economics
  - Partial market equilibrium
  - Multipliers in macroeconomic models
  - Utility function
  - Production function
	CW.
	Ch. 7, 8

Topics	
- Etc	
8. Optimization without Constraint: More-Than-One Independent Variable Cases - Conditions for maximum or minimum - Third degree price discrimination - Multiplant-firm - Multiproduct-firm	CW. Ch. 11
9. Optimization under Equality Constraint - 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

Topics	
10. Integration and Its Application - Terminology in Integration - Rules of Integration - Definite Integration - Applications: - Total revenue function from marginal revenue function - Total cost function from marginal cost function - 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)	CW. Ch. 14
Final Examination	

Note: The class schedule shown above may be adjusted during the semester as needed.

Assessments:

1. Quizzes 15 % (6 quizzes, drop the lowest one)
2. Group assignments 10 % (maximum 4 persons)
3. Midterm Exam 30 %
4. Final Exam 45 %

EE 325 Introductory Econometrics

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

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)

Aims and Objectives:

This course provides an introduction to basic results and techniques of econometric theory. The emphasis will be on principles of econometrics and the application of econometric techniques rather than the derivation of theoretical statements. It is expected that at the completion of the course, students will be able to employ econometric investigation in their preparation for writing a seminar paper and to read critically empirical literature.

Instructor's Note:

This is an introductory course for econometric analysis. To understand and be able to apply it effectively, you need to learn some basic theories and the reasoning underlying an estimated equation. Some applied examples will be discussed in class but exercises in homework will provide various examples of econometric application for students. Students are expected to use an econometrics computer package to do the homework. We will primarily use Stata statistical and econometrics software package for computer work in this course. There will be 2-3 STATA workshops in the student computer lab. Each of these workshops will last 1.5 hours. The dates and times will be announced in class accordingly.

Homework will be assigned on a regular schedule. An assortment of assignments based on theory and some computer applications that involve programming. Homework assignments are expected to be handed on time. There will be both online- and paper-based homework. Late submission will be graded on the basis of 50% of the total scores of that assignment. More than two-day late homework will not be accepted. There will be occasional, possibly unannounced, quizzes during the semester. Missed quizzes may not be made up (unless this is the result of an officially excused absence)

Assessment:

Homework Assignments, Quizzes and Class Attendances	20 points
Midterm Exam	35 points
Final Exam	45 points

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.

Required Textbooks:

1. ** Gujarati, D.N., and D.C. Porter***, Basic Econometrics*. 5th ed., N.Y., McGraw-Hill, 2009.
2. **Wooldridge, J. M. ***Introductory Econometrics: A Modern Approach***. 6th ed. Thompson: South-Western, 2016.

**Main Text

Recommended Texts for Further Study

Jame H. Stock and Mark W. Watson, ***Introduction to Econometrics***, 2nd Edition, Boston: Pearson Addison Wesley (2007)

William E. Griffiths, R. Carter Hill and George G. Judge, ***Learning and Practicing Econometrics***, John Willey & Sons (1993 or latest edition)

Joshua D. Angrist and Jörn-Steffen Pischke, ***Mostly Harmless Econometrics: An Empiricist's Companion***, Princton University Press (2009)
ISBN-13: 978-0-691-12035-5

Other teaching materials:

Teaching notes will be uploaded on Moodle at least 1 days prior to class.

Expected Learning Outcomes:

15. Morality and Ethics

Applicability	Learning Goals
●	1.31 Students demonstrate integrity.
○	1.32 Students prioritize social and public benefits over personal ones.
●	1.33 Students are punctual and comply with the code of conduct of the institution and society at large.
○	1.34 Students are responsible and accountable to society, the nation, and the subject of economics.
○	1.35 Students realize the cultural and environmental value of the sustenainable society.

16. Knowledge

Applicability	Learning Goals
●	2.31 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.32 Students know and understand Thai and global economic structure, and the importance of major international economic events.
●	2.33 Students know and understand instruments of economic analysis.
●	2.34 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.

○	2.35 Students are informed about related fields including sociology, business administration, education, law policy, and science.

17. Intellectual Development

Applicability	Learning Goals
●	3.19 Students have developed individual critical thinking.
●	3.20 Students are sufficiently trained in research skills.
●	3.21 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

18. Interpersonal Skills and Responsibilities

Applicability	Learning Goals
●	16.1 Students are responsible for assigned tasks and work in groups effectively.
●	16.2 Students have problem-solving skills.
○	16.3 Students show leadership skills and team spirit.
●	16.4 Students are always improving themselves.
○	16.5 Students have good interpersonal skills, adapting and working under different conditions.

19. Quantitative Analysis, Communication and Information Technology

Applicability	Learning Goals
●	23.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
○	23.2 Students communicate effectively and select appropriate presentation methods.
●	23.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

Course Outline

Introduction

- What is econometrics?
- Methodology of econometrics
- Types of economic data

- (Wooldridge, ch.1 or Gujarati, ch. 1)

Review of Some Statistical Concepts

- Random variables and distributions
- Expectation, variance, covariance and correlation
- Estimators and desirable properties of estimators
  (Wooldridge, Appendix B or Gujarati, Appendix A, pp.869-912)

Simple Regression Models

- Principle, assumptions and derivation of ordinary least squares (OLS) estimators
- Properties of OLS estimators
- Statistical inference
- Prediction
- Test on individual regression coefficients
- Regression Through the Origin
- Data scaling on OLS statistics
- More on functional forms
  (Wooldridge, ch. 2, ch. 6 (6.1 and 6.2)) or Gujarati, chs. 2-6)

===========MIDTERM EXAM: September 29, 2020, 12.00 - 14.00 hrs.=============

Multiple Regression Analysis (Estimation)

- Motivation
- Model and assumptions
- Estimation of parameters and properties of estimators
- Meaning of partial regression coefficients
- Measuring goodness of fit: R^2 and adjusted R^2
- The matrix approach to linear regression model
  (Wooldridge, ch. 3 or Gujarati: ch. 7, Appendix B, C)

Multiple Regression Analysis (Inference)

- Sampling Distribution of the OLS estimators
- Test on individual regression coefficients
- Testing the multiple linear restrictions
- Testing the equality of two regression coefficients
- Testing for equality or stability of parameters (Chow test)
- Prediction with general linear model
  (Wooldridge, ch. 4 or Gujarati: ch. 8)

Dummy Variable Regression Models

- Describing Qualitative Information
- Models with a single dummy independent variable
- Using dummy variables for multiple categories
- Interactions involving dummy variables
  (Wooldridge, ch. 7 or Gujarati: ch. 9)

Multicollinearity Problem

- Nature and Consequences of Multicollinearity
- Detecting Multicollinearity
  (Wooldridge, ch. 3 (3.4) or Gujarati, ch. 10)

Heteroscedasticity Problem

- Nature and Consequences of heteroscedasticity for OLS
- Testing for heteroscedasticity
- Remedial measures (weighted least squares estimation)
  (Wooldridge, ch. 8 or Gujarati, ch. 11)

Autocorrelation Problem

- Nature and Consequences of Autocorrelation, Serial Correlation
- Testing for Autocorrelation
- Remedial measures
  (Wooldridge, ch. 12 (12.1-12.3) or Gujarati, ch. 12)

Specification Errors and Data Problems

- Type of specification errors
- Consequences of specification error
- Tests of specification error
- Errors of measurement
  (Wooldridge ch. 9 or Gujarati: ch. 13)

EE361 ECONOMICS OF CLMV COUNTRIES

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

Prerequisites a) EE210 or b) EE211 and EE212 or c) EE213 and EE214

Course Description

Four Southeast Asian countries namely Cambodia, Laos, Myanmar and Viet Nam (CLMV) have experienced phenomenal growth, averaging between 4-6% per year since year 2000, making the region currently one of the world's best performers in terms of economic growth. In understanding the development progress of these countries, it is imperative to provide an overview of their historical contexts i.e., shared experiences of colonialism, social/political conflicts following independence, and the post-conflict era of the 1990s and understand the various reforms undertaken by the governments of these countries. The opening up of the economy and the establishment of the Greater Mekong Subregion (GMS) Programme in 1992 enabled the gradual presence of official development assistance (ODA) channelled through, among others, the United Nations, World Bank, Asian Development Bank and various bilateral donors. These important milestones have contributed to the transformation of the socio-economic development of CLMV which we see today.

The course will further discuss commonalities and differences in their development trajectories and relationships with the outside world as well as issues and challenges in developing and implementing policies and programs in key development sectors, such as agriculture and rural development; education and health; transportation; trade and tourism; and urban development, as well as in cross-cutting areas such as the environment, gender, governance and climate change. The relationships between CMLV and Thailand as well as the rest of the world will also be discussed. Important lessons can be drawn from the successes and failures of development approaches, policies and programs as well as actual projects in these countries, which will be discussed in detail throughout the course. In order to hone students' understanding of the issues, case studies will be provided and students will form groups and present their understanding of the issues discussed during the course.

Aside from the required reading, additional materials will be drawn mostly from World Bank and Asian Development publications, which are based on their experience and involvement in various key development sectors in CLMV. Most of these materials are for the public and can be downloaded freely from the internet.

Class Policy

Following the most recent Thammasat University announcements (issued on 4 January 2021) and Faculty of Economics remote learning guidelines (issued on 7 January 2021), all BE classes for semester 2/2020 will be conducted by remote learning. Google Hangout will be used as the online meeting platform. At the beginning of each class some time will be spent using the lecture format highlighting the key issue, but students will spend most of the time engaging in discussions that support or confront the materials extracted from the required reading, for which students are expected to read ahead and be prepared. For any further clarifications and/or queries, students may either e-mail or set up an appointment with the lecturer.

Evaluation

The final grade will not rest on one or two activities, but rather, on how many points will be accumulated throughout the semester. Course requirements include participation, midterm and final exams and a group presentation. Late submission of assignments/exam: up to 30 minutes a penalty of 10%, up to 60 minutes a penalty of 25%. A 5% bonus will be rewarded to students who can provide a copy of a recent article (e.g., journal, magazine, editorial) relevant to a course topic with a brief one-page explanation of: (i) the main ideas, (ii) how the article relates to the course, and (ii) a critique on the merits and shortcomings of the article. The weights assigned to these activities are as follows:

- Participation and quizzes	10%
- Group presentation	15%
- Midterm exam	30%
- Final exam	45%

EE 376 Economics of Climate Change

Number of credits: 3 credits
Prerequisites: EE 210 or EE 211 or EE 213
(Credits will not be awarded to students who are taking or have completed any 400-level courses in this subfield.)

Course Description:

Basic concepts of climate change relating to environmental economics, efficiency, externalities, and policy instruments. The role of economics in the formation of climate policy. Economic problems of climate change, such as intertemporal decisions, impacts of climate change, cost of mitigation, and adaptation. Thailand and international cooperation and debate in climate policy.

Lecture Schedule

Date	Topics
1-2 Aug 14-19, 2020	**1. Introduction to Climate Change Science** • The Earth's climate system • Greenhouse gas (GHGs), global energy balance, and the greenhouse effect • Important GHGs: CO_2 and carbon cycles, other GHGs • Dissenting opinions: the great hoax? **Reading:** H Ch. 1-4, T Ch. 1, Nordhaus Ch.5, 13-14, 24-25, Incropera Ch. 2-6, 9.
3-4 Aug 21-26, 2020	**2. Anthropogenic global warming and consequences** • GHGs concentration and global temperature • Impacts, damages and losses of CC • GHGs data and information • GHGs emission by countries • Share of mitigation responsibility for climate stability **Reading:** H Ch. 6-7, Incropera Ch. 5, T Ch. 2, IPCC (2013a), Stern Ch. 3-6
5-6 Aug 28, 2020 - Sep 2, 2020	**3. Climate Change and Market Failure** • Externalities and carbon pricing • Global commons and Tragedy of Commons • The under provisioning of Public Goods **Reading:** HR Ch. 3-4, T Ch. 3

Date	Topics

7- 9
 	
Sep 4-11, 2020
	4. Carbon Taxes
	
	• Optimum emission
	• Correction market failure with carbon
	    o Single source
	    o Multiple sources
	• Pros and cons of carbon taxes
	• Carbon tax research
	Reading: HR Ch. 16, T Ch. 4, Pearce, David (1991) pp. 938-948.

10 - 12
 	
Sep 16-23, 2020
	5. Carbon Market or Cap-and-Trade
	
	• Definition and concept of Carbon market
	• Demand and supply of carbon credits
	    o Deriving the demand and supply for carbon credits
	    o Factors influencing the demand and supply
	    o Carbon market equilibrium
	• Choices of carbon credits allocation and efficiency
	• Comparison of carbon market and carbon tax
	• Carbon market research
	Reading: HR Ch. 16, T Ch. 5

13-14 Sep 25, 2020 Oct 7, 2020	**6. Technological Development Policy and mitigation** • Why do mitigation technology grow so slow? • Technology-push vs. Demand-pull debate • Policy for inducing technological change • Costs of low carbon technology and mitigations **Reading:** Grubb, M. (2004), Goulder and Schneider (1999), T Ch. 5
15-16 Oct 9-14, 2020	**7. Global Institutions: Kyoto Protocol and Post-Kyoto** • The Intergovernmental Panel on Climate Change (IPCC) • The United Nations Framework Convention on Climate Change (UNFCCC) • Kyoto Protocol • 'Annex-I' vs. 'Non-Annex-I' countries • Emissions Trading Scheme (ETS), Joint Implementation (JI), and Clean Development Mechanism (CDM) Cooperation failure? • Paris Agreement **Reading:** Incropera Ch. 8, T Ch. 5

Date	Topics

17-20
 	
Oct 16-28, 2020
	9. International Trade and Climate Change
	
	• Mitigation & competitiveness
	• Carbon offshoring and Carbon leakages
	• Concepts about GHGs responsibility
	    o Production-based and consumption-based responsibility
	• Carbon leakages and Border-Carbon Adjustment (BCAs)
	    o Pros and cons of BCAs
	• World Trade Organization (WTO) and Climate Change
	Reading: Incropera Ch. 8, T Ch. 8-9

20-22 Oct 30, 2020 – Nov 6, 2020	**7. Economic Concepts (III): Social Costs of Climate Change** • Cost-Benefit Analysis (CBA) concept • Social discount rates • Economic assessment of the damages caused by global warming • The Stern's Review • The Nordhaus DICE model • Stern vs. Nordhaus debates **Reading:** FF Ch.6, Stern Ch.6, 9, 12, Nordhaus Ch.15-16, 18
22-23 Nov 11-13, 2020	**8. Economics of Climate Change Adaptation** • Climate risks • Climate change adaptation • Economics of technology & adaptation **Reading:** Stern Ch.5, 18-20, OECD (2015)
24 -25 Nov 18-20, 2020	**10. Climate Change and Economic Sectors** • Fossil fuel vs. renewable energy • Carbon sink • Carbon offsets • REDD+ • Demand management
26-27 Nov 25-27, 2020	**14. Group project presentation**

Field trip: (tentatively)

Evaluation

Midterm Examination	35%
Final Examination	35%
Group project or reports	15%
Assignment and participation	15%

Group project (15 points):

- Design and print **an A0-sized academic poster** linking climate change issue with a selected topic from the following list. A poster may have a free-style title, but must be informative and comprehensive in its content, and contain some constructive arguments in the analytical part.

Topic lists:

Electrical vehicle	Agriculture	Public Transportation	Biotechnology
Solar energy	Fishery	Financial sector	Gender
Hydropower	Livestock	Biodiversity	Poverty
Bio fuel	Energy-intensive industry	Coastal adaptation	Youth
Nuclear power	Real estate	Draught management	Disaster
Wind energy	Aviation	Waste management	Arts and Culture
Risk management	Tourism related services	Disaster management	IT and AI

Evaluation will be based on the ability to arrange data and information with proper visualization and citation, presenting sharp arguments (concise and interesting leading questions and the existing conflicts of viewpoint relevant to the chosen topic) linking the topic with **the economics of climate change mitigation and/or adaptation**, attractive and reader-friendly poster design. The total mark will come from peer evaluation (7 marks) and instructor evaluation (8 marks)

Your oral presentation would take 15 minutes (without any note!) and 5 minutes of Q&A.

Submission date of selected topic: October 2, 2020

Presentation dates: November 2020 (to be announced)

<u>Note</u>: Please be strictly aware of '*plagiarism rule*' which could bring a zero score for violators.

Reading lists

[T] Tantivasadakarn, Chayun (2019) Economics of Climate Change (in Thai), Thammasat University Press.

[FF] Field, B., & Field, M. (2017). *Environmental economics: An introduction* (Seventh ed.). New York, NY: McGraw-Hill Education.

Grubb, M. (2004). "Technology Innovation and Climate Change Policy: an overview of issues and options." Keio Economic Studies, 41(2): 103-132.

Goulder, L.H., and S.H. Schneider (1999) 'Induced Technological Change and the Attractiveness of CO_2 Abatement Policies,' Resource and Energy Economics, Vol. 21, pp. 211-53.

[HR] Harris, J. M., & Roach, B. (2017). *Environmental and natural resource economics: A contemporary approach*. Routledge.

