

APPP Syllabus 2016

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◆MACROECONOMICS: THEORY AND POLICY

Fall 2015 4 credits

Prof. Akira Ariyoshi

[Course Objective]

In order to help students analyze and understand real-world macroeconomic problems and design appropriate policies to deal with them, this course will cover various basic macroeconomic concepts, including consumption, investment, inflation, the exchange rate, the balance of payments, fiscal and monetary policy, and economic growth. The course will discuss current economic policy issues and developments to understand how theory is used to understand the actual economy.

[Contents of the Course]

1. Basic concepts and data in macroeconomics
2. IS-LM and AS-AD models
3. Expectations and economics
4. Theories of economic growth
5. Exchange rate, balance of payment and open economy macroeconomics
6. Monetary and fiscal policies in theory and practice

[Textbooks]

Olivier Blanchard and David R. Johnson, *Macroeconomics (Global Edition)*. Pearson Education, 2013.

Other course material will be distributed in class.

[Additional Readings]

For those who wish to gain a deeper and theoretically more rigorous understanding of the topics covered, including those who wish to undertake Doctoral Degree studies in the future and those who are planning for research career in macroeconomics, the following are suggested:

D. Romer, *Advanced Macroeconomics (4th edition)*, McGraw Hill, 2011

Philippe Aghion and Peter W. Howitt, *The Economics of Growth*, MIT Press, 2008.

Other reading materials will be suggested during class.

[Requirements]

1. Students who are not familiar with the subject or those who are out of touch with macroeconomics since their university days should read an *English* textbook in basic or intermediate undergraduate macroeconomics *prior* to their arrival at the University. [Students on the IMF Scholarship and attending the Skill-Refreshing Course in summer will be using *Macroeconomics: Principles and Policy, 11th International Edition*, by William J. Baumol and Alan S. Blinder.]
2. Students who are not familiar with basic tools such as logarithms, differentiation and integration, and optimization should make sure that they have functional knowledge of maths. They should prepare using texts such as *Mathematics for Economics* by Mik Wisniewsky. They will also be required to take the Math Preparatory Course offered in September. Understanding of the textbook for this course (*Essential Mathematics for Economic Analysis* by Sydsaeter and Hammond, is more advanced than the Wisniewsky textbook) is essential.
3. Students will be required to complete on-line homework using MyEconLab, that is linked to the textbook. The University will arrange the Blanchard and Johnson textbook with the accompanying access rights to MyEconLab to be bought at the beginning of the term. *If you have already independently purchased the textbook yourself, you must separately purchase the access code for MyEconLab by yourself for the course.*
4. There will be a weekly TA session to review the assigned homework. All students are required to attend the sessions.

[Grading]

Grading will be based on the results of mid-term and end-of-term examinations, and the completion of assigned homework.

◆ MICROECONOMICS FOR PUBLIC POLICY

Fall 2015 4 credits

Prof. Masahiko Takeda

[Subjects and the Goal of Lecture]

Analyzing and designing public policies require a deep understanding of the behavior of economic agents such as consumers, producers, and the government. This course covers the standard microeconomic theory with applications to public policy analysis. Our goal is to show the nature of the market mechanism and its limitations (i.e., market failure) which justify some public policy interventions.

[Plan and Summary of Lecture]

The course will cover the following topics: (1) consumer behavior, (2) producer behavior, (3) market equilibrium, (4) market failure, and (5) microeconomic analyses of public policies.

[Textbook and References]

The following textbook is used.

Nicholson, Walter and Christopher Snyder, *Microeconomic Theory: Basic Principles and Extensions (Eleventh Edition)*, South-Western, 2011.

It appears that the contents of the Nicholson/Snyder textbook are not very different from edition to edition. Therefore, students may obtain a previous edition as long as they make sure that they have access to the eleventh edition (from a classmate or a library) so that they will not be left confused when materials that are found only in the eleventh edition are covered.

[Evaluation]

Evaluation will be based on two mid-term exams and the final exam.

◆ ECONOMICS OF PUBLIC SECTOR

Fall 2015 4 credits

Prof. Shigeki Kunieda

[The Purpose of Lecture]

The purpose of this lecture is to provide students with the theoretical foundation of economics of public sector. Competitive economies are said to be able to allocate resources efficiently. But this, however, is not always the case in real economies: markets are not fully competitive, and even when markets are competitive, they may fail in certain situations. Information is nowadays getting important as insurance markets are developing. Here, information on the side of insurance-providers and insurance-buyers are not the same. When the buyers have more information on their risks than the providers, insurance markets may fail to reach certain types of people who want to buy insurance.

With good understanding of the theory, various public policies will be examined with emphasis on their theoretical aspects. Taxation, social-security policies and local-public finance will be the three of major fields of public economics that will be dealt with here. Debt-management of the public sector will also be examined with some background from macro-economic policy.

[Construction of lecture]

About 20% of lectures: Theory of market and market failure

30%: Economics of taxation: institution and the theory

30%: Economics of Public Expenditure

10%: Macro-economic aspect of public finance

10%: Local public finance: institution and the theory

[Textbook and References]

(Required Textbook)

Stiglitz, J. E. and J. K. Rosengard, *Economics of the Public Sector (4th Edition)*, Norton, 2015 (International Edition (paperback) is much cheaper.)

(Recommended Textbook)

Gruber, J., *Public Finance and Public Policy(Third Edition)*, Worth Publisher, 2009

(Reference)

Various books, articles and other materials will be assigned in class.

[Grades]

Grades will be offered with weighting mid-term and final examinations.

◆ FUNDAMENTALS OF ECONOMETRIC METHODS

Fall 2015/Spring 2016 4 credits

Prof. Masako Ii

[Course Objective]

The objective of this course is to make the students enable to conduct reasonable empirical researches with statistical and econometric methods. This course is designed for students from a wide variety of backgrounds. The course emphasizes statistical thinking and is intended to get students familiar with organizing and describing data, as well as with basic statistical reasoning and econometric methods.

[Content of the Course]

The course will be separated into two parts, basic statistics and probability theory and econometrics. The students are required to write a term paper concerning practical problems using appropriate econometric methods.

- Statistics
 - Review of Probability
 - Review of Statistics
- Econometrics
 - Regression analysis with cross-sectional data
 - Regression analysis with time series data
 - Panel data methods
 - Instrument variables estimation and two stage least squares
 - Simultaneous equations models
 - Limited dependent variable models

[Textbooks]

1. Stock, James and Mark W. Watson *Introduction to Econometrics, 3rd edition*, Pearson Education Limited, 2014
2. Wooldridge, Jeffery, M. *Introductory Econometrics: A Modern Approach, 5th edition*, South-Western, 2013

[Evaluation]

Grades are based on homework, term paper, and midterm and final examinations. Active class participations are required.

**◆ FINANCIAL PROGRAMMING FOR MACROECONOMIC
POLICY FORMULATION**

Fall 2015 2 credits
(Intensive Course)

Visiting Professor

[Course Objectives]

This course will introduce participants to the process of formulating a hypothetical macroeconomic and structural adjustment program, which provides basic skills in managing economic performance of any country. Thus, participants will be exposed to basic concepts of macroeconomic behavioral and accounting relationships that form a sound basis for analyzing economic developments and formulating economic policies. During the course, participants will acquire basic and practical skills that are useful in economic analysis and policy formulation. (Completion of macroeconomic and microeconomic principles at the APPP is prerequisite.)

[Textbook]

Financial Programming and Policy: The Case of Sri Lanka, IMF Institute, IMF, 1996 (Washington, DC). The photo copy of the textbook will be provided to the participants by the APPP.

