Department of Economics

Chairperson: Neaime, Simon E.
Professor Emeritus: Makdisi, Samir
Professor: Neaime, Simon E.
Associate Professor: Markanner, Marcus R.
Assistant Professors: Dagher, Leila N.; Martin, Darius D.; Ruble, Isabella H.; Sadaka, Richard; Salti, Nisreen I.
Senior Lecturer: Sirhan, Ghazi A.
Lecturers: El-Khalil, Youssef A.; El-Saghir, Sandra W.; Mabsout, Ramzi; Nasser, Yassar; Ramadan, Usamah H.
Instructors: Abboud, Montaha; Boghossian, Myrna G.; Bou Diab, Sarah M.; Elbaba, Nora; El-Khalil, Iyad A.; Jibai, Rania A.; Kanaan, Maya Z.; Khoury, Nicole M.; Majdalani, Joelle; Makki, Malak, Z.; Mecherkany, Rami R.; Nader, Pamela; Tabsh, Gina; Tabsh, Hala M.; Wehbe, Layal

The department offers two master’s degree programs: a Master of Arts in Economics and a Master of Arts in Financial Economics.

Candidates for both master’s degrees should hold a BA in economics. For holders of other bachelor’s degrees (or their equivalent), candidates should complete the following undergraduate courses or their equivalent: ECON 214, ECON 217, ECON 227, MATH 201, and MATH 202.

MA in Economics

Students wishing to obtain a master of arts in economics are required to complete at least 24 credits, all of which should be at the graduate level, including ECON 305, ECON 317, and ECON 327, plus a thesis. Of the remaining 15 graduate credits, at least 9 credits should be chosen from the available graduate courses in the department, and up to 6 credits may be chosen from available graduate courses at the university with the adviser’s approval. In case of deficiencies in the student’s undergraduate record, the department may require additional credits.

**ECON 301/302 Graduate Tutorial** 3.0; 3 cr. (each)
Occasionally.

**ECON 303/304 Graduate Seminar** 3.0; 3 cr. (each)
Occasionally.

**ECON 305 Econometrics I** 3.0; 3 cr.
Parameter estimation and hypothesis testing within the framework of the classical linear regression model. Subjects covered include general least squares and its application (e.g. heteroscedasticity, autocorrelation, multivariate regression), GMM estimation, simultaneous equation models and panel data models. Annually.
ECON 306  Econometrics II  
Non-linear regression, vector autoregression, simulation and varying parameter models. **Prerequisite:** ECON 305. **Students cannot receive credit for both ECON 306 and ECON 343. Occasionally.**

ECON 307  Urban Economics  
A study of the development and growth of urban areas and analysis of specific urban issues such as pollution, housing, land use, and public transportation. **Occasionally.**

ECON 317  Price Theory I  
Theory of demand and theory of consumer's choice: choice under uncertainty, theory of production and theory of costs, market equilibrium and market failure, externalities and the public good. **Annually.**

ECON 318  Price Theory II  
Income distribution concepts, alternative theories of distribution and capital controversy, general equilibrium analysis, and welfare economics. **Occasionally.**

ECON 326  Public Finance  
A study of the theories of governmental taxation and spending, budgetary policies and their effects on the level of economic activity, welfare effects of taxation and expenditure policies. **Occasionally.**

ECON 327  Macroeconomics  
A study of macroeconomic theory including the classical, Keynesian and Post-Keynesian macroeconomic systems, a static analysis of the structure of income determination models, theories of consumption and investment, dynamic analysis of business cycles and economic growth, theories of inflation and stabilization policies, macrodynamic models. **Annually.**

ECON 328  Monetary Economics  
A survey of the evolution of monetary theory; an examination of alternative formulations of the demand and supply functions of money; selected topics in monetary policy; business cycles; portfolio models. **Annually.**

ECON 332  Political Economy  
Determinations of the size and form of distributive programs; the extent and type of public goods provision; the burden of taxation across alternative tax bases. **Occasionally.**

