Message from Our New Head of Department, Professor Sun Yeneng

Sun Yeneng received his undergraduate education in the University of Science and Technology of China, and graduate education in the University of Illinois at Urbana-Champaign in USA. He has been a faculty member in the National University of Singapore since obtaining his PhD in 1989. He has worked in the Department of Mathematics, Institute for Mathematical Sciences, and Department of Economics. He was promoted to Professor in 2002, and has been the Raffles Professor of Social Sciences since July 2009.

His main research interests are in mathematical economics, analysis and probability. He has published about 50 journal papers with over 20 papers in economics journals. He has also published 10 articles in books, including a chapter in the Handbook of Game Theory. He was a winner of the 1998 Outstanding University Researcher Award and the winner of the 2000 National Science Award.

He has contributed actively in services to the profession and to the University. He is on the editorial board of three academic journals and served on the scientific advisory board of a research center in Germany and on the organizing/program committees of many conferences or workshops. In NUS, he has served as Deputy Director of the Institute for Mathematical Sciences, Program Director for the Undergraduate Program in Computational Finance and for the Master Program in Quantitative Finance, Member of the University Promotion and Tenure Committee, and Acting Head of the Department of Economics.

It is my pleasure to share with you my vision for the Department of Economics. I was appointed Head of the Department on 1 July 2009 after serving as the Acting Head for almost a year. The Department aims to provide high-quality education to our undergraduate and graduate students and to promote research activities to enhance the visibility of the Department both internationally and locally. We would like to train students in diverse areas of economics, and to prepare them for careers as economic practitioners and researchers in the private sector, academia, and government. We will continue to recruit and retain faculty members so as to maintain our reputation internationally as the leading department in economics research in Asia, and to contribute to Singapore’s economy and society by engaging in applied and policy research.

Economics continues to be a very popular choice among the students in the Faculty of Arts and Social Sciences (FASS). Our undergraduate student enrollments have grown - with substantial increases in the last academic year. There were over 5,400 enrolments in terms of student numbers in all the modules offered by the Department in Semester 1, Academic Year 2009/2010. On average, about 20 to 25 % of the FASS students major in Economics. To better prepare our students in a world that requires in-depth and broad skills, the students can choose from a menu of well-established programs. Most of the students choose a single major in economics. Double majors or double/joint degrees are also available to students who desire to be trained in Economics along with other disciplines such as Mathematics, Statistics, Law, Engineering or Actuarial Science. Since the inception of these programs in 2005, about 120 students are enrolled in the double/joint degrees programs. The Department is currently conducting a review of the undergraduate curriculum to ensure that our students remain well-placed in an innovation-intensive economy. Since our annual intake is very big, there remains an issue how to provide better education to a small group of the brightest students.

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The Department has three active graduate programs. The Master Program in Applied Economics has attracted many applications. Currently, we have over 70 students in this program. To increase the efficiency in the usage of manpower and other resources, the Department is proposing to convert this program to a self-financing basis from Academic Year 2011/2012, subject to approval from the University. Our Master Program by Research continues to receive applications from good students. However, our emphasis will be turned to the development of the PhD program. Our immediate task is to increase the quantity and quality of PhD students to maintain a critical mass for teaching and research activities. We also introduce incentives for student supervision to encourage faculty members to provide active and high-quality supervision. As for placement of graduate students, we target local industries and foreign academic markets where the demand for economists is high. In addition, the Department is a partner for the new Master Program in Quantitative Finance, which is hosted in the Mathematics Department.

The Department has 32 tenured or tenure-track faculty members with four colleagues holding joint appointments in other departments. We also bring in prominent visitors to the Department regularly. Many of our colleagues have continued to publish well in internationally-recognized journals. In terms of publication numbers in well-known economics journals, NUS ranks among the very top in Asia. Of course, what matters is not just the publication itself but the level of impact that it will generate. Moving forward, we also ask ourselves the following questions: How to bring in new faculty members who can continue to maintain research excellence at the international level? How to encourage existing faculty members to attain higher research productivity? How to develop applied research that has local and regional visibility and impact? How to best evaluate our research?

As for governance of the Department, we see the need to develop a more efficient, accountable and transparent system of management to avoid decisions being made in an unchecked and arbitrary manner. For this purpose, the first task I took on was to set up the Executive Committee (EXCO) with the approval of the Dean. The EXCO, which comprises Head (EXCO Chair), Deputy Heads, Assistant Heads, and two other tenured or tenure-track faculty as Appointed Members, is responsible for the overall management of the Department. The EXCO normally meets at least twice in a month during term time to formulate departmental policy and to make decisions on various matters of the Department. We promote a management style that embraces the following two components. The first component “soft-ware” sets clear rules and regulations, enforces transparency and fairness in decision-making and evaluations, and improves efficiency. The second “heart-ware” promotes collegiality, integrity, teamwork, commitment and a sense of ownership and good working attitude. For the latter, we need the cooperation and contribution of every colleague.

I call upon colleagues to handle with me the issues facing the Department. Indeed, the intertwined themes of teaching and research, governance and evaluation are very challenging. We need to work together with the strong support from the Faculty and the University. I am confident that our Department will continue to make good progress.

Last but not least, I look forward to receiving your suggestions and support and to working together to improve our Department and to preserve its unique position in Singapore and the region. I wish you all a productive year in 2010.

The Executive Committee (EXCO), Department of Economics, NUS:

Sun Yeneng, Head of Department
Chen Songnian, Deputy Head (Research)
Chia Ngee Choon, Deputy Head (Teaching)
Albert Tsui, Assistant Head (Teaching/Support Staff)
Zeng Jinli, Assistant Head (Graduate Programme)
Basant Kapur, EXCO Member
Ivan Png, EXCO Member

SINGAPORE CENTRE FOR APPLIED AND POLICY ECONOMICS (SCAPE)

The following are the events organized by the Singapore Centre for Applied and Policy Economics (SCAPE) from May 2009 to October 2009.

SCAPE Policy Forum “Reflections on the Economic Role of Small and Young Businesses” by Professor Steven Davis, 8 September 2009.

In a SCAPE Policy Forum on 8 September 2009, jointly organized with the Saw Centre for Financial Studies and the Department of Finance, NUS Business School, Professor Steven J. Davis, the William H. Abbott Professor of International Business and Economics at the University of Chicago Booth School of Business, spoke on ‘Reflections on the Economic Role of Small and Young Businesses’.

Professor Davis argued that the reallocation of jobs, workers and capital among competing activities, organizations and locations is one key factor driving productivity growth, and productivity growth is critical to the rise of living standards. Smaller and younger businesses in particular are actively involved in such ‘creative destruction’, characterized by job creation and destruction, product entry and exit, and business growth and failure. He also illustrated the reallocation and growth process with the Wal-Mart story.

He proposed lessons and guiding principles for economic policies directed towards smaller and younger businesses. An efficient market framework and flexible product and labour markets can enhance creative destruction and foster productivity growth. Education and training facilities to foster the growth of human capital are also important, in his view.

Professor Davis is a well-known and widely-published economist with interests in business dynamics, economic fluctuations, national economic performance, employment outcomes, worker mobility, job loss, public policy, and other issues. He is Editor of the American Economic Journal: Macroeconomics. He is also a research associate with the National Bureau of Economic Research and a non-resident visiting scholar at the American Enterprise Institute. He has published widely in leading economics journals, including the American Economic Review, Journal of Political Economy, Quarterly Journal of Economics, and Journal of Monetary Economics.

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In a SCAPE Policy Forum on 6 October 2009, Mr. Yeong Wai Cheong, CEO of Amkonzen Water Investments Management Pte Ltd, spoke on ‘The Asian Water Crisis – Issues, Challenges and Possible Solutions’.

The talk focused on the nature of the water crisis in Asia, which arises from water scarcity as well as widespread water pollution in the early stages of the Asian economic miracle. Mr. Yeong mainly concentrated on China’s water problem because China is increasingly aware of this issue and has made significantly more efforts in dealing with it as compared to earlier years. He pointed out that water scarcity was not a big problem for Southern China. However, it was a huge issue for Northern China. In his opinion, China had advanced technology in environmental engineering, but its size delayed progresses of water infrastructure projects to a large extent. There are plans to build three huge channels to supply water from Southern to Northern China.

He indicated that when private firms invest in infrastructural development, they might earn approximately a 12% yield annually. However, they had to simultaneously deal with construction, operational and political risks and the costs of educating people about safe-water standards. Corruption was still an impediment in private equity investments in some Asian countries, but he believed that would be reduced in the near future. Investments in China’s water infrastructure projects were profitable due to its broad market. However, the gain was significantly dependent on companies’ business models, in his view.