[Class schedule and topics for discussion]

The class schedule and assignments for reading and homework will be contained in an excel file, “Hitotsubashi FPP Class Schedule 2013” that will be distributed before the class, which is tentatively scheduled to begin in February 2013.

[Workshops]

The participants will be divided into several groups, depending on the number of the participants in the class. Each group is likely to comprise 4 – 5 people and will be asked to produce two scenarios.

The first scenario is to forecast the economy of Sri Lanka in 1991, based on the assumption that there will be no change in economic policy beyond what is known at the end of 1990. This scenario is usually called as a “baseline” scenario. The forecast will cover the following accounts: the national income and prices, balance of payments, fiscal,

and monetary accounts. In addition, the flow of funds table, linking these accounts, will need to be completed.

Once the baseline scenario is completed, the participants are expected to identify economic problems that Sri Lanka will be facing in 1991 and to identify the need for improvement.

The second scenario, often referred to as an adjustment scenario, is to forecast the economy in 1991, based on the assumption that the authorities will introduce a set of policies, in order to improve economic performance relative to the baseline scenario.

For the adjustment scenario, the participants are to set targets for major economic variable, such as growth, inflation, or balance of payments, and choose policy instruments, such as monetary or fiscal instruments, and are expected to explain how their choice of instruments are to help achieve the targets.

At the end of the exercise, each participant in each group is expected to present the results. Discussion and comments will follow the presentation.

[Grade]

Letter grades will be given to each of the participants upon the completion of the course. The grades will be determined by: class attendance (10 %); participation in discussion (10 %); homework (15 %); and workshop (65%).

◆ ECONOMIC ANALYSIS OF TAX SYSTEMS

Spring 2016 2 credits

Prof. Shigeki Kunieda

[The Purpose of Lecture]

The graduate level economic analysis of tax policy will be taught in this class. The basic concepts of various distortions, tax incidence, optimal commodity taxes and optimal income taxes will be explained in more formal way than the economics of public sector class. Capital taxation, corporate taxation and tax evasion will be also considered in detail. This lecture will provide necessary analytical tools for the students who plan to write their thesis on tax policies.

[Construction of lecture]

In the first part of the lecture, positive effects of various taxes on labor supply, savings, risk-taking, corporate investment and finance, and tax incidence will be discussed. In the second half of the lecture, optimal commodity taxes, optimal labor income taxes, and optimal capital taxes will be discussed. Tax evasion and other topics will be also discussed.

[Textbook]

Salanie, B., *The Economics of Taxation (Second Edition)*, MIT Press, 2011

Myles, G., *Public Economics*, Cambridge University Press, 1995

A. Atkinson and J. Stiglitz, *Lectures on Public Economics*, McGraw-Hill, 1980

[References]

A. Auerbach and M. Feldstein, *Handbook of Public Economics*, Vol.1-4, North-Holland

Other reference will be provided in class.

[Evaluation]

The grade will be given based on the term paper related to the topics in the class.

◆ **TAX POLICY I: POLICY AND SYSTEMS** Spring 2016 2 credits
Prof. Toshiyuki Fushimi
Prof. Hideaki Ishiguro

[Course Objective]

This course examines tax system, tax policy and tax administration, especially focusing on studying how to develop tax system and tax administration of developing countries, through the lecture based on the experience of Japan and the discussion among the participants.

[Plan of Lecture]

The lecture will cover the following topics:

- (1) Overview of Japanese taxation (Individual income tax, corporate income tax, consumption tax, Inheritance tax and other taxes)
- (2) Overview of Japanese tax administration (development of self-assessment tax system in Japan, and measures for improving taxpayer's compliance and tax authority in Japan).

In addition the participating programs will be provided, such as simulation & discussion program on the ideal tax system and tax administration for the developing countries, and discussion on other special topics including the reason of Japanese economic development and the feature of Japanese people. Therefore the participants will be required to provide the presentation for the issues.

[Textbook and References]

Lecture notes will be distributed during the course. The following website and textbooks are recommended to supplement the lecture notes.

Web-site of Ministry of Finance: <http://www.mof.go.jp/english>

Web-site of National Tax Agency: http://www.nta.go.jp/foreign_language

National Tax Agency, “National Tax Agency Report 2015)”

Available at http://www.nta.go.jp/foreign_language/2015e.pdf

[Evaluation]

Evaluation will be based on the prepared paper, the presentation related to the topics and the situation of attendance for the class.

◆TAX POLICY II: INTERNATIONAL TAXATION

Fall 2015 2 credits

Prof. Takashi Yoneda
Prof. Michito Kitamura
Prof. Akiyuki Asatsuma

[Course Objective]

This course examines international tax system and tax policy through the lecture based on the experience of Japan and the discussion among the participants. The international taxation is the area of tax law and practice in which many issues remain unsolved. We welcome participants' proactive argument.

[Plan of Lecture]

The lecture will cover the following topics:

- (1) Overview of fundamental issues of international taxation;
- (2) Overview of typical international tax system including that of Japan; and
- (3) Policy discussion regarding desirable international tax system.

We can easily find out many unsolved issues during the course of the study in the international taxation system. Participants' proactive argument would be a key.

[Textbook and References]

Lecture notes will be distributed during the course. The following website and textbooks are recommended to supplement the lecture notes.

Web-site of Ministry of Finance: <http://www.mof.go.jp/english>

Web-site of National Tax Agency: http://www.nta.go.jp/foreign_language

National Tax Agency, “National Tax Agency Report 2014”

Available at http://www.nta.go.jp/foreign_language/Report_pdf/2014e.pdf

[Evaluation]

Evaluation will be based on the prepared paper, the presentation related to the topics and the situation of attendance for the class.

◆ FISCAL DECENTRALIZATION AND LOCAL GOVERNMENT FINANCE

Spring 2016 2 credits

Prof. Motohiro Sato

[Objective]

Fiscal decentralization has been regarded as a new paradigm of economic and political institution in those countries. It is expected to foster economic development, enhancing inter-governmental/regional competition that direct resources for more efficient use and preserves market economies although empirical evidences on relationship between decentralization and growth are rather mixed. Decentralization may also be considered as a way to promote and assure people's participation in policy making and thus to secure democracy, preventing an authoritarian government. This reflects the notion that local governments are easier to be controlled by residents than the central counterparts. In a country with discontent regions, decentralization can be to cope with their separatist movement and to accommodate growing regionalism.

In this course, the instructor gives academic-based notion of fiscal decentralization, including (i) function assignment between the central and local governments, (ii) normative functions of intergovernmental transfers to fill vertical and horizontal fiscal gaps and (iii) taxes suitable to local level governments so as to meet fiscal accountability at margin. (iv) Focus is on macroeconomic consequences of fiscal decentralization as well as microeconomic, i.e., allocative and distributive implications. specific issues to developing countries such as (v) management capacity of local governments, (vi) inadequacy of local government funding are also discussed. Not only country specific matters but also common challenges associated with decentralization will be addressed. Active participation in discussion is expected.

[Plan of the session]

Part I: Overview of Fiscal Decentralization

- Normative criterions on task allocation between the central and local governments.

- Macro economic consequences of decentralization; theory and practice

Part II: Economic Theories of Decentralized Fiscal System.

- Benefits of decentralization: (i) Decentralization Theorem, (ii) Tiebout mechanism("Voting with feet"), (iii) Yard stick competition, (iv) Leviathan hypothesis, (v) Experimentation.

- Costs of decentralization: (i) spillovers, (ii) tax competition, (iii) tax exporting, (iv) vertical tax externality (common pool problem), (v) fiscal equity.
- Criteria on good local taxes and on intergovernmental transfers.