[H] Houghton, John (2004) Global Warming: The Completer Briefing, 3rd edition, Cambridge University Press.

http://www.gci.org.uk/Documents/Global-Warming-the-Complete-Briefing.pdf

[Incropera] Incropera, F. P. (2016). *Climate change: a wicked problem: complexity and uncertainty at the intersection of science, economics, politics, and human behavior*. Cambridge University Press. (ห้องสมุดปรีดี)

IPCC (2013a) Summary for Policymakers. In: Climate Change 2013: The Physical Science Basis.Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change [Stocker, T.F., D. Qin, G.-K. Plattner, M. Tignor, S.K. Allen, J. Boschung, A. Nauels, Y. Xia, V. Bex and P.M. Midgley (eds.)].

Milton, E.J., and Euston Quah (2021) Cost-Benefit Analysis, Routledge.

Nordhaus, W. D. (2007). A review of the Stern review on the economics of climate change. *Journal of economic literature*, *45*(3), 686-702.

[Nordhaus] Nordhaus, W. D. (2013). *The climate casino: Risk, uncertainty, and economics for a warming world*. Yale University Press.

Pearce, David (1991), "The Role of Carbon Taxes in Adjusting to Global Warming," The Economic Journal, Vol. 101, No. 407, (Jul., 1991), pp. 938-948.

[Stern] Stern, N., & Stern, N. H. (2007). *The economics of climate change: the Stern review*. Cambridge University press.

[TT] Tietenberg, T. H., & Lewis, L. (2016). *Environmental and natural resource economics*. Routledge.

EE412 Macroeconomics Analysis

Prerequisites: EE312 and EE320 (or EE421)

Course Description

This course is a course designed for undergraduate students who are ready to explore some advanced macroeconomic issues. The main topics in this course include dynamic macroeconomic analysis, asset price theory, and various economic policies.

Course Objectives

Encourage students to improve their analytical skills in macroeconomics.

Teaching Materials and Resources

Textbooks and readings

Sargent, Thomas J., *Dynamic Macroeconomic Theory*, Harvard University Press, Cambridge, 1987.

Mankiw, Gregory, N., *Macroeconomics*, Worth Publishers, New York, 2006. Romer, David.

Advanced Macroeconomics, McGraw-Hill, Singapore, 2000.

Recommend readings

Blanchard, Olivier, J., and Stanley Fischer, *Lectures on Macroeconomics*, (Fourth Printing) the MIT Press, Cambridge, 1990.

Teaching Plans

Week/Session	Date	Topics	Instructor
1/1-2	20/01/2021 22/01/2021	Introduction: - Static analysis - Dynamic analysis	Arayah

2/1 – 2/2	27/01/2021 29/01/2021	Solving a dynamic problem - Traditional method: system of simultaneous equations - Backward recursive method	Arayah
3/1 – 4/2	03/02/2021 05/02/2021 10/02/2021 12/02/2021	The Bellman's equations and time consistent optimal policies	Arayah
5/1 – 5/2	17/02/2021	Applications:	Arayah

Week/Session	Date	Topics	Instructor
	19/02/2021	- Optimal consumption - Optimal growth	
6/1 – 6/2	24/02/2021 03/03/2021	Asset Price: Hall's random walk of theory of consumption	Arayah
7/1	05/03/2021	The random walk theory of stock prices	Arayah
7/2	**10-16/03/2021**	**-----Mid-Term Examination------**	
8/1	17/03/2021	The random walk theory of stock prices	Arayah
8/2 – 9/1	19/03/2021 24/03/2021	The random walk theory of stock prices	Arayah
9/2 – 11/1	26/03/2021 31/03/2021 07/04/2021 09/04/2021	Applications: - The term structure of interest rate, contingent claims, - The value of a firm - Government debt: the Ricardian Proposition	Arayah
11/2 – 12/1	14/04/2021- 16/04/2021	----- Songkran Festival ---------	
12/2 – 14/1	21/04/2021 23/04/2021 28/04/2021 30/04/2021	- Neoclassical Growth Model and the balanced growth path.	Arayah
14/2 – 15/1	05/05/2021 07/05/2021	-The Ramsey-Cass-Koopmans Model	Arayah
15/2 – 16/2	12/05/2021 14/05/2021 19/05/2021	The Phase Diagram: - The Saddle Path - Competitive equilibrium and Pareto efficiency	Arayah
	01/06/2021	**-------Final Examination-----------**	

EE 416 Behavioral Economics

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

Prerequisites: EE311

Course Description: Concepts and frameworks in behavioral economics including comparative study of models for decision under uncertainty between mainstream economics and behavioral economics, empirical evidences that support behavioral economics, models that incorporate psychological and sociological factors for consumer and social behaviors, and other topics that the lecturer finds suitable.

Evaluation: (To be discussed)

Midterm Exam: 25%

Final Exam: 50%

Term paper: 25%

Main Textbook:

Thaler, Richard H., and Cass R. Sunstein. *Nudge: Improving decisions about health, wealth, and happiness*. Yale University Press, 2008.

Kahneman, D. *Thinking, fast and slow*. New York, NY, US: Farrar, Straus and Giroux, 2011

Corr, P., Plagnol, A. (2019). *Behavioral Economics the basics*. London: Routledge, https://doi.org/10.4324/9781315391229 (https://www.behavioraleconomicsbasics.net/)

Additional reading:

Thaler, R. H. (2015). *Misbehaving: The making of behavioral economics*.

Expected Learning Outcomes:

20. Morality and Ethics

Applicability	Expected Learning Outcomes
●	1.36 Students demonstrate integrity.
○	1.37 Students prioritize social and public benefits over personal ones.
●	1.38 Students are punctual and comply with the code of conduct of the institution and society at large.
○	1.39 Students are responsible and accountable to society, the nation, and the subject of economics.
○	1.40 Students realize the cultural and environmental value of the sustainable society.

2. Knowledge

Applicability	Expected Learning Outcomes
●	2.36 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.37 Students know and understand Thai and global economic structure, and the importance of major international economic events.
●	2.38 Students know and understand instruments of economic analysis.
●	2.39 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
○	2.40 Students are informed about related fields including sociology, business administration, education, law policy, and science.

3. Intellectual Development

Applicability	Expected Learning Outcomes
●	3.22 Students have developed individual critical thinking.
●	3.23 Students are sufficiently trained in research skills.
●	3.24 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analysis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

4. Interpersonal Skills and Responsibilities

Applicability	Expected Learning Outcomes
●	18.1 Students are responsible for assigned tasks and work in groups effectively.
●	18.2 Students have problem-solving skills.
○	18.3 Students show leadership skills and team spirit.
●	18.4 Students are always improving themselves.
○	18.5 Students have good interpersonal skills, adapting and working under different conditions.

5. Quantitative Analysis, Communication and Information Technology

Applicability	Expected Learning Outcomes

●	26.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
●	26.2 Students communicate effectively and select appropriate presentation methods.
●	26.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

TEACHING PLAN

Week	Topics learning in class
Week 1 (Tue 14, Thu 16 Jan.)	**Introduction to Behavioral Economics** • What is behavioral economics? • What better insight can we get from studying behavioral economics? • Heuristics and Biases <u>Reading:</u> Nudge, Ch. 1 Behavioral Economics(Corr and Plagnol), Ch.1 & 4 <u>Further reading(non-required):</u> Tversky, A. and D. Kahneman(1974). “Judgement under uncertainty: Heuristics and Biases” Science, New Series, Vol. 185, No. 4157, pp. 1124-1131. Rabin, M. (2013). “An Approach to Incorporating Psychology into Economics,” American Economic Review Papers and Proceedings, 103(3), 617-22. DellaVigna, S. (2009). “Psychology and Economics: Evidence from the Field,” Journal of Economic Literature, 47, 315-372. Camerer, C. and G. Loewenstein (2004). “Behavioral Economics: Past, Present, Future,” in Advances in Behavioral Economics, C. Camerer, G. Loewenstein, and M. Rabin, eds., Princeton University Press. Rabin, M. (1998). “Psychology and Economics,” Journal of Economic Literature, 36, 11-46.
Week 2 (Tue 21, Thu 23 Jan) Week 3 (Tue 28, Thu 30 Jan) Week 4 (Tue 4, Thu 6 Feb)	**Risk preferences** • Prospect theory • Loss aversion • The endowment effect • Probability weighting • Fourfold patterns of choices under risk • Applications of Prospect theory <u>Reading:</u> Thinking Fast and Slow, Ch. 25-30 Nudge, Ch. 1 Behavioral Economics(Corr and Plagnol), Ch.4 <u>Further reading(non-required):</u> Kahneman, D. and A. Tversky, (1979) “Prospect Theory: An Analysis of Decision Under Risk,” Econometrica, 47, 263-291. Kahneman, D., and A. Tversky (1992). “Advances in Prospect Theory: Cumulative Representation of Uncertainty,” Journal of Risk and Uncertainty, 5, 297-323. Camerer, C., L. Babcock, G. Loewenstein, and R. Thaler (1997). “Labor Supply of New York City Cabdrivers: One Day at a Time,” Quarterly Journal of Economics, 112, 407-443. Bruhin, A., H. Fehr-Duda, and T. Epper (2010). “Risk and Rationality: Uncovering Heterogeneity in Probability Distortion,” Econometrica, 78, 1375-1412.

Week 5	**Time preferences** • Present Bias • Procrastination and Self-control • Commitment Devices

(Tue 11, Thu 13 Feb) Week 6 (Tue 18 , Thu 20 Feb) Week 7 (Tue 25, Thu 27 Feb)	• Experimental Evidences and applications of Time Discounting <u>Reading:</u> Nudge, Ch. 2, 6, 7 <u>Further reading(non-required):</u> O'Donoghue, T. and M. Rabin (1999). "Doing it Now or Later," American Economic Review, 89, 103-124. O'Donoghue, T. and M. Rabin (2001). "Choice and Procrastination," Quarterly Journal of Economics, 116, 121-160. Laibson, D. (1997). "Golden Eggs and Hyperbolic Discounting," Quarterly Journal of Economics, 112, 443-477. DellaVigna, S. and U. Malmendier (2006). "Paying Not to Go to the Gym," American Economic Review, 96(3), 694-719. Gruber, J. and Mullainathan, S. (2005). "Do Cigarette Taxes Make Smokers Happier?" Advances in Economic Analysis and Policy, 5(1), Article 4. Meier, S. and C. Sprenger (2010). "Present-Biased Preferences and Credit Card Borrowing,"American Economic Journal: Applied Economics, 2(1), 193-210.
Week 8 (Tue 10, Thu 12 Mar)	**Other approaches to self-control** • Anticipation • Projection bias <u>Further reading(non-required):</u> Loewenstein, G. (1987). "Anticipation and the valuation of delayed consumption" Economic Journal, 97, 666-684. Loewenstein, G., T. O'Donoghue, and M. Rabin (2003). "Projection Bias in Predicting Future Utility," Quarterly Journal of Economics, 118, 1209-1248. Conlin, M., T. O'Donoghue, and T. Vogelsang (2007). "Projection Bias in Catalog Orders,"American Economic Review, 97(4), 1217-1249.
Week 9 (Tue 17, Thu 19 Mar) Week 10 (Tue 24, Thu 26 Mar)	**Public policy to combat error** • Choice Architecture • Default option <u>Reading:</u> Nudge, Ch. 4, 5, 11 Behavioral Economics(Corr and Plagnol), Ch. 6 <u>Further reading (non-required):</u> Sunstein, C. and R. Thaler (2003). "Libertarian Paternalism Is Not An Oxymoron." University of Chicago Law Review, 70, 1159-1202.

	O’Donoghue, T. and M. Rabin (2003). “Studying Optimal Paternalism, Illustrated by a Model of Sin Taxes,” American Economic Review (Papers and Proceedings), 93, 186-191. O’Donoghue, T. and M. Rabin (2006). “Optimal Sin Taxes,” Journal of Public Economics, 90(10-11), 1825-1849.
Week 11 (Tue 31 Mar, Thu 2 Apr)	**Attention, Salience, and Memory** <u>Further reading(non-required):</u> Chetty, R., A. Looney, and K. Kroft (2009). “Salience and Taxation: Theory and Evidence,” American Economic Review, 99(4), 1145-1177. Lacetera, N., D. Pope, and J. Sydnor (2012). “Heuristic Thinking and Limited Attention in the Car Market,” American Economic Review, 102(5), 2206-2236 Bordalo, P., N. Gennaioli, and A. Shleifer (2011). “Salience Theory of Choice Under Risk,” Quarterly Journal of Economics, 127, 1243-1285.
Week 12 (Tue 7, Thu 9 Apr)	**The role of cognition and emotion in decision making** • Dual-Process theory • Emotion and Decision-making <u>Reading</u> Behavioral Economics(Corr and Plagnol), Ch.4 <u>Further reading(non-required):</u> Loewenstein, G., T. O'Donoghue, and S. Bhatia (2015). Modeling the interplay between affect and deliberation. Decision 2 (2), 55-81. Lerner, J. S., Y. Li, P. Valdesolo, and K. S. Kassam (2015). Emotion and Decision Making. Annual Review of Psychology 66 (1), 799{823.

Week 13 (Tue 21, Thu 23 Apr)	**Social preferences** • Fairness • Altruism, Kindness and cooperation • Charity giving <u>Reading:</u> Misbehaving, Ch. 14 – 15 <u>Further reading(non-required):</u> Kahneman D, J. Knetsch, and R. Thaler (1986b). “Fairness as a Constraint on Profit Seeking: Entitlements in the Market,” American Economic Review, 76, 728-741. Kahneman D, J. Knetsch, and R. Thaler (1986a). “Fairness and the Assumptions of Economics,” Journal of Business, 59, 285-300.

	DellaVigna, S., J. List, and U. Malmendier (2012). "Testing for Altruism and Social Pressure in Charitable Giving," Quarterly Journal of Economics, 127, 1-56.
Week 14 (Tue 28, Thu 30 Apr)	**Subjective Well-being and Happiness** • Measurement of subjective well-being Further reading(non-required): Benjamin, D., O. Heffetz, M. Kimball, and A. Rees-Jones (2012). "What Do You Think Would Make You Happier? What Do You Think You Would Choose?" American Economic Review, 102(5), 2083-2110.
Week 15 (Tue 5, Thu 7 May)	**Review and Paper presentation**

The prospective topics and timeline of this course are subject to change as instructor sees fit when course proceeds.

EE426 Econometrics 2

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

Prerequisites: EE425

Course Description:

This course covers more advanced topics in econometrics for undergraduate level and focuses on both theoretical framework (basic concept) and empirical applications. The first parts introduce panel data models, and further discuss instrumental variables and two stage least squares. We then cover system of regressions and seemingly unrelated regression (SUR). This topic will also link to the topic of simultaneous equation system and its parameter estimation. Then, we turn our attention to exploring qualitative response models using maximum likelihood technique, and conclude by studying time series model.

Prerequisites: *EE425*

Course Objectives:

This course is designed to provide advanced econometrics techniques and enable students to apply econometric tools for economic analysis. Materials in this course will be balanced between theoretical concept and practices with the actual data and econometric software.

Evaluation:	Mid-term examination	30 %
	Final examination	40 %
	Assignment	30 %

Computer Software: STATA

Course Content:

1. Review Basic Econometrics Concept

Diagnostic Tests

- Its Relative Importance
- Key Diagnostic Tests
  - (a) Heteroskedasticity
  - (b) Residual Normality
  - (c) Functional Form Misspecification Tests
  - (d) Multicollinearity
- Functional Forms of Regression Model
  - (a) Types of Specification Errors
  - (b) Test for Functional Form Misspecification

2. Estimation methods

2.1 Least Squares

2.2 System Estimation Methods

2.3 MLE

2.4 GMM

3. Limited Dependent Variable Models

4. Panel Data Estimation

5. Time-series Econometrics

Required Textbooks:

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

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

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

Reference Texts:

Enders, W. (2010), *Applied Econometric Time Series*, 3rd ed. Hoboken, NJ: John Wiley and Sons.

Greene, W.H. (2012). *Econometric Analysis*. 7th ed. Upper Saddle River, NJ: Prentice Hall.

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

Expected Learning Outcomes:

21. Morality and Ethics

Applicability	Learning Goals
●	1.41 Students demonstrate integrity.
○	1.42 Students prioritize social and public benefits over personal ones.
●	1.43 Students are punctual and comply with the code of conduct of the institution and society at large.
○	1.44 Students are responsible and accountable to society, the nation, and the subject of economics.
○	1.45 Students realize the cultural and environmental value of the sustenainable society.

22. Knowledge

Applicability	Learning Goals
●	2.41 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.42 Students know and understand Thai and global economic structure, and the importance of major international economic events.
●	2.43 Students know and understand instruments of economic analysis.
●	2.44 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
○	2.45 Students are informed about related fields including sociology, business administration, education, law policy, and science.

23. Intellectual Development

Applicability	Learning Goals
●	3.25 Students have developed individual critical thinking.
●	3.26 Students are sufficiently trained in research skills.
●	3.27 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

24. Interpersonal Skills and Responsibilities

Applicability	Learning Goals
●	20.1 Students are responsible for assigned tasks and work in groups effectively.
●	20.2 Students have problem-solving skills.
○	20.3 Students show leadership skills and team spirit.
●	20.4 Students are always improving themselves.
○	20.5 Students have good interpersonal skills, adapting and working under different conditions.

