In the fallout of the global financial crisis, economics has fallen into disrepute, as it seemed to have nothing to say about systemic instability, holistic thinking and the need to counter greed. On 14 May 2010, Singapore lost one of its pioneering leaders who as an economist always pointed to the need to have balance, to consider man as a whole, and to bring in values to counter narrow selfish desires. Goh Keng Swee was such a person in his writings and practice as an economist by training.

At the age of 20, he graduated from the then Raffles College at the top of his economics class and was selected by his professor to be the first local tutor in the recently established Department of Economics. The onset of the Japanese occupation in 1942 put an end to further studies and it was only in 1946 that he was able to study at the London School of Economics (LSE) as a junior civil servant in the days when British colonial officers ruled Singapore. He graduated from LSE with first class honours in statistics and after a few years working in the Social Welfare Department, his brilliance was recognized in being selected by his superiors to do his Ph.D., also at LSE.

He had a promising career ahead of him as a senior civil servant, but when the prospect of internal self-government came to Singapore in 1959, he gave that up in order to enter the hands-on world of politics, of meeting weekly the people in his Kreta Ayer constituency in the centre of overcrowded Chinatown. Born in Malacca, he was educated in Singapore where his father managed a rubber estate in Kent Ridge itself. Though a politician, and a socialist at that, due to his higher education in England at that time, he never transferred British ideas of socialism to Singapore wholesale. He recognized that Singapore was different and that practice was to take priority over preaching.

His economics was always grounded in the plight of the poor, the more so as Singapore was impoverished at the end of World War II in 1945. As a civil servant, he had done a groundbreaking survey of urban incomes and housing in Singapore which came out as a monograph. This lay the backbone of the policies of the People’s Action Party government in which he was to serve as a cabinet minister for 25 years. His Ph.D. thesis was on the measurement of national income in the less developed countries, so that his approach to economic issues was always that of what could be done for the poor in practice, rather than what ought to be done just as a matter of theory.
I had the privilege of working in the Ministry of Finance in 1967-68 and wrote several papers for him. I learnt from him more than through the writing of my Ph.D. at that time in the then University of Singapore! The papers he asked for were on a wide variety of subjects, for he was a widely-read man. After retiring from politics in 1984, Dr. Goh established the Institute of East Asian Philosophy which has morphed into the current East Asian Institute of NUS with whom our Dr. Sarah Tong has a joint appointment. Dr. Goh put as much emphasis on detail as on the broader picture, for to him the need was not just the alleviation of poverty but also for values, as man does not live by bread alone, a teaching taught to him as a Christian.

Though a towering intellectual, he was unfailingly kind to those who were disadvantaged. He only looked down on those who thought too highly of themselves. We in the Department of Economics take pride in such a whole man, knowing that if economists were to think more humbly and act more competently, this world would surely be a better place. The Department of Economics in NUS is proud that there is an endowed Goh Keng Swee professorship in economics, complemented by Goh Keng Swee master’s in economics scholarships. These were launched in December 1996 after dozens of companies and individuals gave generously in response to an appeal chaired by Mr. Wee Cho Yaw, current Chairman of the United Overseas Bank, in which Dr. Goh served as Research Adviser on China after his retirement from politics. Dr. Goh was instrumental in establishing early a foothold for Singapore in the People’s Republic of China through his links with important Chinese leaders.

The Department uses the income generated from the Goh Keng Swee Professorship Fund to invite distinguished economists to visit for two weeks or more. Consonant with Dr. Goh’s very wide-ranging interests in economics, these eminent scholars will be drawn from a variety of areas in economics. However, particular emphasis will be given to the contributions and insights they can offer to Singapore and its ever-growing regional and international role.

The Goh Keng Swee master’s scholarship in economics is offered to outstanding students from Asia, so that they can pursue a full-time master of social sciences in economics programme by coursework and dissertation that the Department has offered since 1990. These scholarships are designed to help deepen bonds between Singapore and other Asian countries, and to contribute to the development of economic knowledge and expertise in Asia.

The Department of Economics is proud that the legacy of its early and most outstanding alumnus, Dr. Goh Keng Swee, is perpetuated by this professorship and scholarship.

Dr. Lee Soo Ann

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CONTRIBUTED BY FACULTY MEMBERS OF THE DEPARTMENT OF ECONOMICS

NEWSPAPER ARTICLES

Faculty members of the Department of Economics contributed the following articles to the “Straits Times-NUS Economics Department Series on the Impact of China’s Growth”.

“Roaring tigers, rising dragon”, Assoc Prof Tilak Abeysinghe, Straits Times, Review, 2 February 2010

A China that sucks in foreign direct investment (FDI) and produces low-cost exports to compete in the same American and European markets that they target is one of the fears of China’s Asian neighbours. Despite these concerns, data suggests that China’s economic role in the region has been more complementary than competitive. Although FDI inflows to China have increased phenomenally since 1986, this did not happen at the expense of other countries. Furthermore, a multiplier analysis on the impact of China’s expanding trade reveals that with shifting trading patterns, China’s GDP multiplier effects, once relatively small in 1986, have grown at impressive rates over the last two decades. China also has overtaken Japan in generating beneficial effects on most of its trading partners. Despite the large difference in per capita incomes between China and her rich trading partners, China could offer substantial benefits to its trading partners because of the sheer size of its market. The incremental benefits that China has brought to others by opening up its market have been larger than the benefits others have brought to China. As China’s domestic consumption expands, the positive multiplier effects of an open China on its trading partners are likely to increase further in the coming years, not diminish.

“Why yuan won’t displace the dollar”, Professor Ivan Png, Straits Times, Review, 4 February 2010

Professor Png explains why the Chinese currency would not be the currency of choice for Singapore businesses trading with China and other countries in the region for many years to come. Firstly, as the yuan is not Singapore’s domestic currency, Singapore businesses would still be exposed to exchange rate risk. Secondly, the yuan is not attractive as an international currency, due to tight controls by China’s central bank. The market for exchange to and from US dollars is much more liquid than that in other currencies.

“ASEAN trade pact a win-win situation”, Dr Sarah Y. Tong, Straits Times, Review, 9 February 2010

The China-ASEAN Free Trade Area (CAFTA) came into effect on 1 January 2010. As a comprehensive arrangement, covering trade in goods and services as well as investment, CAFTA is expected to generate overall economic gains to participating states. As a more integrated region, businesses in the region benefit from a large and rapidly growing market, lower trade costs, and better market access. While a large and rising China puts strong competitive pressure on its southeast neighbours, closer economic ties with China also present an opportunity for furthering intra-ASEAN economic integration and economic restructuring.

“How ASEAN can fully benefit from trade pact with China”, Assoc Prof Sandre M. Thangavelu, Straits Times, Review, 11 February 2010

Assoc Prof Shandre Thangavelu discusses the potential ramifications of the ASEAN-China free trade area (CAFTA) both for individual ASEAN member states as well as for the political economy of the region as a whole. Both the short-term and long-term gains and costs are discussed in this article.

“Don’t take ‘unlimited supply’ of Chinese workers for granted”, Assoc Prof Liu Haoming, Straits Times, Review, 16 February 2010

As the global economy transforms from being capital-based to being knowledge-based, the success in attracting talents will be a crucial factor for a country’s success. Skill shortage has been a constant challenge for many countries, including Singapore. While Singapore has been very successful in attracting China’s talents in the past, the task will become progressively harder as salaries grow at a faster rate in China. In addition, the aging population further limits China’s ability to export talents. Singapore needs to address skill shortage from two sides: (1) improving the quality of life which helps to both attract and retain talents; (2) promoting human capital investment to increase the supply of local talents.

“Beijing may see itself as stakeholder in ASEAN’s boom”, Assoc Prof Albert Hu, Straits Times, Review, 18 February 2010

As the Chinese economy continues to grow, China’s investment abroad is likely to rise. The ASEAN countries, given their geographical and cultural proximity to China, are expected to see greater inflow of Chinese investment. While Singapore will continue to be a major recipient of Chinese FDI in the region, its traditional role as the gateway to Southeast Asia may not be as prominent as before.

