GRADUATE STUDIES IN ECONOMICS

LOUISIANA STATE UNIVERSITY

Master of Science (M.S.)
Doctor of Philosophy (Ph.D.)

(2003-04)

Director of Graduate Studies
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Graduate Studies In Economics

I. Introduction

The Master's and Ph.D. programs have different objectives. The MS program is designed to provide the training necessary for careers in government and business where original research is generally not the primary concern. The PhD program is designed to train economists capable of adding to the knowledge of economics, doing independent research, and teaching at college or university levels.

II. Admission Policies

Applicants for graduate studies in Economics must meet the requirements for admission to the Graduate School and be accepted by the Department of Economics. In general, the minimum requirements are:

(1) A bachelor's degree from an accredited college with at least a cumulative grade-point average of 3.0 on a 4.0 scale or a 3.0 G.P.A. for the last 60 hours of study.
(2) A score of at least 1,000 on the aptitude portion (verbal plus quantitative) of the Graduate Record Examination or equivalent GMAT.
(3) Satisfactory academic standing at the last institution attended. The above requirements are flexible. Applicants who have higher G.P.A.'s and lower G.R.E. scores or lower G.P.A.'s and higher G.R.E. scores will be considered for admission.
(4) Foreign students whose native language is not English must take the TOEFL (Test of English as a Foreign Language). TOEFL scores must exceed 575 on the paper-based version or 232 on the computer-based version for admission into the Economics program.

In addition to the above requirements, we would like students to have completed undergraduate courses in calculus, statistics, and intermediate microeconomics and macroeconomics before entering the MS program. It would be preferable for students interested in pursuing the Ph.D. degree to take at least a year of calculus, a linear algebra course, and probability and statistics.

Non-economics majors with strong academic records are encouraged to apply. It is likely that students who have not had many undergraduate courses in economics or have not had the courses indicated above can make them up in one semester, before taking the core program courses.

III. Financial Assistance

All graduate students, including entering graduate students, are eligible to apply for assistantships. These stipends range up to $12,500 per academic year. Beginning in the 2005-2006 academic year, a full tuition waiver will be provided to all full-time graduate assistants. Until then, there is a partial tuition waiver, and the part of in-state tuition not waived must be paid from assistantship funds. Research and teaching assistantships are available. First and second year students are eligible only for research assistantships. A student holding a research assistantship is expected to assist the faculty in their research and teaching for a maximum of 20 hours per week. Teaching assistantships are available to those advanced graduate students who have successfully passed the PhD Qualifying Exams. Teaching Assistants are responsible for teaching two sections of principles of economics or money and banking courses per semester.

Graduate School Supplement Awards are available to outstanding graduate students entering the Ph.D. program. These awards are $3,000 per year and are generally renewable for a maximum of four years. A minimum G.P.A. of 3.0 is required to retain the award. Summer stipends for teaching or research have been available in the past and will be available in the future, but their number varies from summer to summer.

IV. Requirements for the MS Degree

A student receives the MS degree in economics when the following requirements are fulfilled:

1. Required Core Courses:

Mathematics for Economists (Economics 7610)[1]
Price Theory I (Economics 7700)
Macroeconomics I (Economics 7710)
Econometrics I (Economics 7630)
Econometrics II (Economics 7631)

2. Completion of 36 hours:

In addition to the 15 hours of required courses a student must complete 21 hours of electives (at least 12 hours of the electives must be in 7000 level courses). A minor of 6 to 9 hours may be chosen outside economics with the permission of the graduate director. Only 6 hours of 4000 level courses in economics may be counted toward the degree.

3. Comprehensive Examination for the MS Degree:

The MS program requires satisfactory performance on an exam which covers microeconomic and macroeconomic theories. This exam will cover the material presented in the first graduate micro course (ECON 7700) and the first graduate macro course (ECON 7710) and the intermediate undergraduate material presented in mainstream texts in these two areas. Students take this exam on a pass or fail basis. Those failing will be able to take the exam a second time. The student must take this exam for the first time in June immediately following completion of first year coursework. If the student fails, he or she must take the exam a second time in the August immediately following the June exam attempt. In some cases, if performance is superior on either the micro or macro portion of the exam but the other portion is failed, the second exam may consist of only the portion failed, at the discretion of the Graduate Advisor.