25. Quantitative Analysis, Communication and Information Technology

Applicability	Learning Goals
●	29.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
○	29.2 Students communicate effectively and select appropriate presentation methods.
●	29.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

Course Schedule:

Week	Content	Chapter	Assign
Week 1 19, 21 Jan 21	Review - Estimation Method – GLS	1-13	
Week 2 26, 28 Jan 21	Estimation Method – System Estimation	18-20	
Week 3 2, 4 Feb 21	Estimation Method – MLE	Heij 4	
Week 4 9, 11 Feb 21	Estimation Method – MLE (Cont.)	Heij 4	
Week 5 16, 18 Feb 21	Estimation Method – GMM	Heij 4	
Week 6 23, 25 Feb 21	Binary Choice Models - Logit-Probit Model	15	

Week 7 2, 4 Mar 21	Panel Data Model	16	
Mid-term	**Take-home Mid-term Exam**		
Week 8 18 Mar 21	Multinomial Data Models	15	
Week 9 23, 25 Mar 21	Multivariate Data Models	15	
Week 10 30 Mar, 1 Apr 21	Limited Dependent Variables Model	15	
Week 11 8 Apr 21	Limited Dependent Variables Model (Cont.)	15	
Week 12 7, 9 Apr 21	Time Series Models – Properties – Unit Root Test	21-22	
Week 13 20, 22 Apr 21	Time Series Models – ARIMA Models – GARCH Models	21-22	
Week 14 27, 29 Apr 21	Time Series Models – VARs	22	
Week 15 4, 6 May 21	Time Series Models – VARs (Cont.)	22	
Week 16 4, 6 May 21	Time Series Models – VARs (Cont.)	22	
Final Exam 28 May 21	**Take-home Final Exam**		

EE431

Economics of Financial Markets and Institutions Financial Institutions

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

Prerequisites EE311

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.

Objective of the course:
(1) To provide students with understanding of financial asset characteristics; risk, return and liquidity
(2) To provide students with understanding of debt market and interest rate at microeconomic level.
(3) To provide students with understanding of decision process for investment in financial assets at microeconomic level, where investors seek to maximize their expected utility under constraint (combination of risk and returns available in the financial market
(4) To provide students with understanding of diversification, degree of risk aversion, risk premium, which are important determinants of the equilibrium price of financial assets in the financial market.
(5) To provide students with how to derive of equilibrium in the financial market
(6) To provide students with understanding of asymmetric information problem in the financial market and the role of financial intermediaries
(7) To provide students with understanding of risk management of financial institutions
(8) To provide students of understanding of agency problem and excessive risk-taking in the financial market and how to mitigate the situation
(9) To provide students with understanding of bank's liquidity creation, bank's liquidity problem, bank runs and deposit insurance

Evaluation
Mid-term exam 30% (Topic 1 – Topic 4)
Final exam 45% (Topic 4 – Topic 8)
Homework 10%
Quiz 15%

Remarks: In some cases, we may need to change the evaluation method. Please keep updating information on the BE moodle.

Teaching Materials and Resources
Required Text:
Frederic Mishkin, The Economics of Money, Banking and Financial Markets 9th Edition (Pearson, 2009)
Peter D Spencer, The Structure and Regulation of Financial Market (Oxford University Press, 2000)
Copeland, Thomas E. and J. Fred Weston, Financial Theory and Corporate Policy, 4th edition, (Addison-Wesley, 2005)
Diamond(2007), Bank and Liquidity Creation: A Simple Exposition of the Diamond-Dybvig Model, Federal Reserve Bank of Richmond Economic Quarterly.
Diamond(1996) Financial Intermediation and Delegated Monitoring: A Simple Example, Federal Reserve Bank of Richmond Economic Quarterly.
Kent Mathews and John Thompson, The Economics of Banking 2nd Edition (John Wiley & Son, 2008)

Remarks : Supplement handouts or reading will be posted on *BE moodle* and *Google Classroom*.

Lecture presentation will be provided by the lecturer.
• The lecture presentation is designed to support learning in the class. Therefore, it is not

Expected Learning Outcomes:
1. Morality and Ethics
Applicability Expected Learning Outcomes
. 1.1 Students demonstrate integrity.
. 1.2 Students prioritize social and public benefits over personal ones.

. 1.3 Students are punctual and comply with the code of conduct of the institution and society at large.
. 1.4 Students are responsible and accountable to society, the nation, and the subject of economics.
. 1.5 Students realize the cultural and environmental value of the sustenainable society.

2. Knowledge
Applicability Expected Learning Outcomes
. 2.1 Students know and understand modern economics principles and theories, and are up to date with new developments.
. 2.2 Students know and understand Thai and global economic structure, and the importance of major international economic events.
. 2.3 Students know and understand instruments of economic analysis.
. 2.4 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
. 2.5 Students are informed about related fields including sociology, business administration, education, law policy, and science.

3.Intellectual Development
Applicability Expected Learning Outcomes
. 3.1 Students have developed individual critical thinking.
. 3.2 Students are sufficiently trained in research skills.
. 3.3 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

4. Interpersonal Skills and Responsibilities
Applicability Expected Learning Outcomes
. 4.1 Students are responsible for assigned tasks and work in groups effectively.
. 4.2 Students have problem-solving skills.
. 4.3 Students show leadership skills and team spirit.
. 4.4 Students are always improving themselves.
. 4.5 Students have good interpersonal skills, adapting and working under different conditions.

5.Applicability Expected Learning Outcomes
. 5.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
. 5.2 Students communicate effectively and select appropriate presentation methods.
. 5.3 Students use information and commun

11. Lecture/Schedule

Part I : Economic Analysis of Asset Prices

Topic 1. Financial assets and the overview of financial market (1 time)
1.1 Money and functions of money
1.2 Money, Wealth and Income
1.3 Financial Market and Financial Assets
1.4 Financial Assets Classified by Information Theory
1.5 Flows of Funds in The Financial Market
1.6 Structure of Financial Market
FM2009
Ch. 1-3

Topic 2. Debt Market and Structure of interest
2.1 Measuring Interest Rates

2.2 Nominal Interest Rates and Real Interest Rates
2.3 The Behavior of Interest Rates
2.4 Risk and Term Structure of Interest Rates

Topic 3. Mean-Variance Analysis
(3 times)
3.1 Measuring Risk and Returns for a Single Asset
3.2. Measuring Portfolio Risk and Returns
3.3. Efficient Frontier with Two Risky Assets
3.4. Efficient Frontier with One Risky and One Risk Free Asset
3.5. Optimal Portfolio Choice N Risky asset
3.6. Optimal Portfolio Choice N Risky asset and One Risk Free Asset

Topic 4: Capital asset pricing model (CAPM) and Arbitrage Pricing
Theory (APT) (4 times)
4.1 Capital Asset Pricing Model
• Portfolio Diversification and Individual Asset Risk
• Assumptions
• The Efficiency of Market Portfolio
• Derivation of CAPM
• Properties of CAPM
4.2 Arbitrage Pricing Theory
• Arbitrage Opportunity
• Replicating Portfolio
• Derivation of Arbitrage Pricing Theory

Part II : Financial Institution, Financial Market and Asymmetric Information

Topic 5. Financial institutions (2 times)
5.1 Introduction
5.2 Major risks faced by banks
5.3 Liquidity Management and The Role of Reserve
5.4 Interest Rate Risk Management
5.5 Credit Risk Management
5.6 Capital Adequacy Management

Topic 6. Theory of financial intermediation (5 times)
6.1 Introduction
6.2 Shortcomings of direct finance
6.3 How banks help to resolve the problem?
(a) Confidentiality and The Banking Relationship
(b) Economies of Scale and Role of Diversification in Banking:
Financial Intermediation as Delegated Monitoring

Topic 7. Convexity, excessive risk, and bank regulation (5 times)
7.1 Decision Under Uncertainty
7.2 Agency Cost of Debt Finance: Conflict between a firm's
bondholders and stockholders
7.3 Asset Substitutions Problem
7.4 How to solve asset substitution problem?
7.5 Adverse Selection and Credit Rationing

Topic 8. Bank runs, systemic risk and deposit insurance (4 times)
8.1 Introduction
8.2 Demand for Liquidity
8.3 Bank Liquidity Creation
8.4 Bank Runs
8.5 Suspension of Convertibility and Deposit Insurance
8.6. Note on the optimal level of liquidity

Class 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. Ignorance of such information due to absence of class 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. Please make an appointment in advance via email. Please allow enough time (at least 2 working days) for the lecturer to confirm the appointment. I will be available for you only if you confirm such an appointment by emailing back.
Attendance is highly encouraged
Proper manner and courtesy are expected
A student may contact me by sending email. On the night before a text/an exam the cut off for any question is 7.00 pm. via email, I can provide only short answer. If you prefer long answer, please come to visit me by making an appointment.

EE432 Monetary Theory and Policy

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

Prerequisites: EE312

Course Description:

This course aims to provide the student with an introduction to the role of money, financial markets, financial institutions and monetary policy in the economy, thus providing a solid foundation for further study and enhance professional capability in the financial services industry.

This course will investigate the origins and role of money, theories regarding the supply of and demand for money and the relationship between money, credit and debt will also be emphasized. The course will then study the role of financial markets in the economy with a particular emphasis on bond markets and interest rate determination. Besides, this course will further analyze the evolving roles of central banks and their views regarding the execution monetary policy; including recent and historical international policy actions, the transmission of that policy in the economy, and the impact of monetary policy on economic growth and inflation. It will also cover the formulation of unconventional monetary policy, so called quantitative easing, when interest rates approach the zero lower bound. Another area of study in this course is the consideration of modern monetary theories, particularly, in the context of real business cycle model and the New Keynesian model.

Course Objectives:

1. To develop knowledge and analytic skill to anticipate the central bank's monetary policy reaction on different economic situations.
2. To enhance capability to make a preliminary analysis of novel monetary policy execution together with its associated impacts and determine the appropriate choice of monetary stance.
3. To encourage students to take an active learning approach by reading lecture notes and participating individual assignment, in-class discussion and peer-to-peer learning.

Course Evaluation

The course will be assessed by pre-class reading, after-class quiz assignment, individual report assignment, mid-term examination and final examination. The pre-class reading will be given prior to the beginning of lectures. By doing so, students are responsible for knowing any relevant materials and having some clue about what is going to be discussed in class. Such pre-class reading and after-class quiz assignments will essentially be grading student learning performance. Students are not expected to miss any assignments. Therefore, any absences or overdue submission will be counted as a missed quiz or assignment. All homework pre-class reading and after-class quiz assignments will be accessed using a web-based platform provided by Mc-Graw Hill Connect https://connect.mheducation.com, which linked to our BE-moodle. The assessment criteria are detailed as follow.

1. Individual pre-class reading 10%
   10 times throughout semester as details shown in the class schedule below
2. Individual after-class quiz assignments (multiple choices) 10%
   2 times throughout semester, each worth 5%.

   • *Quiz assignment 1 (covering chapter 11, 12, 14): due 26 September*
   • *Quiz assignment 2 (covering chapter 17, 18, 19): due 31 October*
3. Individual report assignment 10%
   Submission due date: 21 November
4. Mid-term Examination 30%
5. Final Examination 40%

Readings

EE432 is textbook-based. Students are required to read all lecture notes and should have access to this online textbook. The primary text book will be:

> Cecchetti, Stephen and Schoenholtz, Kermit. (2017) **Money, banking, and financial markets**. McGraw-Hill.

Expected Learning Outcomes:

Morality and Ethics

Applicability	Expected Learning Outcomes
●	1.46 Students demonstrate integrity.
●	1.47 Students prioritize social and public benefits over personal ones.

●	1.48 Students are punctual and comply with the code of conduct of the institution and society at large.
●	1.49 Students are responsible and accountable to society, the nation, and the subject of economics.
○	1.50 Students realize the cultural and environmental value of the sustenainable society.

Knowledge

Applicability	Expected Learning Outcomes
●	2.46 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.47 Students know and understand Thai and global economic structure, and the importance of major international economic events.
○	2.48 Students know and understand instruments of economic analysis.
●	2.49 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
○	2.50 Students are informed about related fields including sociology, business administration, education, law policy, and science.

Intellectual Development

Applicability	Expected Learning Outcomes
●	3.28 Students have developed individual critical thinking.
●	3.29 Students are sufficiently trained in research skills.
●	3.30 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

Interpersonal Skills and Responsibilities

Applicability	Expected Learning Outcomes
●	22.1 Students are responsible for assigned tasks and work in groups effectively.
●	22.2 Students have problem-solving skills.
○	22.3 Students show leadership skills and team spirit.
●	22.4 Students are always improving themselves.

O	22.5 Students have good interpersonal skills, adapting and working under different conditions.

Quantitative Analysis, Communication and Information Technology

Applicability	Expected Learning Outcomes
O	32.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
O	32.2 Students communicate effectively and select appropriate presentation methods.
O	32.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

Attendance at Lectures

Lectures provide opportunities to better understanding of materials in the course. So that *attendance and active precipitation in lectures is required and monitored*.

Class Schedule

Week	Topic
1.	Financial instruments, financial markets, and financial institutions (Cecchetti & Schoenholtz Textbook Chapter 3)
2.	Understanding risk (Cecchetti & Schoenholtz Textbook Chapter 5) *# Pre-class reading 1 for Chapter 5, worth 1%*
3.	The risk and term structure of interest rates (Cecchetti & Schoenholtz Textbook Chapter 7) *# Pre-class reading 2 for Chapter 7, worth 1%*
4.	The economics of financial intermediation (Cecchetti & Schoenholtz Textbook Chapter 11) *# Pre-class reading 4 for Chapter 11, worth 1%*
5.	Depository institutions: banks and bank management (Cecchetti & Schoenholtz Textbook Chapter 12) *# Pre-class reading 5 for Chapter 12, worth 1%*
6.	Regulating the financial system (Cecchetti & Schoenholtz Textbook Chapter 14) *# Pre-class reading 5 for Chapter 14, worth 1%*
7.	Central banks in the world today (Cecchetti & Schoenholtz Textbook Chapter 15) & Mid-semester Exam Revision
	Mid-term examination

Week	Topic
8.	The central bank balance sheet and the money supply process (Cecchetti & Schoenholtz Textbook Chapter 17)
9.	Monetary policy: stabilizing the domestic economy (Cecchetti & Schoenholtz Textbook Chapter 18) *# Pre-class reading 6 for Chapter 18, worth 1%,*
10.	Exchange rate policy (Cecchetti & Schoenholtz Textbook Chapter 19) *# Pre-class reading 7 for Chapter 19, worth 1%*
11.	Money growth and money demand (Cecchetti & Schoenholtz Textbook Chapter 20) *# Pre-class reading 8 for Chapter 20, worth 1%*
12.	Output, inflation, and monetary policy (Cecchetti & Schoenholtz Textbook Chapter 21) *# Pre-class reading 9 for Chapter 21, worth 1%*
13.	Understanding business cycle fluctuations (Cecchetti & Schoenholtz Textbook Chapter 22) *# Pre-class reading 10 for Chapter 22, worth 1%*
14.	Modern monetary policy and the challenges (Cecchetti & Schoenholtz Textbook Chapter 23)
15.	Special topic: New Keynesian monetary economics & Final Exam Revision
	Final examination

EE435 Introductory Financial Econometrics

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 timeseries 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) and EE431 (or EE432)

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:
*Tsay , R. (T) (2010). *Analysis of Financial Time Series. 3rd Ed*., Hoboken, NJ: John Wiley & Sons.
*Jonathan D. Cryer and Kung-Sik Chan (CC). *Times Series Analysis with Applications in R*, 2nd Ed., Springer.

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)
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)
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.

Expected Learning Outcomes:
1. Morality and Ethics
Applicability Learning Goals
. 1.1 Students demonstrate integrity.

. 1.2 Students prioritize social and public benefits over personal ones.
. 1.3 Students are punctual and comply with the code of conduct of the institution and society at large.
. 1.4 Students are responsible and accountable to society, the nation, and the subject of economics.
. 1.5 Students realize the cultural and environmental value of the sustenainable society.

2. Knowledge
Applicability Learning Goals
. 2.1 Students know and understand modern economics principles and theories, and are up to date with new developments.
. 2.2 Students know and understand Thai and global economic structure, and the importance of major international economic events.
. 2.3 Students know and understand instruments of economic analysis.
. 2.4 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
. 2.5 Students are informed about related fields including sociology, business administration, education, law policy, and science.

3. Intellectual Development
Applicability Learning Goals
. 3.1 Students have developed individual critical thinking.
. 3.2 Students are sufficiently trained in research skills.
. 3.3 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

4. Interpersonal Skills and Responsibilities
Applicability Learning Goals
. 4.1 Students are responsible for assigned tasks and work in groups effectively.
. 4.2 Students have problem-solving skills.
. 4.3 Students show leadership skills and team spirit.
. 4.4 Students are always improving themselves.
. 4.5 Students have good interpersonal skills, adapting and working under different conditions.

5. Quantitative Analysis, Communication and Information Technology
Applicability Learning Goals
. 5.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
. 5.2 Students communicate effectively and select appropriate presentation methods.
. 5.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

Assessment
1. Assignments 20%
2. Midterm Exam 35%
3. Final Exam 45%
100%

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.

Conduct and Manner
Ethics is all above everything, far more valuable than merely subject knowledge. Accordingly, plagiarism and cheating, including any possible plagiarism and cheating, will be subject to penalties as stated in the University Regulations. More importantly, to achieve overall objectives of learning, it is strongly advised that all students of EE435 classes behave in proper manner with socially acceptable and right conduct.
Below is advised code of conduct to be performed in EE435 class. Achieving and maintaining the code of conduct throughout the course will surely be awarded.
1. No mobile phones used. This includes silent mode, message sending, LINE, and all social network communication that would interfere teaching and learning. Should any mobile phone ring, a pop-up closed-book quiz will be given to all students in the group. Score earned from the quiz will be counted toward the course evaluation.