Mr. Yeong is a Chartered Financial Analyst and holds an MBA with Honours from the University of Chicago. He graduated with First Class Honours in Economics from the then University of Singapore in 1979. Amkonzen Water Investments Management Pte Ltd is the first in Asia to provide specialized water technology incubation services, in conjunction with the Singapore Government. It has also set up, together with two other Singaporean companies, a unique joint venture with the Asian Development Bank to help municipalities in China create more extensive water infrastructure through effective financing.

Newspaper Articles

The following are articles in the press contributed by faculty members in the Department of Economics.

“中国经济对出口依赖到底有多大？”, 胡光宙, 方博亮, 联合早报, 30 April 2009.

Associate Professor Albert Hu and Professor Ivan Png explained that the impact of changes in exports on China’s GDP growth is less than implied by the headline that exports equal 30% of China’s GDP.

“China’s Exports: What’s Really Going On”, Associate Professor Albert Hu and Professor Ivan Png, Straits Times, 5 May 2009.

Associate Professor Albert Hu and Professor Ivan Png explained that the impact of changes in exports on China’s GDP growth is less than implied by the headline that exports equal 30% of China’s GDP.


Professor Kapur suggests three issues that policy-makers might consider in devising longer-term economic strategies for Singapore. First, as in South Korea and Taiwan, to seek to develop a more ‘organic’ relationship between our R&D and production eco-systems, so as to encourage more innovation-related enterprise. Second, to consider the strategic benefits of moving Singapore’s domestic consumption—GDP ratio (currently around 40%) closer to, for example, Hong Kong’s ratio (more than 60%), in terms of providing a stronger and more stable pillar of our economy, and providing more scope for domestic enterprises to arise and develop, first by serving a larger home market, and then expanding abroad.

Third, to explore means of raising the consumption-GDP ratio, particularly by moderating private property prices, say through an increased release of land sites for property development.


Professor Ivan Png highlighted that Singapore publishes two rates of unemployment – overall unemployment and resident unemployment. The resident unemployment rate is about one-third higher than the overall unemployment rate.


Professor Kapur first points out that large inflows of low-skilled foreign workers create a vicious circle. Their availability reduces employers’ incentives to upgrade their operations through mechanization, automation, and the like. The resulting low productivity levels imply that employers can only offer low wages, which act as a disincentive to Singaporeans to take up such jobs – and thus, to continuing employer demands for foreign workers. In addition to a gradual, sustained tightening of the low-skilled foreign-worker inflow, he advocates that the GDP bonus for civil servants be replaced by a bonus scheme based not only on GDP growth but also on (a) a broad measure of productivity growth, such as growth of per capita indigenous GDP, and (b) a welfare measure, such as growth of average household disposable income of the lowest 20% of Singaporean households.

SCAPE WORKING PAPERS 2009
http://www.fas.nus.edu.sg/ecs/scape/workingpaper.html

2009/01 Monetizing Housing Equity to Generate Retirement Incomes
by Ngee-Choon Chia and Albert K. C. Tsui

The public housing programme and the unique way of financing housing through the mandatory savings system in Singapore have created a class of homeowners. This paper compares the instruments available to different flat-owners to monetize their assets, including the Lease Buyback Scheme (LBS), subletting, downsizing and reverse mortgage. We estimate the present value of retirement incomes derived from these options by incorporating the survival probability which is forecasted using the Lee–Carter demographic model. We compare the monthly payouts that can be unlocked and discuss the tradeoffs of adequate retirement with the elderly preference for leaving a bequest and ageing in place. Our results show that LBS is the most attractive option. It allows the elderly to age-in-place while generating a steady stream of monthly drawdown and the possibility of leaving a bequest. Subletting releases housing equity while retaining the asset. This of retirement incomes derived from these options by incorporating the survival probability which is forecasted using the Lee–Carter demographic model. We compare the monthly payouts that can be unlocked and discuss the tradeoffs of adequate retirement with the elderly preference for leaving a bequest and ageing in place. Our results show that LBS is the most attractive option. It allows the elderly to age-in-place while generating a steady stream of monthly drawdown and the possibility of leaving a bequest. Subletting releases housing equity while retaining the asset. This
helps the elderly to fulfil their bequest motive. Reverse mortgage is the least attractive option, yielding the lowest retirement income due to high loading factors.

**2009/02 Does the IV Estimator Establish Causality? Re-examining Chinese Fertility-Growth Relationship**

by Tilak Abeyesinghe and Jiaying Gu

The instrumental variable (IV) estimator in a cross-sectional or panel regression model is often taken to provide valid causal inference from contemporaneous correlations. In this exercise, we point out that the IV estimator, like the OLS estimator, cannot be used effectively for causal inference without the aid of non-sample information. We present three possible cases (lack of identification, accounting identities, and temporal aggregation) where IV estimates could lead to misleading causal inference. In other words, a non-zero IV estimate does not necessarily indicate a causal effect nor does the causal direction. In this light, we re-examine the relationship between Chinese provincial birth rates and economic growth. This exercise highlights the potential pitfalls of using too much temporal averaging to compile the data for cross-sectional and panel regressions and the importance of estimating both \(x\) on \(y\) and \(y\) on \(x\) regressions to avoid misleading causal inferences. The GMM-SYS results from dynamic panel regressions based on five-year averages show a strong negative relationship running both ways, from births to growth and growth to births. This outcome, however, changes to a more meaningful one-way relationship from births to growth if the panel analysis is carried out with the annual data. Although falling birth rates in China have enhanced the country’s growth performance, it is difficult to attribute this effect solely to the one-child policy implemented after 1978.

**2009/03 Time-Varying Currency Betas: Evidence from Developed and Emerging Markets**

by Prabhath Jayasinghe and Albert K. Tsui

This paper examines the conditional time-varying currency betas from five developed markets and four emerging markets. A trivariate BEKK-GARCH-in-mean model is used to estimate the time-varying conditional variance and covariance of returns of stock index, the world market portfolio and changes in bilateral exchange rate between the US dollar and the local currency of each country. It is found that currency betas are more volatile than those of the world market betas. Currency betas in emerging markets are more volatile than those in developed markets. Moreover, we find evidence of long-memory in currency betas. The usefulness of time-varying currency betas are illustrated by two applications.

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**ECONOMICS EXECUTIVE PROGRAMME**

**Public Lecture: ‘The Global Economic Downturn and the Shipping Industry’**

The Economics Executive Programme, Department of Economics and the Centre for Maritime Studies, NUS organized a Public Lecture by Professor Manolis G. Kavussanos on 10 July 2009. The title of the public lecture was ‘The Global Economic Downturn and the Shipping Industry’. Professor Kavussanos is Professor of Financial Management at Athens University of Economics and Business (AUEB), Director of MSc/PhD in Accounting and Finance (AUEB), Director of the Research Centre for Finance (AUEB) and the Maritime Port Authority (MPA) Visiting Professor, National University of Singapore.

The public lecture covered the continuing global economic downturn, the uncertainty associated with it and its roots in the USA property market crisis. It has evolved since then as a credit crisis, a liquidity crisis, a financial crisis and an economic crisis, which moreover has spread to countries and regions around the globe. The real economy and, hence, international trade has been severely affected and so has the shipping industry, being an integral part of the seaborne transportation of commodities. This presentation examined the consequences for shipping companies and for shipping finance banks, and proposed steps that could be taken to help them overcome the situation and for some to survive the crisis. It was attended by participants from across the maritime sector.

**Executive Seminar: ‘Shipping Derivatives and Risk Management’**

The Economics Executive Programme, Department of Economics organized the 21st series of the Executive Seminar titled ‘Shipping Derivatives and Risk Management’ on 27 and 28 July 2009. The speaker was Professor Manolis G. Kavussanos.

The aim of the executive seminar was to provide high-quality education in the areas of derivatives and risk management in shipping. The highly-volatile and risky business environment that companies in the industry operate in makes it imperative for them not only to identify the sources of risk that they face, but also to know how to deal with them effectively.

It was attended by participants from Allen & Gledhill, LLP, CIMB Investment Bank Berhad, IMC Shipping Co Pte Ltd, IMC Shipping Co Pte Ltd., Maritime and Port Authority of Singapore, Pinguino Events Pte Ltd, PricewaterhouseCoopers, and the Singapore Department of Statistics.