“Watch India - it may outgrow China”, Professor Ivan Png, Straits Times, Review, 23 February 2010

Professor Png discusses how ASEAN has benefited from China’s economic growth. To the extent that economic growth is linked to a decline in the dependency ratio, China will continue to grow until the end of this decade. Thereafter, with an aging population - the inevitable result of its one-child policy - economic growth will slow down. He also suggests that India will be the locomotive of the future: owing to a fast-growing population, its dependency ratio has been falling steadily since 1970 and will continue to decline until the middle of this century.

The following are further articles in the Straits Times that covered the views and work of faculty members of the Department.

continued on page 4
“Ranking of CPF flawed: Expert”, Straits Times, Money, 25 November 2009 (reporting Assoc Prof Chia Ngee Choon’s views)

This article quoted the concerns that Assoc Prof Chia Ngee Choon raised with the findings of the Mercer global report of pension plans. In comparison with other retirement income systems, Mercer reported that the Singapore CPF system had performed poorly in two key areas - adequacy of benefits and the integrity of the pension system. Assoc Prof Chia pointed out that the report failed to take into account some unique but significant features of Singapore’s system that would have altered the country’s relatively low ranking in adequacy and integrity. For instance, she highlighted that the report failed to take into account that the CPF savings can be used to finance housing and that the government provides various avenues for Singaporeans to unlock the value of their homes to supplement retirement incomes. The integrity index used in the report focuses on private pension schemes; hence the weight placed on this index should be rescaled, if not marked ‘non-applicable’, since private schemes, such as the Supplementary Retirement Scheme, have only a small share in Singapore.

“Betting on biology of risky behaviour”, Straits Times, Science, 6 February 2010 (reporting the research of Professor Chew Soo Hong)

Professor Chew Soo Hong and a group of scientists have conducted a study to link attitude towards longshot risks to a gene called MAOA, which affects risk-taking behaviours.

“Two questions for ministers”, Professor Ivan Png, Straits Times, Review & Forum, 2 March 2010

Professor Png poses two questions in this article. Firstly, he asks if the Government would consider investing in research on the micro-economic dimensions of productivity, and secondly, if the ban on the sale of chewing gum could be replaced with a suitable excise duty.

“Let market forces decide”, Professor Basant Kapur, Straits Times, Review & Forum, 2 March 2010

The accentuated emphases in this year’s Budget on encouraging research and development, skills upgrading, and efficiency improvements are, in Professor Kapur’s view, welcome. At the same time, he believes that more detailed justification needs to be given for the provision of additional, special incentives to particular activities and sectors (such as ship brokers and aircraft rotatables), as detailed in Annex 2 of the Budget. He also suggests that the proposed increased payouts under the Workfare scheme be largely in the form of cash, rather than CPF top-ups, as low-wage workers have pressing current needs. He supports the phased increase in foreign worker levies, as a means of encouraging productivity improvements, and, finally, suggests closely monitoring the affordability of new HDB flats for young couples.

“What if you can’t afford to retire”, Straits Times, 25 April 2010

This article quoted the findings of a research paper by Assoc Prof Chia Ngee Choon and Assoc Prof Albert Tsui on “Monetizing Housing Equity to Generate Retirement Incomes”. The paper compared the monthly payouts that can be unlocked from the various instruments available to flat owners in Singapore: the Lease Buyback Scheme (LBS), subletting, downsizing and reverse mortgages. The tradeoffs of adequate retirement against the elderly preference for leaving a bequest, and aging in place, were also highlighted.

SINGAPORE ECONOMIC POLICY FORUM

Two papers were presented by Department staff during the Singapore Economy Policy Forum organized by the Economic Society of Singapore on 27 October 2009, namely:

“Singapore’s Healthcare System: Some Challenges”, by Assoc Prof Tilak Abeysinghe (Joint research with Ms Himani and Dr. Jeremy Lim)

Based on the principles of individual responsibility and affordability, Singapore has developed a unique healthcare model that has produced outstanding health outcomes per dollar spent. Data analysis shows that healthcare financing in Singapore is nevertheless highly dependent on individual income levels despite the presence of substantial government subsidies. Moreover, the key medical care instruments, Medisave, MediShield and government subsidies, are heavily biased towards inpatient treatment and there is little cover for expensive outpatient treatments. With the dual objective of improving equity in healthcare financing and providing a more comprehensive cover, we propose fine-tuning the MediShield insurance scheme by making it compulsory with an income-dependent premium structure implemented through a MediShield tax.


This paper discusses some selected salient economic policy issues facing Singapore. Attention is focused on, first, complementing GDP growth as a policy target with other objectives, such as productivity growth (with implications for foreign worker policies), and improvements in the well-being of the lower-income groups. Second, we point out the desirability of increasing domestic consumption demand from its current rather low level relative to GDP. Increased domestic demand will, inter alia, tend to encourage the formation of more local enterprises, and enable them to enjoy an initial growth phase before branching out into exports. Third, the paper discusses the (inverse) link between domestic consumption demand and housing prices. Distributional issues are focused on next, and the paper concludes with a discussion of the role of values.

We search for evidence of conditional volatility in the quarterly real GDP growth rates of three East Asian tigers: Singapore, Hong Kong and Taiwan. The widely-accepted exponential GARCH-type model is used to capture the existence of asymmetric volatility and the potential structural break points in the volatility. We find evidence of asymmetry and persistence in the volatility of GDP growth rates. It is noted that the identified structural breakpoints of volatility correspond reasonably well to the historical economic and political events in these economies. Policy implications are discussed.

2009/05 ‘A Gaussian Test for Cointegration’ by Tilak Abeysinghe and Gulasekaran Rajaguru

We use a mixed-frequency regression technique to develop a test for cointegration under the null of stationarity of the deviations from a long-run relationship. What is noteworthy about this moving-average unit root test, based on a variance-difference, is that, instead of having to deal with non-standard distributions, it takes the testing back to the normal distribution and offers a way to increase power without having to increase the sample size substantially. Monte Carlo simulations show minimal size distortions even when the autoregressive root is close to unity and that the test offers substantial gains in power against near-null alternatives in moderate-size samples. An empirical exercise illustrates the relative usefulness of the test further.

PANEL DISCUSSION ON THE SINGAPORE GOVERNMENT BUDGET 2010

The Department’s Singapore Centre for Applied and Policy Economics (SCAPE) organized a Panel Discussion on the Singapore Government Budget on 23 February 2010, a day after the Budget was presented to Parliament by the Finance Minister, Mr. Tharman Shanmugaratnam.

The panel of experts comprised Mr. Sum Yee Loong, Tax Partner, Deloitte and Touche, Mr. Joseph Kwok, recently Managing Director/Chief Investment Officer of Platinum Capital Management (Asia) Pte Ltd, and Assoc Prof Chia Ngee Choon, Deputy Head of the Department. The discussion was moderated by Professor Basant Kapur, Director of SCAPE.

The panellists commented favourably on Budget initiatives to encourage innovation and increase productivity. In particular, the Productivity and Innovation Credit, which provides tax incentives for research and development, design, acquisition and registration of intellectual property, automation and training, was viewed as both generous and well-targeted.

Mr. Sum also commented positively on the Angel Investors Incentive, under which an approved angel investor making investments in approved projects will be granted tax deduction of up to 50% of the cost of investment at the end of a two-year holding period. This is an innovative incentive wherein the Government seeks to encourage experienced entrepreneurs who have good track records and business connectivity to assist in grooming emerging enterprises and nurture them to the next stage of development, onto the regional and international stage. However, the question that has to be answered is whether the gains on a future divestment by such investments by the angel investor would be considered (non-taxable) capital gains or taxable gains.

While welcoming the emphasis on productivity and innovation in the Budget, Mr. Kwok felt that more incentives could have been provided to the financial services sector, and to encourage the growth of green industries. He also felt that the phased increase in foreign worker levies would have a negative impact, especially in sectors such as construction and hotels and restaurants, which rely heavily on imported labour.