2. Be punctual. Class starts at 08:00 am. Yet it is understood that students may have continuing classes that cause delay. It is acceptable if it is a few minutes late. But unnecessary delay should be avoided. Even if students are on time, they are advised not to leave the room without unnecessary purposes.
3. Behave. Everyone is expected to behave with basic politeness, civility, and respect for others. In particular, talking in class is allowed if it's part of a class discussion. Private communications are not, especially during quizzes. Neither are reading extraneous materials, using electronic equipment/s or sleeping. Other socially acceptable manner should be practiced here. For example, this is a classroom whereby food and drink is not allowed. This is the university whereby students wear proper dress.

Course Outline:
1 : Introduction

3-4 1. Time Series and Stochastic Processes
2. Means Variances and Covariances
3. Fundamental Distributions (Normal, Chi, and F)
4. Stationarity
5. Unit Root and Stationary
6. Correlation and Autocorrelation Functions
7. White noise process
8. Estimation (OLS and MLE)
9. Trends
10.Seasonal Models
Readings CC. Ch 2 , 3.1 T. Ch1, Ch 2.1, 2.2, 2.3, 2.7, 2.8
Univariate Time Series Models

2 : Autoregressive Models

3-4 Autoregressive (AR) Models
Specification
Properties
Estimation
Forecast and Forecast Error
Readings CC. Ch 4 T. Ch 2.4

3 : Moving Average Models

3-4 Moving Average (MA)
Specification
Properties

Estimation
Forecast and Forecast Error
Readings CC. Ch 4 T. Ch 2.5

Volatility Models
4 : Autoregressive Conditional Heteroskedastic Model

3-4 Autoregressive Conditional Heteroskedastic (ARCH) Model
Specification
Properties
Estimation
Forecast and Forecast Error
Readings CC. Ch 12.1 12.2 T. Ch 3.1, 3.2, 3.3, 3.4

5 : Generalized Autoregressive Conditional Heteroskedastic Model

2-3 Generalized Autoregressive Conditional Heteroskedastic (GARCH) Model
Specification
Properties
Estimation
Forecast and Forecast Error
Readings CC. Ch 12.3 T. Ch 3.5

Multivariate Time Series Models
6: Vector Autoregressive Model

4-5 Vector Autoregressive (VAR) Model
Specification
Properties
Estimation
Forecast and Forecast Error
Cointegration and Error Correction Model
Impulse Response Functions
Variance Decomposition
(Extension to VMA)
Readings T. Ch 8.1, 8.2, 8.5, 8.6

EE439 Seminar in Monetary Economics

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

Prerequisites: Having completed at least two 400-level (or the above level) courses in the field of Monetary and Financial Economics.

Course Description:
Seminar and research on specific topics in monetary and financial economics under supervision and guidance of the lecturer.

Course Objectives and Prerequisites:
The main objective of this course is to get students to think critically and research systematically on the current issues in monetary and financial economics, which may include central banking, financial markets, capital flows and exchange rate, and selected topics on financial crises. Students are expected to proactively read on current issues, dynamically participate in class discussion, and conduct your own independent research. The course is designed such that students would apply economic theories and quantitative analyses to real-world questions of modern-day monetary and financial economics. The ultimate goal of the course is to effectively transition students into a role of an active monetary and/or financial economist.

We assume that *students possess the minimum prerequisites* above and that students have strong interest in conducting research in the area of monetary economics. Students should have no trouble with basic econometrics (e.g. multivariable OLS).

Teaching Materials and Resources

1.1 Required textbooks and readings
No textbook required; Reading list will be provided in the first meeting.

1.2 Recommended Readings
Online economist articles including: http://voxeu.org
https://project-syndicate.org
https://www.pier.or.th/

Topics for Discussions

Monetary policy framework and strategy
- **(1)** Should the central bank use monetary policy to deal with financial stability risks?
- **(2)** Average inflation targeting: the Fed's new monetary policy strategy
- **(3)** Does monetary policy have redistributive effects?

Macro dynamics and policy challenges
- **(4)** The flattening of the Phillips curve: causes and consequences
- **(5)** Implications of low for long interest rates on bank profitability and risk-taking
- **(6)** How should the central bank deal with excessive capital inflows and currency appreciation?

Unconventional monetary policy tools
- **(7)** Central bank communication as a policy tool: how effective is forward guidance?
- **(8)** The central bank balance sheet as a policy tool: exploring benefits and costs
- **(9)** Monetary policy responses to COVID-19: emerging market perspectives

Macro-financial linkages
- **(10)** How do business and financial cycles interact?
- **(11)** The roles of financial market imperfections in macroeconomic fluctuations

Financial markets in the midst of COVID-19 pandemic
- **(12)** Disconnect between main street and wall street: stock market reactions
- **(13)** Corporate bond market dysfunction, and policy responses

Future of monetary systems
- **(14)** The rise of cryptocurrencies: implications for the monetary and financial systems?

Others

(15) How do uncertainty impact economic activity?

Teaching Plans

Meeting	Topics
1	Introduction and preliminary discussions
2	Research methods
3	Lecture: "a monetary lifeline: central banks' crisis response"
4	Class cancelled
5	**Proposal Presentation (Session 1)** – Student's presentation of proposal **Proposal Presentation (Session 2)** *Submission deadline for written proposal: Monday, Feb 22*
6	Discussions of selected topics (1)
7	Discussions of selected topics (2)
	No class – Mid-term Examination
8	Discussions of selected topics (3)
9	Discussions of selected topics (4)
10	Class cancelled
11	**First-Result Presentation (Session 1)** – Students presenting preliminary results **First-Result Presentation (Session 2)**
	No Class – Songkran Day Festival
12	Discussions of selected topics (5)
13	Discussions of selected topics (6)
14	Class cancelled
15	**Final Presentation Day (Session 1)** – Students presenting their research **Final Presentation Day (Session 2)**
	Final Research Paper due date *Submission deadline for final paper: Friday, June 4*

Evaluation Methods

Seminar	35%
Leading discussion	20%
(overall understanding / presentation skills)	
Participating in class discussions	15%
Research Paper	65%
Proposal	10%
1st Result Presentation	10%
Final Presentation	15%
(Overall understanding of issue / discussion of methods and results / presentation skills, Q&A)	
Final draft	25%

Class Policies

Seminar and leading the discussions: Class participation is mandatory. Each student must take turn in leading 30-minute class discussions plus 15 minutes Q&A session on the topics of student's interest (see the list of topics above). The leading student is required to read at least 3 academic papers and must understand the theoretical underpinnings of these papers. Moreover, each student will also be assigned to comment ('peer feedback') on other student's presentation.

Research paper: Students are required to independently write a research paper (in English) by employing appropriate econometric tools. The research paper will be graded at three different stages: *on the proposal, on a presentation of first results, and on the final presentation and final draft.* Evaluation of the research paper is based on originality, effort, preparedness, cohesiveness of ideas, and analytical ability. In addition, students' discussion of peers' works during their presentation will count towards their participation score.

By registering for this class, students agree to accept all course requirements, deadlines, and other procedures outlined in this syllabus, and in class discussions. There will be no discussions, pleas, or arguments about these aspects of the administration of the course under any circumstances.

EE442 Economics of Public Revenue

Prerequisites: EE212 (or EE214) and EE311

Course Description
The course analyses the structure and composition of government (national and local) revenue, through analysis of tax burden and incidence, and tax effects upon efficiency and equity. The course looks at the empirical effects of tax policies on the economy as a whole, and various individual behaviors such as decisions about work and leisure, tax avoidance and evasion, investment, savings and consumption. The analysis also includes the effects of deficit finance and fiscal decentralization (local revenue, grants and local debt). The application of these tools to selected contemporary topics (social security, healthcare and education financing). Additionally, the class will explore the politics and economics of tax reforms.

Course Objectives
- Students can analyze the revenue structures of both central and local governments
- Students learn to understand the theory of taxation, tax incidence and tax burden shifting.
- Students learn to understand the effects of taxation on resource allocation, efficiency and redistribution.
- Students learn to understand the effects of public debt and tax reform.

Teaching Materials and Resources
1. Required textbooks and readings
1. Rosen, H. and Gayer, T. (2010). Public Finance. (9th ed.). Boston, MA: McGraw-Hill/Higher-Education. [Call number: HJ257.2. R63 2010]
2. Stiglitz, J. (2015). Economics of the Public Sector. (4th ed.). New York: W.W. Norton & Company. [Call number: FIN HJ 2015 665065]
3. Gruber, J. (2016). Public Finance and Public Policy. (5th ed.). New York: Worth Publishers. [Call number: HJ141. G78 2016]
4. Shome, Parthasarathi. Ed. (1995). Tax Policy Handbook. Washington D.C.: International Monetary Fund. [Call number: HJ2305. T38]

2. Recommended reading lists
1. Vito Tanzi, and Howell H. Zee, Tax Policy for Emerging Market: Developing Countries, IMF Working Paper, March 2000.
2. Roy Bahl, and Richard Bird, Tax Policy in Developing Countries: looking Back and Forward, Working Paper Series, Joseph L. Rotman, School of Management, University of Toronto, May 2008.
3. Alan J. Auerbach, and James R. Hines Jr., Taxation and Economic Efficiency, NBER, February 2001.
4. Richard Bird, and Eric M. Zolt, Introduction to Tax Policy Design and Development, World Bank, May 2003.
5. Varunyuwattana, Sakon and Duangmanee Laovakul. (2010). “Progress of Fiscal Decentralization in Thailand,” in *Impacts & Challenges of Decentralization Policy towards Democratization and Development (A Comparative Perspective between Thailand and Indonesia)*, Proceeding in International Joint Seminar, Yogyakarta, Indonesia: Laboratory of Governmental Studies, University of Muhammadiyah.
6. Laovakul, Duangmanee. (2016). “Property Tax in Thailand: An Assessment and Policy Implications.” *Thammasat Review of Economic and Social Policy*. Vol. 2, No.1, January-June 2016, p.24-53.
7. Laovakul, Duangmanee. (2019). Fiscal Decentralization and Governance in Thailand. In Junghun, K., and Sean, D. (Eds.), Fiscal Decentralisation and Inclusive Growth in Asia. (p.209-234). OECD Fiscal Federalism Studies. OECD Publishing, Paris. DOI: https://doi.org/10.1787/25cf7545-en.

Teaching Plans Date	Topic	Reading Lists
Jan 21, 2021	Topic 1 Public Economics and the Role of Public Sector in the Economy	Stiglitz, chapter 1-2 Rosen and Gayer, chapter 1
Jan 26, 2021	Topic 1 (continued)	
Jan 28, 2021	Topic 2 Tools of Positive and Normative Analysis	Rosen and Gayer, chapter 2-3
Feb 2, 2021	Topic 3 Introduction to Taxation	Stiglitz, chapter 17 Shome, chapter 1 and 3-4
Feb 4, 2021	Topic 4 Thailand Revenue Structure	Powerpoint
Feb 9, 2021	Topic 5 Tax Incidence	Rosen and Gayer, chapter 14 Stiglitz, chapter 18 and 23, p. 713-726 Shome, chapter 2, p. 35-45
Feb 11, 2021	Topic 5 (continued)	

Evaluation Methods

1) Short Paper 10%
2) Term Paper 20%
3) Midterm Exam 30%
4) Final Exam 40%

EE451 International Trade Theory and Policy

Course Description:

Prerequisite EE311

Study on international trade and specialisation based on the principles of comparative cost, relative factor endowment, market structure, and returns to factor. Also covered are international trade policies and measures, international economic integration, theory and policy of international investment, international trade an economic development. An examination of problems, policies and strategies on international trade of developing countries and Thailand.

Evaluation:

Quiz	10%
Group work	10%
Term Paper	10%
Midterm Exam	30%
Final Exam	40%

Readings:

(AF) Appleyard, D.R. and A.J. Field, Jr. (2017) *International Economics*. 9th ed. McGraw-Hill: Singapore.

World Trade Organization. World Trade Statistics Review 2018
https://www.wto.org/english/res_e/statis_e/wts2018_e/wts2018_e.pdf

COURSE OUTLINE

1. Introduction — 14 Aug
   1.1. What is international trade about?
   1.2. General figures of world trade
   Read: AF ch. 1,

2. Explanations of Trade: Classical Theory — 19, 21 Aug
   2.1. Mercantilism
   2.2. Adam Smith's Absolute Advantage
   2.3. David Ricardo's Comparative Advantage
      (a) Assumptions
      (b) Production Possibility Frontiers
      (c) Gains from Trade
   2.4. Measuring trade advantage: The Balassa Index
   2.5. Extensions and Tests of the Classical Trade Model
   Read: AF ch. 2-4

3. Neoclassical Trade Theory — 26, 28 Aug, 2 Sept

3.1. Basic Tools
   (a) The Theory of Consumer Behaviour
   (b) The Production Theory
   (c) The Edgeworth Box Diagram and The Production Possibility Frontier
3.2. Gains from Trade in Neoclassical Theory
   (a) Autarky Equilibrium
   (b) Production and Consumption Gains from Trade
   (c) Some Important Assumptions
3.3. Offer Curves and Terms of Trade
Read: AF ch. 5-7

4. Factor Endowments and the Heckscher-Ohlin Model — 4, 9, 10, 16, 18 Sept
   4.1. Assumptions
   4.2. Factor Abundance
   4.3. Commodity Factor Intensity
   4.4. The Heckscher-Olin Theorem
   4.5. The Factor Price Equalization Theorem
   4.6. Specific-Factors Model
   4.7. Empirical Tests of the Heckscher-Olin Theorem
      (a) The Leontief Paradox
      (b) Suggested Explanations for The Leontief Paradox
   Read: AF ch. 8-9

5. Economic Growth and International Trade — 23, 25 Sept, M*
   5.1. Classifying the Trade Effects of Economic Growth
   5.2. Sources of Growth and the Production-Possibilities Frontier
   5.3. Factor Growth, Trade and Welfare
      (a) The Small-Country Case and the Rybczynski Theorem
      (b) The Large-Country Case
   Read: AF ch. 11

6. International Factor Movement — 7, 9 Oct
   6.1. Capital Movement
   6.2. Labour Movement
   Read: AF ch. 12

7. Alternative Theories and Intra-Industry Trade — 14, 16, 21 Oct
   7.1. Intra-Industry Trade
   7.2. The Imitation Lag Hypothesis and The Product Cycle Theory
   7.3. The Linder Theory
   7.4. The Kemp Model and External Economies of Scale
   7.5. The Krugman Model and Internal Economies of Scale with Monopolistic Competition
   Read: AF ch. 10

8. Trade Policy — 28, 30 Oct, 4, 6 Nov
   8.1. Import Tariffs
      (a) Measurement of Tariffs and Effective rate of protection
      (b) The impact of an import tariff
      (c) Stolper-Samuelson Theorem and distribution of income
      (d) The large country case
   8.2. Production Subsidy
   8.3. Export Taxes and Subsidies
   8.4. Nontariff Bariers
      (a) Import quotas

(b) Voluntary export restraint

8.5. Arguments for Protection

Read: AF ch. 13-16

9. Economic Integration — 11, 13, 18, 20 Nov

9.1. Types of Economic Integration

9.2. The Static Effects

(a) Trade Creation and Trade Diversion

(b) The Second Best Theory

9.3. The Dynamic Effect

Read: AF ch. 17

10. Current Issues in International Trade — 25, 27 Nov

10.1. Trade Institutions: WTO

10.2. Thailand and ASEAN

10.3. Other current issues

Read: AF ch. 18

EE452 International Monetary Economics

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

Prerequisites EE312

Course Description:
This course provides fundamental basis for understanding international financial economics and its application to the realworld analysis. Major topics include the balance of payments and its adjustment mechanism; foreign exchange markets; exchange rate determinations, aggregate demand and aggregate supply, price levels and output and exchange rates in the short-run and the long-run; international capital flows; evolution of international monetary system; international monetary problems and financial crises encountered by developing countries, Thailand and the rest of the world. In addition, other special topics such as the roles of the central bank, current financial crises and up-to-date international macroeconomic issues will also be discussed.
Students are strongly encouraged to make use of modern-day internet facilities to enhance their analytical skills.

Course Objectives:
The course aims at laying down the basic concepts of international monetary economics so that students can understand and analyze the complexities of worldwide international finance and economic issues. It first portrays the components of the balance of payments and then goes on to explain the how it is interconnected with rest of the economy. There will be theoretical applications to the real-world scenarios for all topics.

Main Textbook:
Krugman, Paul. R, Maurice Obstfeld and Marc J. Melitz. *International economics: Theory & Policy*. 11th edition. Essex: Pearson Education Limited, 2015.
Pugel, T. A. (2012). *International Economics.* 15th Edition, New York: McGraw-Hill (Alternatively: Pugel, T. A (2016). *International Economics*. 16th Edition, New York: McGraw-Hill or newer edition)
Daniels, J. P. and D. D. Van Hoose (2014). *International Monetary and Financial Economics.*
New Jersey: Pearson Education
Feenstra, R. and A. Taylor (2008). *International Economics.* 1st Edition, New York: Worth
Publishers

Method of Instruction: Class activities include lectures, discussions and presentations. Students are expected to read before the class, work on group presentations, and participate in class discussions.