4. Transfer Credit

Students who have completed part of the required courses at other programs can select a larger number of electives in order to meet the 36 hour requirement.

5. Time Limit for the MS

The student has a maximum of five calendar years in which to complete the MS. If the student exceeds this limit, he or she **must** retake the Comprehensive Exam, and this can be allowed only under the discretion of the Economics Graduate Committee.

V. Requirements for the Ph.D. Program

Students may first earn a MS degree and then enter the Ph.D. program, or may immediately enter the doctoral program. The Ph.D. in economics consists of a core of macro and micro theory and three fields of specialized study. The courses and sequencing are as follows:

1. Required Courses

Year 1, Fall semester (9 hours)
- Price Theory I (Economics 7700)
- Macroeconomics I (Economics 7710)
- Mathematics for Economists[1] (Economics 7610)

Year 1, Spring semester (9 hours)
- Price Theory II (Economics 7720)
- Macroeconomics II (Economics 7715)
- Econometric Methods I (Economics 7630)

Year 2, Fall semester (9 hours)
- Advanced Microeconomic Theory (Economics 7725)
- Macroeconomics III (Economics 7735)
- Econometric Methods II (Economics 7631)

Year 2, Spring semester (9 hours)
- Advanced Macroeconomics Field Course [2]
- Econometric Theory III (Economics 7632) or an Elective for students focusing on the Advanced Macro Field
- Applied Microeconomics Field Course [3]

Year 3, Fall semester (9 hours)
- Dynamic Econometric Theory (Economics 7633)or an Elective for students focusing on the Applied Micro Field
- Advanced Macroeconomics Field Course
- Applied Microeconomics Field Course

Year 3, Spring semester and future semesters (9 hours each semester)
- Predissertation/Dissertation Research (9 hours)

[1]Students may satisfy this requirement by satisfactory performance on a written exam or by approval of the graduate advisor.
[2]Advanced Macroeconomics fields include Economic Growth and International Macroeconomics (Economics 7070 and 7570) and Monetary Economics (Economics 7590 and 7595). The Advanced Macro field for each entering class will be determined by student preferences and by faculty availability and preferences.
[3]Courses are drawn from Industrial Organization, Health Economics, International Trade, and Labor Economics. The courses making up the Applied Micro field for each entering class will be determined by student preferences and by faculty availability and preferences.

2. PhD Qualifying Examinations:

Qualifying Examinations are exams over micro and macro theory. These exams will be given only twice each year. Students must take **both** Qualifying Exams at the beginning of the fall semester of their second year.

A failing grade on an exam requires the student to take that exam a second time. A second exam will be given at the beginning of the Spring semester in the second year. Each exam can be taken no more than twice. The student must pass both micro and macro exams with superior performance for admission into the PhD program. Performance on these exams may be adequate to grant the student a MS, but not admit the student into the PhD program. Performance may be so poor, however, that the student receives neither a MS nor admission into the PhD program.

3. Fields of Specialized Study

In addition to the core requirements, all students are required to complete the same three fields.
Fields include:

Advanced Macroeconomics
Applied Microeconomics
Econometrics

Fields are satisfied by successfully completing the course work (usually two courses at the 7000 level) and passing a written examination in the field in which the dissertation is written. The field examination is not required in the other fields.

4. Completion of 48 Hours

A total of 48 hours of coursework must be completed. These consist of the core macro and micro theory courses, the mathematical economics courses, the econometrics courses, and the field courses.

5. Qualifying Exams, the General Exam, and Doctoral Candidacy

The student must pass written Qualifying Exams in micro and macro theory and in the field in which the dissertation will be written. The student must pass the two theory qualifying exams **before** taking the Field Exam. In LSU Graduate School terminology, the Field Exam is the equivalent of the General Exam. Upon successful completion of the Qualifying Exams and the Field or General Exam, the student becomes a Candidate for the Doctorate.