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**THE 4TH WORKSHOP ON MACROECONOMIC DYNAMICS WMD 2009**

(31 July and 1 August 2009)

Following the previous workshops at the Australian National University (2006), the University of Adelaide (2007) and the University of Melbourne (2008), the 4th Workshop on Macroeconomic Dynamics (WMD 2009) took place on 31 July and 1 August 2009 at the National University Singapore (NUS). It was the first time the workshop was held outside Australia and it brought together people working in the field of dynamic general equilibrium theory, monetary economics, economic growth, economic policy, and monetary and fiscal policy. The workshop provided an opportunity for participants to exchange ideas and discuss recent developments in the field, as well as to identify areas for future research. The workshop concluded with a discussion of the role of monetary and fiscal policy in promoting sustainable economic growth and development. The event was well attended, with participants from academia, government, and the private sector.
business cycles and international macroeconomics from ten countries. As a workshop specialized in Macroeconomic Dynamics, it was well attended. Twenty-one papers were presented and there were over thirty-five participants who discussed the latest developments in the field. Professor Costas Azariadis (Washington University of St. Louis), Professor Volker Böhm (Bielefeld University) and Professor Kazuo Nishimura (Kyoto University) delivered the keynote speeches. The workshop was unique in its scope and was well-received by participants who were given opportunities and time to interact inside, as well as outside, the seminar room. Dr. Tomoo Kikuchi and Assoc Prof Aditya Goenka organized the event which was generously sponsored by the Academic Research Fund (AcRF) Tier 1, Ministry of Education and the Department of Economics at NUS.

Talk on the Volatility of the Singapore Economy
Dr. Lee Soo Ann (NUS) and Dr. Linda Lim from the University of Michigan Ross Business School jointly gave a talk on the causes and consequences of volatility in the Singapore economy to members of NUS Economics Alumni on 27 May 2009. The event was held to a full audience at the multi-purpose hall of the National Philanthropy and Volunteer Centre in Central Building where the Clark Quay MRT station is located. While Dr. Lee gave a PowerPoint presentation based on the ups and downs of the Singapore economy over the last few decades, Dr. Lim gave more of an anecdotal account of the experiences of Singaporeans. Both attributed the increasing volatility of the economy to its increasing globalization, in particular, the dominant role given to multinationals in Singapore. While they have been useful in jumpstarting the economy in its early growth, the speakers argued that private domestic enterprise should now be given additional stimulus, even at some cost to MNCs. In other words, Singapore should pursue some sort of deliberate industrial policy rather than leaving the economy fully open. South Korea and Taiwan have pursued such a policy and left out foreign enterprise until recently.

Celebrating Mooncake Festival with a Dose of Fengshui
On 2 October 2009, thirty-five members from NUS Economics Alumni, Chinese Financial Professional Group in Singapore, and NUS Economics Undergraduate Society gathered at the National Volunteer and Philanthropy Centre. They were there to celebrate the mooncake festival and they were treated to a sumptuous spread of food which also included a variety of mooncakes, food and drinks.

There was also an insightful talk by Fengshui Master Andrew Tan from Feng Shui BaZi Centre titled “Why Our Destiny Is Related to Our Birthday”. He explained the universe planet that is related to our birth time and also the five elements from Chinese metaphysics. Master Tan spoke on the Ba Zi Fate and Luck Analysis which is dependent on the 4 Pillars (Hour/ Day/ Month/Year) and the 8 characters. He also spoke on the generating and controlling of the five elements (Fire/Earth/Metal/Water/Wood). He concluded with the Total Fengshui Concept. This comprises Heaven, Earth and Human where each element makes up 33.3% of the concept. The Heaven element comprises fate and luck. The Earth element comprises fengshui. The Human element comprises good deeds and hard work.
“The talk was easy to understand and not boring at all. Not only did Master Tan explain the principles of fengshui, he is able to show us how to apply fengshui to our daily life, which makes the talk more practical. I do hope to know more on this topic after the talk,” said Ms Bao Bin Bin from the Chinese Financial Professionals Group in Singapore.

“This talk taught us that we can improve our fengshui by doing more good deeds. One definite way to do so is to participate in the Economics Alumni mentorship programme and to help our NUS economics undergraduates,” concluded Mr. Tan Tai Kiat, Treasurer of NUS Economics Alumni.

SOME THOUGHTS FROM OUR ALUMNI

Lou Hsien Jin Ryan (Graduated in 2009)

Being an economics graduate has been great. The formal analytical and statistical training are skills that we can put to great use in any industry.

Since graduating, I have gone on to work for a US-based direct marketing company and am now working on growing my own start-up, the Budding CEOs programme, to inspire young entrepreneurs to ‘make meaning and take action’.

My friends have also gone on to be successful in different industries including banking, aviation, journalism and human resources. Truly, we have graduated with a plethora of opportunities waiting for us.


Jimmy Koh pioneers and anchors a team of economists and strategists in macroeconomic research for both the G7 and Asian emerging markets, in particular, formulating short and medium-term FX and interest-rate strategies. With his vast experience and knowledge of the market, Jimmy also shares his insights and participates regularly in discussions with various Asian central banks, such as the Monetary Authority of Singapore (MAS), Bank Negara Malaysia (BNM), Bank of Thailand (BOT), the Federal Reserve Bank, and multi-lateral agencies such as the World Bank and International Monetary Fund (IMF). Conversant in both English and Mandarin, Jimmy has distinguished himself at regular speaking engagements both locally and overseas, at in-house forums as well as client conferences. His forte is in key economic issues, financial market development and their impact on the different asset classes. A regular personality on financial media interviews with Channel News Asia (CNA), CNBC, Bloomberg TV, News Radio 93.8, Capital 95.8 (Chinese) and various Chinese media, his views have also been regularly quoted on newswires, including Reuters, Dow Jones, Bloomberg, The Straits Times, The Business Times and various Chinese-medium press. Further, Jimmy has also been invited to partner with Singapore governmental delegations and business councils to China, to encourage Chinese companies to employ the city-state as a spring board into South East Asia. He was part of a ministerial delegation and guest speaker for the Singapore-Shandong Business Council in Qingdao and Jinan in July 2007. In 2008, he was also invited to be part of a delegation to Tianjin with the Singapore Tourism Board.

Lim Teck Kiat (Graduated in 2003)

Greetings from an old boy.

I was asked to provide my story. I am honoured to do so. I am bonded to the civil service. But having a high utility for some private sector experience, I got my bond suspended for a year after graduation. So in 2004, I left for Shanghai to work with Motorola Inc. I was involved in its handphone business, helping to devise incentive schemes to promote sales. I was asked to stay on, but this idea was dropped. The opportunity cost was too high. Besides the value of my bond, the supply of graduates in China is far greater than its demand, depressing local wage cost. So I returned to Singapore as planned the following year.

I chose the Ministry of Law as my first public-sector posting. My main task was to examine how Singaporeans who are less economically-endowed could have better access to justice. My involvement in setting up pro-bono legal clinics and instituting changes to the means test for
state legal aid would be the highlight for this posting. I am currently with the Ministry of Transport. I worked in the maritime side with the main task of growing Singapore as an International Maritime Centre. We do not have plans to set up “ERPs” for ships – the most common question I am asked.

Whilst developing my career, I set up a family with Yvonne - my life partner. After a cost-benefit analysis exercise, we now have two kids, Tracy (born 2007) and Travis (born 2009). They bring much joy to our lives, increasing the intangible portion of our standard of living.

I have found my education in the Department of Economics very useful in providing a solid foundation for analytical thinking and research. Over the years, I have heard of people commenting on the rigour of our curriculum. This is indicative of the growing NUS economics brand name. We are the department's ambassadors, and I wish it every success.

What's your story?

Dorcas Low (Graduated in 2008)

I graduated in 2008 with Honours in Economics. I am currently with the Ministry of Manpower, working on areas to enhance the income security of Singaporeans. As the population ages, it is important that we help Singaporeans to be better prepared for retirement and to be financially self-reliant. I love the work I do because it is challenging, while at the same time, meaningful. I will like to thank Assoc Prof Chia Ngee Choon who has motivated me in pursuing my interest in these areas.

Li Ziwu (Graduated in 2008)

I became a member of the NUS family in 2004 after graduating from Hwa Chong Junior College. Before joining, I deterred and wondered about all the obstacles of being an international student in an alien environment. Fortunately, the exuberant and welcoming community of NUS has been most helpful in my adaptation to the independent and intensive university life. With warm support from active student bodies and resourceful staff, I swiftly embarked on my four-year rewarding journey at NUS.

In terms of academics, the school is very liberal in curriculum planning and as a result, I was able to explore my interests across different disciplines, such as economics, mathematics and the humanities. The experience of exchanging ideas and sharing thoughts with friends from different faculties and backgrounds not only broadened my knowledge universe but also brought many fun and memorable moments.