Part III: Intergovernmental Relations

- Design and Administration of Intergovernmental Transfers
- Normative and positive views on Intergovernmental transfers:
 - (i) soft budgets, (ii) pork barrel, (iii) rent seeking.

[Grading]

There are one report and final exam. Final grades will be determined as follows: 40 % of the report, 60% of the final exam. The report will be assigned in the mid of May.

[References]

- Ahmad, E. and V. Tanzi ed 2002 Managing Fiscal Decentralization, Routledge.
- Bird, R. M. and F. Vaillancourt ed, 1998, Fiscal Decentralization in Developing Countries, Cambridge Press.
- Boadway, R. and A. Shah ed. 2007, Intergovernmental Fiscal Transfers: Principles and Practice, Public Sector Governance and Accountability Series, World Bank
- Hitotsubashi Journal of Economics, Vol. 41 (2), December 2000, Special Volume for International Symposium on Decentralization and Economic Development in Asian Countries.
- Ichimura, S. and R. Bahl ed. 2009 Decentralization Policies in Asia Development, World Scientific.
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- Proceedings on the international symposium "Fiscal Decentralization in Asia Revisited" 2004.
- Prud'homme, R., 1995, "The Danger of Decentralization," The World Bank Research Observer 10, 201-210.
- Shah ed. 2008 Macro Federalism and Local Finance, The World Bank.
- Ter-Minassian, T. ed., 1997, Fiscal Decentralization in Theory and Practice, IMF.

◆FIELD RESEARCH ON TAX ADMINISTRATION

Fall 2015/Spring 2016 6 credits

Prof. Shigeki Kunieda

[Course Description]

This is a special course on tax administration conducted on the premises of the National Tax College of the Japanese government.

Participants will be given lectures and training about the Japanese tax system, management of tax collecting authorities and related topics by the officials of the Japanese national tax authorities (National Tax Administration and the National Tax College).

Participants are expected to submit a report on certain aspects of tax administration.

[Requirement]

Participation is strictly limited to students with the previous experience of working at tax authorities.

Those wishing to enroll in this course are required to consult with their academic advisors by late October, 2015.

◆ ECONOMIC ANALYSIS OF PUBLIC INVESTMENTS

Fall 2015 2 credits

Prof. Yoshio Wada

[Objective]

This course aims at acquiring practical knowledge of economic and econometric methods in the analysis and evaluation of public interventions including investments in public programs/projects. Cost-benefit analysis is typically used for policy and project/program evaluation (ex-ante, ex-post) and widely applied in governments for the decision of public investments. The emphasis will be on the theoretical foundations for measurement of the benefits and costs of public investment/development projects as well as on practical application to these projects. Very current topics of (econometric, rigorous) impact evaluation of public projects will be covered in the class with particular applications of the methods to public investments. Moreover, risk and sensitivity analysis, distributional welfare analysis, and the issue of governance/institutions will be covered in the lectures.

The coverage of topics will vary from the area of economic growth theory, welfare economics, such as welfare measurement, compensation principle, poverty and distribution theories, econometric evaluations, dynamic decision analysis, risk analysis including real options from financial theory, practical monitoring and evaluation process and applications to infrastructure investments such as roads, electricity, water and social sector investments. Methodology of estimation of benefit, such as hedonic analysis and contingent valuation method will be also covered. The course will extensively use theoretical tools from microeconomics and econometrics.

Expected Results

After having successfully completed this class, the students are expected to understand and equip the basic economic and econometric skills for policy/project analysis as well as its theoretical foundations, and practical techniques for the conventional planning and appraisal methods for public investments in various sectors. By the end of class you will be expected to know more than most people that carry out mere cost-benefit calculations.

[Textbooks]

- Boardman, Greenberg, Vining and Weimer (BGVW) (2005), *Cost-Benefit Analysis: Concepts and Practice*, Prentice Hall College Div
- Luenberger, D. G. (2009), *Investment Science*, Oxford University Press
- Houghton J. and S.R. Khandker (2009), *Handbook on Poverty + Inequality*, World Bank.
- Khandker,S.R., Koolwal. G.B. and H.A. Samad(2010), *Handbook on Impact Evaluation*, World Bank.
- Gertler, Martinez, Premand Rawlings and Vermeersch(2011), *Impact Evaluation in Practice*, World Bank.

[References]

- Duclos, Jean-Yves and Araar, Abdelkrim(2006), *Poverty and Equity, Measurement, Policy, and Estimation with DAD*, IDRC, Springer
- Adler M. D. and Eric A. Posner(2001), *Cost-Benefit Analysis, Legal, Economic, and Philosophical Perspectives*, The University of Chicago Press
- Feldman, A.M. and R. Serrano(2005), *Welfare Economics and Social Choice Theory, 2nd ed.*, Springer New York.
- Gollier, Christian (2001) *The Economics of Risk and Time*, MIT Press
- Cameron, A. Colin and Trivedi Pravin (2005) *Microeconometrics, Methods and Applications*, Cambridge University Press
- Belli, Anderson, Barnum, Dixon, and Tan (2001), *Handbook on Economic Analysis of Investment Operations*, The World Bank Institute, WBI Development Series, Washington, D.C. Available from the World Bank Web.
[http://wbln0018.worldbank.org/environment/EEI.nsf/d94e136e025a639d85256ad80052cbd5/6969e0ba8570192385256706005fa4ad/\\$FILE/econanal.pdf](http://wbln0018.worldbank.org/environment/EEI.nsf/d94e136e025a639d85256ad80052cbd5/6969e0ba8570192385256706005fa4ad/$FILE/econanal.pdf)
- The World Bank Impact Evaluation Manual (2000), *Evaluating the Impact of Development Projects on Poverty, A Handbook for Practitioners*, Judy L. Baker. Available from the World Bank web.
<http://siteresources.worldbank.org/INTISPMA/Resources/handbook.pdf>
- *Monitoring and Evaluation (M&E): Some Tools, Methods and Approaches*, World Bank, On-line edition (26 pages) is from
<http://www.worldbank.org/ieg/ecd/tools/>

[Requirements and Grading]

30% of your grade will be based on your performance in class (attendance, in-class quiz, and presentation, if any), and 70% will be determined by your performance on the mid-term and term-end exams. Further details will be announced at the beginning of introductory lecture.

◆ **ECONOMIC ANALYSIS OF REGULATION AND
PUBLIC ENTERPRISES**

Fall 2015 2 credits

Prof. Toru Hattori

[Course Objective]

The objective of this course is to provide the students with the understanding of a theoretical background of economic regulation and ownership in public utilities industries, such as electricity, gas, telecommunication and transportation. We will occasionally examine some empirical studies to illustrate key points. In addition, quantitative techniques for economic analyses for regulated industries will be introduced. Understanding of basic concepts of microeconomics is presupposed.

Topics to be covered in the courses are:

1. Competitive Market and Economic Welfare
2. Natural Monopoly and the Role of Economic Regulation
3. Regulatory Failure and Inefficiency of Regulated Firms
4. Economic Issues in Rate Regulation
5. Information Problems and Incentive Regulation
6. Issues in Public Ownership and Privatization
7. Competition in Formerly Regulated Industries
8. Recent Topics in Economic Regulation in Public Utility Industries in Japan

[References]

There is no single textbook for this course. Reading materials may be specified in class. The following books are recommended as useful references for some of the issues covered:

Coelli, T., P. Rao, C. O'Donnell, and G. Battese (2005). *An Introduction to Efficiency and Productivity Analysis* (2nd Ed), Springer.

Newbery, D.M. (1999). *Privatization, Restructuring, and Regulation of Network Utilities*, MIT Press.

Sharkey, W.W. (1983). *The Theory of Natural Monopoly*, Cambridge University Press.