Assoc Prof Chia noted that the Productivity and Innovation Credit, as well as other measures such as the setting up of the National Productivity Fund and support for Continuing Education and Training, are aimed at promoting economic restructuring, and positioning the economy for a new growth phase. Like Mr. Kwok, she felt that the foreign worker levy increase could pose transitional adjustment problems for some sectors. She welcomed the increased support given to small and medium-scale enterprises to improve their competitiveness, and the increased support for the elderly, working wives, and low-income workers.

The Discussion was well-attended, and a lively Q&A session followed the speakers’ presentations. It was featured the next day in a Business Times article (“Short on hongbaos, long on the supply side”, The Business Times, 24 February 2010). On the whole it was a lively, thought-provoking, and interesting session, and the Department, including SCAPE, would like to thank all who participated.
Good evening and thank you for inviting me to this wonderful dinner, made even more meaningful by the presence of so many old friends and new ones too, all of us united by our affiliation to the Faculty of Arts and Social Sciences at NUS.

As some of you might know, over the last week, the 2010 Quacquarelli Symonds (QS) Asian University Rankings were released and NUS was placed in the third place among the Asian universities. Published annually, the QS University Rankings pit Asia’s top 500 universities based on criteria such as the quality of research measured through citations, and the proportion of international staff and students. Even more heartening is how well our Faculty did in this ranking. In the Arts and Humanities, the university was ranked third, and for the Social Sciences, we managed an even more impressive second position. The
Faculty’s excellent achievement is due largely to the efforts of our faculty, students and alumni. The Economics department with its alumni, being one of the four oldest departments in the Faculty and certainly the largest in terms of alumni and student enrolment, has a huge part to play in our Faculty and University’s success.

Let me briefly reflect on how our Economics alumni have contributed to the vibrancy of our Faculty and student life; I would also like to take the opportunity to invite you all to engage with us more.

According to the QS University Ranking, an important dimension of university excellence is its ‘graduate employability’. How employable are our graduates depends not just on academic credentials, but also on their emotional intelligence, people skills and flexibility in adapting to a fast-changing globalizing world. Employers today are keen to hire graduates who are well prepared for the working world in terms of attitude and aptitude, regardless of where the work takes place – in a bank, at a corporation, or behind the scenes of a statutory board. In this regard, our Economics alumni and Economics undergraduates have done very well.

In 2006, our Faculty initiated the ‘FASS Mentorship Programme’ which matches FASS alumni with final year students (I understand that the Economics Alumni also has a similar scheme). Our alumni mentors serve as career guides and coaches to our students, exposing them to the working world in general, and insights into a particular career sector more specifically. I am very pleased to know that Economics leads the way in this mentorship programme.

In the current 2009/10 academic year, we have a total of 62 alumni mentors of which over 27% are Economics alumni, including some of you here this evening! Of the 100 students being mentored, 25% of them are Economics undergraduates. Since the inception of the programme, the Economics alumni have been the largest contributor of mentors, and our Economics students have been the largest beneficiaries of the programme. I wish to thank you all for making the mentorship programme a true success.

Let me relate to you what one Economics student (currently completing his Honours year) had to say about the mentorship programme, when he was placed with an Economics alum. According to the student, “I joined the Mentorship Programme hoping for a mentor from the finance industry. I was very fortunate to be placed with somebody closer to my dreams - a private fund manager, a vocation of my own aspiration! Having my mentor to talk to is like having the privilege to a key that unravels the structure, workings and practices of the funds industry. I am so thankful to him and I can be fairly certain I would never have this privilege if not for the mentorship scheme.”

Indeed I hope to encourage you all, as economics alumni, to consider mentoring our next generation of economists. As much as our students benefit from the expertise of our mentors, I am also told our alumni greatly enjoy their interaction with the students. Some feel enlivened and rejuvenated interacting with them, while others enjoy explaining the intricacies and complexities of their industry to young, inquisitive minds. I hope you will avail yourself of this mentorship experience; please let me know if you need more information – I will be most happy to put you in touch with my colleagues.

Apart from the FASS Mentorship Programme, a second way in which our Economics alumni have kindly helped us is through a new scheme launched last year. This is ‘My FASS Family Host Programme’. While the mentorship scheme engages final year undergraduates, the Host Programme involves first-year international students studying at NUS for the first time.

According to the QS University Ranking, the number of international students and faculty attracted to an institution is an indication of its global orientation and broad appeal. At our faculty, nearly 20% of our students come from abroad, either for a short exchange period for a few months, or to study for the entire duration of their degree. A large number hail from Malaysia, Vietnam and China, and many of them are excellent students. For some of these students, this may be their first time away from home; the FASS Family Host Program allows our alumni to befriend these international students during their time at NUS. Despite the term ‘Host Family’, the students do not stay with our alumni; they stay at the NUS’ halls of residence, and are befriended by our gracious hosts who invite them for dinner, to visit their homes, to celebrate local festivals and so forth. Mr. Richard Lim, an Economics and Sociology alumni from the Class of 1969, was among the very first to sign up for the programme and today plays the hospitable and gracious host with great aplomb.

One economics exchange student from Zhejiang University (China) enjoyed his time at NUS and his experience with his FASS host so much that he has since successfully applied for the Economics PhD programme at NUS. From four months at NUS, he will now be spending four years with us this coming August. From an Economics exchange student, to an Economics PhD candidate, and soon an Economics alumni – all because of his excellent time in Singapore with the Economics Department. I hope some of you will consider playing host to our international students too.

In closing, I would like to express my thanks to our Economics alumni and to encourage you all to continue returning to our Faculty, engaging our students and staff, and playing a part in our success. Certainly, our success (be it in university rankings, attracting good students or retaining quality staff) is at least partly due to our alumni, who provide us with the support to pursue different programmes, be it academic, social or financial. The Economics Department is also home to several significant professorships and scholarships which go a long way in increasing the Department’s and Faculty’s wherewithal to attract the best and brightest in the pursuit of excellence. These include the Goh Keng Swee Professorship as well as Goh Keng Swee scholarship for graduate studies which remembers in perpetuity an alumnus who has few equals in his contributions to our nation at many crucial junctures, the Tan Chin Tuan Professorship in Banking and Finance, and the MPA Professorship, just to name a few. I very much hope that the alumni of this important Department will continue to think of innovative and meaningful ways to build resources for the Department so that it can continue to lead in the field of economics.

I am very thankful to be here at this dinner with all of you. My appreciation goes to Prof Lee Soo Ann for your kind invitation and the Economics Alumni for organising this splendid dinner. I wish you all continued success in whatever you do, and I hope I can one day return the favour by hosting you as you return to your alma mater.

Enjoy the evening.
OTHER ECONOMICS ALUMNI EVENTS

The Economics Alumni Association ended the year 2009 with a barbeque get-together on 11 December 2009 at the poolside of a condominium along the east coast of the island. It was a good time to relax and enjoy the tasty food, prepared by a chef-on-hand, and there was great camaraderie among the participants.

On 26 February 2010, our very own alumni committee member, Mr. Daniel Lo, gave a talk on “Wealth Management” at the National Volunteer and Philanthropy Centre. Daniel is a veteran banker who has spent more than 15 years in the private banking industry with major players including Merrill Lynch, Bankers Trust and DBS Bank. He is currently a private banker and Marketing Director of Credit Industriel et Commercial of France. Daniel provided a world-view of the private banking industry. He highlighted the geographic distribution of wealth in the world, and where the high-net-worth individuals (HNWIs) and ultra HNWIs are located, by regions. The financial wealth forecast of HNWIs (2005 to 2012) is very positive, with the emerging markets leading the pack. He explained how the HNWIs allocate their financial assets (such as among real estate, cash/deposits, fixed income securities and equities), their considerations for accumulating and preserving wealth, and their wealth-planning strategic goals. The talk generated enthusiasm among the attendees as to what makes a good private banker. Daniel led us through the wealth-planning process (these include knowing your client’s background, risk profiling your client, implementing final strategy, etc.), understanding the types of customer profiles (conservative, balanced or aggressive), the key objectives of wealth management (wealth creation, wealth preservation and wealth distribution), and the full spectrum of financial tools that can be used to address the client’s wealth-accumulating goals. Lastly, Daniel shared some tips on investment opportunities. The talk was indeed an eye-opener especially for those members with limited financial-planning background.