My university life was further enriched by many rewarding activities provided by the university. For instance, I took part in the summer school at Peking University in China, where renowned professors from both universities gave inspiring seminars on real-life applications of mathematics, ranging from neural imaging to lottery optimization. I was also honoured to receive the NUS-Lee Foundation Exchange Award for my exchange programme at the University of British Columbia in Canada. The opportunities offered at NUS do not stop at academia. In summer 2007, I joined the investment banking division of ABN AMRO Bank in Hong Kong, where I interned in the Equity Capital Market department for ten weeks and started on my first step in the financial industry.

Upon graduation, I joined a Singapore-based hedge fund as a trading assistant. My daily work involves researching potential investment ideas, executing trading strategies and analyzing portfolio performance. It is rare for a fresh undergraduate to take up such a highly-competitive trading job but the liberal education at NUS prepared me adequately for the diversified work scope, both academically as well as practically. In particular, I am most grateful to the guidance offered by the professors at NUS, especially my thesis supervisor Assoc Prof Julian Wright and my lecturer Assoc Prof Anthony Chin. It is from them that I learnt the methodology of research and became determined to start a career in finance.

As a fresh graduate, it is difficult to predict where life will lead me to. But with the values nurtured and the spirit instilled through my years at NUS, I will, as every graduate of NUS will, strive for the betterment of our society.

Yeo Sheng Wei (Graduated in 2008)

NUS provided me with the stepping stone and the necessary skills to obtain my first job in PUB today.

Just as importantly, NUS gave me a complete university experience through sports (NUS softball), hall life (Kent Ridge Hall), student exchange programme (Lund University, Sweden) and learning a new language (Malay).

This is probably something which I would never be able to do all together again for the rest of my life, and I would do the same thing again if given a choice.


I would like to mention 2 lecturers: Cikgu Aishah binte Kassim who taught me Malay. I am inspired by her enthusiasm and warmth in imparting Malay to her students. Not only did she teach a language, she opened our minds to a new culture as well. Till today, I still remember many of her teachings and find many opportunities to make use of the Malay language.

Dr. Lu Jingfeng who supervised my final-year honours thesis. He provided me with much guidance, and showed me tremendous patience during my thesis period. Amongst all his many teachings, he gave me the confidence that eventually enabled me to complete what I considered a difficult topic.
The annual Ministry of Trade and Industry (MTI) Economic Dialogue was inaugurated last year through a major collaboration with the National University of Singapore (NUS) to recognize top economics students from local universities and for students and economists to engage in discussions on pertinent economic issues. This year, it was held at Singapore Management University on 13 October 2009.

“It is an exciting time to study economics, and to be an economist,” declared Mr. Lim Hng Kiang, Minister of Trade and Industry, the Guest of Honour for the MTI Economic Dialogue, during his keynote speech themed “Economics and Public Policy in Singapore”. Despite the blame on economists for the world’s most severe economic contraction since the Second World War, he explained that “economists have provided us with frameworks and behavioural insights that have enriched our understanding of the world” and that “the recent recession should sweep away some old dogmas [and] give rise to new, fresh insights”.

After the keynote address, Mr. Lim presented the MTI Economist Service Prizes to outstanding local economics undergraduates. The MTI Best Thesis Prizes were awarded to Mr. Harvey Cheong from SMU; Ms Han Yi from NUS; and Mr. Chiam Yee Hong, Ms Zhou Yuan and Mr. Yos Virin from Nanyang Technological University (NTU). Three other students won the MTI Book Prize: Mr. Joel Ng from SMU, Ms Christabelle Soh Ning En from NTU, and Mr. Zhuang Kai Quan from NUS. Each prize came with a $2,000 cash prize sponsored by MTI.

The NUS-recipient of the MTI Book Prize, Mr. Zhuang Kai Quan, is now in his final year of pursuing his double degree in Economics and Engineering in NUS. He was spurred to study economics because it is a great tool to understand human behaviour.

The MTI Best Thesis winner from NUS, Ms Han Yi, on the other hand, is currently undergoing training at National Institute of Education. When asked about her thesis on the Advanced-Life Delayed Annuity (ALDA) and the CPF Lifelong Income Scheme (CPF LIFE), she explained, “The thesis was written against the backdrop that Singaporeans are living longer and many face the risk of outliving their retirement savings. Life annuities provide protection against such a risk. Using Singapore mortality and interest rates, my study shows that ALDA, being an innovative type of life annuity, is better than traditional life annuities in a number of ways. CPF LIFE is found to be very similar to ALDA, though with more restrictions. So I proposed a private market for ALDA alongside CPF LIFE.”

Following the awards presentation ceremony, the dialogue session opened with Mr. Keith Tan, Director of the MTI Economics and Strategy Division, as the moderator, and panellists: Asst Prof Choy Keen Meng from NTU Division of Economics; Professor Hoon Hian Teck from SMU School of Economics; Mr. Mathew Welch, the Managing Director and Head of Financial Institutions (Asia) from ING Wholesale Banking; Mr. Yeoh Lam Keong, the Vice-President of the Economic Society of Singapore; and Dr. Yip Chun Seng, the Deputy Director of the Strategic Resource Section, MTI Department of Statistics.

Among the main issues discussed were Singapore’s role in dealing with climate change; the major challenges facing the Copenhagen talks; measures that propelled recovery of countries from the global financial crisis; and the system of “grotesquely overpaid” banking executives.

The MTI Economic Dialogue concluded with a dinner and networking session during which students chatted with friendly MTI officers and discovered more about what public-sector economists do.
Annual Chalet
We had our annual ENS chalet from the 3rd to the 5th of January 2009 at Costa Sands (Pasir Ris)! This event was fully sponsored by the NUS Economics Society and served as a wonderful opportunity for everyone in the ENS family to mingle and get to know each other better. During the day, we went outdoors to work out some sweat by playing touch rugby, volleyball and captain’s ball. Night activities mainly consisted of round-the-clock mahjong sessions, card games and HTHT (heart-to-heart-talks). Not to mention the mouth-watering BBQ treats of chicken wings, sambal stingrays and sotong, etc.

Our turnout was impressive and we would like to thank everyone for their support in making the chalet stay a success! S&S is pretty confident that everyone who turned up went home happy and their stomachs full!

Econs Camp – Escapade ’09
This is definitely THE climax event for our S&S committee and everyone associated with ENS! Our 4-day-3-night camp was held in our campus where we all reside at Temasek Hall before ending off with a bang at Costa Sands (Sentosa). The goal of the camp was to assimilate the freshmen to the campus environment and the fostering of new friendships and to have fun.

Watching all those involved in the camp raising the roof while cheering for their respective OGs, engaging in easy banter with their new-found friends and participating enthusiastically and sportingly in our planned activities such as the campus station games, photo hunt and beach games, it has definitely made all those involved in the organizing committee feel that the numerous meetings and countless hours put forth to make this camp a reality worth it and gives us immeasurable satisfaction!

While beach games were unfortunately delayed by some unforeseen administrative issues and hampered by the rain – which cut short our beach games and left many drenched, getting stranded and seeking shelter under a hut actually turned out to be one of the highlights of the camp! We refused to let the rain drown our spirits and the level of enthusiasm shown from the cheering and ‘high-ness’ shown simply proves one thing: it is not the fancy programmes or facilities that make the camp, but the people!

Despite that, I am sure everyone involved in this camp will agree that the food provided by us and our kind and generous sponsors was second to none! Immense thanks to everyone (especially the seniors) who volunteered to help out and the freshmen participants for your enthusiasm and presence!

Settler’s Café – Post-Camp Outing
Camp might have ended but the friendships forged in camp have just taken upon a new exciting chapter for all involved. The overwhelming response for this post-camp outing, where approximately 60 people turned up, is testimonial of that! To top it, this feast of free-flow drinks and munchies; not to mention the hours of interesting games, was FULLY SPONSORED by ENS! I am sure all who turned up went home satisfied!

GEM INCENTIVE AWARD
DR CHUNG WEE-WEE, CONNIE

The Department of Economics received its first General Education Module (GEM) Incentive Award for the course GEK1018 ECONOMIC ISSUES IN THE DEVELOPING WORLD taught by Dr. Connie Chung.

The GE incentive scheme is designed to encourage faculty members and Departments to offer a larger number of good GEMs (i.e. those that facilitate the learning outcomes specified by the GE curriculum) with reasonable pedagogical competence.

The GE Committee members were “impressed that the module went significantly beyond the existing Economics Department curriculum to look at the important topic of the developing world in a broad frame, and using a range of insightful and often challenging readings. This module achieves breadth at no sacrifice to depth, and is thus an exemplar for the GE programme at NUS. Though its focus remains on economics, it extends students concerns toward issues like democracy and even global warming. As one member of our committee wrote, ‘it raises questions that should be part of everybody’s awareness’."
“The answer is C,” came the confident reply from the Raffles Junior College (RJC) team.

