

THE UNIVERSITY OF BRITISH COLUMBIA  
Department of Economics  
**GRADUATE COURSE OFFERINGS in 2009/10**

Course number, section number, followed by credit value in parenthesis.

It is recommended that you do not purchase any textbooks until after the first class.

**ECON 500 - 001 Lecture (3.0) & L1A (0.0) Discussion Group (Term 1)**  
**Microeconomics**  
**Instructor: Y. Halevy**

An introduction to microeconomic theory. Topics include: consumer theory, decision making under risk and uncertainty, the firm, general equilibrium, game theory and information economics.

Note: For M.A. students only.  
Textbook: TBA.

**ECON 502 - 001 Lecture (3.0) & L1A (0.0) Discussion Group (Term 1)**  
**Macroeconomics**  
**Instructors: A. Lahiri**

This course is an introduction to advance macroeconomics. Topics covered will include: theory and evidence on the determinants of economic growth, models of short run economic fluctuations, and monetary and fiscal policy design.

Note: For M.A. students only.  
Textbook: TBA.

**ECON 514 - 001 (3.0) (Term 2)**  
**Information and Incentives**  
**Instructor: Wei Li**

This course covers topics in the theory of information and incentives. The focus is on problems in which individuals do not share common information about economically relevant events. Topics may include standard principal-agent models, adverse selection, moral hazard, signaling, screening, and mechanism design. Applications may include monopoly pricing, strategic communication, corporate finance, non-cooperative bargaining, and auction theory.

Textbook: TBA.

**Econ 515A – 001 (3.0) (Term 2)**  
**Topics in Economic Theory**  
**Instructor: Hao Li**

This course is designed for graduate students who are interested in applied microeconomic theory. The main purpose is to provide training in modeling skills through a series of lectures on diverse topics in microeconomic theory. The topics include: information disclosure, experimentation, committee decision-making, war of attrition, assortative matching, and dynamic mechanism design.

Textbook: TBA.

**ECON 516 – 001 (3.0) (Term 2)**  
**Special Topics in Macroeconomics**  
**Instructor: G. Gallipoli**

This course provides: i) a brief overview of classical topics in Macroeconomics, such as consumption, investment, unemployment, business cycles and asset pricing; ii) an introduction to the analysis of economies where agents are heterogeneous; iii) an introduction to computational methods to solve numerically for the equilibrium of model economies, in order to perform quantitative research. First, “complete markets” economies with a representative agent will be discussed. Then, economies with “incomplete markets” where the description of the equilibrium requires characterizing the distribution of heterogeneous agents across states will be introduced. Students will be expected to take part in a review of recent papers in the Macro literature.

Note: This is an advanced topics course. For Ph.D. students only.

Prerequisites: Econ 600, 601, 602 & 603.

Textbook: TBA.

**ECON 522 – 001 (3.0) (Term 1)**  
**Economic Application of Game Theory**  
**Instructor: O. Yilankaya**

After briefly reviewing certain concepts in game theory, this course will cover a number of advance topics including auctions and mechanism design.

Note: This is an advanced topics course. For Ph.D. students only.

Prerequisites: Econ 600, 601, 602 & 603.

Textbook: TBA.

**ECON 526 - 001 Lecture (3.0) & L1A (0.0) Discussion Group (Term 1)**  
**Mathematics and Statistics for Economists**  
**Instructor: S. Sakata**

The primary goal for this course is providing some analytical tools necessary for graduate work in economics. This will require reviewing basic topics in mathematics, such as real analysis, calculus, matrix algebra, and static optimization.

Note: For M.A. students only. There is a Math Review that should be completed prior to the start of this course. Please refer to the following website: <http://www.econ.ubc.ca/grads/math/review.htm>

Prerequisites: Econ 320, or the equivalent.

Textbooks: TBA.

**ECON 527 – 001 Lecture (3.0) & L1A (0.0) Discussion Group (Term 1)**  
**Econometric Methods of Economic Research**  
**Instructor: V. Marmer**

This course is an introduction to the theory and practice of econometrics. The static linear regression model is the main focus of the course although extensions to dynamic and nonlinear models and simultaneous equations are pursued as well. Estimation and testing methods discussed will include those based on ordinary least squares, generalized least squares, generalized method of moments and instrumental variables, and maximum likelihood. Small sample results will be discussed, however, the main focus will be placed on the large sample theory.

Note: For M.A. students only.

Textbook: TBA.