On 12 March 2010, we were honoured to have Mr. Koh Kay Yew, co-editor of the book “The Fajar Generation – The University Socialist Club and the Politics of Postwar Malaya and Singapore” (available in the National Library), to share with us his insights on this book at the National Volunteer and Philanthropy Centre. Kay Yew graduated in 1966 with honours in economics. He was the secretary general and president of the University Socialist Club (USC) in 1964/5, and president of the University of Singapore Economics Society in 1965/6. He has lived and worked in Asia, Europe and North America over the past 40 years in the aviation and hospitality industries. In the 1950s and 1960s, the USC and its organ, Fajar, were a leading voice advocating the cause of the constitutional struggle for freedom and independence in peninsular Malaya and Singapore. Through personal memoirs and analytical essays, the book’s contributors highlighted the roles that they played in that extraordinary era of political turmoil in the modern histories of these two states. The talk gave the younger alumni members a snapshot of the political atmosphere during that period, as many were too young to remember such events, and they also never knew that NUS at one time was a hotbed of revolutionary activity!

NUS ECONOMICS SOCIETY (ENS)

Chinese New Year Celebration!

11 February 2010

In the spirit of the Chinese New Year tradition, the NUS Economics Society organized a steamboat dinner at Chinatown. This brought people across the myriad sub-committees together and fostered bonds among members. The turn-out was so good; it exceeded the S&S Sub-committee expectations for 40 members. Were people turned away? Of course, not. After all, the more the merrier! We eventually squeezed and had a delightful time of hearty food and conversation.

To sum up what happened, in the words of Howie, the Head of the Sports & Social (S&S) Sub-committee, “We cooked, we ate, we chatted, and we wished one another prosperity and good health.”
Meetings with the Alumni - The BBQ and the Lunch

11 December 2009 & 9 January 2010

The ENS committee met up with our alumni during a barbecue on 11 December 2009 at an alumnus’ (Wei Ning – a previous ENS President) condominium and a New Year Lunch on 9 January 2010 in NUS.

So how did these collaborations with the alumni come about?

Kim Leng, the current ENS president answers:

Ever since the beginning of ENS-Alumni relationship a year plus ago, we have had several meet-ups and collaborations, and a few more major events/projects in the pipeline that will cater to undergraduates. As we recognise each other’s complementary role in achieving more together under a common identity, we see that there is definitely a lot of potential to do what we could not do before in the years to come. It is especially heartening that our Alumni have been forthcoming and altruistic in contributing back to the current Economics undergraduates, which is a privilege we take seriously. Hence, during my term, the Executive Committee of ENS always kept alumni relations one of our top priorities.

Ever ready to engage us, our Alumni invited the current ENS committee to their events, one of which was the BBQ that traditionally would have been attended by only their own Alumni members. In addition, we had a New Year meeting-cum-lunch with the Alumni committee on a separate occasion to lay down the roadmap for the future of ENS-Alumni collaborations.

So what exactly was good from these meetings?

As the Alumni BBQ was open to their members, we had the opportunity to meet with several non-committee alumni besides the alumni committee. The New Year lunch saw a greater number of committee people from both sides turning up. For both events, there were about 10 people from the ENS committee.

At first, the ENS committee thought that the first meeting (the BBQ) would be a formal and restrictive event, but that was not true at all! It was just a meal. The alumni were also very friendly. Through such formal and informal events, both sides were able to put faces to names, which would facilitate future collaborations.

Of course, our side had the additional advantage of being able to network with working adults and learn about how they deal with all the hassles that come with adulthood and independence. It is through such events that, in the process of socializing, we also laid down the groundwork for the future.

Any concluding thoughts?

Well...there is nothing much to lose but much to gain.

Investing Now!

12 March 2010

The talk titled “Investing Now: Making Sense of Common Investment Products”, proudly organized by the NUS Economics Society, conducted by the Investment Management Association of Singapore and supported by MoneySENSE, took place on 12 March 2010 from 6.30 to 8 p.m. The talk was conducted at Lecture Theatre 14 of the Faculty of Arts and Social Sciences at NUS, attracting 130 students from various faculties, including Business, Computing, Engineering, Arts and Social Sciences, Law, Medicine, Science, Design and Environment, and even the Lee Kuan Yew School of Public Policy.

The students who attended the talk gained much insight from the speaker Mr. Dennis Siew. Mr. Dennis Siew has 14 years of experience in the investment industry. He was a Managing Director at Temasek Holdings from 1998 to 2006 in the area of private equity and funds investments and oversaw Temasek’s investments in the telco, media and technology sectors. He currently heads the funds management of a financial institution in Singapore, and is a member of the Investment Management Association of Singapore.
Singapore. Mr. Siew holds a Master’s Degree in Computer Science and Engineering from the University of Michigan, and a First Class Honours Bachelor Degree in Electrical Engineering from the University of Adelaide. He also holds a CFA qualification.

With his many years of experience in the investment industry, Mr. Siew gave his audience an extremely insightful and informative talk on a wide range of investment products. His talk covered topics from stocks and bonds to other retail investment products. He also spoke in detail about the basics of investing, such as deciding on an appropriate asset allocation and considering the risks and transaction costs of one’s intended investments.

At the end of the two-hour talk, Mr. Siew was eager to answer any doubts or queries raised by the audience. After each question was raised, Mr. Siew shared his understanding of the issues raised by giving examples and engaging his audience constantly. A number of students in the audience posed several questions for Mr. Siew, of which he replied to patiently and conscientiously. When the question-and-answer session came to an end, the emcee thanked Mr. Siew for his delightful talk with a round of applause from the audience.

Even after the talk came to a close, a few members of the audience had questions which they wanted to ask Mr. Siew personally. Of course, Mr. Siew did not deny them a chance to have their questions raised and answered. He stayed back in the lecture theatre to patiently answer what the students asked. I am sure these students benefited significantly from the talk and Mr. Siew’s kind advice.

The smooth running of this talk would not have been possible without the support of MoneySENSE. The organizing committee from the NUS Economics Society National Economics and Finance Management Quiz (NEFMQ) 2010 also contributed to the planning of “Investing Now”. NEFMQ 2010 would like to extend our appreciation to the speaker as well as the Investment Management Association of Singapore and MoneySENSE for their invaluable help.
situations. Furthermore, as all three of us were intensively preparing our Honours Thesis during the same period of time, we had to juggle our time well between the two priorities.

The questions for the final were on a wide area of topics: From the general Macroeconomics models to International Economics and public finances. A huge portion of the questions also tested our knowledge on the different sections of the Singapore Budget 2009 and 2010. The pressure during the final was very intense as we had to solve the questions within the time constraint imposed. Moreover, we had equal scores with the SMU team up till the middle of the second round. We managed to carve out a 20 point lead over them by the end of the second round but SMU repeatedly fought back and maintained the pressure on us. We managed to hold on this lead till the end and emerged Champion with a score of 155 points. SMU was a close second with 145 points.

At the end of the competition, we received the MOF Budget Quiz Challenge Trophy 2010 from the Guest of Honour, Mrs. Lim Hwee Hua, Minister in Prime Minister’s Office and Second Minister for Finance and Transport. We were certainly glad to have represented the faculty and institution in an external competition and emerged victorious in it.

Guo Jiajing, Sng Bing De and Chua Thiam Hao

The team receiving the trophy from Mrs. Lim Hwee Hua, Minister (PMO) and Second Minister for Finance and Transport

ECONOMICS SOCIETY OF SINGAPORE
ESSAY COMPETITION 2009/2010

Winner: Wang Xinmin, Economics Major

The recent essay competition held by the Economics Society of Singapore, titled “Post Crisis Environment: Key Challenges and Policy Proposals for Singapore’s Economy”, called for a discussion of the key economic issues facing Singapore’s economy in the aftermath of the global crisis and suggestions on economic policy options to meet such present and future challenges.