ECON 333  Energy Economics and Policy  
A study of the theories related to energy economics, such as economics of natural and energy resources, and the interrelationship between energy, economics and the environment, as well as, some important issues in energy policy. **Students cannot receive credits for both ECON 333 and MECH 674 Energy Economics and Policy. Occasionally.**

ECON 335  International Trade Theory  
An intensive examination of the theory of comparative advantage: the classical and Heckscher-Ohlin statements, trade and welfare, tariffs, recent contributions to trade theory. **Occasionally.**

ECON 336  International Monetary Economics  
An intensive examination of the theories of balance of payments adjustment; the international monetary system and the position of the developing countries in it. **Occasionally.**

ECON 337  Economic Development  
An examination of the major economic and non-economic determinants of development in developing countries, theories and models of development. **Occasionally.**
ECON 338    Economics of Natural Resources and the Environment

An analysis of economic issues regarding the efficient use of natural resources and the management of environmental quality. Occasionally.

ECON 339    Mathematical Economics

General equilibrium theory, linear programming and dynamic optimization, economic dynamics, difference and differential equations, and the economics of uncertainty and information. Prerequisites: ECON 239 and MATH 218 or MATH 219. Occasionally.

ECON 395A/395B    Comprehensive Exam

Prerequisite: Consent of adviser.

ECON 399    MA Thesis

6 cr.

MA in Financial Economics

This program comprises 30 credits of course work (10 three-credit courses) plus a project. Eight courses are required and two are electives. Candidates for the master’s degree should hold a BA in economics. For holders of other bachelor’s degrees (or their equivalent), candidates should complete the following undergraduate courses or their equivalent: ECON 214, ECON 217 and ECON 227, MATH 201 and MATH 202.

All majors in the program are required to take the following eight courses:

ECON 305    Econometrics I

Parameter estimation and hypothesis testing within the framework of the classical linear regression model. Subjects covered include general least squares and its application (e.g. heteroscedasticity, autocorrelation, multivariate regression), GMM estimation, simultaneous equation models and panel data models. Annually.

ECON 317    Price Theory I


ECON 327    Macroeconomics

A study of macroeconomic theory including the classical, Keynesian, and Post-Keynesian macroeconomic systems, a static analysis of the structure of income determination models, theories of consumption and investment, dynamic analysis of business cycles and economic growth, theories of inflation and stabilization policies, macro dynamic models. Annually.

ECON 328    Monetary Economics

A survey of the evolution of monetary theory; an examination of alternative formulation of the demand and supply functions of money; selected topics in monetary policy; portfolio models. Annually.

ECON 340    Financial Economics I

A review of the major theoretical themes underlying modern financial economics; functions of financial markets and institutions, portfolio selection, the Capital Asset Pricing Model, and financial decision making under uncertainty. Annually.
ECON 341  Financial Economics II  3.0; 3 cr.
An analysis of the theoretical and empirical issues concerning corporate capital structure relevance for firms in developed and less developed capital markets, and a review of the informational efficiency of capital markets. *Annually.*

ECON 342  Options and Derivatives Instruments  3.0; 3 cr.
An analysis of basic derivative contracts such as forwards, futures, options, and swaps; contract characteristics, payoffs from various strategies, as well as hedging arbitrage, and speculation activities using derivatives are analyzed. *Annually.*

ECON 343  Econometrics of Financial Markets  3.0; 3 cr.
A course that covers topics in applied financial time-series. The econometric methods used include linear time series models, properties of financial data, and discrete time linear financial models. *Prerequisite: ECON 305. Students cannot receive credit for both ECON 343 and ECON 306. Annually.*

**Electives (two courses: 6 credits)**

Two elective courses are chosen from the following list in consultation with the faculty adviser. Other electives may alternatively be chosen from available graduate courses at the university with the adviser’s approval.