Vickers, J. and G. Yarrow (1988). *Privatization: An Economic Analysis*, MIT Press.

Viscusi, W.K, J.E. Harrington, Jr., and J.M.Vernon (2005). *Economics of Regulation and Antitrust* (4th edition), MIT Press.

[Evaluation]

One short essay (literature review or case study) related to the topics covered in the course will be required. The grades will be determined on the basis of the above *plus* homework (including some group projects) and class attendance.

◆ ECONOMIC ANALYSIS OF SOCIAL POLICY

Spring 2016 2 credits

Prof. Masako Ii

[Course schedule and reading list]

First half of this course offers an introduction to impact evaluation by presenting a detailed analysis of quantitative research underlying recent program evaluations and case studies. This course works extensively with Stata. Second half of this course discusses health systems reforms in the Asia-Pacific Region.

I. Impact evaluation

1. Introduction to impact evaluation

Basic issues of evaluation

2. How to evaluate

- 1) Randomized impact evaluation
- 2) Propensity score matching
- 3) Double difference (Difference-in-differences)
- 4) Instrumental variable estimation
- 5) Regression discontinuity design
- 6) Measuring distributional program effects

3. How to implement an impact evaluation

- 1) Choosing the sample
- 2) Collecting data

II. Comparative analysis of health systems reforms in the Asia-Pacific region

Reading List

1. *Handbook on impact evaluation: quantitative methods and practices*, The World Bank, 2010

http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2009/12/10/000333037_20091210014322/Rendered/PDF/520990PUB0EPI1101Official0Use00nly1.pdf

2. *Impact Evaluation in Practice*, The World Bank, 2011

http://siteresources.worldbank.org/EXTHDOFFICE/Resources/5485726-1295455628620/Impact_Evaluation_in_Practice.pdf

3. *Primary Health Care: Now more than ever*, World Health Organization, 2008
4. *The Economics of Public Health Care Reform in Advanced and Emerging Economies*, International Monetary Fund, 2012

Evaluation

Based on class participation, homework assignment, and the term paper.

◆ ECONOMIC ANALYSIS OF SOCIAL SECURITY SYSTEMS

Fall 2015 2 credits

Prof. Shigeki Kunieda

[The Purpose of Lecture]

Economic analysis of social policy, especially social security system, will be taught in this class. Both theoretical backgrounds and current debate on social security reforms are discussed. This lecture will provide necessary analytical tools for the students who plan to write their thesis on social security policies.

[Construction of Lecture]

The general theoretical backgrounds of public insurance system such as principles of insurance, asymmetry of information, and others are taught. Then we will consider the effects of public pension on labor markets and capital markets. The social security reform debate on both developed and developing countries is also discussed in class.

[Textbook/Reference]

Unfortunately, there is no good graduate level textbook on social security. So, we will introduce references related the topics in class. But, the books and the article below will provide the overview of social security reform debate.

P. Diamond, *Social Security Reform*, Oxford Univ. Press, 2002

M. Feldstein, and J. Liebman, "Social Security," in A. Auerbach and M. Feldstein eds., *Handbook of Public Economics Vol.4*, North-Holland, 2002

World Bank, *Averting the Old Age Crisis*, Oxford Univ. Press, 1994

For the students who do not have any background knowledge of social security and social welfare policy, the following college level textbook may be useful.

N. Barr, *The Economics of the Welfare State (5th Edition)*, Oxford Univ. Press, 2012.

[Grading]

The grade will be given based on the term paper related to the topics in the class and the class attendance.

**◆INTERNATIONAL ECONOMY AND FINANCE
POLICY AND INSTITUTIONS**

Spring 2016 2 credits

Prof. Akira Ariyoshi

[Course Objective]

The objective of this course is to equip the students with basic knowledge and skills to understand and analyze international economic developments and policy issues related to the external sector of an economy. It will review the basic concepts, theories and institutional aspects related to international trade, finance and open-economy macroeconomics, and discuss their practical applications in a policy environment.

The course will include the following specific topics.

- International trade: basic theory, policies and institutions
- Balance of payments and exchange rates: basic concepts and theory
- Exchange rate and balance of payments policies
- Coping with currency and balance-of-payments crisis
- International monetary and financial systems

[Reference Materials]

Students are strongly recommended to purchase and read either (1) or (2) in parallel with the class. (1) is compact and basic, without much mathematics, while (2) has more theory and details. (3) is for students who are interested in the political economy and institutional aspects of trade.

(1) James Gerber, *International Economics (Fifth international edition)*, Pearson Education, 2011.

(2) Paul Krugman, Maurice Obstfeld and Mark Melitz, *International Economics: Theory and Policy (9th Global Edition)*, Prentice Hall, 2011

(3) Bernard M. Hoekman and Michel M. Kostecki, *The Political Economy of the World Trading System: The WTO and Beyond (3rd Edition)*. 2010, Oxford University Press

Materials on current policy issues will be specified or distributed in class.

[Grading]

Grading will be based on short tests during class, and essays and/or final exams.

◆ FINANCIAL SECTOR REFORM AND DEVELOPMENT

Fall 2015 2 credits

Prof. Masahiko Takeda

[Course Objective]

The global financial crisis in 2008-09 made policymakers in both developed and developing countries focus their attention again on the importance of financial stability in achieving sustainable growth and economic development. Policymakers in the world have been discussing the ways to strengthen the financial system and achieve global financial stability. In these discussions, they have increasingly become aware of the importance of the interaction between the real economy and financial system, and a macroprudential approach in their policymaking.

The objective of the course is to provide students with the basic knowledge and framework to evaluate i) the financial sector's role in the economy; ii) costs and benefits of constraining financial activity; iii) the implications of the Global Financial Crisis for regulatory reforms; and iv) how to formulate financial sector reform strategies in developing and emerging market countries.

Students are expected to do a group presentation on topics related to the course objective.

[Textbooks and References]

Necessary materials will be distributed in the class.

[Grading]

Grades will be determined on the basis of the term paper, group presentations, and the extent of participation in the classroom discussion.

◆MONETARY POLICY IN THEORY AND PRACTICE

Spring 2016 2 credits

Prof. Masahiko Takeda

[Course Objective]

The objective of this course is to study monetary policy in theory and in practice. We will first review basic issues such as what is money, why monetary policy can have a real effect, cost and benefits of inflation, etc., and study theoretical models that show how monetary policy works. We also examine some of the practical aspects of monetary policy, such as the central bank (CB)'s balance sheet, policy instruments, transmission mechanisms, different versions of targeting, and CB's independence.

These issues will be discussed drawing on country experiences as necessary, including the case of Japan since the late 1980s to date with the zero interest rate policy and quantitative easing. Several classes will be devoted to student teams' presentation, in which they are expected to choose a monetary policy topic and explain their views and analysis to classmates.

[Textbooks and References]

The textbook for this course is; **John Fender, *Monetary Policy*, 2012, Wiley**. Lectures will overlap many of the chapters in this book, but most of the time, the lectures' content is *not* a repeat of the book. Rather, the book is intended to be a background reading for students' broader understanding of topics to be covered in the lectures.

[Grading]

Grades will be determined on the basis of the term paper, group presentations, and students' participation in the classroom discussion.

◆ASIAN ECONOMIC DEVELOPMENT AND INTEGRATION

Spring 2015 2 credit

Offered by ADBI

*The details and dates below are from Spring 2015. Details will be available when finalized before Spring 2016.

Course Description

The course provides an overview of the key factors influencing the rapid growth and development of Asian economies since the 1950s, with a focus on developments since the Asian financial crisis of 1997-98. It examines a range of policy challenges that the region has faced, and the response of various economies. The course will draw on diverse country, sub-regional and regional experience to identify policies that seem to have contributed most significantly to growth and development, examine why they were effective, and how they might be applied in other developing economies. It will consider current policy debates on a host of hot topics including trade, monetary policy, regional economic integration, the environment, and financial market development.

