

Department of Economics

Chairperson:	Altug, Sumru Guler
Professor Emeritus:	Makdisi, Samir
Professors:	Neaime, Simon E.; Kirdar, Murat.
Associate Professors:	Dagher Leila N.; Salti, Nisreen I.
Assistant Professors:	Canaan, Serena Patricia; El Joueidi, Sarah; Mabsout, Ramzi R.; Montero Kuscevic Casto, Martin G.; Mouganie, Pierre; Radmard, Hossein; ^P Sadaka, Richard A.; Tuncay, Muhammed Alparslan
Lecturers:	^P Bou Nassar, Makram; ^P Corm, Georges; ^P El-Khalil, Youssef A.; ^P Harajli, Hassan; ^P Hussein, Hiba; ^P Makki, Fadi; Ramadan, Usamah H.; ^P Robalino, David; ^P Soueid, Mazen
Instructors:	^P El Baba, Nora; ^P El-Khalil, Iyad A.; ^P Ghabboura, Yehya; ^P Halawi, Balsam; ^P Hamdan, Dana; ^P Hamadeh, Hiba; ^P Kanaan, Maya Z.; ^P Karam, Ramzi; ^P Kontar, Jana; ^P Makki, Malak, Z.; ^P Nader, Pamela; ^P Rebeiz, Sylvia; ^P Tabsh, Ghina; ^P Tabsh, Hala M

The department offers two master's degree programs, which include 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. Moreover, all applicants must submit an official GRE or GMAT score with the application.

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 6-credit 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 advisor's approval. In case of deficiencies in the student's undergraduate record, the department may require additional credits. Students are also required to pass the comprehensive exam.

Faculty in the Department have a wide range of research interests covering, among others, labor economics, theory-based and applied macroeconomics, financial economics, behavioral economics and economic methodology, public economics and the political economy of development.

ECON 301 **Graduate Tutorial** **3.0; 3 cr. (each)**
May not be repeated for credit. Occasionally.

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

^P) Part-time

- 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 applications (e.g. heteroskedasticity, autocorrelation, multivariate regression), GMM estimation, simultaneous equation models and panel data models. *Annually.*
- ECON 306 Econometrics II 3.0; 3 cr.**
Nonlinear 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 3.0; 3 cr.**
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 Microeconomic Theory I 3.0; 3 cr.**
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 Microeconomic Theory II 3.0; 3 cr.**
Income distribution concepts, alternative theories of distribution and capital controversy, general equilibrium analysis and welfare economics. *Occasionally.*
- ECON 326 Public Finance 3.0; 3 cr.**
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 3.0; 3 cr.**
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 3.0; 3 cr.**
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 3.0; 3 cr.**
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 3.0; 3 cr.**
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 credit for both ECON 333 and MECH 674. Occasionally.*

- ECON 335** **International Trade Theory** **3.0; 3 cr.**
 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** **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 337** **Economic Development** **3.0; 3 cr.**
 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** **3.0; 3 cr.**
 An analysis of economic issues regarding the efficient use of natural resources and the management of environmental quality. *Occasionally.*
- ECON 339** **Mathematical Economics** **3.0; 3 cr.**
 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 either MATH 218 or MATH 219. Occasionally.*
- ECON 395A/B** **Comprehensive Exam** **0 cr.**
Prerequisite: Consent of advisor.
- ECON 399** **MA Thesis** **6 cr.**

MA in Financial Economics

Students wishing to obtain a Master of Arts in Financial Economics are required to complete at least 27 credits, all of which should be at the graduate level, plus a 3-credit project. The coursework includes eight required courses (listed below) and one elective. In case of deficiencies in the student's undergraduate record, the department may require additional credits. Students are also required to pass the comprehensive exam.

The research interests of the faculty include macro-finance, industrial organization, international economics, applied econometrics, financial economics, financial econometrics, macroeconomics, monetary economics, energy economics and time-series econometrics.

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. heteroskedasticity, autocorrelation, multivariate regression), GMM estimation, simultaneous equation models and panel data models. *Annually.*

ECON 317 Price Theory I 3.0; 3 cr.
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 327 Macroeconomics 3.0; 3 cr.
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 3.0; 3 cr.
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; portfolio models.. *Annually.*

ECON 340 Financial Economics I 3.0; 3 cr.
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.*

ECON 395A/B Comprehensive Exam 0 cr.

Prerequisite: Consent of advisor.

Electives (one course: 3 credits)

One elective course is chosen from the following list in consultation with the faculty advisor. Other electives may alternatively be chosen from available graduate courses at the university with the advisor'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 workings of monetary economic models. *Prerequisite: ECON 328. Occasionally.*

ECON 351 Development Finance 3.0; 3 cr.

A course that provides training in 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 nonlinear models and estimation in the context of empirical densities of stock prices, ARCH models for stock prices and continuous time derivative pricing models. <i>Occasionally.</i>		
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). <i>Occasionally.</i>		
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. <i>Occasionally.</i>		
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. <i>Occasionally.</i>		
ECON 356	Special Topics in Financial Economics	3.0; 3 cr.
<i>May be repeated for credit. Occasionally.</i>		
ECON 357	Special Topics in Monetary Economics	3.0; 3 cr.
<i>May be repeated for credit. Occasionally.</i>		
ECON 398	Project	3 cr.

Transfers Between the Two Programs

Students wishing to transfer from one program to another can do so after obtaining 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.

With the above courses completed, this leaves 15 credits of additional required coursework (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 advisor.

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 coursework, plus the thesis.