**ECON 541 - 001 (3.0) (Term 2)**  
**Economic Development I**  
**Instructor: A. Kotwal**

There are few problems more deserving of our attention than the fact that half the world lives on less than two dollars a day. The most important reason for having fast GDP growth is that it is likely to be associated with fast poverty decline. After doing an overview, we will then consider the question of what might be keeping poor countries from catching up with rich countries. The mainstream literature has debated the relative importance of geography and institutions as the exogenous determinants in this context. We will also discuss recent literature on social capital and culture – topics relatively new to economics. We will study the process of trickle down. In other words, what are the supply and demand factors that may inhibit the poor from sharing the GDP growth? On the supply side, an important factor is the imperfection in credit markets; it restricts the upward mobility of the poor. On

the demand side, the goods and services that those experiencing income gains may desire are not necessarily the goods that the poor produce. At the end of the course, we will do a few selected topics that are interesting in their own right such as rent seeking and coordination failures.

Textbook: TBA.

**ECON 542 – 001 (3.0) (Term 1)**  
**Economic Development II**  
**Instructor: B. Esteve-Volart (York University)**

The course studies the microeconomics of economic development and focuses on empirical analysis at the household and institutional level. Topics include gender, the role of institutions, education, health, identity, and credit.

Note: This is an advanced topics course. For Ph.D. students only.

Prerequisites: Econ 600, 601, 602 & 603.

Textbook: TBA.

**ECON 546 – 001 (3.0) (Term 2)**  
**Monetary Theory and Policy I**  
**Instructor: M. Devereux & H. Siu**

The course will start out by looking at some empirical (time series) studies on the effects of monetary policy, as well as some models with nominal frictions that try to account for the empirical facts. The literature on Taylor Rules which try to prescribe what 'good' or 'optimal' monetary policy should be will be discussed. There will be a discussion of the issues relating to monetary policy in an open economy. In addition, the course will look at the problem of jointly determining optimal fiscal and monetary policy - tax rates, bond issues, interest rates, inflation. Some familiarity with time series econometrics and dynamic general equilibrium models will be expected.

Textbook: TBA.

**ECON 550 - 001 (3.0) (Term 2)**  
**Government Finances: Expenditures**  
**Instructor: M. Rehavi**

The objective of this course is to provide students with a solid theoretical and quantitative framework to study the public sector from the expenditure side. The course will discuss theoretical and empirical issues surrounding the provision of public goods, including related political economy issues and the decision to provide goods publicly. Particular attention will be paid to: social insurance, social security, health care and local public goods (e.g. education). There will also be some discussion of the mechanisms used to generate funding for these programs.

Textbook: TBA.

**ECON 555 - 001 (3.0) (Term 2)**  
**International Trade**  
**Instructor: H. Kasahara**

The class covers theoretical models of international trade and empirical analysis. The topics include the basic Ricardian model, factor proportions model, trade and scale economies, as well as models of heterogeneous firms, organization of the firm and trade, economic geography, commercial policy and the political economy of trade policy.

Textbook: TBA.

**ECON 556 - 001 (3.0) (Term 2)**  
**International Finance**  
**Instructor: A. Lahiri**

This course examines recent issues in international finance and open economy macroeconomics. Topics covered will include: (1) the interaction of international capital markets and aggregate fluctuations, (2) the consequences of alternative international asset market structures, (3) models of current account determination, (4) models of nominal and real exchange rate determination and the international monetary transmission mechanism, and (5) models of currency and debt crises.

Textbook: TBA.

**ECON 557 – 001 (3.0) (Term 2)**  
**Empirical Topics in International Trade**  
**Instructor: W. Antweiler (Sauder School of Business)**

What determines the pattern of trade? Can relative factor abundance explain why countries are net exporters of some goods and net importers of others? How do scale economies and imperfect competition influence trade flows? We investigate the evidence in support of each theory. What barriers impede the free flow of goods between countries? The gravity equation has been used to relate variation in bilateral trade volumes to impediments such as transportation costs, tariffs, and currency volatility. We review the evidence on whether the degree of openness to international trade affects the rate of economic growth. Multinational enterprises occupy a central role in globalization. What determines the pattern of Foreign Direct Investment? This course emphasizes the difficulties in taking trade theory to the data. We consider the issues of formulating falsifiable predictions, obtaining appropriate data, and deciding on the right estimation method. In addition to regular lectures, students will form teams to pursue an empirical research project and present a research paper in class.

Textbook: TBA.

**ECON 560 - 001 (3.0) (Term 1)**  
**Labour Economics**  
**Instructor: N. Fortin**

Labour supply behaviour, human capital. Wage determination and labour market discrimination. Firm and market demand for labour, migration and minimum wage effects. Labour market institutions, demand for skills and wage inequality. Social interactions and mobility.

Note: This is an advanced topics course. For Ph.D. students only.

Prerequisites: Econ 600, 601, 602 & 603.