At the end of the course, students should understand the key drivers of Asian growth and development in the past 60 years and be familiar with a range of current policy issues likely to influence growth in the region in the years ahead.

Teaching staff

The course is taught by about 9 professional staff members of the Asian Development Bank Institute. Each lecturer focuses on his/her area of expertise and research.

Dean, ADBI:	Dr. Naoyuki Yoshino
Lecturer-in-charge:	Dr. Paul Vandenberg, Senior Economist, ADBI,
Course Coordinator:	Mr. Khan Kikkawa, Research Associate, ADBI,

Requirements

Students are expected to attend all lectures, participate actively in class, write a term paper and make a presentation on the paper at ADBI. Students will be assessed as follows:

- 10% - attendance

- 20% - contribution to class discussion
- 40% - term paper
- 30% - term paper presentation

Term paper

The term paper is a key component of the course and along with its presentation constitutes 70% of the final grade. Students are thus encouraged to think about the term paper early to allow sufficient time to explore the topic, develop a good proposal and write a quality paper. Students can review the syllabus to choose a topic but may also wish to explore a topic related to economic development that is not directly addressed in the lectures. Students may wish to ask Dr. Vandenberg or another lecturer (by email) about a proposed topic prior to preparing the proposal.

Term Paper Requirements

Students are required to prepare a 20-page term paper and make a presentation. All written submissions related to the paper should be sent by email to the course coordinator, Mr. Khan Kikkawa at kkikkawa@adbi.org. Please include your name and the nature of the submission (e.g. term paper proposal, final paper, etc.) in the subject line of the email.

Process and due dates

1. Initial term paper proposal – 11 May

Each student submits a proposal of 2 pages. The proposal should include: (i) title of the paper and name of student; (ii) key issues, question and hypothesis; (iii) methodology, including the planned use of empirical evidence and data; and, (iv) a brief literature review of books, papers, journal articles, databases or other sources to be used (list 5-10 of these in a References section).

2. Final term paper proposal – 25 May

Each proposal is assigned to a lecturer who will serve as the student's advisor. Students are to initiate communication with the assigned advisor and agree on a final proposal that is sent the course coordinator.

3. **Draft term paper – 22 June**

Students should research and write a draft of the paper. In the process, they may consult with further direction with their supervisor.

4. **Final Term paper – 13 July**

The final term paper is submitted to the course coordinator by email. It should be written in 11 point Arial font with 1.5 line spacing.

5. **Presentation slides – 17 July**

Each student will submit a PowerPoint presentation of about 15 slides

6. **Presentation – 22 July**

Each student will make a presentation, at a special day-long class at the ADBI. The presentation will be a maximum of 15 minutes. Comments and questions from the student's advisor and other lecturers will follow for about 10-15 minutes and the student will have a few minutes to respond.

Guidelines for the preparation of the paper

- The paper asks a research question that is interesting and relevant to economic growth and development in Asia and proposes a hypothesis. The paper should focus on a specific topic such finance, trade, infrastructure, growth, regional integration, human capital development, and will often focus on one country.
- The paper attempts prove or disprove the hypothesis in an analytical and methodical way. Econometrics can be useful but is not necessary. The use of statistics to provide empirical support and show trends will be essential in most cases. The paper should draw on past and current research in the field. The student must show that he/she can define and think about an issue, examine it in depth, and draw implications and conclusions from the investigation.
- The paper should include a review of literature that places the research in the context of what other people have done and makes clear why this paper is a contribution (no matter how small) to the body of knowledge. Through the review, the student should explain why the paper is worth doing. The review is not a simple listing of other

people's work. It should examine how this work relates to the question the student is investigating.

Lecture Topics and Readings	Lecturer (Date)
<p>[1] Asian Development Overview</p> <p>The lecture will provide an overview of economic development in Asia and the current challenges, trends and constraints. It will touch on growth patterns, and relations between developed and developing countries. Major themes such as poverty and inequality, regional integration, the middle-income transition, global value chains, and the new Silk Road will be highlighted. The importance of the three largest economies (People's Republic of China, Japan and India) will be noted. A brief discussion of the requirements of the course will also be provided.</p> <p><u>Required reading</u></p> <p>Asian Development Bank and Asian Development Bank Institute. 2014. <i>ASEAN, PRC and India: The Great Transformation</i> (Tokyo: ADBI), pp. 1-69</p> <p>Asian Development Bank Institute. 2014. <i>ASEAN 2030: Toward a Borderless Economic Community</i> (Tokyo: ADBI). Executive Summary and Chapter 1 (pp. 1-42)</p>	<p>P. Vandenberg (1 April)</p>
<p>[2] Economic Integration in ASEAN: A Model for Asia?</p> <p>This lecture will examine recent developments and trends in economic integration in Asia with special focus on ASEAN. In particular, the session will discuss the theoretical basis of economic integration and its benefits as well as costs. Among the issues to be discussed are goods and services liberalization, FDI liberalization, capital market integration, and labor mobility focusing on ASEAN. The session will explore whether the ASEAN Economic Community initiative can be extended beyond ASEAN.</p> <p><u>Required readings</u></p> <p>Rillo, A. "Monitoring the ASEAN Economic Community: Issues and Challenges".</p>	<p>A. Rillo (8 April)</p>

<p>The ASEAN Economic Community Scorecard: Performance and Perception. ASEAN Studies Center. 2013.</p> <p>ADB and ASEAN. 2013. <i>The Road to ASEAN Financial Integration: A Combined Study on Assessing the Financial Landscape and Formulating Milestones for Monetary and Financial Integration in ASEAN</i> http://www.adb.org/sites/default/files/pub/2013/road-to-asean-financial-integration.pdf</p> <p>Runchana Pongsaparn and Olaf Unteroberdoerster. 2011. “Financial Integration and Rebalancing in Asia”, IMF Working Paper WP/11/243, IMF Asia and Pacific Department http://www.imf.org/external/pubs/ft/wp/2011/wp11243.pdf</p> <p><u>Other readings</u></p> <p>Eduardo Borensztein and Prakash Loungani. 2011. “Asian Financial Integration: Trends and Interruptions”. IMF Working Paper WP/11/4 https://www.imf.org/external/pubs/ft/wp/2011/wp1104.pdf</p> <p>ADB. 2014. <i>ASEAN 2030: Toward a Borderless Economic Community</i>. Tokyo: Asian Development Bank Institute.</p>	
<p>[3] Macroeconomic Management</p> <p>The lecture will examine issues of macroeconomic management in Asia after the global financial crisis. Issues include monetary policy, exchange rate management and capital flows, exit strategies, etc.</p> <p><u>Required reading</u></p> <p>Takagi, Shinji. 2009. “The Global Financial Crisis and Macroeconomic Policy Issues in Asia.” ADBI Research Policy Brief 32. http://www.adbi.org/files/2009.12.18.rpb32.gfc.macroecomic.policy.issues.asia.pdf</p> <p><u>Other readings</u></p> <p>Park, Yung Chul. 2009. “The Global Economic Crisis and Rebalancing Growth in</p>	<p>P. Morgan (15 April)</p>