“The correct answer...” the quizmaster hesitated for a moment. A hush quickly fell over the audience. The murmurs of excitement from the audience were replaced by an uneasy silence tinged with a palpable sense of suspense. Will RJC manage to get it right this time?

“The correct answer is INDEED C!”

The audience broke into an overwhelming roar of support and cheer for the RJC team. The RJC team members, unable to contain their delight, let out cries of jubilation as they punched the air in triumph, savouring this moment of success. Just a short while ago, a string of incorrect answers caused RJC to lag far behind the other teams in points. But in a dramatic turnaround, RJC managed to close the gap in scores and prove the team was still very much in the game.

That was perhaps one of the most exciting moments in the National Economics and Finance Management Quiz 2009. The NEFMQ is an annual event organized by the NUS Economics Society with the primary aim of raising awareness about economics and finance management issues among A-level and polytechnic students. Since its inception in 1991, NEFMQ has consistently attracted the brightest students in economics and finance management, providing a platform for these students to showcase their talents.

This year’s NEFMQ was no exception. Proudly sponsored by MoneySENSE, a national financial education programme, this year’s NEFMQ was held at the University Cultural Centre on 27 June 2009, attracting 192 students from various institutions such as junior colleges, centralized institutes, integrated programmes and polytechnics.

The four finalist teams pit their wits against each other in the Speed, Flash and Team Rounds, which called for both strategy and lightning reflexes. The Speed Round, which was a test of how quick students could solve a question, took a fastest-fingers-first approach. The Flash Round, in a similar way, required the finalists to pen down their answers within 15 seconds. For the Team Round, teams could choose to direct their questions to another school, forcing the latter team to rise up to the challenge or face the consequences of point deduction. The team that emerges from the final round with the highest points would clinch the much-coveted NEFMQ champion title.

Our Guest of Honour, Mr. Teo Ser Luck, Senior Parliamentary Secretary of the Ministry of Community Development, Youth and Sports & Ministry of Transport, and Mayor of North East District, was present to witness the brilliant display of mettle by the finalist teams. Also present at the event were Associate Professor Albert Tsui, Department of Economics, and Associate Professor Tan Ern Ser, Vice Dean of Students.

Initially, DHS and VJC led the tally during the first two rounds with their quick and accurate answers. However, fierce and destructive competition broke out between the two teams as they directed questions to each other and were unable to provide the correct answers in the last round. Meanwhile, RJC inched their way from the bottom by consistently providing correct answers and eventually overtaking the other feuding teams by a slight margin towards the end of the competition. RJC emerged from the final Round victorious and their representative team, TTWW, consisting of Zhou Penghui, Chan Ze Ming and Samuel Lim Yong Peng were crowned as champions. DHS came in second, while VJC and HCI came in third and fourth, respectively.

Many from the beginning doubted that the RJC team had any chance of winning, but perhaps they were too quick to dismiss the team. After all, their team name, TTWW, stands for the Team That Will Win.

The smooth running of NEFMQ 2009 would not have been possible without our sponsor, the Monetary Authority of Singapore (MAS). The organizing committee from the NUS Economics Society would like to thank MAS. The committee would also like to extend our appreciation to the Department of Economics and the Office of Student Affairs, National University of Singapore, for their invaluable help rendered over the duration of the quiz.
WELCOME PARTY FOR GRADUATE STUDENTS

Appetizer
With young healthy bodies to feed, food is of paramount importance. After checking out several venues, along with a complimentary dinner, we decide to hold our welcome party at the Sun Bistro, where the buffet spread is delectable and the ambience is perfect for games and fraternizing. Once the budget has been approved, we waste no time to market the event, but by the Wednesday prior to the party, the feedback has been lukewarm. To our dismay, we have grossly overestimated the attendance with our estimate of 70 heads. Since the restaurant has agreed to let us occupy the dining-floor exclusively based on our budget of 70 heads, we decide to negotiate for an improved spread, with our revised, but still optimistic estimate of 60 heads. By Friday, the response, especially for the faculty staff, far exceeds our expectation. By now, we are in a predicament as we have maximized our budget with an improved spread, and it is too late to change. My initial thought is to use the token registration fee to pay for extra servings of seafood fried rice - cheap and filling. But alas, my dear friend Tong has already spent every remaining cent on gifts and games! (Tong, you leave me no doubt that you will make a good economist.)

Main Course
Being a lover of dance and music, Tong has laboriously downloaded hours of hype dance tunes to liven up the party. But when we test the sound system, we realize that the CD is empty! In his haste, Tong has left the precious CD at home by mistake, and is adamant about going home to retrieve it. Well, what is a party without good music? Finally, at 6:30pm, people start to stream in. There are fresh faces, familiar faces, sanguine faces, and seasoned faces amidst the crowd. The air is filled with anticipation. Students and faculty members mingle.

Assoc Prof Zeng Jinli, the Director of the Graduate Programme, officiates the party with a welcome speech. He encourages the graduate students to interact actively with the faculty members. This is followed by a commendation ceremony where four Teaching Assistants with the best student feedback are awarded letters of commendation from Professor Sun Yeneng, the Head of the Economics Department. Professor Sun also highlights the good standing of the NUS Economics Department in Asia, with its impeccable publication record.

After the formalities, the party livens up with an ice-breaker, Bingo. Everyone is given a pen and a piece of paper with a grid printed. They are supposed to seek out others with personal traits described by the grid, and the first seven people to form a completed line win. As the diagonals are filled by traits of the faculty members, it should encourage the students to seek out the faculty members. The unintended side effect is that first winner is a faculty member, Dr. Tomoo Kikuchi!

This is followed by more active games as fun and laughter replace the anticipation in the air. Faculty members are made to wear funny hats for students to snatch; students and faculty members are blindfolded and tasked to hit a ball with a bat; and faculty members challenge students to a balloon-stepping competition. It is indeed heartening to see how sporting and agile some of our faculty members are, in particular, Dr. Chen Yi-Chen and Assoc Prof Liu Hao Ming. Finally, to encourage teamwork, we end with the classic standing on the newspaper game. The senior students virtually stack themselves on one another for this game!

Dessert
We close the party with a Lucky Draw. The Manager of Sun Bistro, Mr. Joseph Oei, has kindly sponsored several game prizes along with two food vouchers. Practical items such as extension cords, along with not so practical game-props are given away. When economic students plan a party, nothing is left to waste, but plenty is left to chance.

After Dinner Cigar
As the crowd thins out, a familiar figure appears at the door. He is none other than Professor Chen Songnian. All other faculty members have left, and only a handful of playful senior students who have not had their fill are feasting and bantering at the table. Professor Chen sportingly joins us in the conversation, sharing some of his valuable experience and views about graduate studies.

Like a good cigar whose sweet aroma lingers in the air, we leave the party with fond memories that warm our hearts on our way home. Thank you, everyone, for making this event a success.
STUDENT ACHIEVEMENTS, AY2008/09

### Awards/Medals

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**Mr. Khaw Kaimin**

**Sherwood Memorial Book Prize**

Receiving the Paul Sherwood Memorial Book Prize was a fitting way to cap off a wonderful academic year for me. On the academic front, this year was indeed a challenging one as I was exposed to the higher-level economics modules. The jump from what I had experienced in my first year was rather significant. However, it was from the most rigorous and difficult courses that I gained the most. For that, I am truly thankful to the professors who put in the effort and pushed us as far as we could go.

Academics aside, I also had the privilege of being elected as the President of the NUS Economics Society. Together with my very committed and very talented committee, we managed to organize several high-profile events like the inaugural MTI-NUS economic dialogue session and the annual National Economics and Finance Management Quiz (NEFMQ 09). Personally, I have always been contented to follow and have never seen myself as a natural leader. I am truly glad I decided to take up the responsibility of being President. It has helped me to see myself in a different light, urged me to be more involved in university affairs and most importantly, allowed me to forge many long-lasting friendships.

I am also proud to have had the opportunity to represent NUS at the inaugural Public Policy Challenge (PPC 08); a public policy case competition organized by the Public Service Division. Out of 100 teams from the three local universities, my team (consisting of Kim Cheong, Ben, Melvyn and myself) defied the odds and emerged as eventual champions. We utilized what we had learnt from our economics classes to good effect but never expected to go all the way.

As of this writing, I have just begun my third year and am a little past the halfway mark of my undergraduate journey. I am currently on the Student Exchange Programme (SEP) in Canada and my thoughts are with my loved ones back home in Singapore. To end off, I would like to thank God, my family (especially my mom), my girlfriend, my friends and my teachers - for being so supportive of my endeavours and injecting such joy into my life.

