The Department was privileged to receive a visit by its Visiting Committee from 16 to 18 August 2006. The Committee comprised four distinguished academics, namely Professors Franklin Allen (University of Pennsylvania), John Ledyard (California Institute of Technology), Yongmiao Hong (Cornell University), and Shlomo Weber (Center for Operations Research and Econometrics (CORE), Université Catholique de Louvain, Belgium, and Southern Methodist University, USA). Professor Allen had also been a member of the previous Visiting Committee which visited the Department in August 2001.

In its Report of 26 September 2006, the Committee observed that ‘the Department has made great strides since the last Visiting Committee’s report in 2001’, and expressed the view that, with the right leadership and support, ‘it is realistic that NUS’ Economics Department becomes one of the best or even the best in Asia and in the top 20-30 globally’. The Committee has also provided valuable suggestions on strengthening the Department’s research and teaching initiatives, the latter pertaining to both its graduate and undergraduate programmes. The Department is encouraged by the Committee’s very positive statements and suggestions, and has commenced implementing key suggestions in the Report.
VISITORS TO THE DEPARTMENT

Professor Henry Tulkens  
Center for Operations Research and Econometrics (CORE)  
Dates of Visit: 6 November - 5 December 2006

Professor Atsushi Kajii  
Institute of Economic Research, Kyoto University  
Dates of Visit: 15 - 24 November 2006

Professor Lars Söderström  
Department of Economics, Lund University  
Dates of Visit: 16 November - 22 December 2006

Mr Li Zhanlei  
University of Science and Technology, Beijing  
Dates of Visit: 17 August - 15 November 2006

Dr Haesik Park  
Korea Institute of Finance  

Professor James Hartigan  
University of Oklahoma  
Date of Visit: 29 December 2006 - 27 January 2007 (under the OAP [Fellow-Inbound] Programme)
Assoc Prof Tilak Abeysinghe
Assoc Prof Tilak Abeysinghe was invited to give an educational talk on the Nobel Memorial Prize in Economic Science at the *Cultures of Creativity: The Centennial Exhibition of the Nobel Prize* organized by the Nobel Museum and NUS. Assoc Prof Tilak made his presentation on 8 November 2006 at the University Hall Auditorium. He prepared a special website for this, which can be accessed at: http://courses.nus.edu.sg/course/ecstabey/Nobel.htm.

Assoc Prof Aditya Goenka
Assoc Prof Goenka is on the Managing Board of the Risk Management Institute (RMI) at the National University of Singapore.

Dr Lim Boon Tiong
Dr Lim has been re-appointed as Assistant Dean, Faculty of Arts and Social Sciences, with effect from 1 January 2007 to 31 December 2007.

Professor Ivan Png
Professor Ivan Png gave invited presentations at the Society for Economic Research into Copyright Issues, Annual Congress, Singapore, July 2006; School of Management, University of Texas, Dallas, November 2006; Asian Law and Economics Association, 2nd Annual Conference, Bangalore, December 2006. Following their research into piracy, Professor Ivan Png and Dr Hui Kai Lung were commissioned by WIPO (World IP Organisation, a UN agency) to develop a methodology for the measurement of piracy. Following his research in privacy, Professor Ivan Png was appointed for a 3-year term to Microsoft Corporation’s Academic Advisory Board for Trustworthy Computing. He continued as an independent director and chair of the remuneration committee of Hartford Education Corporation. He also continued writing for the regional press.

“Throwing the book at polluters”, Straits Times, 9 September 2006

“Need to enact laws to fight the haze”, Star, 9 October 2006

“Going beyond the pale”, Straits Times, 24 October 2006

“Revenue pool’ needs scrutiny”, Straits Times, 1 November 2006

“Five value-added ideas for Budget”, Straits Times, 27 November 2006

Dr Sougata Poddar
Dr Poddar was the Guest Editor for a special issue of *Singapore Economic Review* (August 2006, Vol. 51, No. 2) on “Competition Policy, International Economics and Information Economics”. He was the NUS Coordinator for the NUS-University of Melbourne Joint Workshop, 14-15 December 2006, University of Melbourne.

Professor Sun Yeneng
Professor Sun was appointed as a member of the Editorial Board of a new Springer journal “Logic and Analysis” in September 2006. He is currently also on the Editorial Boards of two other Springer journals, “Economic Theory” and “Annals of Finance”. Professor Sun participated at the Third Asian Workshop on General Equilibrium Theory, which was held Academia Sinica, Taipei, 1-2 July 2006, both as a programme committee member and a speaker. He was invited to give a 1-hour opening lecture on his joint work “Independent Random Matching” with Darrell Duffie of Stanford University at the meeting “Random Matching and Network Formation”, Lexington, Kentucky, USA, 20-22 October 2006. Professor Sun presented his joint paper “The Necessity of Rich Probability Spaces” with Jerome Keisler of the University of Wisconsin at Madison at a seminar in the Department of Mathematics, University of Illinois at Urbana-Champaign. In addition, he was invited to give two seminar talks “Risks and Incentives in Large Markets” and “Modeling Large Societies” respectively in the College of Business Administration and the Department of Mathematics, Ajou University, South Korea.

Assoc Prof Wong Wing Keung
Assoc Prof Wong was appointed as Deputy Director (Research) of the Risk Management Institute with effect from 16 October 2006 till 30 June 2008.

Assoc Prof Julian Wright
Assoc Prof Wright was appointed as Associate Editor of the Journal of Industrial Economics starting November 2006. He and Professor Ivan Png had an article ‘Revenue Pool Needs Scrutiny’ published in the Straits Times on 1 November 2006. Assoc Prof Wright was appointed to be member of the “Competition Roundtable” for the Competition Commission of Singapore. The first round-table meeting was held on 3 November 2006.
The Department of Economics Seminars Series is usually held on Tuesdays and Thursdays, from 4.00pm - 5.30pm.