Evaluation:

Mid-term exam	30%
Final Exam	30%
Group Report/Presentation	20%
Individual assignment/Class Attendence/Homework	20%
Total	100%

Grading

Grading will be based on each student's total scores as well as relative scores within the class. The minimum score to pass the course is 40 (out of 100) whereas grade A will be given to students who obtain a score of at least 85 (out of 100).

Grade	A	85 and over
	B+	
	B	Based on the distribution of students' scores
	C+	
	D+	
	D	
	F	less than 40

Class Schedule

Week	Date	Topic
1		Introduction
2		National Income Accounting and the Balance of Payments - National Income - Saving and current account - Balance of Payments
3		Exchange rate and Foreign Exchange Market - Appreciation / Depreciation - Foreign Exchange Market
4		Exchange rate and Foreign Exchange Market - Spot rate /Forward rate - Arbitage
5		Exchange Rate Determination
6		Exchange Rate Determination (cont'd)
7		Interest Parity Condition

Mid Term Examination		
8		Guest speaker
9		Guest speaker
10		Macro economy, Internal Balance and External Balance under Fixed Exchange Regime
11		Macro economy, Internal Balance and External Balance under Fixed Exchange Regime
12		Floating Exchange Rates and Internal Balance
13		Group Presentation
14		Group Presentation
15		Group Presentation
Final Examination		

EE459 Seminar in International Trade Theory and Policy

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

Course Descriptions

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: EE451 and EE452

Objectives

This seminar course examines current issues in international economics. The goal of the course is to enhance students' research capability via the application of economic theories to real-world problems. It is expected that students will systematically employ quantitative methods to investigate current topics in international economics. Solid theoretical underpinning and research skills would help students in the future.

(A) Seminar on International Economics: Modus Operandi

There are three major components in this seminar course.

(1) Students will be assigned to discuss news articles on current international trade issues reported in journals and newspapers. Students should be aware of the theoretical framework employed in their analysis.

(2) Each student will be assigned a role of a discussant of their peers' presentation of work progress. The revolving door process continues until everyone comes up with a sensible research proposal, investigating the research question, and successfully presenting the first draft of the research finding.

(3) Each student is expected to learn from other seminar participants. Hence no one should miss a single class.

(B) Research paper

Each student is required to write a research paper by employing an appropriate method of economic investigation. Each article will be reviewed by a designated discussant. Each student will present a research proposal by February, a progress report containing empirical study by March, and the final presentation in mid-April. The final draft of the paper is due in early May. Evaluation of the article is mainly based on originality, effort, and analytical ability. The final draft must be submitted by May 15, 2020.

Grading

1.	**Seminar Participation**	**30%**
	News Analysis	15
	Discussant	15
2.	**Research Paper**	**70%**
	Proposal	10
	Progress report 1	10
	Progress report 2	10
	Final draft	40

Dress Code: Dress Respectfully

Suggested Readings:

"Commodity prices cycles, the agricultural trap, and Thailand's incessant subsidies" ***Asian Economic Papers*** 18(1), 2019.

"The Rise and Fall of Thailand's Export-Oriented Industries." ***Asian Economic Papers*** 16.3): 128-150. 2017

"The impacts of the US-China trade war" ***Asian Economic Papers, 2019***

"The ASEAN business cycle and China's slowdown" The ***Philippine Review of Economics***, Vol. LII (2) 203-221. 2015.

Nidhiprabha (2019) ***Macroeconomic Policy for Emerging Economies: Lessons from Thailand*** Routledge: London and New York, Chapter 7: ***Exchange rate policy***

Websites

Aside from the economics faculty's abundant sources of data, various sites provide useful information, news development, analysis, and statistical data.

Mundiindex

FRED (Federal Reserve Economic Data)
EconTrends
http://aric.adb.org (Asian Regional Integration Center)
http://asianbondsonline.adb.org,
http://trade.gov/index.asp,
http://ita.doc.gov
http://faostat.fao.org
http://epp.eurostat.ec.europa.eu/porta
http://www.moc.go.th
http://www.bot.or.th
http://www.trademap.org
http://www.intracen.org

Suggested Research Topics

Students may choose any topic from the following areas or develop topics from news analysis assignments.

1. Trade barriers and the business cycle
2. Issues in agricultural trade
3. Oil price fluctuations and trade impacts
4. Impacts of trade wars
5. The Fed, ECB, and the BoT
6. China, India, and the world trade
7. Trade and income distribution
8. East Asian financial integration
9. FDI and trade fragmentation
10. Service sector and the tourism industry

EE 461 Development Microeconomics

Number of credits: 3 credits

Prerequisites EE311

Course Description

Concepts and measurements of poverty and inequality. The theories of justice for analyzing public policies related to these issues. Microeconomic theories related to household decisions and behaviors, as well as market failures in developing countries. Public policies on development issues such as health; education; population; workforce allocation of households in agriculture and non-agriculture sectors, as well as formal and informal sectors; migration; entrepreneurship of the households; households' financial and risk management tools; microfinance; innovations and other interesting issues related to poverty reduction, etc.

Course Objectives:

Since this course covers many topics in development microeconomics in theories and empirical studies, it requires some background knowledge in microeconomics, some concepts of macroeconomics, and econometrics. Besides textbooks, students will have to read articles from journals, present their research project, and review current issues and articles to develop their skills in analysis, presentation, and criticizing in development economics. Students are also encouraged to participate in discussion and questioning in class, as well as try to keep updating current studies in development economics.

Recommended Textbooks and Readings:

In this course, we use both textbooks and papers as our reading materials. The main textbooks are also available at Puey Ungphakorn Library.

1. Ray, Debraj. (1998). Development Economics, Princeton University Press.
2. [MR] Meier, Gerald M., and Rauch, James E. (2005). Leading Issues in Economic Development, 8th Edition, Oxford University Press.
3. Todaro, Michael P., and Smith, Stephen C. (2012). Economic Development, 11th Edition.
4. Deaton, Angus. (1997). The Analysis of Household Surveys: A Microeconometric Approach to Development Policy, The Johns Hopkins University Press. [You can download The World Bank published version here: http://documents.worldbank.org/curated/en/1997/07/694690/analysis-household-surveys-microeconometric-approach-development-policy]

Here is the list of papers/articles that we use as a reference in our topics covered in this course (in topic order):

Banerjee, Abhijit V. and Duflo, Esther. (2007) "The economic lives of the poor." *Journal of Economic Perspectives*, 21(1): 141–167.

Duflo (2003) "Poor but rational?"

Mullainathan, Sandhil and Eldar Shafir. (2013) *Scarcity: Why Having Too Little Means So Much*, Times Books.

Michael R. Carter & Christopher B. Barrett (2006) The economics of poverty traps and persistent poverty: An asset-based approach, The Journal of Development Studies, 42:2, 178-199, DOI: 10.1080/00220380500405261

Duflo, Esther. (2001) “Schooling and labor market consequences of school construction in Indonesia: Evidence from an unusual policy experiment.” *The American Economic Review*, 91(4): 795–813.

Psacharopoulos, G. and Patrinos, Harry A. (2004) “Returns to investment in education: a further update.” *Education Economics*, 12(2): 111–134.

Strauss, J. and D. Thomas (1998). "Health, nutrition and economic development." *Journal of Economic Literature* 36(2): 766-817.

ADB. Asian Development Outlook (2015) “Enabling women, energizing Asia”

Timmer, P. (2009) *A world without agriculture: the structural transformation in historical perspective.* The AEI Press, Washington, D.C.

Besley, T. J. (1995) “Savings, credit and insurance.” *Handbook of Development Economics Volume 3A*. J. Behrman and T. Srinivasan. Amsterdam, Elsevier Science.

Karlan, Dean and A. L. Ratan (2014) “Saving by and for the poor: a research review and agenda” *Review of Income and Wealth* 60(1): 36–78.

Paxson, Christina H. (1992) “Using weather variability to estimate the response of savings to transitory income in Thailand”, *The American Economic Review*, 82(1): 15–33.

Townsend, R. M. (1995) "Financial systems in Northern Thai villages." *Quarterly Journal of Economics* 110(4): 1011-1046.

Jonathan Morduch. (1999) “The microfinance promise.” *Journal of Economic Literature*, 37(4): 1569–1614.

J-PAL and IPA Policy Bulletin. 2015. “Where Credit is Due.” Cambridge, MA: Abdul Latif Jameel Poverty Action Lab and Innovations for Poverty Action.

Djankov, S., Qian, Y., Roland, G., and Zhuravskaya, E. (2006) “Who Are China’s Entrepreneurs?”, *The American Economic Review*, 96(2): 348-352.

Schoar, Antoinette. (2010) “The Divide between Subsistence and Transformational Entrepreneurship”, NBER Innovation Policy and the Economy.

Poapongsakorn, Nipon. (1994) “Transformations in the Thai Rural Labor Market”, *Development or Deterioration? Work in Rural Asia*, Chapter 6. Edited by Bruce Koppel, John Hawkins and William Jams.

Lathapipat, Dilaka and Thitima Chucherd (2013) “Labor market functioning and Thailand’s competitiveness” BOT Symposium 2013.

Shleifer, A. and Vishny, Robert W. (1993) “Corruption.” *The Quarterly Journal of Economics*, 108(3): 599–617.

Olken, Benjamin A. (2007) “Monitoring corruption: Evidence from a field experiment in Indonesia”, *Journal of Political Economy*, 115(2): 200–249.

Reardon, Thomas and Vosti, Stephen A. (1995) “Links Between Rural Poverty and the Environment in Developing Countries: Asset Categories and Investment Poverty”, *World Development* 23(9): 1495-1506.

Hallegatte, S. et al. (2016) “Shock Waves: Managing the impacts of Climate Change on Poverty”, International Bank for Reconstruction and Development / The World Bank.

Additional Readings:

Banerjee, A. and Duflo, E. *Good Economics for Hard Times: Better Answers to Our Biggest Problems*. United States: PublicAffairs. November 12, 2019. ISBN 978-1-61039-950-0

Sen, Amartya, 1999. Development As Freedom. New York :Anchor Books.

** The reading list might be updated during the semester. Students should check on Moodle before the class each week. If there is additional reading, it will also be posted on Moodle. Students are responsible to review the topic ahead of the class for more effective learning.

- Note : interesting blogs
  - http://blogs.worldbank.org/ (There are many blogs under the World Bank blogs)
  - http://blogs.adb.org/
  - http://chrisblattman.com/

Evaluation: (To be discussed)

Midterm Exam: 25%

Final Exam: 50%

Term paper: 25%

Teaching Plan:

Date	Topics
Week 1	**1. Economic Development: Overview & Data Basic** * Ray Ch. 2 & Appendix 2 * World Bank database
Week 2-3	**2. Poverty** - Conceptual issues and poverty measures - The economic lives of the poor - Poverty and scarcity: a behavioral approach - Poor but rational - Poverty Trap * Ray Ch 8.2, 8.3 * Banerjee & Duflo (2007) * Mullainathan & Eldar (2013) * Duflo (2003)

Week 4-5	**3. Economic Inequality and Income Distribution** - Measurement of income inequality - The U hypothesis relating income inequality and economic development - Inequality, savings, income, and growth - Inequality, capital markets, and development * MR Ch. 8, p.433-455 * Ray Ch 7.2.2, 7.2.4, 7.2.8, 7.2.9
Week 6	**4.1 Human Capital: Education** - The contribution of education to economic growth - Economic impact of education - Interpreting recent research on schooling in developing countries * MR IV.A.1-4 * Duflo (2001) * Psacharopoulos and Patrinos (2004)
Week 7	**4.2 Human Capital: Health** - Health: impact of poor health on development * Ray Ch 8.4.2 (Poverty, nutrition, and labor markets), Ch 13.4.2 (Nutrition, time, and causal labor markets), Ch 13.4.3 (A model of nutrition status) * Strauss and Thomas (1998) **4.3 Human Capital: Population** - Economic approaches to population growth * MR IV.C.1 **4.4 Human Capital: Gender and Development** - Gender inequality at the start of the 21st century * MR IV.D.1 * ADB 2015: Ch. 2
Week 8	**Midterm Exam** on Thursday, March 5: 12.00 – 14.00
Week 9	**5. Agriculture** - Overview of agriculture in a modern world - Rural-urban interaction - A World without agriculture - Markets in Agriculture * MR VII.A * Ray Ch10.2, 10.3, Ch.11 * Timmer Ch.1-2
Week 10-14 **Apr 6: Chakri Memorial Day* ** Apr 11 - 17:*	**6. Consumption Smoothing, Savings, Credit and Insurance** - Consumption smoothing - Saving behavior and permanent income hypothesis - Rural credit markets - Formal credit and insurance rationing - Rural household's risk management

Songkran Holidays	* Deaton Ch. 6 * Ray Ch 14.1-14.3 * Karlan & Ratan (2014) * Townsend (1995)

Week 15	**7. Firm and Labor** - Entrepreneur's characteristics in developing countries - Bottlenecks for entrepreneurship in developing countries - Transformations in the Thai rural labor market * Djankov et al. (2006) * Schoar (2009) * Poapongsakorn (1994)
Week 16	**8. Political Economy and Corruption** - Rent seeking and government failure - Corruption and monitoring * Shleifer & Vishny (1993) * Olken (2007) * MR IX.B p.502-509
Week 17	**9. Natural Resources, Environment, and Development** - Poverty and environment - Climate change and the poor * Reardon & Vosti (1995) * Hallegatte et al. (2016)
May 20	**Final Exam** 9:00-12:00

Expected Learning Outcomes:

1. Morality and Ethics

Applicability	Expected Learning Outcomes
●	5.1 Students demonstrate integrity.
●	5.2 Students prioritize social and public benefits over personal ones.

●	5.3 Students are punctual and comply with the code of conduct of the institution and society at large.
●	5.4 Students are responsible and accountable to society, the nation, and the subject of economics.
○	5.5 Students realize the cultural and environmental value of the sustenainable society.

2. Knowledge

Applicability	Expected Learning Outcomes
●	2.51 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.52 Students know and understand Thai and global economic structure, and the importance of major international economic events.
○	2.53 Students know and understand instruments of economic analysis.
●	2.54 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
●	2.55 Students are informed about related fields including sociology, business administration, education, law policy, and science.

3. Intellectual Development

Applicability	Expected Learning Outcomes
●	3.31 Students have developed individual critical thinking.
●	3.32 Students are sufficiently trained in research skills.
●	3.33 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

4. Interpersonal Skills and Responsibilities

Applicability	Expected Learning Outcomes

●	24.1 Students are responsible for assigned tasks and work in groups effectively.
●	24.2 Students have problem-solving skills.
○	24.3 Students show leadership skills and team spirit.
●	24.4 Students are always improving themselves.
○	24.5 Students have good interpersonal skills, adapting and working under different conditions.

5. Quantitative Analysis, Communication and Information Technology

Applicability	Expected Learning Outcomes
○	35.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
○	35.2 Students communicate effectively and select appropriate presentation methods.
○	35.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

EE463 Globalization and International Development

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

Course Description

This course discusses concepts and development of globalization in the context of post-World War II and the formation of the New International Economic Order. As countries move along their development trajectories, activities and linkages intensify, spurring complex interrelationships and interdependencies, thereby leading to a globalized world. These processes create not only new opportunities but challenges as well. The objective of this course, therefore is to understand the relationship between economic development and globalization along with the processes, issues and challenges that arise.

The course will be divided in three sections. The first section will provide an overview of economic development theories, how globalization and international economic development are linked together and compare economic development trends across low-, middle- and high-income countries. Thereafter it will look at the role of the state, market and civil society in economic development and how international organizations and cooperation agencies interact with domestic institutions in determining the economic outcome. It will further look at demographic trends and discusses poverty and inequality and their causes. The second section will highlight issues in various key development sectors such as agriculture; education and health; urban and rural development; trade; as well as cross-cutting areas such as environment, governance, trade and gender. The roles of international development organizations e.g. the United Nations, World Bank, International Monetary Fund (IMF), in bridging the divide between the “north” and “south” through official development assistance (ODA) along with patterns, factors of success and failures of past international development projects will also be discussed, using basic techniques for program and project evaluation. In the third section, students will form groups to discuss development issues learned in class and discuss these in detail, which will be presented towards the end of the course.

Class Policy and Expectations

Following the most recent Thammasat University announcements (issued on 4 January 2021) and Faculty of Economics remote learning guidelines (issued on 7 January 2021), all BE classes for semester 2/2020 will be conducted by remote learning. Google Hangout will be used as the online meeting platform. At the beginning of each class, some time will be spent using the lecture format highlighting the key issues, but students will spend the rest of the time of the time engaging in discussions that support or confront the materials extracted from the required reading, for which students are expected to read ahead and be prepared. For any further clarifications and/or queries, students may either e-mail or set up an appointment with the lecturer.

Evaluation

The final grade will not rest on one or two activities, but rather, on how many points will be accumulated throughout the semester. Course requirements include participation (including virtual attendance), midterm and final exams and a group presentation. Late submission of assignments/exam: up to 30 minutes a penalty of 10%, up to 60 minutes a penalty of 25%. A 5% bonus will be rewarded to students who can provide a copy of a recent article (e.g., journal, magazine, editorial) relevant to a course topic with a brief one-page explanation of: (i) the main ideas, (ii) how the article relates to the course, and (ii) a critique on the merits and shortcomings of the article. The weights assigned to these activities are as follows:

- Participation and quizzes 10%
- Group presentation 15%
- Midterm exam 30%
- Final exam 45%

EE469 Seminar in Development Economics &
EE479 Seminar in Natural Resources and Environmental Economics

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

Prerequisites EE469: Having completed at least two 400-level (or the above level) courses in Development Economics, excluding EE460 and EE468.