ECON 336  International Monetary Economics  3.0; 3 cr.
An intensive examination of the theories of balance of payments adjustment; the international monetary system and the position of the developing countries in it. *Occasionally.*

ECON 344  Financial Markets and Institutions  3.0; 3 cr.
An analysis of the institutional features of the international financial markets, instruments and application of financial economic theory, and analytical tools to achieve effective and efficient risk management in international environments. *Occasionally.*

ECON 345  International and Arab Emerging Financial Markets  3.0; 3 cr.
Case studies and exercises of portfolio selection and management in selected Middle Eastern countries. *Occasionally.*

ECON 346  Advanced Futures and Options  3.0; 3 cr.
An analysis of pricing in continuous-time of contingent claims securities and a broad category of derivative instruments and investment strategies. *Prerequisite: ECON 342. Occasionally.*

ECON 347  Economic Forecasting  3.0; 3 cr.
A course that provides training in methods of forecasting used in commercial enterprises. This course also introduces the methods of macroeconomic forecasting. *Occasionally.*

ECON 348  Advanced Monetary Economics  3.0; 3 cr.
An examination of recent monetary economic developments intended to equip students with the technical details and the working of monetary economic models. *Prerequisite: ECON 328. Occasionally.*

ECON 349  Advanced Microeconomics  3.0; 3 cr.
A course that provides a solid understanding of microeconomic analysis and its application to monetary and financial issues. *Occasionally.*
ECON 350  Advanced Macroeconomics  3.0; 3 cr.
An introduction to some important current topics in macroeconomics and the technical tools used in their discussion. Occasionally.

ECON 351  Development Finance  3.0; 3 cr.
A course that provides training in the economic underpinnings of the financial issues that affect developing countries. Occasionally.

ECON 352  Advanced Financial Econometrics  3.0; 3 cr.
Inference in linear time series models, properties of high frequency data, inference in discrete time non-linear models and estimation in the context of empirical densities of stock prices, ARCH models for stock prices, and continuous time derivative pricing models. Occasionally.

ECON 353  Bank Management  3.0; 3 cr.
Discusses key issues in commercial banking activities and management. It provides the analytic tools related to commercial bank management (financial and organizational). Occasionally.

ECON 354  Credit Analysis  3.0; 3 cr.
Analyzes the evolution of credit analysis techniques and tools. Even though international trends are discussed, the Lebanese context remains in focus. Occasionally.

ECON 355  Corporate Finance  3.0; 3 cr.
Focuses on large corporate investment decisions and on designing, analyzing, and managing the elements of a comprehensive financial strategy. It provides a sophisticated theoretical and empirical overview of major topics in corporate finance. Occasionally.

ECON 356  Special Topics in Financial Economics
May be repeated for credit. Occasionally.

ECON 357  Special Topics in Monetary Economics
May be repeated for credit. Occasionally.

ECON 395A/395B  Comprehensive Exam  0 cr.
Prerequisite: Consent of adviser.

ECON 398  Project
Transfers Between the Two Programs

Students wishing to transfer from one program to another can do so after departmental approval and can be given credit for courses already passed that fall within the requirements of the other program.

Transfers between the two programs are permitted subject to the following:

- Students enrolled in the MAE program who wish to transfer to the MAFE program are given credit for ECON 305, ECON 317, ECON 327 and ECON 328 if completed prior to the transfer. The four courses are required under the MAFE program.

- Credit may be given for two other graduate courses completed under the MAE program, which may be considered as elective courses allowed under the MAFE program.

- With the above courses completed, this leaves 18 credits of additional required course work (plus the project) to be completed to graduate with an MAFE. Any incomplete courses among the above-mentioned need to be completed. The remaining elective course(s) are chosen in consultation with the student adviser.

- Students enrolled in the MAFE program who wish to transfer to the MAE program must complete ECON 317, ECON 327 and ECON 305. If completed prior to the transfer, these classes constitute part of the course requirements toward the MAE. With the completion of these three courses, the transferring student needs to complete an additional 15 credits of course work, plus the thesis.