6. Dissertation

A satisfactory doctoral dissertation must be presented by each candidate. A written dissertation proposal must be submitted and approved by the candidate's dissertation Committee, and then presented to the Economics department faculty.

7. Final Examination

The Final Examination is an oral defense of the dissertation. Graduate School regulations require that the Final Exam cannot be held until at least **one academic year** has elapsed since the student was admitted to candidacy (i.e., passed the General Exam).

8. Other Requirements of the Ph.D. Program.

A. **Residence**
The minimum residence requirement for the doctorate is three full years of graduate study following receipt of a Bachelor's degree. At least one of these years must follow the Qualifying Examinations.

B. **Time Limit**
No less than one academic year must elapse between the passing of the General Examination and completion of all requirements for the PhD. In addition, the student must complete all PhD requirements within seven calendar years of being classified as a student in the doctoral program. If this time period is exceeded, the student **must** retake all exams—both Qualifying Exams and the Field or General Exam, and this can be allowed only under the discretion of the Economics Graduate Committee.

9. Fields and Course Descriptions

Courses available for graduate students are in the General Catalog and Graduate Catalog and are on our web site (http://www.bus.lsu.edu/economics/courses.html).

VI. Minor in Economics

A Minor in economics requires the following 12 hours of course work:

ECON 7700
ECON 7710
any ECON 7000 elective
any ECON 4000 or above elective other than 4710 and 4720

A minimum of a 3.0 average across these four courses is required. If the student fails to maintain a 3.0 average across these four, he or she has two options: (1) pass the MS Comprehensive Examination in Economics or (2) take ECON 4000-level courses other than 4710 and 4720 or take Econ 7000-level courses until the average in 4000-level or above Economics course work is at least 3.0.

LSU INFORMATION

THE UNIVERSITY

LSU is located on 300 acres in the southern part of Baton Rouge. Over 30,000 students attend the University of which approximately 4,500 are enrolled in graduate and professional programs. LSU has been designated by the Louisiana Board of Regents as the state's only comprehensive, flag-ship university. Also, LSU has the unusual status of being one of only nine universities in the country designated as both a land grant and a sea grant institution.

Accredited by the Southern Association of Colleges and Schools, the University offers a large number of courses of study. Curricula leading to bachelor's degrees are offered in 131 major fields; master's degrees in 75 fields; the Ph.D. in 45 fields; the Ed.D. in one field; and the D.M.A. One professional degree, the D.V.M., is offered through the School of Veterinary Medicine. In addition to programs offered on its own campus, LSU maintains resident centers at System campuses in New Orleans, Shreveport, Alexandria and Eunice. LSU has been designated by the Carnegie Foundation as a Research Extensive University. Further information about the University can be obtained from the University's Web page (http://www.lsu.edu), the College web page (http://www.bus.lsu.edu) and the Department of Economics web page (http://www.bus.lsu.edu/economics).

THE COLLEGE

On August 16, 1996, the LSU College of Business Administration was renamed the E. J. Ourso College of Business Administration. The generous gift of a $15,000,000 endowment from E. J. Ourso and his wife, Marjory, brings us to a different level and began a new era. The gift is the largest ever given to any academic unit of Louisiana State University and Agricultural & Mechanical College.

The endowment is being used to make improvements throughout the business college and is funding professorships, chairs, and scholarships. The Marjory B. Ourso Center for Excellence in Teaching has also been established.

THE DEPARTMENT

The Department of Economics, housed in the E.J. Ourso College of Business Administration, awards degrees at the bachelors, masters and doctoral levels. The department is committed to maintaining a high quality teaching profile within the university community and a national research presence within the profession. In a recent update of the *AER* rankings of Economics Departments, our faculty ranked 38th in the country during the 1984-93 period. The department houses and edits the *Journal of Macroeconomics*, and the Center for Economic Development and Forecasting is administratively located within the Department of Economics.