Prerequisites EE479: Having completed at least two 400-level (two courses from EE475-478) (or the above level) courses in Natural Resource Economics, and Environmental Economics

Seminar and research on topics in development economics with the lecturer's supervision. The topics covered in this course can be divided into two parts. The first part is related to the understanding of contemporary issues related economic development. The second part is based on students' research interests; of which, students will get hands-on experience on conducting research under the lecturer's supervision.

Learning Objectives:
1) To promote better understanding of contemporary issues in development economics;
2) To equip students with analytical framework and research skills required for deeper understanding of the dynamism economic development;
3) To provide opportunities for students to conduct research on current development issues of interest under lecturer's supervision.

Recommended Books on Writing:
There is no required text for this class, but the following books are recommended.
- McClosky, D.N. 2000. *Economical Writing*.
- Thomson, W. 2001. *A Guide for the Young Economist: Writing and Speaking Effectively about Economics*. [H62 .T52, SOC H 2011 640694]

Suggested Textbooks on Development Economics:
- Perkin, D. H., Radelet, S., Lindauer, D. L., & Block, S. A. *Economics of Development*. Any Edition. [ECON HC 2013 634323, HC59.7 .E335 (2006, 2001)]
- Todaro, M., & Smith, S. (2011). *Economic Development*. Any Edition. [HD82 .T598 (2009, 2006, 2000, 1997, 1994)]
- Ray, Debraj. (1998). *Development Economics*. [HD75 .R39]
- Handbook of Development Economics. (5 volumes.)

Data/Information Sources:
Websites/Blogs
- World Bank http://www.worldbank.org/
- World Bank Blog http://blogs.worldbank.org/ http://blogs.worldbank.org/impactevaluations/
- International Monetary Fund http://www.imf.org/
- Center for Global Development http://www.cgdev.org/
- Center for Economic Policy Research http://www.cepr.net/
- Peterson Institute for International Economics http://www.iie.com/
- Asian Development Bank www.adb.org
- World Trade Organization www.wto.org
- •National Bureau of Economic Research http://www.nber.org/

Data and Reports
- World Development Indicators http://data.worldbank.org/data-catalog/world-development-indicators

- World Development Reports
- World Factbook https://www.cia.gov/library/publications/the-world-factbook/
- International Financial Statistics http://elibrary-data.imf.org/finddatareports.aspx?d=33061&e=169393
- Penn World Tables http://www.ggdc.net/pwt

Week	Topic and Activity
1	- Introduction - Course overview
2	- Research methodology - Literature review and references
3	- Data sources - Library sources and reference style - Submit 1-2 tentative research topics by email
4	- Present and discuss on assigned journal articles - Submit "search results" (with abstract) of at least 10 papers by email
5	- Students present main reference papers (referee reports) and exchange ideas - Submit research topic and referee reports
6	- Writing a research proposal
7	- Submit and present research proposal - Critique each other's work and exchange ideas - Submit comments on colleague's proposal by email
8	
9	- Discuss research idea with instructor
10	- Submit and present progress report I - Critique and exchange ideas - Submit comments on colleague's progress by email
11	- Discuss research idea with instructor
12	- Follow up with research progress - Discuss research idea with instructor
13	- Submit and present progress report II - Critique and exchange ideas - Submit comments on colleague's progress by email
14	- Follow up with research progress - Discuss research idea with instructor
15	- Students submit and present draft final report - Critique and exchange ideas
16	Submit final report after revision

Note: The class schedule shown above may be adjusted during the semester as needed. Lecture video clips and related materials will be posted on BE-moodle.

Assessment:

Referee Report 20 %

Presentations and Class Participation 20 %

Research Paper 60 %

Research Proposal 10%

Progress Report I 10%

Progress Report II	10%
Draft Final Report	10%
Final Report	20%

Referee Report
Students are asked to write a referee report, which is a summary and critique of a journal article of their own choosing (under the instructor's guidance). This article should be used as the main reference for the research paper. The referee report should be 1.5-space with 12 font size, and it should not exceed 2 pages (excluding reference page).

Presentations and Class Participation
Students will present their assigned articles, referee reports, research proposals, progress reports, and draft final reports to class. Other students are encouraged to ask questions and provide constructive comments to the presenter.
For selected articles, students are required to read the assigned readings before coming to class, discuss the readings, and contribute useful comments.

Research Paper
Research paper will be assessed based on five components.
1. Research Proposal: Topic, statement of problem, objective, literature review, data, and methodology

2. Progress Report I = Research Proposal (revised) + Descriptive Statistics

3. Progress Report II = Progress Report I (revised) + Preliminary Results

4. Draft Final Report = Progress Report II (revised) + Conclusion & Discussion

5. Final Report = Draft Final Report (revised)

For each component of the research paper, students are required to submit their draft to the instructor and their assigned discussant 2 days prior to their presentations in class. Failing to do so may result in some partial score deductions.

EE474 Health Economics

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

Prerequisites: EE311 or EE312

Course Description

Economic thought about health and health care services. Supply of and demand for health care. Market failure in the health care market and government intervention. Health insurance, fiscal policy on public health, factors of health service production, and efficiency and equality in the health care system. Evaluation of health care projects, asymmetric information in health insurance, health economics at the Macro level. Health service system reform in Thailand and abroad

Course Objectives

1. To give students an understanding of essential concepts and theories in health economics, as well as their applications to current health economics issues.
2. To provide students with economic tools in analyzing health economics problems.
3. To acquaint students with the literature in health economics, and to develop their critical thinking skill.

Required Textbooks:

Folland, S., Goodman, A. C., and Stano, M. (2012). *The Economics of Health and Health Care*, Seventh Edition. Pearson. [FGS]

Complementary Textbooks:

Phelps, C. (2010). *Health Economics*, Fourth Edition. Pearson.

Santerre, R.E., and Neun, S. P. (2007). *Health Economics: Theories, Insights, and Industry Studies*, Fourth Edition. Thompson. [S&N]

Papers as specified in the reading references for each topic.

Expected Learning Outcomes:

Morality and Ethics

Applicability	Learning Goals
●	5.6 Students demonstrate integrity.
●	5.7 Students prioritize social and public benefits over personal ones.
●	5.8 Students are punctual and comply with the code of conduct of the institution and society at large.
○	5.9 Students are responsible and accountable to society, the nation, and the subject of economics.
○	5.10 Students realize the cultural and environmental value of the sustainable society.

Knowledge

Applicability	Learning Goals
●	2.56 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.57 Students know and understand Thai and global economic structure, and the importance of major international economic events.
○	2.58 Students know and understand instruments of economic analysis.
●	2.59 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
●	2.60 Students are informed about related fields including sociology, business administration, education, law policy, and science.

Intellectual Development

Applicability	Learning Goals
●	3.34 Students have developed individual critical thinking.
●	3.35 Students are sufficiently trained in research skills.
●	3.36 Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

Interpersonal Skills and Responsibilities

Applicability	Learning Goals
●	26.1 Students are responsible for assigned tasks and work in groups effectively.
●	26.2 Students have problem-solving skills.
●	26.3 Students show leadership skills and team spirit.
●	26.4 Students are always improving themselves.
●	26.5 Students have good interpersonal skills, adapting and working under different conditions.

Quantitative Analysis, Communication and Information Technology

Applicability	Learning Goals
●	38.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
●	38.2 Students communicate effectively and select appropriate presentation methods.
●	38.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

Teaching Plans

Week	Topics and Readings (*=Required)
1	Course Introduction and Overview of Health Economics *FGS, Chapter 1 Phelps, Chapter 1, p.1-15 S&N, Chapter 1
2	Production of Health *FGS, Chapters 5 *Fuchs, V. R. (1974). "Who Shall Live?" Chapter 2 in Who Shall Live? New York: Basic Books, pp. 30-55. Phelps, Chapter 1, p.15-27 S&N, Chapter 2, p.42-60
3	Demand for Health Capital *FGS, Chapter 7 *Grossman, M. (1972). "On the Concept of Health Capital and the Demand for Health." *Journal of Political Economy* vol. 80, pp. 223-255. *Wagstaff, A. (1986). "The Demand for Health: Theory and Applications." *Journal of Epidemiology and Community Health,* vol. 40(1), pp. 1-11.
4	Demand for Health Care *FGS, Chapter 9 Phelps, Chapters 4-5 *Manning, W. G., et al. (1987). "Health Insurance and the Demand for Medical Care: Evidence from a Randomized Experiment." *American Economic Review*, vol. 77(3), pp. 251-277.

Week	Topics and Readings (*=Required)
5	Supply of Health Care *FGS, Chapter 6 S&N, Chapter 7 *Cutler and McClellan (2001) “Is Technological Change in Medicine Worth It?” *Health Affairs*, 20(5):11-29. Weisbrod (1991) “The Health Care Quadrilemma: An Essay on Technological Change, Insurance, Quality of Care, and Cost Containment” *Journal of Economic Literature* 29(2): 523-552. Newhouse (1992) “Medical Care Costs: How Much Welfare Loss?” *Journal of Economic Perspectives* 6(3): 3-21.
6	Demand and Supply of Health Insurance *FGS, Chapter 8 Phelps, Chapter 10 S&N, Chapter 6 Pauly, M. (1968). "The Economics of Moral Hazard: Comment." *American Economic Review,* vol. 58, pp. 531-537. *Nyman, John A. (1999). “The Value of Health Insurance: The Access Motive.” *Journal of Health Economics*, Vol. 18(2), pp. 141-152. * Levy and Meltzer (2004). “What Do We Really Know About Whether Health Insurance Affects Health?” *Health Policy and the Uninsured,* pp/ 179-204.
7	Asymmetric Information in Health Care *FGS, Chapter 10
	-----Mid-Term Examination------
8-9	Factors of Health Service Production: Hospitals, Physician’s Practice, Health Care Labor Markets, Pharmaceutical Industry *FGS, Chapter 13, 15, 16, 17 Phelps, Chapter 8 *Newhouse, J.P. (1970). "Toward a Theory of Non-Profit Institutions: An Economic Model of a Hospital." *American Economic Review*, Vol. 60(1), pp. 64-74. *Lakdawalla and Phillipson (2006). "The Nonprofit Sector and Industry Performance." *Journal of Public Economics*, Vol. 90, pp. 1681-1698.
10	Efficiency and Equity in Health Care Market *FGS, Chapter 18 Wagstaff, A. (1991). QALYs and the equity-efficiency trade-off. Journal of Health Economics, 10(1), 21-41.
11	Market Failure and Government Intervention in Health Care Market *FGS, Chapter 19 Phelps, Chapter 15 S&N, Chapter 9 * Becker, G. S., Grossman, M., & Murphy, K. M. (1994). An Empirical Analysis of Cigarette Addiction. *The American Economic Review*, 396-418. Arrow, Kenneth. (1963). “Uncertainty and the Welfare Economics of Medical Care.” *American Economic Review*, Vol. 53(3), pp. 941-973.

12	Evaluation of Health Care Projects *FGS, Chapter 4 S&N, Chapter 3 Cutler, David. (2007). "The Lifetime Costs and Benefits of Medical Technology." *Journal of Health Economics*, 26(60, 1081-1100. Drummond, Michael (2004) "Economic Evaluation in Health Care: Is It Really Useful or Are We Just Kidding Ourselves?" *The Australian Economic Review* 37(1):3-11.
13	Comparative Health Care Systems & Health Care Reform *FGS, Chapter 22, 23 *Hanvoravongchai, P., & Hsiao, W. (2007). Thailand: Achieving Universal Coverage with Social Health Insurance. In W. C. Hsiao, & R. P. Shaw, Social Health Insurance for Developing Nations (pp. 133-154). The World Bank. Schoen, C., Osborn, R., Squires, D., Doty, M. M., Pierson, R., & Applebaum, S. (2010). How health insurance design affects access to care and costs, by income, in eleven countries. *Health Affairs*, 10-1377. Roland and Rebecca Rosen. (2011). "English NHS Embarks on Controversial and Risky Market-Style Reforms in Health Care." *New England Journal of Medicine*, 364(14):1360-6.
14	Students' Presentations
15	Students' Presentations
16	Course wrap-up
	-------Final Examination-----------

Note: The class schedule shown above may be adjusted during the semester as needed.

Assessment:

Group project and presentation **15 %**
Midterm Exam 35 %
Final exam **50 %**

Group Project:

Each group of no more than 3 students is asked to write a research proposal related to any topic discussed in class or topics related to health economics issues (under the instructor's permission). The proposal consists of the statement of problem, research question, research objectives, related literature review, and proposed research methodology. Students are not asked to conduct the research, but need to suggest practical and reasonable methods to conduct the research. Including related descriptive statistics are strongly recommended.

Students will present their proposal during the last two weeks of classes, and will submit written research proposals by May 8, 2020. The written report is no more than 5 pages (12 fonts, 1.5 space), and the reference style is APA.

EE481 Industrial Economics

Course Description:

Prerequisites: EE311

The class studies behaviors of production unit and relationships 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.

Course Objectives:

The course would study behaviors of firms in imperfectly competitive markets. First, the class will start with the methodology used in this study such as S-C-P model and game theory. Then firm strategies in oligopoly market will be examined. The firm strategies would include both pricing and non-pricing strategies. In addition, some regulatory tools to prevent abuse of market-power and promote market efficiency will be covered.

Teaching Materials:

6.1 Required Textbooks:

1. Carlton and Perloff, Modern Industrial Organization, 4th edition, Addison-Wesley, 2005.
2. Church and Ware, Industrial Organization: A Strategic Approach, McGraw-Hill, 2000.
3. Rasmusen, Games & Information, 3rd. Edition, Backwell, 2001.
4. Tirole, Industrial Organization, The MIT Press, 1989.

6.2 Recommended readings:

1. Dixit, A.," a Model of duopoly suggesting a theory of entry barriers," The Bell Journal of Economics, 10 No.1, 20-32, 1979.
2. Kreps and Wilson," Reputation and Imperfect Information", Journal of Economic Theory, 27, 253-279, 1982.
3. Milgrom and Roberts," Price and Advertising Signals of Product Quality", Journal of Political Economy, 94 No.4, 1986.
4. Nevo and Wolfram," Why do manufacturers issue coupons? An empirical analysis of breakfast cereals", RAND Journal of Economics, 33 No.2, 319-339, 2002.

6.3. Other Readings:

1. Harvard Business review (http:/hbr.org)

Teaching Plan:

Week	**Topics**	
1	Theory of Business What is Strategy	Peter Drucker, Theory of Business, HBR M Potter, what is strategy? HBR
2	Market and Market Analysis	CP1, CP8

		Church & Ware 1 and 12
3	Review Game Theory	CH 2 Church & Ware 7,8,9,10 R1-6
4	Oligopoly Models:	CP5
5	Pricing Strategies: Price Discrimination and Two-part Tariff	CP6 Tirole 5
6	Pricing Strategies: Predatory Pricing and Limit Pricing	CP7
7	Is pricing a quality signal?	F. Allen, Reputation and Product Quality Rao, Bergen and Davis, how to fight a price war, HBR
8	Product Quality	Tirole 2
9	Production Differentiation	CP7
10	Entry Barrier	Krep and Wilson Dixit
11	Advertising	CP14 Tirole 2
12	Vertical Integration and Vertical restriction	CP12 Tirole 4
13	R&D and Intellectual Property Rights Protection	CP16 Tirole 10
14	Competition Policies and anticompetition behaviors	CP19-20
15	Disruptive Innovation	Christensen Raynor and McDonald, what is Disruptive Innovation, HBR

Evaluation Methods:

Business Analysis Term Paper	30%
Mid-term Examination	30%
Final Examination	40%

EE482 Industrialization:
Role of Public and Private Private Sectors

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

Prerequisites: EE312

COURSE DESCRIPTION AND OBJECTIVES: The primary purpose of this class is to read, understand, and discuss academic papers that analyze various aspects of industrialization, focusing on the roles of public policy and other roles of public and private producers and consumers. The course will pay special attention to the causes and effects of industrialization in Asia's advanced (e.g., Japan, Korea, Taiwan) and developing economies (e.g., China, India, Indonesia, Malaysia, Thailand, Vietnam). Students will also practice skills required to research, write, and publish academic papers. The emphasis will be on reading and writing "surveys of the literature" that review and summarize major findings of previous studies on a topic to be chosen by the student.

COURSE EVALUATION: A term paper of 4000-5000-words will account for 70% of the course grade. Term papers will survey the economics' literature on the student's chosen research topic; see "Term Paper Guidelines" on p. 6 for details. Classes 9a and 9b are tentatively scheduled for student presentations of short, preliminary outlines of proposed term papers and related discussions. The purpose of the outline presentations is to help students refine their chosen topic, clearly state the core, analytical question(s) that their survey paper asks, and organize their papers so they become easier to write. Discussions of presentations will also emphasize how students need to read and summarize a large number of academic, refereed papers, and how to cite the papers carefully in the paper and in the list of references. For students planning to write a thesis or dissertation, it may be beneficial to use the term paper as practice for part that thesis or dissertation. The most important principle when writing a paper is to make it very easy for the reader of the paper to find the references cited and evaluate the author's interpretation of those references.
WARNING: If you plagiarize or fail to cite sources appropriately, you will FAIL THIS CLASS and may be subject to suspension or expulsion from the University for academic dishonesty.
30% of class evaluation will be based on attendance (15% of the total), outlines & presentations (10%), and participation in class discussions (5%). Students will prepare 1-2 page outlines of assigned course readings and to present them in class in about 10-15 minutes. In your reading and term-paper outlines, please use no graphics or powerpoint. Rather please use text sentences and phrases, and maybe a simple equation or two, in simple Word (docx) format (e.g, 12 point Times New Roman font on A4 paper). Please submit all outlines by email to my teaching email (ramtmnc at gmail.com) by 6am of the day of your presentation them. Presentations will be followed by comments from the instructor and general discussion.