In my essay, I argued that the crisis has fundamentally reshaped the global economic landscape, and that Singapore needs to reposition itself in the new global economy by making the shift from a follower-economy to a leader-economy. I outlined 3 main challenges facing Singapore following the restructuring of the world economy: dealing with increasing competition from emerging economies, falling productivity and greater macroeconomic volatility. To deal with such challenges, 4 key policy options were proposed: developing an innovation-driven economy, tapping into the potential of emerging markets (especially Asia), better managing uncertainty and developing social policies to enable citizens to participate in the new innovation-driven economy.

As the study of economics is a continuous learning journey, I believe receiving the prize is a reflection of how much I have gained by learning from others. Indeed, I am most grateful for seniors who have given valuable advice on studying economics and coping with life in university, as well as fellow economics students who have enabled me to gain a deeper understanding of economic concepts through engaging in stimulating discussions. I am also appreciative of the professors who have made significant efforts to engage and guide economics students through the various modules. It has been an enriching experience studying economics and I look forward to continuing my learning journey together with insightful and inspiring economics professors and students in the years ahead.

Wang Xinmin (extreme left) at the prize presentation ceremony with guest-of-honour, Finance Minister, Mr. Tharman Shanmugaratnam (5 th from left)
STUDENT EXCHANGE PROGRAMME (SEP) EXPERIENCES

Khaw Kaimin, Year 3 Economics Major, at the University of British Columbia

20 hours, 12,000 kilometres, 30 September 2009; so began my four-month stint on exchange at the University of British Columbia, Vancouver, Canada. This was the furthest I had ever been away from home but whatever homesickness I felt quickly evaporated away as I quickly became enthralled with Vancouver’s beauty. Vancouver is the most livable city in the world and it wasn’t hard to see why with the seamless integration of nature and urbanization. Mountains and trees stretch on for as far as the eye can see; I could write a thesis on how beautiful Canada is but I will leave my pictures to do the talking.

Due to its large immigrant population, Canadian culture is an amalgam of many different cultures which at times makes it difficult to identify what is “Canadian”. There was, however, the ever-delicious maple syrup; the action-packed ice hockey; the craze for the upcoming 2010 Winter Olympics; and on a grander scale, the intriguing cultures of its First Nations people that constantly reminded me that I was unmistakably in Canada.

There are tons of things to do in Canada. For the first few weeks, I was like a man on a mission; visiting the beautiful Canadian Rockies, cycling in Stanley Park, hiking up the grueling Grouse mountain and heading down across the border to Seattle for some cheap outlet shopping. However, my favorite part was the food! Vancouver is a food paradise with fine cuisine from every conceivable culture. To a Singaporean like myself where eating is our national past time, this was as close as I could get to heaven on earth.

As for my accommodation, I lived on campus, sharing an apartment with five other guys of different nationalities. “The roommates’ problem” best sums up our otherwise friendly interaction with one another. We all shared a toilet and a kitchen but no one wanted to clean up as the others would benefit for free. However, the threat of inspection was sufficient incentive for us to coordinate our actions, achieving the kind of cleanliness that would make my army sergeant proud.

Lest we forget, I actually had to study over at UBC and so this entire paragraph shall be devoted to academics. Contrary to my initial expectations, UBC was anything but laid back. In fact, I had more work to do per module in UBC as compared to NUS. Unlike in NUS, students at UBC were extremely vocal and I seldom got a chance to speak. Also, lecturers wanted to be addressed by their first names and found it awkward when I addressed them as “Professor”. I must add that their teaching methods were as creative as they were engaging. In the middle of a psychology class I was taking, a loud scream was heard outside of the classroom. I immediately went to check only to find out that it was an experiment and that the lecturer wanted to demonstrate the “by-stander effect”.

While my exchange gave me the opportunity to experience a different environment, a different culture and a different education system, the part of my overseas stint that remains most deeply etched in my heart are the international friends whom I’ve had the privilege of knowing through this exchange programme. I find it fascinating how we have managed to forge such strong bonds despite the impediments of a different culture and sometimes even a different language. That we have temporarily parted ways is not the end of our friendship and I will surely see them again in the near future (if not, there is always Facebook).

In parting, my advice to all of you who are considering going on exchange is GO for it! Although it has knocked a big hole in my bank account, it has been such a wonderful experience for me and if I could turn back time, I would definitely want to go again. I’m glad I took the opportunity to embark on SEP; I hope you do so too.

Herlina Kurniawan, Year 3 Economics Major, at the Stockholm School of Economics

SEP was the best time of my university life and I truly enjoyed every moment of my time in Sweden. From the fairy-tale like fantasy wonderland at Kiruna (Northern Sweden) where you get to see the Northern Lights, to the bustling cosmopolitan city life at Stockholm, Sweden is indeed a beautiful country with much to offer. Studying abroad at the Stockholm School of Economics for one semester has allowed me to learn economics and finance courses taught in the Swedish style and to gain a whole new lecture and tutorial experience. I was honoured to be able to attend the highly-esteemed Nobel Prize Discussion and gained first-hand information from the Nobel Prize recipients. In the process of everything, I am glad that I have made many good friends. Though our paths may be very different in the future and we will not get to see one another as often, the short time spent together really served as a sweet and memorable experience that will be held close to my heart always. Though I have travelled to other parts of Europe, Sweden will always be my home in Europe. No other country in Europe is able to provide me with the cozy and homely feel of a home. Language is really static and no matter how hard I describe, it is still difficult to fully convey my emotions. I believe a picture speaks a thousand words and I shall let the pictures do the talking now!!!
## STUDENT ACHIEVEMENTS, AY 2009/2010

### Awards/Medals

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### Tan Boon Hua

**Lee Kwan Yew Gold Medal, MAS Academic Excellence Prize & Ministry of Trade and Industry Best Thesis Award**

I entered NUS in 2005, and graduated in 2010 with Double First Class Honours in Economics and Law. I am presently employed as a Justices’ Law Clerk in the Supreme Court of Singapore.

I have been passionate about Economics since my secondary school days, having lived through the economic turbulence of the roaring 90s, the Asian financial crisis of 1997, and the bursting of the dot-com bubble in 2000. Therefore, I was exhilarated when NUS launched the Double Honours Programme in Economics and Law in 2005 and when I was subsequently admitted to the Programme.

I had spent most of my final 3 years at NUS in the Faculty of Arts and Social Sciences, and it had been a wonderful experience. Having been accustomed to making long arguments in words after my first two years in law school, I was taken out of my comfort zone when I was promptly confronted with the many graphs and mathematical equations in economics. The long hours spent adjusting to a social science paid off, as I quickly learnt the importance of logical and empirical rigour in my thinking. Studying at FASS also gave me the opportunity to broaden my perspectives through breadth modules, and I greatly enjoyed the time I spent studying French and sociology.

I am greatly indebted to the many professors (such as Dr Han Heejoon, Dr Wong Wei Kang, and Assoc Prof Indranil Chakraborty) and teaching assistants at the Department of Economics who made learning economics so much easier and more enjoyable. Special thanks go to Dr. Lim Boon Tiong, who had been exceptionally dedicated and accommodating throughout his five years co-ordinating the Double Honours Programme.

### Blair Samuel David Alexander

**Lim Tay Boh Memorial Medal (Gold) & You Poh Seng Prize in Econometrics**

I came to Singapore in 2006 as part of the ANU-NUS joint degree programme in economics and actuarial studies. Living in Singapore was a new experience for me and allowed me to put a major international component into my degree from the very beginning. The first year was more broad and general and I took courses from economics, arts, maths, science and business. This gave me a grounding and exposure to many different areas. In the second year, I flew to Australia for four semesters to study statistics and finance as part of the specialist actuarial qualification.

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After the two years at ANU, I finally returned to Singapore in January for the final semester to complete economics honours. This semester was the most challenging and difficult, but I found it quite rewarding and learned a lot about economics and research. I was also able to use the financial and statistical techniques I had learned in the previous two years in my honours thesis and to better understand the 4000-level coursework.