RESEARCH FACILITIES

LSU Libraries. The LSU Libraries provide access to almost 3 million volumes, over 18,000 journals, and over 4 million microforms. LSU Libraries are part of the Louisiana Online University Information System (LOUIS). Through LOUIS, faculty and students can access the library's online catalog, other Louisiana university catalogs, and periodical databases. The Middleton Library is a major regional depository for U.S. government documents, patents, and United Nations publications. The Hill Memorial Library is the repository for state publications. LSU Libraries (http://www.lib.lsu.edu/) provide electronic access to many journals and data bases. Faculty and graduate students can order articles electronically from journals never subscribed to by the Libraries through an online service. The costs are subsidized by the LSU Libraries. The Middleton Library houses three student computer labs and three electronic classrooms. LSU Libraries are members of the prestigious Association of Research Libraries.

Computer System. Faculty and graduate students have personal computers in their offices. Access to email and the Internet is provided for all graduate students in both the departmental computer lab and graduate student offices. Statistical software available in the departmental lab includes RATS, EVIEWS, LIMDEP, STATA, PC SAS, TSP, MATLAB, and GAUSS. Scientific Workplace is also available in the lab.

The E.J. Ourso College of Business Administration maintains a computer lab for instructional, undergraduate student, and graduate student use. Multimedia rooms throughout the building are also available for teaching.

The LSU computer center provides mainframe computing services through a campus-wide network. The center supports a variety of software products, and User Services personnel assist research, administrative, and academic users through consulting, seminars, and documentation. User Services helps with the installation of software packages acquired by users for specialized applications. The Help Desk is operated by User Services to solve user problems.

FACULTY: ECONOMICS
2003-2004

David M. Brasington, Assistant Professor
Ph.D., The Ohio State University, 1997
Public Finance, Urban, Regional, and Housing Economics

Tibor Besedes, Assistant Professor
Ph.D., Rutgers University, 2003
International Trade, International Economics, Microeconomics

Benjamin R. Bridgman, Visiting Assistant Professor
Ph.D., University of Minnesota, 2003
Macroeconomics, Development, Political Economy, Public Economics

R. Carter Hill, Thomas J. Singletary Professor
Ph.D., University of Missouri-Columbia, 1975
Econometrics

Eric Hillebrand, Assistant Professor
Dr.rer.pol (Ph.D.), University of Bremen, 2003
Time Series Econometrics, Empirical Finance, Monetary Economics

Faik A. Koray, Marjory B. Ourso Center for Excellence in Teaching Professor
Ph.D., Duke University, 1984
Macroeconomics, International Economics

W. Douglas McMillin, South Central Bell Business Partnership Professor, Co-Editor, ***Journal of Macroeconomics*****, and Graduate Director**
Ph.D., Louisiana State University, 1979
Monetary Economics, Macroeconomics

William J. Moore, Gulf Coast Coca Cola Business Partnership Professor
Ph.D., University of Texas at Austin, 1970
Labor Economics, Health Economics

Robert J. Newman, Gulf Coast Coca Cola Business Partnership Professor & Chair, Department of Economics
Ph.D., University of California, Los Angeles, 1980
Labor Economics, Health Economics

Christakis E. Papageorgiou, Associate Professor
Ph.D., University of Pittsburg, 1997
Macroeconomic Theory, Economic Growth, International Economics

James A. Richardson, John Rhea Alumni Professor & *Director*, Public Administration Institute
Ph.D., University of Michigan, 1971
State & Local Taxation, Forecasting, Energy Economics, State & Regional Economics

Sudipta Sarangi, Assistant Professor
Ph.D., Virginia Polytechnic Institute and State University, 2000
Industrial Organization, Applied Game Theory, Development Economics

Douglas D. Schwalm, Assistant Professor
Ph.D., University of California, Berkeley, 2002
Health Economics, Labor Economics, Econometrics

M. Dek Terrell, Freeport McMoRan Chair of Economics, *Director*: Center for Economic Development and Forecasting, & Professor
Ph.D., Duke University, 1991
Econometrics, Bayesian Econometrics

Marios Zachariadis, Assistant Professor
Ph.D., The Ohio State University, 2000
Macroeconomic Theory, International Economics, Growth Theory

SELECTED REFEREED PUBLICATIONS
FACULTY: ECONOMICS

DAVID M. BRASINGTON

"Joint Provision of Public Goods," *Journal of Public Economics*, 73 (1999), pp. 373-93.

