

# GRADUATE HANDBOOK

Department of Economics  
Auburn University

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# 1 Introduction

Welcome to the Economics Department graduate program at Auburn University.

Auburn University, established in 1856, is a comprehensive land, space, and sea grant research institution that blends arts and applied sciences. Auburn offers degrees in 13 schools and colleges, with over 140 majors at the undergraduate, graduate, and professional levels. The main campus consists of 427 buildings, which includes 206 academic buildings, located on about 2,000 acres. Auburn has been listed as one of the top 50 public universities for 19 consecutive years, and is ranked the 36th public university in the nation in the 2011 edition of U.S. News and World Report.

The city of Auburn was ranked in the top 10 places to live in the nation in the 2009 edition of U.S. News and World Report. Auburn has a population of over 50,000 and together with Opelika well over 100,000. Auburn is fortunate to be in an excellent location. Hartsfield-Jackson Atlanta International Airport is only a one and half hour drive. The Gulf of Mexico, one of the world's most popular vacation destinations, is only a three and half hour drive.

The Department of Economics offers graduate programs leading to a Ph.D. in Applied Economics (joint with Agricultural Economics and Forestry Economics) and Master of Science in Economics. Concentration areas of the faculty include applied microeconomics, health economics, industrial organization, international economics (trade and finance), labor economics, and macroeconomics. Students who have completed our programs have found a variety of opportunities that include tenure track assistant professor positions.

It is the responsibility of the student to know and understand the requirements for each graduate degree. This handbook is a complement, not a substitute, for the Graduate

School requirements. If this handbook conflicts with Graduate School policy, the Graduate School policy takes precedent. Please report any errors in this handbook to your graduate advisor.

## **2 Admission**

### **2.1 Application Deadlines**

We admit graduate students for the **fall semester**, which normally begins in mid-August. To be given full consideration for financial supports, completed application and supporting documents should be received by March 1<sup>st</sup>. Admission and funding decisions will begin shortly thereafter. Later applications will be considered but decisions will be contingent upon availability.

We are unable to provide financial support to students in our master's degree program.

Application is online through the Graduate School. This Handbook covers only some of the Graduate School requirements, and applicants are responsible for meeting all Graduate School requirements.

### **2.2 Admission Requirements**

#### **2.2.a Undergraduate Degree:**

A bachelor's degree in economics or a related discipline is required. A minimum of 18 semester hours of Economics and the completion of a calculus sequence are also needed to enter the program.

#### **2.2.b Graduate Record Exam (GRE):**

A minimum 500 (or 153 on the new GRE scale) on the Verbal GRE portion and a minimum 600 (or 148 on the new GRE scale) on the Quantitative GRE portion are required.

### **2.2.c English Proficiency**

ALL international applicants must submit an official score on the TOEFL (Test of English as a Foreign Language). Exemptions are considered on a case-by-case basis, depending on their official government language and medium of instruction. A minimum 550 on the paper TOEFL (pBT) or equivalent grades on other format TOEFL tests are required to be considered for admission. All foreign graduate teaching assistants are required to submit a satisfactory score on the Test of Spoken English (TSE) in addition to a 550 TOEFL score.

### 3 Degree Requirements and Coursework

#### 3.1 Ph.D. in Applied Economics

##### 3.1.a Required Core Courses

Doctoral Students must complete the following nine core courses. Transferring credit hours from other peer institutions is allowed only in exceptional cases.

<i>First Year Fall Semester</i>		<i>First Year Spring Semester</i>	
Econ 7130	Math Economics	Econ 7120	Microeconomics II
Econ 7110	Microeconomics I	Econ 7210	Macroeconomics I
Econ 7310	Econometrics I	Econ 7320	Econometrics II
<i>Second Year Fall Semester</i>			
Econ 7220	Macroeconomics II		
Econ 7330	Microeconometrics		
Econ 7340	Macroeconometrics		

##### 3.1.b Comprehensive Examinations

Students must achieve satisfactory performance (Ph.D. level pass) on three comprehensive (preliminary) examinations in microeconomics, macroeconomics, and econometrics. First attempt for microeconomics prelims are normally held in early June followed by second attempt exams in early July. First attempts for macroeconomics and econometrics prelims are normally held in early December followed by second attempt exams in early January. Only one retake is permitted on each exam. Students are graded separately on each exam. All students enrolled in the Ph.D. program MUST pass all three preliminary examinations by the end of the second January after they enter the program.