Final papers should be submitted in Microsoft Word (docx) or Adobe Acrobat format (pdf) to my teaching email (ramstmnc at gmail.com). Please see the "Term Paper Guidelines" on p. 6 for details. The instructor encourages students to choose a topic related to the subject students are considering for theses or dissertations, and perhaps eventual publication. An important goal of the class is to help students to learn research and writing techniques necessary to write a good thesis or dissertation, and eventually publish academically. These analytical, statistical, and writing techniques will also be useful in non-academic careers (e.g, business or government).

CONSULTATIONS: The instructor will be available for student consultations before and after most classes. It is also possible to make appointments for other times. Please confirm the date and time of appointments by email at least 24 hours before the appointment.

COURSE MATERIALS: Course materials will be maintained on a usb drive and on the classroom PC in 2 folders: (1) the "SyllabusAssignmentsReadings" folder will contain this syllabus, a list of reading assignments, and all readings; (2) the "Outlines" will contain all student outlines, which will be made available to all students in the class. These folders will be updated weekly in class. Thus, please bring a usb flash drive or a PC/tablet that can read a usb flash drive to class so you can receive timely updates.

DETAILED SCHEDULE AND READING LIST (1/5)

EE482 (Wed & Fri 1400-1530)

xxx-0812 Wed no class; holiday

01a-0814 Fri Introduction and First Assignments
01a1-Asian Development Bank (2015), *Thailand: Industrialization and Economic Catch-up*, Manila: Asian Development Bank.

Part 1: Industrialization, Economic Growth, and Economic Development

01b-03a Excerpts from Hayami, Yujiro, 2002, *Development Economics: From the Poverty to the Wealth of Nations*, Oxford and New York: Oxford University Publishers.

01b-0819 Wed
01b1-Ch01-A Theoretical Framework for Economic Development, 9-30
01b2-Ch02-A Comparative Perspective on Developing Economies, 31-58

02a-0821 Fri
02a1-Ch03-Population Growth and the Constraint of Natural Resources, 59-87
02a2-Ch04-Breaking the Resource Constraint, 88-118

02b-0826 Wed
02b1-Ch05-Capital Accumulation and Economic Development, 119-155
02b2-Ch06-Patterns and Sources of Technological Progress, 156-180

03a-0828 Fri
03a1-Ch07-Income Distribution and Environmental Problems, 181-220
03a2-Ch08-Market and State & Ch09-The Role of the Community in Economic Development, 221-320

03b-0902 Wed
03b1- Yeung, Henry Wai-chung, 2017, "State-led development reconsidered: the political economy of state transformation in East Asia since the 1990s", *Cambridge Journal of Regions Economy and Society*, 10(1), 83-98.
03b2-Lee, Keun, Justin Y. Lin, and Ha-Joon Chang (2005), "Late Marketisation versus Late Industrialisation in East Asia", *Asia-Pacific Economic Literature*, ??(?), 42-59.

DETAILED SCHEDULE AND READING LIST (2/5)

Industrialization and Agriculture

04a1to05b2-Excerpts from Oshima, Harry T., 1987, *Economic Growth in Monsoon Asia*, Tokyo; University of Tokyo Press.

04a-0904 Fri
04a1-Ch01-The Nature of Asia's Monsoon Economy and Its Heritage of Poverty, 15-46.
04a2-Ch02-An Analytical Framework for Monsoon Development, 47-72.

04b-0909 Wed
04b1-Ch03-The Record of Postwar Economic Growth . . . in Monsoon Asia, 73-100.
04b2-Ch04-Contrasting the Economic Growth of Prewar and Postwar Japan, 101-136.

05a-0911 Fri
05a1-Ch05-Similarities and Contrasts in the Rapid Transition of Taiwan and South Korea, 137-176.
05a2-Ch07-Thailand Catches Up with the Philippines, 199-234.

05b-0916 Wed
05b1-Ch09-Slow Growth with Unlimited Labor Supply: Heavy Industrialization in China and India, 263-290.
05b2-Ch11-The Demographic Transition and Industrial Transition: A Comparative Perspective, 315-342.

Industrialization and Industrial Policy

06a1to06b1-Excerpts from Ozawa, Terutomo, 2005, *Institutions, Industrial Upgrading, and Economic Performance in Japan: The 'Flying-Geese' Paradigm of Catch-up Growth*, Cheltenham, UK and Northhampton, MA, USA: Edward Elgar.

06a-0918-Fri
06a1-Ch02-Labor-driven stage - and logic - of reconstruction & Ch03-Scale-driven stage - and logic - of modernizing heavy and chemical industries: a high growth period, 31-66.
06a2-Ch04-Assembly-driven stage - and logic - of industrial upgrading & Ch05-Knowledge-driven stage - and logic - of catch-up growth, 67-120.

06b-0923 Wed
06b1-Ch06-IT-driven stage - and logic - of new growth & Ch07-Analytics and stylized features of structural transformation: additional theoretical expositions, 121-163.
06b2- Aw, Bee Yan, Sukkyun Chung, and Mark J. Roberts, 2003, "Productivity, Output, and Failure: A Comparison of Taiwanese & Korean Manufacturers", *The Economic Journal*, 113, F485-510.

07a-0925 Fri
07a1-Trindade, Vitor (2005), "The big push, industrialization and international trade: The role of exports", *Journal of Development Economics*, 78, 22-48.

07a2-Beason, Richard and David E. Weinstein (1996), "Growth, Economies of Scale, and Targeting in Japan 1955-1990", *The Review of Economics and Statistics*, 78(2), 286-295.

DETAILED SCHEDULE AND READING LIST (3/5)

xxx-0930 Wed & 1002 Fri; no class or midterm for EE482

Industrialization and International Economic Policy

07b-1007 Wed
07b1-Yu, Miaojie (2015), “Processing Trade, Tariff Reductions and Firm Productivity: Evidence from Chinese Firms”, *The Economic Journal*, 125 (June), 943-968.

07b2-Imbruno, Michele and Tobias D. Ketterer, 2018, "Energy efficiency gains from importing intermediate inputs: Firm-level evidence from Indonesia", *Journal of Development Economics*, 135, 117-141.

08a-1009 Fri
08a1-Rasiah, (2014), “Crisis Effects on the Electronics Industry in Southeast Asia”, *Journal of Contemporary Asia*, 44(4), 645-663.
08a2-Chakraborty, Pavel, 2018, “The great trade collapse and Indian firms”, *The World Economy*, 41, 100-125.

08b-1014 Wed
08b1-Kiyota, Kozo, Keita Oikawa, and Katsuhiro Yoshioka (2017), "The Global Value Chain and the Competitiveness of Asian Countries", *Asian Economic Papers*, 16(3), 257-281.
08b2-Blonigen, Bruce A. (2016), “Industrial Policy and Downstream Export Performance”, *The Economic Journal*, 126 (September), 1635-1659.

Paper outlines and holiday
09a-1016 Fri Paper outlines
09b-1021 Wed Paper outlines
xxx-1023 Fri; no class, holiday

Industrialization, Firms, and Ownership

10a-1028 Wed
10a1-Bernard, Andrew B., J. Bradford Jensen, Stephen J. Redding, and Peter K. Schott (2018), “Global Firms”, *Journal of Economic Literature*, 56(2), 565-619.

10a2-Wang, Jian and Xiao Wang (2015), “Benefits of foreign ownership, Evidence from foreign direct investment in China”, *Journal of International Economics*, Volume 97(2), 325-338.

10b-1030 Fri
10b1-Jefferson, Gary H. and Miao Ouyang (2014), "FDI spillovers in China: why do the research findings differ so much?", *Journal of Chinese Economic and Business Studies*, 12(1), 1-27.
10b2-Girma, Sourafel, Holger Görg, and Erasmus Kersting (2019), "Which boats are lifted by a foreign tide? Direct and indirect wage effects of foreign ownership", *Journal of International Business Studies*, 50(6), 923-947.

11a-1104 Wed
11a1-Nguyen, Kien Trung and Eric D. Ramstetter (2019), “Ownership-related Wage Differentials by Occupation in Vietnamese Manufacturing”, *Singapore Economic Review*, 64(3), 625-645.
11a2-Swenson, Deborah L.and Huiya Chen (2014), "Multinational Exposure and the Quality of New Chinese Exports", *Oxford Bulletin of Economics and Statistics*, 76(1), 41-66.

DETAILED SCHEDULE AND READING LIST (4/5)

Industrialization, Firms, and Ownership (continued)

11b-1106 Fri
11b1-Yamashita, Nobuaki and Kyoji Fukao (2010), Expansion abroad and jobs at home: Evidence from Japanese multinational enterprises, *Japan and the World Economy*, 22, 88-97.
11b2-Baldwin, Richard and Toshihiro Okubo (2014), "Networked FDI: Sales and Sourcing Patterns of Japanese Foreign Affiliates", *The World Economy*, 37(8), 1051-1080.

Industrialization, Industrial Development, and Competition Policy

12a-1111 Wed
12a1-Aghion, Philippe, Jing Cai, Mathias Dewatripont, Luosha Du, Ann Harrison, and Patrick Legros (2015), "Industrial Policy and Competition", *American Economic Journal: Macroeconomics*, 7(4), 1-32.
12a2-Einav, Liran, and Jonathan Levin (2010), "Empirical Industrial Organization: A Progress Report." *Journal of Economic Perspectives* 24 (2): 145-162.

12b-1113 Fri
12b1-Lamoreaux, Naomi R. (2019), "The Problem of Bigness: From Standard Oil to Google", *Journal of Economic Perspectives*, 33(3), 94-117.
12b2-Schwerhoff, Gregor, Ottmar Edenhofer, and Marc Fleurbaey (2020), "Taxation of Economic Rents", *Journal of Economic Surveys*, 34(2), 398-423.

13a-1118 Wed
13a1- Lee, Chang-Yang (2005), "A New Perspective on Industry R&D & Market Structure", *Journal of Industrial Economics*, 53(1), 101-122.
13a2-Aw, Bee Yan, Mark J. Roberts, and Daniel Xi Yu (2011), "R&D Investment, Exporting, and Productivity Dynamics", *American Economic Review*, 101(4), 1312-1344.

13b-1120 Fri
13b1-Rasiah, Rajah, Yap Xiao Shan and Yap Su Fei (2015), "Sticky Spots on Slippery Slopes: The Development of the Integrated Circuits Industry in Emerging Asia", *Institutions and Economics,* 7(1), 52-79.
13b2-Amighini, Alessia and Sara Gorgon (2014), "The International Reorganisation of Auto Production", *The World Economy*, 37(7), 923-952.

DETAILED SCHEDULE AND READING LIST (5/5)

Industrialization and Environmental Policy

14a-1125 Wed
14a1-Nordhaus, William (2019), "Climate Change: The Ultimate Challenge for Economics", *American Economic Review*, 109(6), 1991-2014.
14a2-Heal, Geoffrey (2017), "The Economics of the Climate", *Journal of Economic Literature*, 55(3), 1046-1063.

14b-1127 Fri
14b1-Parry, Ian W.H., Margaret Walls, and Winston Harrington (2007), "Automobile Externalities and Policies", Discussion Paper revised January, RFF-DP-06-26-REV, Washington, D.C: Resources for the Future.
14b2-Libecap, Gary D. (2014), "Addressing Global Environmental Externalities: Transaction Costs Considerations", *Journal of Economic Literature*, 52(2), 424-479.

15a-tbd

15a1-Lee, Myunghun (2008), "Environmental regulation and production structure for the Korean iron and steel industry", *Resource and Energy Economics*, 30, 1-11.
15a2-Zheng, Siqi and Matthew E. Kahn (2017), "A New Era of Pollution Progress in Urban China", *Journal of Economic Perspectives*, 31(1), 71-92.

15b-tbd
15b1-Auffhammer, Maximilian, Weizeng Sun, Jianfeng Wu, Siqi Zheng (2016), The Decomposition and Dynamics of Industrial Carbon Dioxide Emissions for 287 Chinese Cities in 1998-2009", *Journal of Economic Surveys*, 30(3), 460-481.
15b2-Ebenstein, Avraham (2012), "The Consequences of Industrialization, Evidence from Water Pollution and Digestive Cancers in China", *The Review of Economics and Statistics*, 94(1), 186-201.

TERM PAPER GUIDELINES

Please submit electronically to "ramstmnc" at gmail.com

1. Topic: Please write paper summarizing the academic, economics literature on some aspect(s) of industrialization that interests you. Please choose a topic that is sufficiently specific as to be easily discussed in about 10 pages double-spaced (or about 5000 words), but not so narrow as to be irrelevant or difficult to find research references about the topic. Most students first choose topics that are too broad, making it difficult to write a clear, concise paper. The instructor or other students may be able to offer good suggestions about how to revise a topic or analytical focus so the paper is easier to write. The instructor encourages students to choose a topic related to the subject students are considering for theses or dissertations, and perhaps eventual publication.

2. Structure: Please write a review of the academic economics literature on the topic you choose. I suggest a simple structure such as the following.

a. Introduction (about 1 page explaining the paper's analytical questions and structure)

b. Topic 1 (about 3 pages)

c. Topic 2 (about 3 pages)

d. Conclusion (about 1 page double-spaced)

e. References (about 1 page single-spaced, for about 15 references)

f. Tables and Figures (about 1-2 pages for 2-4 medium- or large-sized tables or figures)

3. Bibliography and references: Please use the author (year) reference style similar to that in the list class readings above. Please be sure to review AT LEAST 15 academic papers and include a list of references giving standard bibliographic details for each paper that allows the reader to easily find the referenced paper. Please use primarily papers that have been refereed and published in international journals, such as papers used for this class. The *Journal of Economic Literature* and the *Journal of Economic Surveys* are two good places to begin your literature search.

4. Citations: When writing, you will have to refer to previous studies written by others. In such cases, it is important to cite sources clearly to avoid plagiarism and to make it easy for the reader to verify your citations. Statistical sources should be cited in a similarly. The simplest citation style is the author (year) system. For example, you could paraphrase Keynes (1936, p. 250) as emphasizing the volatility of investment flows and their effects on economic cycles or quote Keynes (1936, p. 250) as emphasizing the implications of “animal spirits of investors” for economic cycles.

5. Paper length: 5000 words or less, including tables, references, notes, etc.; ideally about 10 A4 pages, using Times Roman 12 point font, spacing =double (2) for the text, and spacing =single (1) tables and reference lists. Please use no more than 2 figures; rather please usually use tables to present information more compactly. Length may vary as necessary to cover your topic, but papers should be no more than 15-20pp. including tables and references. Shorter papers are generally better papers.

6. Format: Please submit the paper in one file in Adobe Acrobat v11 or earlier format (*.pdf) or in Word 2016 or earlier format (*.docx, *.doc) format.

7. Comment: An important goal of the class is to help students to learn research and writing techniques necessary to write a good thesis or dissertation, and eventually publish academically. These analytical, statistical, and writing techniques will also be useful in non-academic careers (e.g, business or government).

EE486 Business Economics

Prerequisites: EE311, EE312 and EE325 (or EE425)

Course description

Theories and tools applicable to analysis of business problems and solutions, such as the application of economic concepts to forecast economic and industrial conditions, determination of business strategy, and decision-making.

Course objective: *These course aims for preparing student on applying Economics theories to analyze behaviors of each stakeholder in markets. At the end of this class, each student should be an expert in at least one market. Economic theories and tools used to analyze business problems and business situations. The analysis includes understanding competition and strategies adopted by firms in different industries, as well as forecasting economic and industrial conditions in the future*

Textbooks: *There is no textbook for this class. Readings were prepared at Puey library and are drawn from various sources especially Harvard Business Review.*

Evaluation

Class Presentations	40%	(Group: 4 presentations, 10% each)
Business Plan	20%	(Group: report (10%) + presentation (10%))
Class Participation	10%	(20 response papers x 0.5%)
Final Exam	30%	
Total	100%	

Expected Learning Outcomes:

Applicability	Expected Learning Outcomes
●	5.11 Students demonstrate integrity.
●	5.12 Students prioritize social and public benefits over personal ones.
●	5.13 Students are punctual and comply with the code of conduct of the institution and society at large.
●	5.14 Students are responsible and accountable to society, the nation, and the subject of economics.
○	5.15 Students realize the cultural and environmental value of the sustenainable society.

Morality and Ethics

Knowledge

Applicability	Expected Learning Outcomes
●	2.61 Students know and understand modern economics principles and theories, and are up to date with new developments.
●	2.62Students know and understand Thai and global economic structure, and the importance of major international economic events.
●	2.63Students know and understand instruments of economic analysis.
●	2.64 Students know and understand applied fields in economics, including monetary, public, international, business, natural resource and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.
●	2.65Students are informed about related fields including sociology, business administration, education, law policy, and science.

Intellectual Development

Applicability	Expected Learning Outcomes
●	3.37Students have developed individual critical thinking.
●	3.38Students are sufficiently trained in research skills.
●	3.39Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand causes of current economic problems in Thailand. Based on analsyis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.