Textbook: TBA.

**ECON 562 – 001 (3.0) (Term 2)**  
**Research Design and Policy Evaluation in Economics**  
**Instructor: K. Milligan**

This course in applied econometrics is suitable for M.A. students who have completed Econ 527 and who seek a foundation in the modern methods of policy evaluation. It will also be of interest to Ph.D. students with interests in applied microeconomics.

Important developments have recently taken place in the econometrics of policy evaluation. This course provides an overview of this area. It also examines the experience with various research designs, both experimental and non-experimental methods.

Textbook: TBA.

**ECON 565 – 001 (3.0) (Term 2)**  
**Market Structure and Business Behaviour**  
**Instructor: R. Winter (Sauder School of Business)**

This course provides a broad, graduate level introduction to Industrial Organization, at the level of Jean Tirole's text, The Theory of Industrial Organization, as well as applications of industrial organization to economic regulation, especially competition policy. The course integrates theoretical treatments of markets and firm strategies, such as monopoly pricing, price discrimination, quality and advertising decisions, exclusionary conduct, vertical contracting along a supply chain and R&D, with applications and some empirical studies.

Textbook: TBA.

**Econ 566 – 001 (3.0) (Term 2)**  
**Business Performance & Public Policy**  
**Instructor: U. Song**

The goal of the course is to prepare students to do their own research in empirical industrial organization. The course will introduce some key papers in empirical IO literature. We will cover the minimal necessary theoretical backgrounds, but focus will be on the empirical methods. Students are assumed to know the material covered in the first year Ph.D. microeconomic and econometric courses. Computer-intensive problem sets will be required. The class will discuss algorithm, but won't cover programming. Students are assumed to be familiar with a statistical package. The course will start with auctions and then move on to differentiated product markets. The topics for the

reminder of the course will be decided after discussion in class. Possible topics include collusion, entry, network effects, and dynamics.

Note: This is an advance topics course. For Ph.D. students only.

Prerequisites: Econ 600, 601, 602 & 603.

Textbook: TBA.

**ECON 574 – 001 (3.0) (Term 2)**

**Special Topics in Economic Resource Use**

**Instructor: C. McAulsand (Land & Food Systems)**

This topics course in environmental economics will examine the environmental impacts of globalization. We will examine the effects of trade liberalization and factor mobility (including international labor migration and foreign direct investment) on pollution levels, environmental politics, patterns of resource use, and biological invasions.

Textbook: TBA.

**ECON 580 - 001 (3.0) (Term 2)**

**Social and Economic Measurement**

**Instructor: E. Diewert**

Index number theory (test, economic and other approaches). Biases in indexes. National income accounting and the measurement of business and personal income. The measurement of capital and depreciation. Inflation accounting. The measurement of productivity. The theory of international comparisons.

Textbook: TBA.

**ECON 581 - 001 (3.0) (Term 2)**

**Cost Benefit Analysis**

**Instructor: E. Diewert**

Techniques and problems in cost-benefit analysis. The evaluation of public and private projects. Topics may include shadow pricing, discounting and present-value calculations, surplus measurement, valuation of non-marketed goods and bads, value judgments in social cost-benefit analysis, and the evaluation of projects involving uncertainty, loss of life, and/or population change.

Textbook: TBA.

**ECON 590A – 002 (3.0) (Term 1)**

**Special Advanced Course: Behavioural Economics**

**Instructor: Y. Halevy**

What happens when economic theory meets the experimental lab? We will discuss some of the fascinating and fruitful interactions between the two, including: choice under risk and uncertainty, the endowment effect, intertemporal choice, temptation and self control, other-regarding preferences, bounded rationality in games and more.

Note: This is an advanced topics course. For Ph.D. students only.

Prerequisites: Econ 600, 601, 602 & 603.

Textbooks: TBA.

**ECON 590B – 003 (3.0) (Term 1)**

**Special Advanced Course: Modeling the Evolution of Social Behaviour**

**This course is cross-listed with PSYC 529 (003)**

**Instructor: J. Henrich**

Over the last three decades evolutionary theorists have developed a rich mathematical theory for understanding how natural selection shapes social behavior. These insights from evolution are becoming increasingly important across the human behavioral sciences. To read and understand the primary literature in biological and evolutionary journals, one must understand this body of theory. Unfortunately, training in psychology, economics or anthropology rarely provides students with sufficient foundations to readily acquire a deep understanding of research. The purpose of this course is to present the theory in such a way that students with a minimal background can learn the theory and read the primary literature. The course will introduce students to the basic theoretical concepts of evolutionary game theory, and covers the following topics: (1) animal conflict, (2) kin selection, (3)

reciprocal altruism, (4) signaling, (5) group selection, (6) sex allocation, and (7) sexual selection. In many cases analyses of both genetic and cultural inheritance systems will be considered.  
Textbook: TBA.