##### 3.1.c Completion of two Advanced Fields

Students must complete the coursework and pass a written examination in each of two advanced fields. Field coursework consists of a minimum two course sequence and must be approved in advance by the director of graduate studies.

#### **3.1.d Candidacy**

Students will be admitted to candidacy after completing two advanced fields, forming a dissertation committee, and successfully passing a general Oral Examination (dissertation proposal). The Oral Examination is normally taken during the third year, and requires approval by the Graduate School at least one week prior. Upon successful completion of the proposal, the student becomes a candidate for the Ph.D. degree and has four calendar years to complete remaining requirements.

#### **3.1.e Dissertation and Oral Defense**

Students must write a dissertation and pass an oral defense. Students must register for at least 10 semester hours of dissertation research (Econ 8990).

#### **3.1.f Minimum Credit Hour Requirement**

Students must complete a minimum of 60 semester hours of coursework at the 7000-level or above. Any coursework outside of Economics must be approved by the director of graduate studies.

## 3.2 Master of Science in Economics

### 3.2.a Required Core Courses

Masters students are required to complete the following nine core courses. Transferring credit hours from other peer institutions is allowed only in exceptional cases.

<i>First Year Fall Semester</i>		<i>First Year Spring Semester</i>	
Econ 7130	Math Economics	Econ 7120	Microeconomics II
Econ 7110	Microeconomics I	Econ 7210	Macroeconomics I
Econ 7310	Econometrics I	Econ 7320	Econometrics II
<i>Second Year Fall Semester</i>			
Econ 7220	Macroeconomics II		
Econ 7330	Microeconometrics		
Econ 7340	Macroeconometrics		

### 3.2.b Electives

Masters students must take at least 6 hours of electives at the 6000-level or above in consultation with the director of graduate studies. The core curriculum and the electives combine for a minimum of 30 total semester hours.

### 3.2.c Plan of Study

Early in the graduate program, each student should confer with his/her academic adviser or major professor to select courses and discuss research interests. Then a Plan of Study should be prepared and submitted to the Graduate School. The Plan of Study form is available on the web at <http://graduate.auburn.edu/gspoststudent/main.aspx>.

### 3.2.d Comprehensive Examinations

Students must achieve satisfactory performance (MS level pass) on three comprehensive (preliminary) examinations in microeconomics, macroeconomics, and econometrics.



First attempt for microeconomics prelims are normally held in early June followed by second attempt exams in early July. First attempts for macroeconomics and econometrics prelims are normally held in early December followed by second attempt exams in early January. Only one retake is permitted on each exam. Students are graded separately on each exam. Please note that there is no thesis required.

### **3.2.e Time Limit**

All graduate work toward a master's degree must be completed within a period of five calendar years.

## 4. Financial Aid

Financial aid, usually in the form of graduate teaching assistantships (TAs) is available on a competitive basis for Ph.D. students in good academic standing. We are unable to provide support to Masters students. Funding normally consists of a tuition waiver and 9-month monthly stipend. Financial support is contingent upon satisfactory performance of duties and satisfactory progress towards the Ph.D.

Students who lose funding because of poor performance will not have their funding automatically restored even if their performance improves. The department can also withdraw funding as a result of poor performance as a teaching assistant.

Students entering without financial support can become eligible for support by compiling a satisfactory record in their coursework and qualifier exams, and by demonstrating potential for teaching and research, although availability of support is contingent on departmental needs and resources.

Note that the Graduate School currently limits the number of terms that a graduate student may hold a graduate assistantship. Here's the current policy.

*No student will receive more than 12 semesters of support while remaining a master's student, even if they have taken less than the maximum number of hours for which they are eligible, given their degree program. Likewise, no doctoral student will receive more than 24 semesters of support (inclusive of master's study supported at Auburn).*