**Mr. Ho Kim Cheong**

**NTUC Income Book Prize**

Kim Cheong is a third-year student doing a Double Degree Programme in Economics and International Liberal Studies (DDP/Waseda University). He is currently an intern with the External Department in the Monetary Authority of Singapore (MAS) and his work includes tracking the financial regulatory reforms now happening in the United States, the United Kingdom as well as the European Union and analyzing the economic and political implications that these impending regulations will bring upon Singapore and her status as a leading regional financial centre. On top of that, he has also helped out in the preparations for the APEC 6th Senior Financial Officials’ Meeting in July 2009. He finds the work at MAS interesting and challenging and he is grateful for the exposure that he has garnered, as well as the friendships made during the three months of his internship. He left for Japan in September 2009 for a year to embark on his second degree at Waseda University.

On his thoughts on receiving the award, he is most thankful and feels privileged for the patient guidance and insightful thoughts that the NUS economics professors have shown through many of the economics modules that he had taken. He also relished the rigorous, but refreshing, discussions that he had with his peers and they have been a wonderful source of support and motivation for his student life in NUS.

**Mr. Chua Thiam Hao**

**Singapore Economics Review Book Prize**

Thiam Hao is an honours-year student who is currently pursuing his undergraduate degree in Social Science (Economics). He was the Co-Vice President in the 6th executive committee of the NUS Students’ Investment Society (NUS Invest) and is currently serving as advisor of the club after stepping down. He spent six months in Stockholm School of Economics for a semester of exchange study in 2008 before embarking on the NUS Overseas Colleges (NOC) “Experience India!” summer internship program in June 2009. Thiam Hao also has an avid interest in entrepreneurship and is currently in the exploratory stage of a few initiatives, particularly in the field of tourism and clean technology.

**My Overseas Experiences**

“Unlike students in other disciples, economics students like us are empowered to utilize the principle of cost-benefit analysis to make the complex decision on the destination for the Student Exchange Programme. With such a robust framework, selecting the Stockholm School of Economics (SSE) as my first choice was not difficult, and certainly one which I did not regret.

continued on page 13
SSE is one of Europe’s leading business and economics schools and boasts of reputable economists like Gunnar Myrdal and Bertil Ohlin as their alumni. The institution’s close ties to the Scandinavian business community and the emphasis on practical learning perfectly complement the theories picked up in school. For instance, a visit to the Swedish Central Bank (Sveriges Riksbank), arguably the world’s oldest and most independent monetary authority, was arranged as part of the module “Central Banking”. During the session, Stefan Ingves, the Governor of the Sveriges Riksbank, gave us a tour of the institution and provided us an insight on their unique conduct of monetary policy through the “interest rate corridor” framework. He also touched on the liquidity crunch and the Riksbank’s response.

SSE is also a member institution of the Stockholm School of Entrepreneurship (SSES) which offers full-credit entrepreneurship courses to students. Through courses like “Ideation”, I had the opportunity to work with a Spanish student on his new start-up and also developed a marketing plan for a new Swedish company. Sweden offers many connections to the rest of Europe. This certainly helps to satisfy the travelling desire within. From the snow in the Arctic Circle region to exploring the old town of Tallinn, to watching a Charity Shield football match at Wembley Stadium, these six months have certainly been a diverse experience.

After six months of living in a first-world country like Sweden, I was searching for a complementary overseas experience that would also offer me opportunities to work. After much thought, I decided to embark on the NOC “Experience India!” Summer Internship Programme. With the numerous negative stereotypes of India prevalent in Singapore, this decision was, frankly, not an easy one to make. However, there was a strong motivation from within to explore and understand the engine that drives a developing economy. Apart from China, India is another, and often understated, Asian giant. Despite this, I certainly did not foresee the incredible experience that I was about to have.

India has often cited to be the destination of all business outsourcing and it is not difficult to understand why. A sizeable English-speaking population, who is highly motivated, together with the low cost of labour, are the main attractions for multinational corporations to establish bases in India. For instance, a degree graduate working the graveyard shift at a call centre commands a monthly pay of only Rs15,000 (about S$442), a huge contrast to the wage rate of a university graduate in America, or even in Singapore. In addition, established Indian companies, like Tata Consulting Services, are seeking to move up the value chain, posing a serious threat to countries that are currently thriving in that realm.

This Indian experience impressed upon me the power of the mind. Even without much orders or standard operating procedures, targets can still be reached and problems can still be solved if you set your mind to it. Living in an environment where clean food, water and air are at a premium also taught me to treasure simple joys we often take for granted in Singapore. From another perspective, it is possible to strike a balance between striving hard while being contented and having a positive attitude in one daily’s life.

My internship organization, the National Entrepreneurship Network (NEN), is a non-profit organization that seeks to help Indians move out of poverty through entrepreneurship. Besides understanding the Indian entrepreneurship ecosystem and business climate, the internship stint also provided me ample opportunities to network and establish a sizeable circle of friends and business contacts. Overall, the three months was an incredible experience and undoubtedly facilitated me in taking the first step into this huge, relatively untapped market of 1.1 billion people.

Mr. Ni Cao
University of Singapore Economics Society Book Prize
I am on a scholarship from the Ministry of Education, Singapore. Upon arriving in Singapore, I took a test for Chinese scholars and was enrolled in an accelerated programme for the selected top 10% of the students. I have maintained a constant and outstanding academic record in NUS. I have been placed on the Dean’s List in every semester in my first three years. At the beginning of my second year, I was selected to start a five-year double degree programme in Industrial and Systems Engineering and Economics.

I have a strong interest in research. I have finished an undergraduate research opportunities programme project, under Professor Poh Kim Leng of the Department of Industrial and Systems Engineering, titled “Analysis and Application of Production Decision Models under Risk”.
I also went to MIT to conduct aviation safety research under Professor Arnold Barnett of MIT’s Sloan School of Management this summer. Being an international student in Singapore, I have experienced a diversified culture. I went for exchange to UC Berkeley this spring semester. I have interned in Bekaert China Technology Center (BCTC) in 2006 as a research assistant, working on six-sigma and quality management projects.

Ms. Han Yi
MTI Best Thesis & Economic Society Gold Medal
Tsao Ng Yu Shun Award Excellence in Ageing Study
I began my undergraduate studies in NUS in 2005. During my first year, I put in a lot of hard work into building up my fundamentals in economics and mathematics. I believe that was a crucial stage in my academic career, and building sure foundations could only be possible with the positive environment I had experienced as a freshman in NUS.

Wanting to internationalise my degree, as well as looking to experience a different way of life, I enrolled and was admitted to the ANU (Australian National University)/NUS joint degree in actuarial studies and economics. With this, I spent my second and third years in ANU in Canberra. Studying in the ANU was a big change from what I was used to in the NUS. I took up subjects concerning the study of actuarial science, which mainly focused on the calculating and understanding of risk. In the course of my studies there, I worked towards professional qualifications certified by the Institute of Actuaries of Australia and cleared all Part I and II exams.

Additionally, I became a student ambassador for my college in ANU, and took part in many voluntary and community involvement activities. In all, I think that the best part of my time in Canberra was getting to know many friends of diverse ethnic, cultural and academic backgrounds. My overseas stint was very valuable to me personally and academically, and it would have not been possible without the support provided to me by the NUS Faculty of Arts and Social Sciences.

I came back to NUS for my last, and most challenging semester of study. The process of doing my thesis required me to muster all that I had learnt in the previous three and a half years of study. This piece of work pushed me to the limit of my academic competency, and a lot of effort was put into it. I am grateful to my thesis supervisor and mentor, Assoc Prof Chia Ngee Choon for guiding me through those tough times, and without whom, my efforts would have been misdirected.

Upon graduation, after much soul-searching, I put aside my ambition to be an actuary, and decided to go into teaching instead. It was a difficult decision, but I made it with the confidence that I would be able to positively impact young lives. Right now, I am undergoing training at the NIE, preparing to teach either junior college economics or secondary-school English language. Becoming a teacher is hard work, and there is a lot to learn. However, with the skills I picked up and the values I formed as an undergraduate in NUS, I am self-assured of my ability to succeed in whatever situation I might be in.

Mr. Tan Teck Yong
You Poh Seng Prize on Econometrics
I have chosen to further my studies upon graduation from NUS. I am currently doing a Master in Economics and Mathematics at the Toulouse School of Economics, France. The knowledge gained during my time in NUS has been very useful for my postgraduate studies and I am really thankful for that. I should be finishing the Masters degree by August 2010 and if things work out well for me, I will be continuing towards obtaining a PhD in Economics and hopefully, be able to pursue a career in the academic field eventually.