<p>East Asia.” ADBI Research Policy Brief 31. http://www.adbi.org/files/2009.12.15.rpb31.global.economic.crisis.east.asia.pdf</p> <p>Kawai, M. and M. Lamberte, eds. 2010. <i>Managing Capital Flows: The Search for a Framework</i>. UK: Edward Elgar. http://www.adbi.org/book/2010/12/22/4274.managing.capital.flows/</p> <p>Kawai, M., P. Morgan and S. Takagi, eds. 2012. <i>Monetary and Currency Policy Management in Asia</i>. Cheltenham, UK: Edward Elgar. http://www.adbi.org/book/2012/02/24/5008.monetary.currency.policy.mngt.asia/</p> <p>Ostry, J., A. Ghosh, K. Habermeier, M. Chamon, M. Qureshi, and D. Reinhart. 2010. <i>Capital Inflows: The Role of Controls</i>. IMF Staff Position Note SPN/10/4. Washington, DC: International Monetary Fund. https://www.imf.org/external/pubs/ft/spn/2010/spn1004.pdf</p>	
<p>[4] Monetary Policy and Management</p> <p>This lecture will discuss the monetary policy frameworks, goals and strategies. The lecture will also examine the recent issues related to challenges to monetary policy effectiveness, exchange rates and capital flows.</p> <p><u>Required reading</u></p> <p>Geoffrey Heenan, Marcel Peter, and Scott Roger. 2006. “Implementing Inflation Targeting: Institutional Arrangements, Target Design, and Communications”. IMF Working Paper WP/06/278. http://www.imf.org/external/pubs/ft/wp/2006/wp06278.pdf</p> <p>Olivier Blanchard, Giovanni Dell’Ariccia, and Paolo Mauro. 2010. “Rethinking Macroeconomic Policy”. IMF Staff position note SPN/10/03. February. https://www.imf.org/external/pubs/ft/spn/2010/spn1003.pdf</p> <p><u>Other readings</u></p> <p>Frederic S. Mishkin. 2011. “Monetary Policy Strategy: lessons from the crisis”. NBER Working Paper 16755. February. http://www.nber.org/papers/w16755</p> <p>Jonathan D. Ostry, Atish R. Ghosh, and Marcos Chamon. 2012. “Two Targets, Two Instruments: Monetary and Exchange Rate Policies in Emerging Market Economies”. IMF Staff discussion note SDN/12/01. February http://www.imf.org/external/pubs/ft/sdn/2012/sdn1201.pdf</p>	<p>P. Chantapad epon (22 April)</p>
<p align="center">11 May: Deadline for submission of Initial Term Paper Proposal</p>	

<p>[5] Small and Medium Enterprises in Inclusive Economic Development</p> <p>SMEs make up a large share of firms in Asian economies. However, the contribution of SMEs to output, trade, and employment is constrained by many factors, including inadequate access to finance and a lack of capacity for research and development (R&D) and innovation. This limits their productivity and ability to pay high wages, which contributes to income inequality. The aim of this lecture is to identify ways to unlock the potential of SMEs to make a greater contribution to economic growth.</p> <p><u>Required reading</u></p> <p>Naoyuki Yoshino and Farhad Taghizadeh-Hesary. “Analysis of Credit Risk for SMEs: Evidence from Asia.”</p>	<p>N. Yoshino (13 May)</p>
<p>[6] Poverty and Inequality</p> <p>This lecture will outline growth, inequality and poverty trends in China, explore causes of inequality and offer major policy suggestions. Comparisons with or references to other Asian economies will be made. The presentation will be largely descriptive but data analysis and modeling details may be added.</p> <p><u>Required reading</u></p> <p>Wang, C., Wan, G.H. and Yang, D. (2014), “Income inequality in the People's Republic of China: Trends, determinants, and proposed remedies”, <i>Journal of Economic Surveys</i> 28(4): 686-708.</p> <p>Guanghua Wan, Cuiping Zhu and Shiladitya Chatterjee (2014), “Asia's progress in eliminating poverty, with special reference to the People's Republic of China and India”, in Shiladitya Chatterjee (ed), “Ending Asian Deprivations: Compulsions for a fair, prosperous and equitable Asia”, Routledge.</p> <p><u>Other readings</u></p> <p>Wan, G.H. (2008), <i>Inequality and Growth in Modern China</i>, Oxford University Press.</p> <p>Wan, G.H. (2008), <i>Understanding Inequality and Poverty in China: Methods and Applications</i>, Palgrave MacMillan.</p>	<p>G. Wan (20 May)</p>

25 May: Deadline for submission of Final Term Paper Proposal	
<p>[7] Public Health Challenges in Asia</p> <p>This lecture will discuss the major public health challenges that Asia is facing. Issues include (i) the shift towards non-communicable diseases (ii) the remaining threat from communicable diseases (iii) health financing (iv) regional public health issues.</p> <p><u>Required reading</u></p> <p>Huang, Yanzhong; Moser, Patricia; Roth, Susann. <u>Health in the Post-2015 Development Agenda for Asia and the Pacific</u>. ADB Sustainable Development Working Paper Series, No. 28. September 2013. http://www.imf.org/external/pubs/ft/reo/2014/apd/eng/areo0414.pdf</p>	<p>M. Helble (27 May)</p>
<p>[8] Financial Integration in Asia</p> <p>The lecture will examine recent developments and trends in financial integration in Asia with a special focus on ASEAN. In particular, the session will discuss the theoretical basis for financial integration and its benefits as well as recent empirical evidence to support the rising trend of financial integration in Asia. Among the issues to be discussed are: financial services liberalization, capital market development, capital account liberalization, Asian bond markets and multilateral swap arrangements.</p> <p><u>Readings</u></p> <p>Asian Development Bank and ASEAN Secretariat. 2013. <i>The Road to ASEAN Financial Integration</i>. (Executive Summary)</p> <p>Borensztein, E. and P. Loungani. 2011. "Financial Integration Trends and Interruptions", IMF Working Paper 11/4 (Washington: International Monetary Fund)</p> <p>Fung, L.K., C. Tam and I. Yu. 2008. "Assessing the Integration of Asia's Equity and Bond Markets," in <i>Regional Financial Integration in East Asia: Present and Future</i>, BIS Papers No. 42, pp. 1-37, Bank for International Settlements.</p> <p>McKinsey Global Institute, 2013. <i>Financial Globalization: Retreat or Reset</i></p> <p>Pongsaparn, R. and O. Unteroberdoerster. 2011. "Financial Integration and Rebalancing in Asia," IMF Working Paper, 11/243. Washington: IMF)</p>	<p>A. Rillo (3 June)</p>
<p>[9] The Middle Income Trap, The People's Republic of China and Asia</p> <p>The lecture investigates the phenomenon of the middle-income trap with particular reference to the PRC and countries in Southeast Asia that might be considered trapped, notably Thailand, Malaysia and Philippines. The concept of the middle-income trap is explored with a discussion of how to determine if a country is trapped, and what are the underlying problems including growth slowdown, low-cost advantage, losing competitiveness as wages rise, and the</p>	<p>P. Vandenberg (10 June)</p>

inability to upgrade to higher value goods and services.

Required reading

P. Vandenberg, L. Poot, and J. Miyamoto. 2015. "Middle-income transition around the globe: Characteristics of graduation and slowdown." ADBI Working Paper. 518 March, go to www.adbi.org and look for paper

Eichengreen, B., D. Park, and K. Shin, 2013. Growth Slowdowns Redux: New Evidence on the Middle-Income Trap. NBER Working Paper No. 18673

Other readings

J. Felipe. 2012. "Tracking the Middle-Income Trap: What is It, Who is in It, and Why? (Part 1)." ADB Economics Working Paper.
<http://www.adb.org/publications/tracking-middle-income-trap-what-who-and-why-part-1>

J. Zhuang, P. Vandenberg, and Y. Huang. 2012. Growing Beyond the Low-Cost Advantage: How the People's Republic of China can Avoid the Middle-Income Trap, Manila: Asian Development Bank. (Chapters 1-3)
<http://www.adb.org/publications/growing-beyond-low-cost-advantage-how-prc-can-avoid-middle-income-trap>

J. Zhuang, P. Vandenberg, and Y. Huang (eds.). 2015. Managing the Middle-Income Transition: Challenges Facing the People's Republic of China (Cheltenham, UK: Edward Elgar and ADB)

[10] Impact and Financing of Infrastructure Investment in Asia

This lecture will discuss the impact and needs of infrastructure investment in Asia. It will also evaluate the specific new sources of infrastructure finance by examining their merits and demerits, including the impediments and challenges in tapping into these new sources of finance.