Interpersonal Skills and Responsibilities

Applicability	Expected Learning Outcomes
●	28.1 Students are responsible for assigned tasks and work in groups effectively.
●	28.2Students have problem-solving skills.
○	28.3Students show leadership skills and team spirit.
●	28.4 Students are always improving themselves.
●	28.5Students have good interpersonal skills, adapting and working under different conditions.

Quantitative Analysis, Communication and Information Technology

Applicability	Expected Learning Outcomes
●	41.1 Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.
●	41.2 Students communicate effectively and select appropriate presentation methods.
●	41.3 Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.

Class	Topics
22 Jan.	I**ntroduction:** *Business Economics*
29 Jan.	*(1) "Management Century" by Walter Kiechel HBR November 2012* *(2) Reinventing your business model"by Mark W. Johnson, Clayton M. Christensen, and Henning Kagermann, HBR December 2008 + Business Model Canvas*
5 Feb.	*3) SCB EIC Insight: Thailand's changing consumer demographics and what they mean. April 2010* *(4) SCB EIC Insight: Unlocking the secrets of the digital consumers, June 2017*
12 Feb.	*(5) "What Is Strategy?" HBR 1996 by Michael Porter* *(6) "The Five Competitive Forces That Shape Strategy" by Michael E. Porter HBR January 2008*
19 Feb.	(7) *When Growth Stalls by Matthew S. Olson, Derek van Bever, and Seth Verry HBR March 2008* *(8) Blue Ocean Strategy, by W. Chan Kim and Renée Mauborgne, HBR October 2004.*
5 Mar.	***(****9) "Why the Lean Start-Up Changes Everything" by Steve Blank HBR, MAY 2013* *(10) "The Discipline of Business Experimentation" by Stefan Thomke and Jim Manzi HBR December 2014*
---- Midterm Week 10th -16th March 2021 ----	
19 Mar.	*(11) Rediscovery Market Segmentation by Daniel Yankelovich and David Meer, HBR February 2006* *(12) "Four Step of Demand Forecasting" by William Barnett HBR 1988 + How to Choose the Right Forecasting Technique by John C. ChambersSatinder K. MullickDonald D. Smith July 1971 Issue*
26 Mar.	*(13) Pricing Policies for New Products by Dean, Joel HBR November 1950.* *(14) "How to stop consumer from fixating on Price?" by Marco Bertini and Luc Wathieu HBR May 2010*
2 April	*(15) "The Right Game: Use Game Theory to Shape Strategy" by Adam M. Brandenburger and Barry J. Nalebuff. HBR July-August 1995.* *(16) "Strategies to Fight Lost Cost Rivals" by Nirmalya Kumar HBR December 2006 + Should You Launch a Fighter Brand? By Ritson, Mark: HBR October 2009*
9 April	*(17) "Don't let your supply chain control your business" by Thomas Choi; Tom Linton HBR December 2011. + Make or Buy Re-examined By Carter C. Higgins HBR 2009.* *(18) "The Balanced Scorecard Measures That Drive Performance by Robert S. Kaplan and David P. Norton. HBR January–February 1992*
23 April	**(***19) "Do you know your cost of capital? Probably not, if your company is like most" by Michael T. Jacobs and Anil Shivdasani. HBR July-August 2012* **(***20) "Economics of personnel and human resource management" by Morley Gunderson. Human Resource Management Review 11 (2001) 431–452*

Class	Topics
30 April	*(21) "Innovation the Classic Traps" by Rosabeth Moss Kanter HBR November 2006* *(22) "Creating Shared Value" by Michael E. Porter: HBR January–February 2011*
7 May	*(23) The E-Myth Revisited by Michael E. Gerber 2009.* **(***24) How Will You Measure Your Life? by Clayton M. Christensen + Managing Oneself by Peter F. Drucker*
14 May	*Business Plan Presentation Group 1-2-3*
14 May	*Business Plan Presentation Group 4-5-6 (14.00-17.00)*
---- Final Exam: Monday, May 22th , 2021: 09.00-12.00 ----	

EE489 Seminar in Industrial Economics

Course Description:

In this seminar-style class, students will first read and present outlines of a large volume of literature that highlights the analytical tools that economists use to analyse industrial organization (i.e., how firms and markets interact). Second, students will write term papers summarizing case studies of specific industries and/or countries to be chosen in consultation with the lecturer and other students. The course's primary emphasis will be on practicing how to write and present good outlines of the complex literature on this topic and on learning how to write good literature reviews at a high level. Term paper guidelines are summarized on p. 6 of this course outline.

Prerequisites: Having completed at least two 400-level (or the above level) courses in field of Industrial Economics

Course Objectives:

Students will first learn to outline and present most of the course readings in 10-15 minutes. Student presentations will be followed by 25-30 minutes of discussion among the lecturer and students. This class will emphasize learning how to read large volumes of complex literature and summarize this literature in 1-2 page text outlines. Outlines will be comprised of English sentences and phrases only. Graphics or powerpoint files are NOT allowed because this will help student learn verbal/written skills. Second, students will also learn to write short term papers focused on large-firm behavior and/or related government policies in a specific industry and/or country. Because choosing and refining the choice of a topic is the most difficult part or writing a good term paper, students will present text outlines of their proposed term-paper topics and revise outlines based on comments from the instructor and other students.

Textbooks and Academic Papers:

Main text for classes 1-8: Waldman, Don E. and Elizabeth J. Jensen, 2019, *Industrial Organization: Theory and Practice*, Fifth Edition, New York USA and Oxon UK: Routledge.

Reference Texts:

Church, Jeffrey R. and Roger Ware, 2000, *Industrial Organization: A Strategic Approach*, Boston: Irwin McGraw-Hill, Available at: https://works.bepress.com/jeffrey_church/23/.

Lipczynski, John, John Wilson and John Goddard, 2005, *Industrial Organization: Competition, Strategy, Policy*, Second edition, Essex UK: Pearson Education Limited.

Martin, Stephen, 2002, *Advanced Industrial Economics*, Malden MA USA and Oxford UK: Blackwell Publishing.

Pepall, Lynne, Dan Richards, and George Norman, 2014, *Industrial Organization: Contemporary Theory and Empirical Applications*, Chichester UK and Hoboken NJ USA.

Academic papers will be used in classes 10-15; see "Teaching Plan" below for details.

Other teaching materials: Students will submit and share outlines of all readings and outlines of their term papers with the lecturer and other students. Learning from fellow students is very important, perhaps more important than learning from instructors.

Grading:

70 percent of the students' grades will be based on term papers which survey case studies of specific industries and/or countries; see "Term Paper Guidelines" on p. 6 for details. Class 9 will be devoted to student presentations of short, preliminary outlines of their proposed term papers and related discussions. The purpose of the outline presentations is to help students refine their chosen topic, clearly state the core, analytical question(s) that their survey paper asks, and organize their papers so they become easier to write. Students will practice how to summarize a large number (10 or more) of academic, refereed papers, concisely and how to cite the papers carefully in the paper and in the list of references. The most important principle when writing a paper is to make it very easy for the reader to understand the paper and to find the references cited in order to evaluate the author's interpretation of those references.

WARNING: If a student plagiarizes or fails to cite sources appropriately, the student will FAIL THIS CLASS and the instructor WILL ROCOMMEND suspension or expulsion of the student from the University for academic dishonesty.

The remaining 30 percent of class evaluation will be based on student attendance (10% of the total), outlines and presentations (15%), and participation in class discussions (5%).

Teaching Plan (tentative):

Class 01 15 Aug
Waldman & Jensen, Ch. 1. Introduction
Waldman & Jensen, Ch. 2. The Firm and Its Costs
Waldman & Jensen, Ch. 3. Competition and Monopoly

Class 02 22 Aug
Waldman & Jensen, Ch. 4. Market Structure
Waldman & Jensen, Ch. 5. Mergers
Waldman & Jensen, Ch. 6. Game Theory: A Framework for Understanding Oligopolistic Behavior

Class 03 29 Aug
Waldman & Jensen, Ch. 7. The Development of Theory
Waldman & Jensen, Ch. 8. Monopoly Practices
Waldman & Jensen, Ch. 9. Price Discrimination

Class 04 5 Sep
Waldman & Jensen, Ch. 10. Product Differentiation
Waldman & Jensen, Ch. 11. Advertising
Waldman & Jensen, Ch. 12. Vertical Integration and Vertical Relationships

Class 05 12 Sep
Waldman & Jensen, Ch. 13. Collusion: The Great Prisoner's Dilemma
14. Oligopoly Behavior: Entry and Pricing to Deter Entry
15. Oligopoly Behavior: Entry and Nonpricing Strategies to Deter Entry

Class 06 19 Sep
Waldman & Jensen, Ch. 16. Technological Change and Research and Development
Waldman & Jensen, Ch. 17. Antitrust: The Laws and Policy Toward Market Power
Waldman & Jensen, Ch. 18. Antitrust: Collusion

Class 07 26 Sep
Waldman & Jensen, Ch. 19. Antitrust: Mergers
Waldman & Jensen, Ch. 20. Antitrust: Price Discrimination
Waldman & Jensen, Ch. 21. Antitrust: Public Policy Toward Vertical Restraints of Trade and Group Boycotts

Midterm 3 Oct NO CLASS (there will be no midterm for this seminar-style class)

Class 08 10 Oct
Waldman & Jensen, Ch. 22. International Economics and Industrial Organization
Waldman & Jensen, Ch. 23. Regulation and Deregulation Answers to Odd-Numbered Problems Index?
Waldman & Jensen, Review

Class 09 17 Oct
Students will present outlines of term papers (see guidelines on p. 6 below)

Class 10 24 Oct
10a-Einav, Liran, and Jonathan Levin, 2010, "Empirical Industrial Organization: A Progress Report", *Journal of Economic Perspectives*, 24(2), 145-162.
10b-Pakes, Ariel, 2003, "Common Sense and Simplicity in Empirical Industrial Organization", NBER Working Paper 10154 (also in *Review of Industrial Organization,* 23(3/4), 193-215).
10c-Colacicco, Rudy, 2015, "Ten Years of General Oligopolistic Equilibrium: A Survey", *Journal of Economic Surveys*, 29(5), 965-992.
10d-Potters, Jan and Sigrid Suetens, 2013, "Oligopoly Experiments in the Current Millenium", *Journal of Economic Surveys*, 27(3), 439-460.

Class 11 31 Oct
11a-Tirole, Jean, 2015, "Market Failures and Public Policy", *American Economic Review*, 105(6), 1665-1682.
11b-Baker, Jonathan B., 2003, "The Case for Antitrust Enforcement", *Journal of Economic Perspectives*, 17(4), 27-50.
11c-Crandall, Robert W. and Clifford Winston, 2003, "Does Antitrust Policy Improve Consumer Welfare? Assessing the Evidence, *Journal of Economic Perspectives*, 17(4), 3-26.
11d-Buccirossi, Paolo, Lorenzo Ciari, Tomaso Duso, Giancarlo Spagnolo, and Cristiana Vitale, 2013, "Competition Policy and Productivity Growth, An Empirical Assessment", *The Review of Economics and Statistics*, 95(4), 1324-1336.

Class 12 7 Nov
12a-Alesina, Alberto, Silvia Ardagna, Giuseppe Nicoletti, Fabio Schiantarelli, 2003, "Regulation and Investment", NBER Working Paper 9560 (also in *Journal of the European Economic Association*, 3(4), 791-825).
12b-Basker, Emek, 2007, "The Causes and Consequences of Wal-Mart's Growth", *Journal of Economic Perspectives*, 21(3), 177-198.
12c-Goolsbee, Austan D. and Alan B. Krueger, 2015, "A Retrospective Look at Rescuing and Restructuring General Motors and Chrysler", *Journal of Economic Perspectives*, 29(2), 3-24.

12d-Greenstein, Shane, Martin Peitz, and Tommaso Valletti, 2016, “Net Neutrality: A Fast Lane to Understanding the Trade-Offs”, *Journal of Economic Perspectives*, 30(2), 127-150.

Class 13 14 Nov

13a-Okada, Yosuke, 2005, “Competition and Productivity in Japanese Industries”, NBER Working Paper 11540 (also in *Journal of the Japanese and International Economies*, 19(4), 586-616).
13b-Matsuura, Toshiyuki and Kazuyuki Motohashi, 2005, "Market Dynamics and Productivity in Japanese Retail Industry in the late 1990's", RIETI Discussion Paper Series 05-E-001.
13c-Singh, Ajit, 2002, "Competition And Competition Policy In Emerging Markets: International And Developmental Dimensions," G-24 Discussion Papers 18, UNCTAD.
13d-Feenstra, Robert C., Yang, Maria, and Gary G. Hamilton, 1995, "Business Groups and Trade in East Asia: Part 2, Product Variety", NBER Working Paper 5887.

Class 14 21 Nov

14a-Aghion, Philippe, Jing Cai, Mathias Dewatripont, Luosha Du, Ann Harrison, and Patrick Legros, 2015, "Industrial Policy and Competition", *American Economic Journal: Macroeconomics*, 7(4), 1-32.
14b-Wang, Jian and Xiao Wang, 2015, “Benefits of foreign ownership, Evidence from foreign direct investment in China”, *Journal of International Economics*, 97(2), 325-338.
14c-Sjöholm, Fredrik and Nannan Lundin, Nannan, 2013, "Foreign Firms and Indigenous Technology Development in the People’s Republic of China", *Asian Development Review*, 30(2), 49-75.
14d-Singh, Jatinder, 2010, *Foreign Direct Investment and Market Structure: Evidence from India’s Manufacturing Sector*, Berlin: VDM Verlag Dr. Muller, Ch 3, 47-76.

Class 15 28 Nov

15a-Bird, Kelly, 1999, “Concentration in Indonesian Manufacturing, 1975-93”, *Bulletin of Indonesian Economic Studies*, 35(1), 43-73.
15b-Aswicahyono, H.H., Kelly Bird, and Hal Hill, 1996, “What Happens to Industrial Structure When Countries Liberalise? Indonesia since the Mid-1980s”, *Journal of Development Studies*, 32(3), 340-363.
15c-Nikomborirak, Duenden, 2017, “Price Regulation and Tacit Collusion in the Interbank Electronic Bulk and Retail Credit Transfer Services: Thailand’s Experience”, *Asian Economic Papers*, 16(2), 143-160.
15d-Ramstetter Eric D. and Phan Minh Ngoc, 2013, “Productivity, Ownership, and Producer Concentration in Transition: Further Evidence from Vietnamese Manufacturing”, *Journal of Asian Economics*, 25(1), 28-42

Term Paper Guidelines, submit to “ramstmnc [at] gmail.com” by 29 November 2019

1. Topic: Please choose any topic related to economics that interests you. Please choose a topic that is sufficiently specific as to be easily discussed in about 10 pages (or about 5000 words), but not so narrow as to be irrelevant or difficult to find research references about the topic. Initially, most students tend to choose topics that are too broad to analyze clearly within 10 pages. If the topic is too broad, it is very difficult to write a clear, coherent paper. Correspondingly, the instructor or other students may offer good suggestions about how to revise a topic or analytical focus so the paper is easier to write. The instructor encourages students to choose a topic related to the subject students are considering for theses or dissertations, and perhaps eventual publication. An important goal of the class is to help students to learn research and writing techniques necessary to write a good thesis or dissertation, and eventually publish academically. These analytical, statistical, and writing techniques will also be useful in non-academic careers (e.g, business or government).

2. Structure: Please write a simple review of the economics literature on the topic you choose. I suggest a simple structure such as the following.

a. Introduction (about 1 page double-spaced, explaining the major analytical questions considered in the paper and the paper's structure)
b. Topic 1 (about 3 pages double-spaced, including relevant tables)
c. Topic 2 (about 3 pages double-spaced, including relevant tables)
d. Conclusion (about 1 page double-spaced)
e. References (about 1 page single-spaced, for about 15 references)
f. Tables and Figures (about 1 page single-spaced, for 2 medium-sized tables or figures)

3. Bibliography and references: Please use the author (year) reference style similar to that in the list class readings above. Please be sure to review AT LEAST 10 academic papers and include a list of references giving standard bibliographic details for each paper that allows the reader to easily find the referenced paper. Please use primarily papers that have been refereed and published in international journals, such as papers used for this class. The *Journal of Economic Literature* and the *Journal of Economic Surveys* are two very good places to begin your literature search because they contain a large number of literature surveys on a wide range of topics.

4. Citations: In the course of writing your paper you will have to refer to previous studies written by others. In such cases, it is important to cite those sources clearly so you can avoid plagiarism and so the reader can easily verify the validity of your statements. Statistical sources should be cited in a similar way. The simplest method of citation is to the author (year) system. If paraphrasing someone, you would say something like Keynes (1936, p. 250) emphasized the volatility of investment flows and their effects on economic cycles. If making a direct quote, please be use quotation marks: Keynes (1936, p. 250) emphasized how economists often failed to understand the implications of the "animal spirits of investors" for economic cycles.

5. Paper length: 5000 words or less, including tables, references, notes, etc.; ideally about 10 A4 pages, using Times Roman 12 point font, spacing =double (2) for the text, and spacing =single (1) tables and reference lists. Please use no more than 2 figures; rather please usually use tables to present information more compactly. Length may vary as necessary to cover your topic, but papers should be no more than 15-20pp. including tables and references. Shorter papers are generally better papers.

6. Format: Please submit the paper in one file in Adobe Acrobat v11 or earlier format (*.pdf) or in Word 2016 or earlier format (*.docx, *.doc) format.