## Appendix: Graduate Level Economics Courses

Table of course numbers, names, and descriptions

Course Number	Course Name	Description
ECON 6020	ADVANCED MICROECONOMICS	(3). LEC. 3. Pr., ECON 3020 and MATH 1610. Mathematical analysis of market-based pricing and production. Includes the economics of information and uncertainty, and strategic behavior.
ECON 6030	MACROECONOMIC THEORY AND POLICY	(3). LEC. 3. Pr., ECON 2030 or ECON 2037. Analysis of the national economy and impact of government policies on aggregate economic variables. Departmental approval.
ECON 6100	ECONOMICS OF GROWTH AND DEVELOPMENT	(3). LEC. 3. Pr., or ECON 2030 or ECON 2037. Cause/effects of economic growth and development. Measuring growth, role of government policy, growth and trade, investment, etc.
ECON 6200	URBAN AND REGIONAL ECONOMIC DEVELOPMENT	(3). LEC. 3. Pr., ECON 2030 or ECON 2037 and ECON 3020. Nature/causes of state/local economic development, including plant location, residential location, interregional trade and factor flows, public policy
ECON 6400	ECONOMIC HISTORY OF THE UNITED STATES	(3). LEC. 3. Pr., ECON 2030 or ECON 2037. Survey of the economic advancement of the United States from European origins to the present. Departmental approval.
ECON 6600	BUSINESS AND ECONOMIC FORECASTING	(3). LEC. 3. Pr., ECON 2030 or ECON 2037 and STAT 2610 or STAT 2010. Interpretation of macroeconomic forecasting methods and development of competency in forecasting at the firm level Departmental approval.
ECON 6700	HEALTH ECONOMICS	(3). LEC. 3. Pr., ECON 3020. Analysis of the economics of health care, including demand for and supply of health care, and health care policy. Departmental approval.
ECON 6706	HEALTH ECONOMICS	(3). LEC. 3. Pr., ECON 3020. Analysis of the economics of health care, including demand for and supply of health care, and health care policy. Departmental approval.
ECON 6800	GOVERNMENT SPENDING AND TAXATION	(3). LEC. 3. Pr., ECON 3020. The economic rationale for government expenditures, economic consequences of public spending, and methods of taxation and funding of government programs. Departmental approval.
ECON 7000	MANAGERIAL ECONOMICS	(3). LEC. 3. Microeconomic theories of the firm and of markets, with emphasis on their applications to current business issues. Consent of MBA program director.
ECON 7110	MICROECONOMICS I	(3). LEC. 3. Pr., ECON 3020. Consumer behavior and market models of competition and monopoly. Traditional and contemporary theories of consumer/ household

**Table of course numbers, names, and descriptions**

<b>Course Number</b>	<b>Course Name</b>	<b>Description</b>
ECON 7120	MICROECONOMICS II	behavior under constraint; models of competitive behavior. Departmental approval. (3). LEC. 3. Pr., ECON 7110. Analysis of producer behavior, including production theory, cost theory, profit maximization, theories of various market structures and derived demand for inputs. Departmental approval.
ECON 7130	MATHEMATICAL ECONOMICS	(3). LEC. 3. Pr., ECON 3020 and ECON 6030. Fundamental mathematical methods in economics and econometrics: linear and matrix algebra, calculus, comparative statistics, optimization, concavity, constrained optimization dynamics difference equations, and differential equations. Departmental approval.
ECON 7210	MACROECONOMICS I	(3). LEC. 3. Pr., ECON 6030. Evaluation of fundamental theoretical and policy-oriented issues in macroeconomics, emphasizing post-Keynesian developments. Departmental approval.
ECON 7220	MACROECONOMICS II	(3). LEC. 3. Pr., ECON 6030. Foundations of macroeconomics, neoclassical production and growth theory, overlapping generations models, optimal saving, open economy macroeconomics, applied time series macrodynamics. Departmental approval.
ECON 7310	ECONOMETRICS I	(3). LEC. 3. Advanced treatment of the standard linear model of least square theory, including assumptions and properties of the SLM, and the statistical testing of behavioral hypotheses. Departmental approval.
ECON 7320	ECONOMETRICS II	(3). LEC. 3. Econometric techniques employed in advanced empirical research. Topics include estimation and inference in simultaneous equation systems, limited dependent variables, non-nested testing, and time-series analysis. Departmental approval.
ECON 7330	MICROECONOMETRICS	(3). LEC. 3. Pr., ECON 7310. Econometric techniques for applied microeconomics. Limited dependent variable models, survival and count data analysis, and selection bias.
ECON 7340	MACROECONOMETRICS	(3). LEC. 3. Pr., ECON 7310. The analysis of economic time series and the identification and estimation of parameters in multi-equation models.
ECON 7410	HISTORY OF ECONOMIC THOUGHT I	(3). LEC. 3. Pr., ECON 3700. Analysis and study of classical contributions to economics, from early times to Karl Marx. Departmental approval.