Required readings

ADB and ADBI. 2009. *Infrastructure for a Seamless Asia*. Tokyo: Asian Development Bank Institute.

Estache and M. Fay. 2007. Current Debates on Infrastructure Policy. World Bank Policy Research Working Paper 4410.

<http://elibrary.worldbank.org/doi/pdf/10.1596/1813-9450-4410>

V. Pontines
(17 June)

<p>Asian Development Bank. 2013. Asian Bond Monitor chapter on Bond Financing for Infrastructure. http://www.adb.org/sites/default/files/pub/2013/asia-bond-monitor-september-2013.pdf</p> <p><u>Other reading</u></p> <p>Estache. 2010. A Survey of Impact Evaluations of Infrastructure Project, Programs and Policies. ECARES WP 2010-005. http://www.ecares.org/index2.php?option=com_docman&task=doc_view&gid=86&Itemid=20</p>	
<p>22 June: Deadline for submission of Draft Term Paper</p>	
<p>[11] Climate Change, Environment, and Trade</p> <p>This lecture will provide an overview of the main trends and topics in the areas of climate change and environment in Asia. It will discuss the implications for economic growth, regional integration as well as for international trade.</p> <p><u>Required readings</u></p> <p>ADB and ADBI. 2013. <i>Low Carbon Green Growth in Asia: Policies and Practices</i>. Tokyo: Asian Development Bank Institute. Ch. 2 and 5.</p> <p>Westphal, Michael I., Hughes, Gordon A., and Brömmelhörster, Jörn, eds. 2013. <u>Economics of climate change in East Asia</u>. Mandaluyong City, Philippines: Asian Development Bank. Chapter 1: Climate Change Impact on East Asia Chapter 8: Climate Change Policy in East Asia</p> <p>World Trade Organization, <u>Trade and Climate Change</u>, <i>WTO/UNEP Report</i>, Geneva: World Trade Organization (2009). Read: Part II: Trade and Climate Change: Theory and evidence.</p>	<p>M. Helble (24 June)</p>
<p>[12] Market Failures and Policy Remedies</p> <p>The lecture will focus on various kinds of market failure the countries encounter in the process of economic development. These arise due to imperfect information, oligopolistic market structures, and externalities. The class will discuss actual cases of market failure along with necessary policies needed to overcome or</p>	<p>Y. Yoshida (1 July)</p>

<p>minimize their adverse effect to the economy. We will also discuss the issue of efficiency versus equity in terms of policy making.</p> <p><u>Required reading</u></p> <p>Hal R. Varian, Intermediate Microeconomics: A Modern Approach</p> <p><u>Recommended reading</u></p> <p>Walter Nicholson and Christopher M. Snyder, Intermediate Microeconomics and Its Application</p> <p>Walter Nicholson, Microeconomic Theory: Basic Principles and Extensions</p>	
<p>[13] Review session</p> <p>The final lecture session will consider major themes and issues of the course. Students will be encouraged to ask questions, draw out similarities and contradictions between different perspectives/lectures and consider how the issues in the course apply to students understanding of development challenges in Asia.</p> <p>No reading required.</p>	<p>P. Vandenberg (8 July)</p>
<p>13 July: Deadline for submission of Final Term Paper</p>	
<p>17 July: Deadline for submission of Presentation Slides</p>	
<p>[14-15] Student Term Paper Presentations</p> <p>This full-day session will be held at ADB Institute, Kasumigaseki Building. A schedule will be finalized with students.</p>	<p>(22 July)</p>

◆PUBLIC POLICY IN ASIA

Spring 2016 2 credits

Coordinator: Prof. Shigeki Kunieda

[The details of this course will be announced in coming winter. For your reference, the syllabus of the same class in 2015 is shown below.]

(Course Overview)

This course is intended to review various topics related to public policies in Asia. In addition to the lectures by the faculty, we will have discussions or/and presentations by students of all programs in IPP.

(Who Should Attend)

All students in all programs in IPP.

(Goals & Methodology)

The purpose of this course is not only learning public policies in Asia, but also providing the opportunity to know other students in other programs in Kunitachi campus and Kanda campus.

Lectures will be given in English. However, most lectures will use power point presentations and other materials, so that the students without strong confidence in English skills are also welcome.

(Topics / Schedule)

Tentative schedule is as below. The names in parenthesis are planned lecturers.

(Schedule)

4/7	Introduction
4/14	Fiscal Policy in Asia (Kunieda)
4/21	Tax Policy in Asia (Watanabe)
4/28	Fiscal Decentralization in Asia (Sato)
5/5	National Holiday
5/12	Monetary Policy in Asia (Takeda)
5/19	Health Policy in Asia (Ii)
5/26	International Finance in Asia (Ariyoshi)
6/2	Preparation for Students' Preparation
6/9	(Topic from Global Governance program faculty)

- 6/16 (Topic from Global Governance program faculty)
- 6/23 (Topic from Global Governance program faculty)
- 6/30 Presentations by students
- 7/7 Presentations by students
- (7/14 Extra class if necessary)
- (7/21 Extra class if necessary)

(Contact Information / Office Hours)

There is no text book for this course. References may be given from lecturers in class.

(Contact Information / Office Hours)

Questions about general matters of this course can be asked to Prof. Kunieda during/after the class. Otherwise, please have appointments by e-mail to Prof. Kunieda (skunieda@ics.hit-u.ac.jp) for general questions. (Prof. Kunieda's office is at Kanda campus.) Also, if you have questions about the substance of the lectures, please ask to the lecturers directly.

(Relation with other Courses)

There is no prerequisite course for this course.

(Requirements & Grading Allocation) • (Grading Criteria)

Grades will be given in the form of "pass" or "non-pass." Grades will be based on attendance and contribution to the discussions and/or presentations in class.

(Message to Students)

One purpose of this course is providing the opportunity to know other students in other programs in IPP. We expect active exchanges among students through discussions and presentation preparations.

(Additional Information)

◆WORKSHOP ON CURRENT TOPICS

Fall 2015/Spring 2016 2 credits

Profs. A.Ariyoshi/M.Takeda/M.Ii/S.Kunieda/H.Ugai

[Course Objective]

The workshop is a unique opportunity for students to expose themselves to the current topics of general interest in the frontiers of public policy. Academics of both inside and outside the University, policymakers at governments and international organizations as well as private sector practitioners are invited to give lectures on specific issues of their expertise at the workshop. At each workshop, two students are pre-designated as discussants. After the comments by discussants, the class discussion with the speaker will follow.

For Fall 2015 and Spring 2016, many guest speakers will be invited to speak about the next Asian economic and financial growth, taking into account the establishment of ASEAN Economic Community and AIIB in 2015. There are other various policy topics to be discussed, including policy communication and mass media, global warming and energy policy, and weak corporate governance and low economic growth.

Resumes and other reference materials will be provided in each workshop.

[Grading]

Grades will be based on class attendance, participation in discussion and one term paper for each semester on one of the topics covered in the workshop.

◆ISSUES ON PUBLIC POLICY I - V

Fall 2015/Spring 2016 2 credit

Visiting professor

Detail will be informed later.

