

THE UNIVERSITY OF MICHIGAN
Department of Economics
GUIDELINES FOR MAE STUDENTS
Fall 2006

I. Program Requirements

It is normally the case that MAE students have completed at least the following before beginning the graduate program: calculus (one year), intermediate microeconomic theory (one term), intermediate macroeconomic theory (one term), and elementary statistics (one term). The first program priority will be to correct any preliminary deficiency.

The MAE Program requires 33 credit hours of graduate work, which, at Michigan, usually means eleven courses. As a general rule, courses numbered 500 and above are graduate courses. In many cases (with the election to be approved ahead of time by the MAE Director), 400-level courses in Economics can be taken for graduate credit if the instructor is willing to assign the extra work to justify the granting of graduate credit.

Within the 33 required credit hours:

- a) 3 must be in microeconomic theory, normally Economics 501.
- b) 3 must be in macroeconomic theory, normally Economics 502.
- c) 9 must be in quantitative methods, with the exact program of courses depending on the student's background and interests, and to be approved by the MAE Director. The MAE courses, Economics 500 Quantitative Economics (fall) and Economics 503 Applied Econometrics (winter), should be part of most MAE programs. Other courses that count as quantitative methods include: SPP 558 Microeconomics B: Economic Decision Making, and Econ 677/Stat 531 Time Series Analysis. Economics 574 Forecasting and Modeling if it is offered; and more or less any courses in mathematics or statistics in LS&A or other schools that can be taken for graduate credit. Students who are qualified are also welcome to take the more advanced applied econometrics courses in the Department (675, 676) with permission of the instructors.
- d) 6 must be comprised of an approved two-course sequence in a single field of (applied) economics – the MAE “Major.” See the suggestions below.
- e) 3 must be in a field of (applied) economics other than that of the Major – the MAE “Minor.” This (as with d) may be in an area of economics, including those taught by other than the Economics Department (for example, finance, or health economics).
- f) 9 must be in approved courses taught outside of the Economics Department (the cognate requirement).
- g) Economics 601 and 602, **cannot** be taken in lieu of Economics 501 and 502 – unless the student is already enrolled in a doctoral program other than economics and is required to take one or both of these courses as part of the other program.
- h) Although the number of credit hours listed in items a-f sum to the total required 33, in fact these requirements are much more flexible than they look because, with the approval of the MAE Director, you may count the same course for two, or even three, of these requirements. In particular, a course that is listed (or cross-listed)

outside the Economics Department may well count as a quantitative methods course and/or toward a major or minor field, in addition to counting as a cognate.

II. Time to Completion

A student, with no deficiencies to make up, could conceivably complete the 33 credit hours in two academic semesters, but this is extremely difficult. Two semesters plus a summer would work a great deal better for those very few and very fortunate students who are able to complete all but the cognate courses in the Fall and Winter terms and who could then find 9 cognate credit hours to take in the summer. Michigan's courses for the summer are very thin, and there are no graduate courses in Economics offered then. A common time to completion of the degree is therefore three terms from the regular academic year – most often fall/winter/fall – for students with no deficiency at the start. Foreign students often take longer if they must first get used to the American university system and/or the English language.

One option that many students have found useful is to take advantage of the Summer Program in Quantitative Methods offered through Michigan's Institute for Social Research. Those who have already completed one of the statistics/econometrics sequences can expand their training in quantitative methods by taking one or more courses in this Summer Program. These courses provide cognate credit, as well.

III. Suggested Sequences for the MAE Major

Students have substantial opportunity to tailor the MAE program to their own interests, especially their career interests. That flexibility includes the exact program of courses that will satisfy the quantitative methods requirement, the selection of Major and Minor areas of study, and even the determination of the particular pair of courses that will fulfill the Major requirement. One of the important responsibilities of the MAE Director is to help the student make appropriate choices in light of the student's background and interests and the teaching resources of the University.

The list below includes most of the fields from which majors and minors will be chosen, together with a selection of courses in those areas. Unless otherwise specified, any two of the courses listed can serve as major, and any one as a minor. The faculty regard these as most appropriate. They also work, in the sense of being consistent with the MAE requirements in economic theory and of providing appropriate training for the MAE student wishing to gain a professional expertise in the field. Students may, however, choose different courses, from both inside and outside of the Department of Economics, and discuss them with the MAE Director. A two-course sequence fulfills the Major requirement only if the Director approves it.

Economic Demography/Development (Combined Major)

Economics 466 for graduate credit, **and ONE** of the following:

Economics 461 for graduate credit, Economics of Development I

School of Public Policy 561, Economic Development Planning

Either 461 or 561 would provide a Minor in Economic Development

Economic History

Economics 491 History of the American Economy for grad credit

Economics 492 World Economic History for grad credit

Economics 663, European Economic History

Economics 664, American Economic History

Any one for the Minor

Finance

Economics 435 Financial Economics for grad credit

Finance 551, Financial Management **and ONE** of the following:

Finance 608, Capital Markets and Investment Strategy

Finance 610, Investments

This is a micro-finance option especially for students considering employment in the corporate or commercial banking areas. The Finance courses also count as cognate courses.

Health Care Economics

Economics 438 for graduate credit/HSMP 661, Economics of Health Services

HSMP 826, Applied Econometrics in Health Services Research

HSMP 827, Advanced Seminar in Health Care Economics

Any one for Minor

Industrial Organization

Economics 431 for graduate credit, Industrial Organization and Performance

Economics 432 for graduate credit, Government Regulation of Industry

Any one for the Minor

International Economics

Economics 441 International Trade Theory for grad credit

Economics 442 International Finance for grad credit

Econ/SPP 541, International Trade Policy

Econ/SPP 542, International Financial Policy

Economics 739/SPP 747, International Economic Policy

Finance 612/Finance 614, Principles of International Finance/Managing International Portfolios (Subject to instructor's approval)

Labor Economics

Economics 421 for graduate credit, Labor Economics I

Economics 422 for graduate credit, Structure of Labor Markets

Economics 422 for the Minor

Monetary and Financial Economics

Economics 411 for graduate credit, Monetary and Financial Theory

Economics 412 for graduate credit, Topics in Macroeconomics

Economics 418 for graduate credit, Business Cycles

Finance 631/632, Banking and Financial Institutions/Off-Balance Sheet Banking

Natural Resource Economics

Economics 661/NR 668, Advanced Natural Resource Economics

Economics 662/NR 669, Advanced Environmental Economics

Population Economics

Economics 466 for graduate credit, Economics of Population

Sociology 630, Research Methods in Population and Human Ecology

466 for the Minor

Public Finance/Urban Economics

SPP 558, Microeconomics B: Economic Decision Making

Economics 481 for graduate credit, Government Expenditures

Economics 482 for graduate credit, Government Revenues

Transition Economics

Economics 659, Economics of Transition

Economics 455 for graduate credit, The Economy of the People's Republic of China

Either would serve for the Minor, though 659 is preferred