I am very grateful to my thesis supervisor Assoc Prof Tsui and the Department of Economics for their support over the last four years.

Zheng Zhaoqin Desmond
NTUC Income Prize

Receiving this award has been a surprising and humbling experience for me. Throughout my entire academic life, I have always been a below-average, or at best average, student. Therefore, this award came as a surprise to me. It was also humbling because I had felt that there were more deserving students in receiving this award than I. As I am not well-versed in Mathematics, I was rather apprehensive about studying Economics when entering NUS. However, I have come to realise that understanding the economic theory behind each concept is more useful.

I am thankful to my professors and tutors who have put in much effort to ensure that students learnt something from the courses, and also for their patience in answering my numerous questions. I also enjoyed the countless discussions and brainstorming sessions with my friends. Without their support, I would not have learnt as much as I did. I would also like to thank them for their encouragement after I was graded a D+ for a core module in my first semester.

I am currently going on to my third year in NUS, and am confident that my remaining time left in NUS will be just as enjoyable as the first two years.

Lee Jwee Chuan Benjamin
Singapore Economic Review Book Prize & NTUC Gold Medal

Winning the Singapore Economic Review Book Prize and the NTUC Gold Medal came as a pleasant surprise to me. It took me a few reads of the letters before I realized the gravity of the awards and the first thing I wish to do is to thank my various professors who have taken time out of their busy schedules and been very patient in answering my (sometimes many) questions and guided me through these three years. Thank you very much Professors Parkash Chander, Chia Ngee Choon, Liu Haoming, Anthony Chin and Tomoo Kikuchi. More than my own achievements, I think the awards are a testament of your patience, dedication and good teaching.

Academically, though I do hope to do well, I have frankly not focused much on scoring A’s. Rather, I believe the process is more important than the product. My belief is that as long as I am consistent in my daily work, know rigorously well what the lecture notes are about and clarify my doubts promptly, I know I have done my very best and I will accept the product, whatever grade it may be. I think it helps to be less anxious about the final grades and to enjoy the learning process — and ironically (or maybe not), this actually improves the final grades.

I am grateful that my study of Economics in NUS has given me that rigour in thinking and analysis. Having a methodical thought process has helped me tremendously in my internships. I am currently interning with the SingHealth Centre for Health Services Research (CHSR) and assisting with very interesting studies such as the Stroke Caregiver Burden project and the Genetic Testing for Colorectal Cancer study. The centre consists of a dynamic team of analysts from diverse disciplines like Pharmaco-Economics, Engineering, Psychology and Computing who work closely together to value-add to the organization and improve the lives of patients. It is exciting to work with the CHSR team where everyone’s unique perspective gives synthesis to a certain healthcare issue and where everybody’s views, including mine, are taken seriously and incorporated into the studies. My mentors continually challenge me and push me to achieve further, tasking me to run economic evaluations using tools such as Markov modelling, decision tree analysis and sensitivity analysis. This internship has helped me firm up my career choice in the health sector because I wish to help improve the lives of patients. I wish to thank my CHSR colleagues — Dr. Chow, Mr. Tong, Amutha and Vivian — for their guidance and patience and encourage anyone interested to intern there or be part of their team to visit their website at www.singhealth.com.sg/Research/HealthServicesResearch/

My schooling experience is filled with a diverse range of other activities. I am a volunteer with the Lion’s Befrienders organization and visit the elderly in their homes every week. Besides lending a listening ear, we also plan outings for the elderly, arrange for hospital transport and coordinate food delivery services for them. It is very gratifying to know that
they look forward to our visits because very often we are the only ones who visit them. The small changes that we notice – a neater house, better grooming, a brighter smile – all these indicate that we have made an impact. I was also a part-time trainee kickboxing instructor with one of the commercial gyms, co-teaching classes of 30-40 members weekly. Being in a customer-oriented role helped me deal better with people and made me more dynamic in front of large crowds.

To sum up, I am truly grateful for the awards and wish to say thank you once again to my professors, the staff at SingHealth CHSR, my parents and God.

Khaw Kaimin
Daiwa Prize & Ministry of Trade and Industry Prize

I am extremely honoured to receive both the Ministry of Trade and Industry (Economist Service) prize and the Daiwa prize. Two key highlights sum up my third year at NUS – my SEP stint at the University of British Columbia (UBC) in Canada in my first semester and embarking on level 4000 economics modules upon my return in Semester 2.

My SEP experience was one of the defining moments of my life at NUS. It was fulfilling on a personal level to experience a totally different culture (both social as well as academic). We might see it in the various media all the time; but living overseas enabled me to truly appreciate how small Singapore is. As an exchange student, we are automatically ambassadors for our own nation whether we like it or not. We felt great pride when the Japanese girls (also on exchange) constantly commended us Singaporean guys for our initiative and resourcefulness (skills we picked up in NS we humbly tell them). For example, we would be the ones planning, navigating and driving during many of our trips. In their words, they felt very “amae” (a Japanese word describing the feeling of being able to depend on someone) every time they embarked on trips with us. On their part, we would like to thank them for teaching us how to cook proper food; we were truly terrible cooks in the beginning.

While my SEP journey was filled with Singaporean pride (for some reason you feel most Singaporean when you are out of the country), the second semester of my third year at NUS was a lesson in humility. The jump from level 3000 to level 4000 modules is steep; not being mathematically inclined, I found it extremely difficult to cope with the increased mathematical rigour required by honours-level modules. For example, I would literally spend an entire week on my level-4000 econometrics assignment and still not be able to do 80% of it. I eventually managed to make some progress by swallowing my pride and appealing to my fellow course-mates (many of whom I had never spoken to before) for help. More importantly, I would like to thank my professors for taking the time to patiently guide me back every time I was lost (which is most of the time). There is so much I have yet to know about economics. As I embark on my fourth and final year, I will be doing my honours thesis. It will probably be the most academically challenging part of my undergraduate journey and I pray I will be up to the task of writing a good paper.

The best part about winning these two academic prizes is neither the prestige nor the money. It is the smile it will put on my mother’s face that is most priceless to me. She probably won’t read this but I just want to say that I love her dearly; doing her proud is the highest honour for me. I would like to thank God, my professors, my TAs, my family and my friends for inspiring an ordinary person like myself to strive for the extraordinary.

Lau Zheng Yi
University of Singapore Economics Society Book Prize

Upon hearing the news of receiving the award of the University of Singapore Economic Society Book prize, I was truly over the moon as it recognises the hard work and effort that I put in. This semester has been a very challenging and hectic one for me. I had to cope with higher level modules: level 4000 modules which are a significant jump from level 3000 modules. However, I am glad that we are exposed to these modules as they train us to be more analytical and flexible in our thinking.

On the whole, I felt that the modules that we have taken as Economics students have really equipped us with the analytical skills which prove to be a very valuable lifelong asset. These skills have proved to be very useful in my recently-completed internship with Credit Suisse under investment banking operations. Also, the projects and presentations that were assigned to us for these modules also trained us to be able to present our ideas in a coherent and professional manner which is an essential skill to succeed in our future career endeavours.

Lastly, I want to grab this opportunity to thank all the professors and lecturers for the rigorous training that they put as through and the efforts they put in to their teachings. I am really grateful for their hard work.
Lee Ju Ye  
Paul Sherwood Memorial Book Prize

After graduating from high school, all prepared to spread my wings and fly, I was stumped at which direction I should head to. I had been a science stream student; I loved math but already knew that I would be a very tiny tadpole among gigantic fish if I chose to dive into the math pool. In the end, as I was unable to make any decision on my own, my parents suggested that I give economics a try.

Economics indeed turned out to be a perfect fit for me, because it is undoubtedly the most ‘scientific’ subject in FASS, requiring considerable math and analytical skills. I fell in love with the logical reasoning and neat equations, and how we can actually apply the theories in real life.