"Capitalization and Community Size," *Journal of Urban Economics*, 50 (2001), 385-95.

"Demand and Supply of Public School Quality in Metropolitan Areas: the Role of Private Schools," *Journal of Regional Science*, 40 (2000), 583-605.

"The Impact of School Quality on Real House Prices," *Journal of Housing Economics*, 5 (1996), 351-68, with Donald R. Haurin.

"A Model of Urban Growth with Endogenous Suburban Production Centers," *The Annals of Regional Science*, 35 (2001), 411-30.

R. CARTER HILL

"An Optimality Property of Principal Components Regression," with T. B. Fomby and S. R. Johnson, *Journal of American Statistical Association*, 33, 1978, 191-193.

"Improved Prediction in the Presence of Multicollinearity," with G. Judge, *Journal of Econometrics*, 35, 1987, 83-100.

"The Statistical Properties of the Equity Estimator," with Phillip Cartwright, *Journal of Business and Economic Statistics*, 12, 1994, 141-149.

"Shrinkage Estimation in Nonlinear Regression: The Box-Cox Transformation," with M. Kim, *Journal of Econometrics*, 66, 1995, 1-35.

"Estimation of Capital Asset Price Indexes," with John Knight and C.F. Sirmans, *Review of Economics and Statistics*, May 1997, 226-233.

FAIK A. KORAY

"Monetary Shocks, the Exchange Rate, and the Trade Balance," *Journal of International Money and Finance* 18 (December 1999), 925-40, with F. Koray.

"Stochastic Trends and Fluctuations in National Income, Wages, and Profits," *Southern Economic Journal*, April 1996, 873-888 (with Tae-Hwy Lee and Theodore Palivos).

"International Transmission of Aggregate Shocks under Fixed and Flexible Exchange Rate Regimes: A VAR Analysis," *Journal of International Money and Finance*, December 1990, 402-423 (with William D. Lastrapes).

"Money and Functional Distribution of Income," *Journal of Money, Credit, and Banking*, February 1989, 33-48.

"Real Exchange Rate Volatility and Bilateral Trade under Alterative Exchange Rate Regimes: A VAR Analysis," *Review of Economics and Statistics*, November 1989, 708-712 (with William D. Lastrapes).

W. DOUGLAS MCMILLIN

"Evaluating Monetary Policy Options," *Southern Economic Journal* 68 (April 2002), 794-810, with J. S. Fackler.

"The Effects of Monetary Policy Shocks: Comparing Contemporaneous Versus Long-Run Identifying Restrictions," *Southern Economic Journal* 67 (January 2001), 618-36.

"Monetary Shocks, the Exchange Rate, and the Trade Balance," *Journal of International Money and Finance* 18 (December 1999), 925-40, with F. Koray.

"Money Growth Volatility and the Macroeconomy," *Journal of Money, Credit, and Banking*, 20 (August 1988, Part 1), 319-35.

"Anticipated Fiscal Policy and Real Output," *Review of Economics and Statistics*, 66 (August 1984), 468-71, with G. S. Laumas.

WILLIAM J. MOORE

"The Determinants and Effects of Right-To-Work Laws: A Review of the Recent Literature," *Journal of Labor Research*, 19 (Summer 1998): 445-470.

"Do Academic Salaries Decline with Seniority?" (with Robert J. Newman and Geoffrey K. Turnbull), *Journal of Labor Economics*, 16 (April 1998): 352-366.

"Drug Formulary Restrictions as a Cost-Containment Policy in Medicaid Programs" (with Robert J. Newman), *Journal of Law and Economics*, 36 (April 1993): 71-97.

"Welfare Expenditures and the Decline of Unions" (with Robert J. Newman and Loren C. Scott), *The Review of Economics and Statistics* 71 (August 1989), 538-542.