**Table of course numbers, names, and descriptions**

<b>Course Number</b>	<b>Course Name</b>	<b>Description</b>
ECON 7420	HISTORY OF ECONOMIC THOUGHT II	(3). LEC. 3. Pr., ECON 3700. Neoclassical economics including Mill, Jevons, early Austrians, early French contributors, Veblenian institutional economics, and Alfred Marshall. Departmental approval.
ECON 7990	RESEARCH AND THESIS	(1-6). MST. Departmental approval. Course may be repeated with change in topics.
ECON 8110	ADVANCED MICROECONOMICS I	(3). LEC. 3. Pr., ECON 7120. Advanced analysis, integrating the economics of time and uncertainty into mainline price theory. Departmental approval.
ECON 8120	ADVANCED MICROECONOMICS II	(3). LEC. 3. Pr., ECON 7120. Advanced analysis, integrating imperfect information and strategic behavior into economic models of trade and investment. Departmental approval.
ECON 8210	TOPICS IN MACROECONOMICS	(3). LEC. 3. Pr., ECON 7220. Goals, procedures and achievements in attaining monetary objectives domestically and abroad. Emphasis on macro-money models and effects of monetary policy on economic activity. Departmental approval.
ECON 8420	ECONOMIC INSTITUTIONS AND CONTEMPORARY ECONOMIC THEORY	(3). LEC. 3. How contemporary economic theory helps explain the emergence, hey-day and decline of economic institutions, including "Social" and regulatory institutions. Departmental approval.
ECON 8510	ECONOMICS OF TAXATION	(3). LEC. 3. Pr., ECON 7120. Examines tax structures in the U.S. evaluates tax reform proposals and the effects of taxation on resource allocation and economic welfare. Departmental approval.
ECON 8520	PUBLIC CHOICE	(3). LEC. 3. Advanced analysis of governmental expenditures and other not-for-profit sectors of the economy. Departmental approval.
ECON 8530	ECONOMIC ANALYSIS OF THE LAW	(3). LEC. 3. Pr., ECON 3020. Advanced analysis of the substantive areas in which law has an economic foundation and ways law affects economic relations. Departmental approval.
ECON 8540	SEMINAR IN ENVIRONMENTAL ECONOMICS	(3). LEC. 3. Pr., ECON 3020. Advanced analysis of pricing and allocation of renewable and nonrenewable resources. Departmental approval.
ECON 8550	EXTERNALITIES AND PUBLIC GOODS	(3). LEC. 3. Pr., ECON 7120. Advanced analysis of pricing and allocation of economic goods when property rights are not well defined. Departmental approval.
ECON 8610	INDUSTRIAL ORGANIZATION I	(3). LEC. 3. Pr., ECON 7120. Determinants of market structure, effects of market structure on industry performance, theory of the firm, research and

**Table of course numbers, names, and descriptions**

<b>Course Number</b>	<b>Course Name</b>	<b>Description</b>
		development, advertising and vertical integration. Departmental approval.
ECON 8620	INDUSTRIAL ORGANIZATION II	(3). LEC. 3. Pr., ECON 7120. Primary focus is on case studies in the history and current practice of regulation in the United States at all levels. Departmental approval.
ECON 8710	INTERNATIONAL TRADE	(3). LEC. 3. Trade theory: classical, neoclassical, factor proportions, and industrial organization. Applied trade theory and empirical applications. Departmental approval.
ECON 8720	INTERNATIONAL MACROECONOMICS	(3). LEC. 3. Theoretical and applied time series analysis at open economy macroeconomic models, international monetary and financial theory, balance of payments theory, and exchange rates. Departmental approval.
ECON 8810	LABOR MARKET ANALYSIS	(3). LEC. 3. Pr., ECON 7110. Analysis of labor markets, and determination of wages and other terms of employment. Emphasis on academic studies of labor market issues. Departmental approval.
ECON 8820	TOPICS IN LABOR ECONOMICS	(3). LEC. 3. Pr., ECON 7110. Selected topics, including education and on-the-job training. Labor mobility/immigration, employment discrimination, and the impact of labor unions. Departmental approval.
ECON 8970	SPECIAL PROBLEMS	(1-3). LEC. SU. Variable content in the economics area. Departmental approval. Course may be repeated for a maximum of 3 credit hours.
ECON 8980	ECONOMICS WORKSHOP	(1). LEC. 1. Individual research project, presentations, and discussion of the economics profession. Departmental approval.
ECON 8990	RESEARCH AND DISSERTATION	(1-10). DSR. Departmental approval. Course may be repeated with change in topics.