NUS is both an exciting and challenging place for an economics student to be in. There are many brilliant and diligent students here, and I enjoy the engaging discussions that take place during tutorials and office hours. Sure, there are those endless tutorial questions and assignments which do not seem to make sense when one tries to solve them alone, but I figured out two simple ways to overcome that: discussion with friends and consultation with lecturers. Believe me: we have this misconception that if we sit down and think long and hard enough, a solution will pop out eventually, but unfortunately, not all of us are Archimedes. Discussions and consultation hours help me to think critically, and questions asked by other students allow me to ponder on things that I would not have thought of myself.

I know that there are so many students out there who are more outstanding than me, and it was an unexpected surprise for me to be awarded this prize. It is indeed God’s grace and His abundant blessings in my life that have allowed me to be granted this honour. I would also like to take this opportunity to thank my family who has always encouraged me to bring out the best in me - my parents, whose prayers and support made this possible and my sister, who is both my role model and best friend.

I also thank my two good friends, Tiffany Foo and Lena Lee, for always welcoming my most-of-the-time-stupid questions and offering to help as much as they can. I cannot imagine what studying economics in NUS would be like without your wonderful friendship! Last but not least, many thanks to all the professors who patiently guided me - Dr. Serene Tan who was very approachable and never let me leave her office with lingering doubts; Dr. Younghwan In and Dr. Zhou Lingzhi who patiently gave clear explanations to all of my questions; Dr. Zeng Jinli who did not mind staying past office hours to offer help.

I know that the remaining two years here will be more rigorous and taxing than the first two, but I have no doubt that with the help of our friends and professors, we can make the very best out of our time here as Economics students. All the best, everyone!

Khoo Yu Jie  
Lim Chong Yah Gold Medal

Looking back at the time I spent at NUS enrolled in the Master of Social Sciences (Applied Economics) programme, I can say with certainty that it was a most enjoyable and enriching year. I can still remember stepping into my first lecture at NUS and not spotting any familiar faces. That, combined with the fact that I would be taking five graduate modules per semester in order to complete the course within a year, seemed rather intimidating. However, past experiences have taught me that facing difficulties and getting past them, rather than choosing the ‘easy’ path, always makes one stronger. I managed my time by trying to work consistently throughout the semester instead of leaving everything to the last minute. And I hope that I have become stronger, in terms of both the ability to manage my time and the store of economic knowledge gained.

There are two aspects to academic life in NUS which contributed considerably to the rewarding experience I had there. The first was the cosmopolitan faculty profile, including the presence of Visiting Professors from other universities, which offered a wide range of expertise and interesting points of view. The second was the opportunity to choose cross-faculty modules. The International Financial Policy module offered by the Lee Kuan Yew School of Public Policy was an excellent complement to what I had learnt in modules under the Economics Department. As for the latter, there was a good balance of mathematics and intuition, as well as breadth and depth covered. I particularly enjoyed the fact that we were able to extend theoretical economic models and apply it to real-world situations in Asian emerging markets, something which I rarely got a chance to experience during my Europe-centric undergraduate education in London.

Of course, this experience would not have been complete without the help of friends I got to know along the way, as well as teachers who were always generous with their time and never seemed to mind the many questions I would ask in class. Much appreciation also goes to my family, especially to my parents who placed their trust in me and never questioned the academic choices I made. Last but not least, I would like to thank the donors of the Lim Chong Yah Gold Medal award. This award came as a surprise and I hope that it will encourage future candidates as much as it has encouraged me.
TEACHING REFLECTIONS

Three graduate students from the Department of Economics were awarded the Graduate Student Tutor Award which is administered by the Division of Research and Graduate Studies, NUS.

Li Jingping

In the first semester of the academic year 2009/2010, I taught two Principles of Economics tutorial classes. The course introduces basic microeconomic and macroeconomic principles in one semester. Designed for non-economic majors, most find it a challenge to grasp the sheer brevity of the course.

As a result, I adopted a different approach in conducting the tutorial classes. To be specific, at the beginning of each class, I would give a short summary of the related topics and emphasize the important concepts before proceeding to the given tutorial problem set. The summary was conveyed in various forms such as diagrams, charts, tree structures or columns for comparison. I found a brief summary was necessary because most of the students were inclined to focus on specific problems but fail to grasp the wider context of the material, especially with such an extensive coverage of economic principles. In any case, a systematic summary could help the students link learning points within or even across topics, so that they could understand and memorize better. The time spent on preparing the summary proved to be worthwhile, since students had faster responses during most discussions. The tutorial class in general became more efficient after the introduction of the summary of learning points.

Furthermore, I tried my best to maintain an interactive teaching and learning environment. Almost every student was invited to answer, to participate in class. When a student raised a question, I would encourage other students to answer, and many times heated debates ensued! In-class-interaction was thought-provoking and helpful for students to build a personal interest in the subject. During the discussion, I also gained knowledge of how well the students had learned and then adjusted my teaching plan accordingly.

I did not know I had a passion for teaching until I stepped into the seminar room as a graduate teaching assistant. It is to my great delight that I could help those students with their learning of economics. It is also through those students that I have learned how to teach. I cherish the opportunity to be a tutor and surely there are many more new teaching methods to discover and many more individual lives to touch.

Mun Lai Yoke

My first teaching assistant role at NUS was for the module EC 2373/SSA 2220 Global Economic Dimensions of Singapore, with Dr. Lee Soo Ann as the course coordinator. Students are expected to write term papers and essays for the examinations, with an appreciation of economic policies and growth theories applied to the history of Singapore’s development. The student mix is eclectic, with local and foreign students, economic majors and non-economic major students. However, the greatest challenge is to highlight the significance of economic policies that Singapore has undertaken in that historical context, and to make it relevant in today’s context, so that students are able to relate what they have learnt in this module to contemporary issues of globalization, and the relentless pursuit of sustainable economic growth and its impact on the society. My role in these tutorials is to be a facilitator and an observer, as students present their term papers, by interjecting any awkward silence or total concurrence with probing or controversial questions. Another role that I play is to be the resource person, by directing students to useful sources of information for their essays, and demonstrating how persuasive arguments can be supported by statistical evidence, and how to interpret these statistics.

My second teaching assistant assignment was for EC3333 Financial Economics I for Associate Professor Lu Jingfeng. For this module, my role as a tutor is to help students clarify the mathematical concepts and derivations, as well as to apply these concepts to solve problems such as portfolio optimization. First, I demonstrate how to solve a typical problem by highlighting the key conceptual building blocks. Subsequently, I adopt a “fading” strategy, by recasting a similar problem with fewer intermediate steps. In addition, having worked in the financial industry for more than a decade, I could share some of my work experience with students keen to develop a career in the financial industry, as well as how the theories are actually applied in models implemented by the banks and their limitations. For example, when students learn about bond portfolio immunization using duration and convexity matching, I would clarify under what circumstances portfolio managers actually use such a technique, such as prior a monetary policy announcement by the Federal Reserve, as well as the costs and benefits of applying such a risk management technique.

Most recently, I was assigned to teach EC 1301 Principles of Economics with Dr. Connie Chung and Mr. Chan Kok Hoe, as well as Dr. Lim Kim Tian. This is an introductory module for students not majoring in Economics. Some students have A-level economics background, others have none. My role as a tutor is to help students build a core understanding of basic economic concepts. To do so, I try to provide an anchor point for each new concept taught by relating it to the other concepts we have covered in previous tutorials. One of the ways to do so is to summarize the concepts at the start of each tutorial and show students how these concepts are linked together when making an economic decision. From the student’s feedback, students find this framing exercise useful for their understanding and revision.

Having taught different modules at different levels, I think there is no particular prescribed style or role for an effective teaching assistant. I try to approach the teaching task starting from the motivation of students taking the modules, the course coordinators’ learning objectives, and what I

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think students may find useful in their daily lives or aspired career paths. Most importantly, as tutors, we should not have an ego; let our students be the stars. We should not be fixated about what modules or which module-level we are teaching, but how effectively we are in explaining the concepts and motivation of the subject matter that hand. My goal is to create an environment to inspire students to think critically and independently.