◆ISSUES ON PUBLIC POLICY VI:
GLOBAL ECONOMY AND MACROECONOMIC POLICIES

Fall 2015 1 credit

Prof. Bandid Nijathaworn

Details will be informed when finalized. It will be held early December.

◆ISSUES ON PUBLIC POLICY VII:
GLOBAL ECONOMY AND MACROECONOMIC POLICIES

Fall 2015 1 credit
Prof. Jay Rosengard

Details will be informed later.

◆ISSUES ON PUBLIC POLICY VIII:

Fall 2015 1 credit

Visiting Professor

Details will be informed later.

◆ ISSUES ON PUBLIC POLICY IX: FINANCIAL ECONOMICS

Spring 2016 1 credit

Profs. Hiroshi Ugai / Akira Ariyoshi

[Course Objective]

The objective of this course is to equip students with basic knowledge of finance and practical skills to understand domestic and global financial developments and policy issues (supervisory policy, monetary policy and debt management policy). It will cover important financial markets and instruments, as well as some basic concepts of modern portfolio theory. It will also discuss how financial markets are supervised and regulated, how financial markets can influence the transmission channels of monetary policy, how the information for monetary policy can be extracted from financial markets, and how the government bond market and debt management of the government are related.

The course will include the following topics (8 classes).

1. Interest rate (monetary policy decision, Wicksellian framework, term structure)
2. Asset classes and financial instruments (money market, bonds, equity securities, composite assets, securitized products, foreign exchange instruments, commodities, and derivatives)
3. Asset price determination (bond pricing, dividend discount model, capital asset pricing model, uncovered interest rate parity model, and option pricing)
4. Information derived from the prices determined on the market
5. Risks (diversification, various risks, systemic risk) and risk measures (Value-at-Risk, Expected Shortfall, early warning indicators, systemic risk measures, macrofinancial stress tests)
6. Supervisory and regulatory issues related to financial markets and institutions (Global Financial Crisis and hereafter)
7. Monetary policy issues related to financial markets and institutions
8. Government debt management issues

[Textbooks and references]

The textbook for this course is; Bodie, Z., Kane A., and A., Marcus, *Invesments*, 10th Global Edition, 2014. The course will cover the basic parts of this textbook. Since financial markets and instruments have developed rapidly quite recently, students are recommended to obtain 10th edition (global edition is far more inexpensive than US

edition) or borrow it from the library. It will cover only half of this course, so lectures will provide additional references for policy issues.

[Grading]

Grading will be based on the exam and the voluntary presentation.

◆ISSUES ON PUBLIC POLICY X:

Spring 2016 1 credit

Prof. Mukul Asher

Details will be informed when finalized. It will be held early December.

◆ ENGLISH THESIS WRITING I-A (ADVANCED)

Fall 2015/Spring 2016 2 credits

Prof. Stephen Kentwell

[Course Objectives]

This course will help in the attainment and reinforcement of a range of skills necessary for academic and bureaucratic writing in the English language. Classes will combine theory with written exercises with the aim of reviewing and reinforcing skills for writing in academic English, with reference to the text “Evergreen” and to academic papers. Homework will be assigned each week.

In the Spring Semester students will review their English theory and examine examples of writing related to public policy and economics. They will undertake exercises in academic and bureaucratic writing, with summaries, policy memorandums and other short papers.

Students will gain proficiency in applying writing styles (including structure and content) and understand how to avoid plagiarism. They will improve their use of standard language conventions in their writing. At the end of this course they will be able to conceptualize an outline for their Master’s thesis proposal and consider a range of writing approaches.

[Content]

- Self introductions
- The utility and versatility of English
- Practical issues
- Pre-writing technique
- Essay writing technique
- Avoiding plagiarism; correct sourcing
- Writing a summary
- Writing a critical analysis
- Writing a policy memorandum
- The mechanics of academic writing
- Writing an essay in an appropriate academic style
- General-specific texts
- Problem-solution texts
- Outline of the thesis proposal

[Textbook]

Fawcett, Susan, *Evergreen: A Guide to Writing with Readings*, 10th Anniversary Edition, USA: Wadsworth Cengage Learning, 2014.

[References]

Harvey, Gordon, *Writing with Sources: A Guide for Students*, USA: Expository Writing Program, Harvard University, 1998

Van Wageningen, R. Keith, *Writing a Thesis: Substance and Style*, USA: Prentice Hall, 1991

[Evaluation]

Attendance at class and active participation in exercises will be important elements of evaluation.

◆ ENGLISH THESIS WRITING I-B (BASIC)

Fall 2015/Spring 2016 2 credits

Prof. Stephen Kentwell

[Course Objectives]

This course will help in the attainment and reinforcement of a range of skills necessary for academic and bureaucratic writing in the English language. Classes will combine theory with written exercises with the aim of reviewing and reinforcing skills for writing in basic and academic English, with particular reference to the text “Evergreen”. Homework will be assigned each week.

In the Spring Semester students will review their English theory and examine examples of writing related to public policy and economics. They will undertake exercises in academic and bureaucratic writing, with summaries, policy memorandums and other short papers.

Students will gain proficiency in applying writing styles (including structure and content) and understand how to avoid plagiarism. They will improve their use of standard language conventions in their writing. At the end of this course they will be able to conceptualize an outline for their Master’s thesis proposal and consider a range of writing approaches.

[Content]

- Self introductions
- The utility and versatility of English
- Practical issues
- Pre-writing technique
- Essay writing technique
- Avoiding plagiarism; correct sourcing
- Writing a summary
- Writing a critical analysis
- Writing a policy memorandum
- The mechanics of academic writing
- Writing an essay in an appropriate academic style
- General-specific texts
- Problem-solution texts
- Outline of the thesis proposal

[Textbook]

Fawcett, Susan, *Evergreen: A Guide to Writing with Readings*, 10th Anniversary Edition, USA: Wadsworth Cengage Learning, 2014

[References]

Harvey, Gordon, *Writing with Sources: A Guide for Students*, USA: Expository Writing Program, Harvard University, 1998

Van Wageningen, R. Keith, *Writing a Thesis: Substance and Style*, USA: Prentice Hall, 1991

[Evaluation]

Attendance at class and active participation in exercises will be important elements of evaluation.

◆ ENGLISH THESIS WRITING II

Fall 2015/Spring 2016 2 credits

Prof. Stephen Kentwell

[Course Objectives]

This course will focus on academic writing for the Master's thesis. Students will review the basic structure of the thesis, and learn about appropriate content and style options for each of its chapters. They will learn about different research approaches and how to deal with common problems encountered in writing the thesis, including issues to do with plagiarism and sourcing. Students will acquire techniques for self-editing, with ample opportunity for consultation in the final phase. Skills for the oral examination will also be taught and practiced.

[Content]

- Writing a summary
- Writing a critical analysis
- The overall structure of the Master's thesis and how to start writing
- The introduction and problem statement
- The literature review
- The method
- The analysis and discussion of findings
- The conclusions and policy recommendations
- Plagiarism and sourcing
- The qualitative research alternative
- Self-editing techniques
- The oral examination

[Textbook]

Swales, John M. and Christina A. Beer Feak, *Academic Writing for Graduate Students: A Course for Nonnative Speakers of English*, 3rd edition USA: The University of Michigan Press, 2012

[References]

Harvey, Gordon, *Writing with Sources: A Guide for Students*, USA: Expository Writing Program, Harvard University, 1998

Van Wageningen, R. Keith, *Writing a Thesis: Substance and Style*, USA: Prentice Hall, 1991

[Evaluation]

Attendance at class and active participation in exercises will be important elements of evaluation.