"Union Relative Wage Effects in the Public, Private and Educational Sectors, 1967-1983," *Review of Economics and Statistics* 69 (November 1987), 608-616 (with John Raisian).

ROBERT J. NEWMAN

"Do Academic Salaries Decline with Seniority?" (with W.J. Moore and G. Turnbull), *Journal of Labor Economics*, April 1998.

"Drug Formulary Restrictions as a Cost-Containment Policy in Medicaid Programs," (with W. J. Moore), *Journal of Law and Economics*, April, 1993.

"Welfare Expenditures and the Decline of Unions," with W. J. Moore and Loren Scott), *Review of Economics and Statistics*, August 1989.

"Accounting for South/Non-South Real Wage Differentials and for Changes in Those Differentials Over Time," (with Steven Farber) *Review of Economics and Statistics*, May 1987.

"Industry Migration and Growth in the South," *The Review of Economics and Statistics*, February 1983.

CHRIS PAPAGEORGIOU

"Can Transition Dynamics Explain the International Output Data?" *Macroeconomic Dynamics*, forthcoming, with Fidel Perez-Sebastian.

"Capital-Skill Complementarity? Evidence from a Panel of Countries," *Review of Economics and Statistics*, forthcoming, with John Duffy and Fidel Perez-Sebastian.

"The Solow Model with CES Technology: Nonlinearities and Parameter Heterogeneity," *Journal of Applied Econometrics*, forthcoming, with Winford Masanjala.

"Elasticity of Substitution and Growth: Normalized CES in the Diamond Model," *Economic Theory*, 21 (March 2003), with Kaz Miyagiwa.

"A Cross-Country Empirical Investigation of the Aggregate Production Function Specification," *Journal of Economic Growth*, 5 (2000), 87-120, with John Duffy.

JAMES A. RICHARDSON

Handbook on Taxation. Co-editor with W. Bartley Hildreth, (New York: Marcel Dekker, 1998).

"Economic Principles of Taxation," co-authored with W. Bartley Hildreth, in *Handbook on Taxation* (New York: Marcel Dekker, 1998).

"State Severance Taxes," in *Handbook on Taxation* (New York: Macel Dekker, 1998).

"State Severance Taxes," in *Encyclopedia of Taxation and Tax Policy*, National Tax Association (Washington: Urban Institute Press, 1998).

Louisiana's Fiscal Alternatives: Finding Permanent Solutions to Recurring Budget Crises, editor (Baton Rouge: LSU press, 1988).

DOUGLAS D. SCHWALM

"Professional Psychology in a New Era: Practice-based Evidence from California," *Professional Psychology: Research and Practice*, 31 (December 2001), with David Pingitore, et. al., forthcoming.

"Gender, Practice Patterns, and Income Differences Among California Psychologists in Clinical Practice," *Professional Psychology: Research and Practice*, 31 (December 2001), with Tetine Sentell, et. al.

M. DEK TERRELL

"Biases in Assessments of Probabilities: New Evidence from Greyhound Racing," *Journal of Risk and Uncertainty*, March 1999, 151-166.

"Experience, Tenure, and Wage Growth of Young Black and White Men," *Journal of Human Resources*, Summer 1998, with Bernt Buatsberg.

"Optimal Betting and Efficiency in Betting Markets with Information Costs," *Economic Journal*, July 1996, 846-868 with Amy Farmer.

"Incorporating Monotonicity and Concavity Conditions in Flexible Functional Forms," *Journal of Applied Econometrics*, 11, March-April 1996, 179-194.

"Discrimination, Bayesian Updating of Employer Beliefs, and Human Capital Accumulation," *Economic Inquiry*, April 1996, 204-19, with Amy Farmer.

MARIOS ZACHARIADIS

"R&D, Innovation, and Technological Progress: A Test of the Schumpeterian Framework Without Scale Effects," *Canadian Journal of Economics*, August 2003, 566-86.

"R&D-Induced Growth in the OECD?" *Review of Development Economics*, forthcoming.