**Nona May Donguila Pepito**

Anybody who teaches economics invariably faces this predicament: how do you teach a technical subject that is, at its heart, perhaps more an art than a science? Economics is highly “teachable”: quite mathematical, its structure and process lends itself easily to repetition and rigour and to an analysis that is visually appealing. However, these techniques are no more than tools, a means to an end, and the end is to understand, using carefully-crafted theoretical models, human behaviour and the institutions and means people shape and employ to manage the endless demands on physical and human resources. Having taught intermediate microeconomic analysis for two semesters now, I have seen how the use of quantitative techniques can easily full students into pedantry, making them lose sight of the point of economic analysis altogether.

For example, early into a semester of a microeconomic analysis course, students study how people decide what and how much to consume. Using a stripped-down model of consumer behaviour, they learn, among others, “interior” and “corner” solutions and a “rule” that is satisfied by any utility-maximizing consumption bundle. I have derived much pleasure in discussing these concepts, partly because they are straightforward—the result of applying a good amount of algebra and elementary calculus—but largely because they are quite intuitive: after all of the math, they make quite a lot of sense, and you realize that the arithmetic is only there to distill the idea so that what was once intractable could now be understood. However, it was with much dismay (and if I were to be honest, some amusement) that I found, as I read the midterms papers, that students struggled with simple two-good consumer choice questions, problems that I suspect they would have had no trouble answering if they not learned consumer theory at all. It was as if, instead of enlightening, making the path clear, the math had muddied their minds!

In the wake of such a revelation, the first post-midterm exam tutorial was an interesting one, indeed, one where I tried to turn their experience, however disappointing or frustrating it might have been, into something instructive. I spoke from experience when I told them that there is no teacher more effective than an unsatisfactory exam: the concepts that I so misunderstood are precisely the ones I vowed never to be confounded with again, and therefore know like the back of my hand. And more than a mistake in algebra, I told them that the errors of the sort they committed are the most valuable, because they drive home the point that in economics (and I daresay in many fields), clear thinking trumps the math; without clarity of thought, all of the math in the world is not only useless, but becomes a slave to an analysis that will never hold water, no matter how technically impressive it seems to be. There was a lesson, too, for those who, after jumping through many mathematical hoops, got the answer right: one could show that the same answer could be attained with less math!

I would love to say that the experience, and my input, cured them of any infatuation with technique at the expense of intuition, but that would be a gross embellishment. In a perfect world, they would understand that economics, while striving to be precise in the name of policy and knowledge, can never be perfectly so, and thus, some realism must give way for tractability. But the classroom is hardly the ideal point that in economics (and I daresay in many fields), clear thinking trumps the math; without clarity of thought, all of the math in the world is not only useless, but becomes a slave to an analysis that will never hold water, no matter how technically impressive it seems to be. There was a lesson, too, for those who, after jumping through many mathematical hoops, got the answer right: one could show that the same answer could be attained with less math!

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Tang, he opposed Gurcharan Das, Deepak Lal, and Mark Tully, in debating the motion “The future belongs to India, not China” at the Royal Geographical Society in London.

Professor Quah has consulted for, among others, the World Bank, the Bank of England, and the Monetary Authority of Singapore. He is a Member of the World Economic Forum Global Agenda Council on Economic Imbalances. Professor Quah’s research is now on the global economy, economic growth and development, income inequality, international economic relations, economic geography, and new technologies. He has also previously worked on time series econometrics, inflation, and business cycles. At LSE, he used to lecture in the largest course (Introductory Economics) taught in the School. Quah now teaches macroeconomics and econometrics in LSE’s MSc programme, and lectures on The Global Economy for the LSE-PKU Summer School in Beijing and LSE’s Executive Summer School in London.

Professor Quah was born in Malaysia and is now a British citizen. He holds a black belt in taekwon-do.

Professor Barry Julian Eichengreen from the University of California, Berkeley was appointed as the inaugural Monetary Authority of Singapore (MAS) Term Professor in Economics and Finance in the Department of Economics. He was here on a one-week visit from March 15 to 19, 2010 and will be making another visit to the department in October 2010.

Professor Eichengreen is the George C. Pardee and Helen N. Pardee Professor of Economics and Professor of Political Science at the University of California, Berkeley, where he has taught since 1987. He is a Research Associate of the National Bureau of Economic Research (Cambridge, Massachusetts) and Research Fellow of the Centre for Economic Policy Research (London, England). In 1997-98, he was Senior Policy Advisor at the International Monetary Fund. He is a fellow of the American Academy of Arts and Sciences (class of 1997).

His research interests are broad-ranging, and include exchange rates and capital flows, the gold standard and the Great Depression, European economics, Asian integration and development with a focus on exchange rates and financial markets, and the impact of China on the international economic and financial system.

Professor Eichengreen is the convener of the Bellagio Group of academics and economic officials and chair of the Academic Advisory Committee of the Peterson Institute of International Economics. He has held Guggenheim and Fulbright Fellowships and has been a fellow of the Center for Advanced Study in the Behavioural Sciences (Palo Alto) and the Institute for Advanced Study (Berlin). He is a regular monthly columnist for Project Syndicate.

Professor Chew Soo Hong has been associated with NUS in different capacities since the summer of 1990 when he was a Visiting Senior Lecturer in its Department of Business Policy. He visited NUS’ Department of Economics and Department of Business Policy for various durations during 1999, 2000, 2001, 2003, 2006 and 2008. Through these years, Professor Chew moved his regular position between Johns Hopkins University, the University of California at Irvine, and the Hong Kong University of Science and Technology. Since the beginning of the year, Professor Chew has joined NUS’ Department of Economics and Department of Finance as professor while he is on leave of absence from HKUST as chair professor and director of its Centre for Experimental Business Research. His research interests include decision theory, behavioral and experimental economics, and more recently biological economics.

Professor Chew taught Biological Economics and Decision Making in Semester 2 of the 2009-2010 Academic Year, and is the principal investigator for a research project titled “Biological Economics and Decision Making”. Together with his close collaborator, Professor Richard Ebstein, who has also joined NUS in the beginning of the year, Professor Chew plans to establish a centre for Behavioral and Biological Economics and the Social Sciences at NUS.

Dr. Zhong Songfa from the Hong Kong University of Science and Technology was appointed as Research Fellow in the Department of Economics with effect from 8 January 2010.

Dr. Mikhail Vladimirovich Monakhov from Engehardt Institute of Molecular Biology was appointed as Research Fellow in the Department of Economics with effect from 8 March 2010.

Dr. Hou Zhaoyang from George Washington University was appointed as Visiting Fellow in the Department of Economics with effect from 11 January 2010.

Ms. Melissa Wong Enrou was appointed as Assistant Manager in the Department of Economics with effect from 1 February 2010.
STAFF ACTIVITIES

Assoc Prof Anthony Chin has been reappointed Editor-in-Chief of the *Journal of Logistics and Sustainable Transport*, published by the European Association for Traffic, Transport and Business Logistics.

ANNOUNCEMENTS

Congratulations to...

Ms Salinah binte Zuber, Department of Economics, promoted to Management Assistant Officer Grade 3

Ms Lim Meng Woan, Department of Economics, re-designated to Manager

SEMINAR SERIES

The Department of Economics Seminar Series ([http://www.fas.nus.edu.sg/ecs/events/seminar.html](http://www.fas.nus.edu.sg/ecs/events/seminar.html)) is usually held on Tuesdays and Thursdays, from 4.00 p.m. - 5.30 p.m. All seminars are held at the Lim Tay Boh Seminar Room (AS2/03-12), unless otherwise mentioned.

To join the mailing list:

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**Others** - administrator@groups.nus.edu.sg

STAY IN TOUCH

We would like to express our sincere appreciation to all those who have contributed to this issue of ECONews.

We welcome your contributions on teaching, research and learning topics, as well as feedback on this issue. Please write to ecsnews@nus.edu.sg.

Do we have your correct name and address? Would you like us to send a copy of ECONews to your friends/colleagues? Please fill in the form below and fax or email it to us.

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