The Department of Economics offers the following graduate programmes:

**Doctor of Philosophy (Economics)**
The PhD programme is aimed at attracting bright students and training them to engage in frontier research in Economics. A good Masters degree in Economics is required for admission to the PhD Programme directly. Students with a strong honours degree (first class or second upper honours) in Economics or have a good quantitative background such as in mathematics, statistics, physics, engineering, operations research, etc. may be considered for direct entry to the PhD programme.

**Master of Social Sciences (by research)**
This degree requires a dissertation of a maximum of 30,000 words, and has to be completed within a maximum period of 3 years, and a minimum period of 1 year. Students enrolled in this programme can upgrade to the PhD programme. This involves completing the core modules at levels 5000 and 6000 and passing the PhD Qualifying Examination (QE).
Teaching philosophy in the tutors’ own words...

Have you ever watched a world-class snooker player win a frame and pondered, “That’s easy. Perhaps I can do that too!” I learnt the secret to this deceptively simple facade from a British sports commentator, while watching a televised game. It lies not in how skilfully the player pots each ball (that is the easy part); but how well he positions the cue ball for the next strike, to maintain control of each visit to the table.

Similarly, as tutors, we have the duty of care to divide the learning objectives into stages, and to guide our students from one stage to the next, by showing them how to position their cue balls for the next stage. Thus, we ought to consider how we present the answers besides the answers themselves. It delights me when students retort, “Ma’am, that’s common sense.” Like music, patterns and logical arguments have great appeal as our brains are wired to optimize the efficiency of parallel processing in this information-intensive world. When students could internalize the subject matter as common sense, they would be motivated and passionate about it.

Indubitably, we have to be cognizant of the heterogeneity of our students: some think verbally, some visually, others quantitatively. The beauty of economics is that an economic concept can be expressed as a persuasive argument, a concise graph, or an elegant mathematical expression. Just as food tastes better when one uses the eyes, nose and mouth to savour each bite, learning can be made more palatable and intuitive by stimulating as many neurons as we possibly can.

Ms Mun Lai Yoke

Teaching is perhaps as important as research -- if not more -- in learning how to think like an economist. For students to understand the concepts, I must not only prepare by understanding the material myself but also learn to communicate what I’ve learned, and to develop the ability to think on my feet. These three help towards clearing doubts, making the lessons more manageable for students who find them challenging, and keeping the interest of the more advanced students. They also ensure that I revisit concepts that I already know with a fresh eye and a keener grasp of economic method and logic.

Mastery, however, is not enough to make tutorials rewarding; patience is also vital. Mastery without patience is merely showing off, which is a recipe for disaster in a forum like a tutorial that aims to clarify and enlighten. But one must also wield patience with a firm hand, taking care not to spoon-feed, so that after addressing their questions in a capable manner, students learn to think well, and to think on their own. As a graduate tutor, I’ve aspired to apply this philosophy semester after semester. There is always room for improvement, but already I find that as a teacher, I’ve grown so much more than I could have anticipated.

Ms Nona May Donguila Pepito

Graduate school is quite demanding. To have to assist the department as a tutor might not sound like the most productive use of one’s time. This is especially true if the module that you are assigned to differs from your interests. However, it has been my experience that tutoring is a very rewarding activity whose benefits far exceed the costs. Preparing well for tutorials is of course most important to being effective as a tutor. However, being students themselves, tutors have a good understanding of the difficulties encountered by students. Incorporating this understanding when interacting with students is essential to being a good tutor. Finally, a good sense of humour helps liven up subjects that can be quite dreary. In the end, the goal is to get students excited about economics. In doing so, you might develop a passion for aspects of the subject that never seemed to be of interest. And that is quite an efficient outcome.

Mr. Neil Sebastian D’Souza

My teaching philosophy revolves around clarity, all-rounded participation and enthusiasm. I teach economic concepts and solve the tutorial questions clearly using the simplest and shortest method possible so that each and every student will understand and learn to like the subject of Economics as much as I do. My class environment is not just one-way transmission of answers, but one which is interactive with discussions. Full participation is a rule in my class -- all my students know that they have to and will have a chance to volunteer their answers or ideas to the class at least once throughout the entire semester. Students can volunteer when they are prepared and will feel less intimidated and stressed. I make an effort to create enthusiasm among the students, such that they will develop a passion in the course and look forward to the lectures and my tutorial class each week. Students are encouraged to approach me for consultation when they have difficulties, be it lecture or tutorial-related questions or some advice or help they might require in other areas.

Ms Tan Siok Hong
My SEP to Seoul National University (SNU) was a truly rewarding learning journey. It allowed me to grow, not only academically, but also socially. It has been nine years since I first came to Singapore and hence, I was excited to go back to my own country for my SEP. Many asked me why I decided to go back to Korea. Through the SEP, I wanted to establish strong networks and share what I have learnt in Singapore with other Koreans.

In SNU, I took modules conducted in English and Korean. Although it was not easy to learn jargon in Korean, at the end of the class, I could discuss economic matters, not only in English but also in Korean. Lessons were very interactive and engaging. Professors encouraged students to participate actively in discussion. Among all, the most interesting module was “The Korean Economy in the Global Context”. Each week, a speaker from a prestigious institution conducted the class. Through this module, we learnt more about monetary policy in Korea from a lecture conducted by the Bank of Korea and also more on the merger and acquisition process from a lecture conducted by SNU law faculty.

During my stay in Korea, I joined extra-curricular activities in ShARE-Seoul, a branch of ShARE-Global, an international community encompassing 19 universities from 10 nations. A group of interested students from SNU, Korea University and Yonsei University get together every Saturday to conduct presentations and study sessions on topics related to business strategy and finance. ShARE-Seoul is the one and only English-speaking international and inter-university business student league in Korea and I was proud to be a part of this group. With SHARE, I spent meaningful Saturdays in Korea, learning real-life examples of textbook concepts and socializing with fellow students who share similar interests.

Furthermore, Korean universities’ culture of ‘study hard and play harder’ ensured that my SEP experience was enjoyable and memorable. After a school day, I used to head to Myung-dong or Dong Daemun with classmates, where we indulged ourselves in shopping for a wide range of fashion items and also trying out wonderful street foods. Seoul is a vibrant city and a new popular-culture hub in Asia. Many tourists are awed by neon lights that brighten up Seoul’s night scenery. Indeed, night markets welcome shoppers and 24-hour delivery service does not let one go hungry late at night.

Initially, most of my friends who were going for exchange to Korea were worried about the language barriers and culture differences that they might face. However, they soon found that their worries were unnecessary. In fact, Korea has developed rapidly over the last decade and it is becoming more cosmopolitan. For instance, SNU offers a wide range of modules conducted in English and an increasing number of overseas students is enrolled in SNU under government scholarship. It is definitely a great destination for NUS students who seek cultural exchange with locals as well as other foreigners around the world.

I am thankful to both NUS and SNU for giving me the opportunity to learn and grow. It allowed me to reflect on my life and to find more about myself. I am more of a goal-oriented and confident person now after meeting local talents in Korea as well as global talents from all over the world. I would definitely recommend my fellow NUS students to grab their own chance of exploring more about other parts of the world and about themselves.
Staff Awards

Congratulations to ...

Long Service Awards – 10 years
Mr. Chan Kok Hoe
Mdm Fatimah bte Ahmad

Long Service Awards – 15 years
Mdm Sagi Kaur a/p Amar Singh

Long Service Awards – 20 years
Associate Professor Abeysinghe Tilak

Long Service Awards – 25 years
Associate Professor Chin Theng Heng, Anthony

Faculty Excellence Teacher Award 2009
Associate Professor Chia Ngee Choon
Dr. Wong Wei Kang

Some Random and Non-Random Thoughts on Teaching from Dr. Wong Wei Kang

Are there any secrets to good teaching? Well, there are some tools and techniques. But they are freely available to anybody who bothers to simply google.¹ But secrets? There is probably none. Instead, conscientious and continuous efforts are needed. But before we go any further, as economists who are well trained in the distinction between positive and normative analyses, we should be quick to ask: what do you mean by good teaching? What is the definition of a good teacher? These are very important questions. But admittedly reasonable people can disagree with any particular definition that I propose. So tentatively let me propose a personal definition that can vary across individuals, depending on their temperaments and experiences.

In academia, basically everybody has a PhD degree. Well, it takes a long time to complete a PhD degree for most people. So having spent more years studying than others, one thing that we do not lack is experience with many different teachers. If we live in a normal world (as a first approximation), then we would have encountered some good ones, and some not so good ones, with roughly equal frequencies.

When I started teaching, I have followed some very simple principles: to emulate the teachers whom I admire, to avoid the practices of the teachers whom I dread, and to cultivate economic intuitions and the economist’s way of thinking. So my answer to the definition of a good teacher is: think about the best teachers you have had, and think about why you think of them as the best, then adopt them as your personal prescribed ideals of a good teacher.