**ECON 594 (6.0) (Offered in 2010 Summer Session)**  
**Applied Economics**  
**Instructor: TBA**

The purpose of this course is to provide students with experience in applied research. Attention is devoted to problems encountered in combining economic theory with econometric methods in empirical research. Each student is required to undertake an empirical research project the results of which are summarized in an extended essay.

Note: For M.A. Economics students only.

**ECON 600 - 001 Lecture (3.0) & L1A Discussion Group (0.0) (Term 1)**  
**Microeconomics I**  
**Instructor: M. Peters**

An advanced course in microeconomic theory. Topics include decision theory, general equilibrium theory, general equilibrium and welfare with imperfect information and rational expectations equilibrium.

Note: For Ph.D. students only.  
Textbook: TBA.

**ECON 601 - 001 Lecture (3.0) & L1A Discussion Group (0.0) (Term 2)**  
**Microeconomics II**  
**Instructor: TBA**

An advanced course in microeconomic theory. Topics include strategic models of economic interactions; uncertainty, information, and incentives; and mechanism design.

Prerequisite: Econ 600.  
Textbook: TBA.

**ECON 602 - 001 Lecture (3.0) & L1A Discussion Group (0.0) (Term 1)**  
**Macroeconomics I**  
**Instructor: V. Hnatkovska**

This course introduces students to modern macroeconomic theory, with a particular focus on dynamic general equilibrium models. We will start by defining the main theoretical concepts and by exploring the basic structure underlying these models. We will then apply the framework in the study of consumption decisions, asset pricing, economic fluctuations, and growth. The study of these topics is complemented with practical applications that involve the use of numerical methods.

Note: For Ph.D. students only.  
Textbook: TBA.

**ECON 603 - 001 Lecture (3.0) & L1A Discussion Group (0.0) (Term 2)**  
**Macroeconomics II**  
**Instructor: M. Devereux & H. Siu**

The course studies questions associated with growth and the business cycle fluctuations. First, we begin by studying continuous time dynamic general equilibrium models and use this framework for studying economic growth. Then the course concentrates on discrete time stochastic general equilibrium models and uses these models to study business cycle phenomena. The models developed in the courses include both Walrasian and non-Walrasian models.

Prerequisite: Econ 602.  
Textbook: TBA.

**ECON 626 - 001 Lecture (3.0) & L1A Discussion Group (0.0) (Term 1)**

**Econometric Theory I**

**Instructor: S. Sakata**

This course introduces the basic statistical concepts and methodologies useful in economic research. The topics covered in the course include measure-theoretic probability theory, concepts of stochastic convergence, quasi-maximum likelihood estimation, generalized method-of-moments, and various topics in linear regression.

Note: For Ph.D. students only.

Textbook: TBA.

**ECON 627 - 001 Lecture (3.0) & L1A Discussion Group (0.0) (Term 2)**

**Econometric Theory II**

**Instructor: V. Marmer**

A continuation of Econ 626, this course consists of two parts. In the first part, we discuss GMM estimation, simultaneous equations models, and instrumental variable regression with weak instruments. The second part of the course covers topics in time series econometrics including stationarity and ergodicity, mixing and linear processes, heteroskedasticity and autocorrelation consistent variance estimation, ARMA and VAR models, frequency domain methods, unit roots and cointegration.

Prerequisite: Econ 626.

Textbook: TBA.

**ECON 628 - 003 (3.0) (Term 1)**

**Applied Economics**

**Instructor: D. Green**

This is a course in applied econometrics for Ph.D. students who are interested in empirical microeconomics. The goals of this course include (i) to familiarize yourself with econometric techniques that are useful for applied work, (ii) to build a bridge between economics and econometrics, and (iii) to provide you with hands-on experience of coding in Gauss and Stata.

Note: For PhD Economics students only.

Prerequisite: Econ 626 and 627.

Textbook: TBA.

**ECON 640 - 001 (3.0) (Terms 1 and 2)**

**Ph.D. Research Seminar**

**Instructor: H. Siu**

A seminar course to assist students in identifying a viable research topic for a Ph.D. dissertation. Students who have passed the comprehensive examinations must be registered in Econ 640 until a dissertation prospectus has been successfully presented. In each year in which the student is enrolled in 640, a research or survey paper must be submitted for approval to two faculty members, one of which is the faculty member in charge of 640. Attendance is mandatory for post-comp Ph.D. students.

Note: For Ph.D. Economics students only.