Personally, my best professors are clear, systematic, come to class prepared, interesting, passionate and knowledgeable about what they are teaching, always motivated by the relevance of their work to the real world, always try to relate the mathematics in the economic models to economic intuitions, have a unique personal style and are inspiring. So I try to emulate these qualities in my own teaching.

Of course, teaching techniques matter. Of course, innovative teaching methods or technology matter. But they are secondary and can be learnt very easily and quickly. After all, I do not believe that we think of some teachers as the best because they have good techniques. Furthermore, techniques and methods are not teaching itself. Different techniques and methods are appropriate for different circumstances. As a graduate student, I once overheard a conversation between a fellow student with his professor. The student lamented about not using a more “sophisticated” technique in his paper. And the professor went, “Oh, but why should you worry about not using a more sophisticated method? It is not about how sophisticated the technique is. The question you should ask is whether the technique you are using is the most appropriate for your purpose!” This is a question I have never ceased to ask myself since in my own teaching and research. Am I using a technology or teaching a technique that is more difficult than needed to illustrate an economic idea just to appear more “sophisticated”? Should I design my modules on the assumption that perhaps ten to fifteen percent of the undergraduates will eventually go to graduate school (and so may need the more sophisticated mathematical techniques) or on the assumption that eighty-five to ninety percent of them will not go to graduate school (and do not need or appreciate the mathematical sophistication)?

Of course, modern economics is mathematical. A unique problem we often face in the teaching of economics is a mismatch between the mathematical skills our discipline requires of the students and the actual mathematical skills our students possess. A math student cannot complain about the math he encounters in his modules. After all, if you enrol yourself in the math department, you should know what you are getting yourself into. But this is not true for an economics student. Recently, I saw an economics student complaining about the math in every economics module before every examination on Facebook. So after the last examination, I, of course, congratulated her for being exonerated from the torture because she finally graduated. So jokingly I asked her

¹ For example, the following website contains all the teaching tools and techniques that I have ever known and you can learn them all within one day and so I will not elaborate on them here: http://teaching.berkeley.edu/compendium/
why a rational, utility-maximizing individual like her would choose to major in a discipline that is so heavy in math while she apparently loathed it. If she is telling the truth, then that would seem to contradict the theory of revealed preferences. Someone answered for her before she could reply (so this may not be an unusual situation). She said: “We love economics but hate the math. The problem is information asymmetry.” You see, the problem for economics is that many students do not know what they are getting themselves into because there is a drastic ascent in the mathematics and statistics used in A-levels and introductory modules to more advanced modules. Hence, mismatch results if the students use adaptive expectations to forecast how economics is like at more advanced levels.  

As modern economics is mathematical, use math we must. Nevertheless, because modern economics is mathematical and as more math is introduced in more advanced modules, I feel that we have a special responsibility to be careful. We have a special responsibility to relate the math to economic intuitions and to make them relevant. After all, we are supposed to be teaching economics. After all, most students are drawn to economics because they want to learn economics to understand the economic world better. So I feel that math should only be the means, not the ends. One thing I am very wary of is a situation where the students spend the whole semester struggling to learn the techniques of problem-solving, but never get to the point to appreciate the economic intuitions and the economic problems behind these techniques. Am I simply teaching some cute math or real economic insights that help us understand the economic world better?

In 1963, George Stigler had this to say about elementary economic education: “The watered-down encyclopaedia which constitutes the present course in beginning college economics does not teach the student how to think on economic questions. The brief exposure to each of a vast array of techniques and problems leaves with the student no basic economic logic with which to analyze the economic questions he will face as citizen. The student will memorize a few facts, diagrams and policy recommendations, and ten years later will be as untutored in economics as the day he entered the class.” Although George Stigler wrote this close to half a century ago and the amount of time that has passed certainly meets Keynes’s definition of long run, it still serves as a timely reminder to all of us.

As a final thought, aside from training students to be economists and educating them to be good citizens who can participate meaningfully in the discussion of economic policies, can a social science education like an economics education have a higher purpose? For example, as economists, we often teach our students that incentives matter and people respond to incentives to maximize their utility. This is one of the key elements of the economist’s way of thinking. But if we have really taught this principle successfully to our students, then it should probably also change how they relate to others.

George Akerlof expressed this most eloquently in his 2003 commencement address at UC Berkeley:

“I am a social scientist. As a social scientist, I see the University then as changing who you are. I see the University as not just changing your views toward science, like physics or biology, or astronomy, or chemistry. I see it also as changing your attitude toward other people.

Every one of the social sciences teaches us that we can understand the motives of other people. People may be very different from us. Their motives may be very different from ours. Their means of expressing those motives may be strange indeed. Our knowledge about other people’s problems makes their motives comprehensible to us. That means that we can see other people and their motives in our terms.

The uneducated too often believe that a conflict of interest occurs because other people are evil. The educated believe that conflicts of interest naturally occur. Moreover, these conflicts occur especially because other people are basically so very much like ourselves. So the University teaches us to see other people’s views. We have mercy for them.”

Brief Bio:
Wei Kang is a near-rational economist who did his undergraduate degree in economics at NUS (1991-1995) and his PhD degree in Economics at the University of California, Berkeley (1996-2001). He does empirical research on the channels of cross-country income convergence and on topics in Behavioural Economics.
Professor Chen Songnian was recently appointed as one of the four Provost’s Chairs in the Faculty of Arts and Social Sciences. He joined the Department of Economics as a full Professor in March 2008. He has been Chair Professor of Economics at Hong Kong University of Science and Technology since July 2005. Since receiving his PhD in Economics from Princeton University in 1994, Professor Chen has published about twenty articles in major economics journals. Professor Chen’s primary field is econometrics, with an emphasis on theoretical and applied microeconometrics. He has been an associate editor for the Journal of Econometrics since 2002.

Dr. Chen Yi-Chun from Northwestern University has been appointed as an Assistant Professor in the Department of Economics with effect from 25 June 2009. Dr. Chen graduated from Northwestern University. He enjoys doing research in game theory with his little daughter.

Dr. Zhang Bingyu from Vanderbilt University has been appointed as an Assistant Professor in the Department of Economics with effect from 1 July 2009. Dr. Zhang joined the PhD programme in the Department of Economics at Vanderbilt University in 2004 and finished his dissertation, “Affiliation and Entry in First-Price Auction” in 2009. His current research interests focus on microeconometrics with application. More specifically, Dr. Zhang is interested in auctions with affiliation and endogenous entry.

Professor John Kim-Ho Quah from Oxford University has been appointed as a Visiting Professor (recurrent) in the Department of Economics. He is Professor of Economic Theory at Oxford University and a Fellow of St Hugh’s College, Oxford. A Singapore citizen, he obtained his first degree (in Mathematics) at NUS. After completing his doctoral studies at the University of California at Berkeley, he worked for two years at NUS, before leaving for Oxford in 1996.

Professor Quah is an economic theorist. His early work is on consumer theory and its implications on general equilibrium. A central issue in this theory is “the aggregation problem”, i.e., the extent to which structural properties that hold for the demand of a single consumer remain valid in a market consisting of many and heterogeneous consumers. Professor Quah showed how this issue can be addressed in different contexts; he developed conditions under which market demand will obey the law of demand and other structural properties.

More recently, Professor Quah has been working on monotone comparative statics. Comparative statics results are ubiquitous in economic theory - they appear in many different settings and take different forms. The objective of this research is to find the common mathematical structures underlying these results, to extend them, and to apply them in areas like game theory, public economics, and financial economics.

Dr. Eric Fesselmeyer from the University of Virginia has been appointed as a Visiting Fellow in the Department of Economics with effect from 1 August 2009.

Dr. Kim Jong Hoon has been appointed as a Visiting Fellow in the Department of Economics with effect from 1 July 2009.

To join the mailing list:

NUS users - https://groups.nus.edu.sg/NUSgroups/join.asp?groupname=ecs-seminar
Others - administrator@groups.nus.edu.sg
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.

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**STAFF ACTIVITIES**

**Associate Professor Chin Theng Heng, Anthony** was appointed as Research Track Leader for Maritime Economics, Centre for Maritime Studies, NUS in 2009.

**Associate Professor Liu Haoming** was appointed as member of the International Academic Committee for Fudan Yangzi Delta Social Transition Survey from July 2009 to July 2012.

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**Dr. Vijayakala Seevaratnam** was appointed as Research Track Leader for Maritime Economics, Centre for Maritime Studies, NUS in 2009.

**Dr. Lim Boon Tiong** was appointed as a member of the Executive Council, Financial Planning Association of Singapore (certification body for the Certified Financial Planner CFP mark) in March 2009.

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**STAY IN TOUCH**

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

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