### Semester I, Academic Year 2006/2007

<table>
<thead>
<tr>
<th>Presenter</th>
<th>Topic</th>
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</table>
| Professor Chew Soo Hong  
Hong Kong University of Science and Technology | Preference among Sources of Uncertainty: Theory and Evidence from Neuroimaging Experiments | 3 August 2006 |
| Dr Murali Agastya  
University of Sydney | To Auction or to Negotiate* | 10 August 2006 |
| Professor Shlomo Weber  
Southern Methodist University and CORE (Center for Operations Research and Econometrics) | Linguistic Disenfranchisement in Multi-Lingual Societies based on “Disenfranchisement in Linguistically Diverse Societies” | 15 August 2006 |
| Dr Doh-Shin Jeon  
Universitat Pompeu Fabra | A Leverage Theory of Reputation Building with Co-Branding | 24 August 2006 |
| Professor Carine Nourry  
Université de la Méditerranée, GREQAM | Indeterminacy in Dynamic Models: When Diamond Meets Ramsey | 31 August 2006 |
| Professor Andrew K. Rose  
University of California, Berkeley, and Visiting Professor, NUS | Offshore Financial Centres: Parasites or Symbionts? | 7 September 2006 |
| Dr Luc Leruth  
International Monetary Fund | Corporate Performance and Governance in Malaysia | 21 September 2006 |
| Assoc Prof Julian Wright  
Department of Economics, NUS | Pricing Problems between Vertically-Related Firms | 10 October 2006 |
| Assoc Prof Yongsung Chang  
Seoul National University | Investment Rates and Human Capital | 19 October 2006 |
| Dr Juang Wei-Torng  
Institute of Economics, Academia Sinica | A Folk Theorem on Equilibrium Selection | 26 October 2006 |
| Assoc Prof Chong Juin Kuan  
NUS Business School | Choosing the Right Pond: Persistence of Disequilibrium in Market Choice | 9 November 2006 |
| Professor Ariel Rubinstein  
Tel Aviv University and New York University | Equilibrium in the Jungle | 16 November 2006 |
| Professor Atsushi Kajii  
Institute of Economic Research, Kyoto University | Welfare Gains and Losses in Sunspot Equilibria | 21 November 2006 |
| Dr Kim Kyoo Il  
Singapore Management University | Semiparametric Estimation of Signaling Games | 28 November 2006 |
| Assoc Prof Christos Sakellariou  
Nanyang Technological University | Estimating the Returns to Education: Accounting for Heterogeneity in Ability | 5 December 2006 |

* Job Market Seminar
INDUSTRIAL ORGANIZATION WORKSHOPS

Co-ordinator: Assoc Prof Julian Wright
Website: http://nt2.fas.nus.edu.sg/ecs/res/io.asp

Semester I, Academic Year 2006/2007

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<tr>
<th>Date</th>
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<th>Title</th>
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<tr>
<td>22 September 2006</td>
<td>Assoc Prof Julian Wright, Department of Economics, FASS, NUS</td>
<td>Exclusive Dealing with Imperfect Downstream Competition</td>
</tr>
<tr>
<td>13 October 2006</td>
<td>Professor Ivan Png, Department of Information Systems, School of Computing, NUS</td>
<td>Marketing Avoidance, Word of Mouth and 125 Million Do Not Call Registrations</td>
</tr>
<tr>
<td>10 November 2006</td>
<td>Dr Junhong Chu, Department of Marketing, NUS Business School</td>
<td>Quantifying the Value of Warranties in the Server Market</td>
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MICRO-GROUP MEETINGS

Co-ordinator: Assoc Prof Indranil Chakraborty
Website: http://nt2.fas.nus.edu.sg/ecs/res/micro.asp

Semester I, Academic Year 2006/2007

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<tr>
<th>Date</th>
<th>Speaker</th>
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<tr>
<td>25 August 2006</td>
<td>Dr Hur Jung, Department of Economics, FASS, NUS</td>
<td>Conflicts and Delays in International Trade Agreements</td>
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<tr>
<td>6 October 2006</td>
<td>Assoc Prof Fanmin Kong, Peking University</td>
<td>Task Attributes, Uncertainty and Organization Design</td>
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NUS - UNIVERSITY OF MELBOURNE JOINT SYMPOSIUM

14 - 15 DECEMBER 2006 AT THE UNIVERSITY OF MELBOURNE
“Regulation, Governance and Markets in Small, Open Economies”

A Report from the Joint Working Group

The feedback about the Symposium that has been received from participants, both local and from NUS, has been very positive. It is known that at least two discussions will take place about the possibility of joint research collaboration. The Joint Working Group believes that the positive response has achieved the purpose of the Symposium, namely, to foster joint research collaboration between members of the Faculty here and academics at NUS.
THE SINGAPORE ECONOMY: AN ECONOMETRIC PERSPECTIVE
by Tilak Abeyesinghe and Choy Keen Meng
Routledge (forthcoming)

This research monograph presents the Singapore economy through a macro-econometric model and lays the foundation for further research in this area, where the literature is rather scanty.

The econometric model presented in the book is the ESU01 model constructed by the authors over 2001-2005. The model consists of 62 equations supplemented by 35 exogenous variables. The model is built in such a way that satellite models can easily be attached to it.

The book offers a novel approach to macro-modelling of a small open economy. At the same time, the authors have taken great pains to discuss the economics behind the econometrics and to present rare insights into the Singapore economy gleaned from formal econometric analysis. The implications of the findings are also emphasized, with policy sections included in the major chapters and an entire chapter devoted to policy simulations. Overall, the objective of the book is to introduce readers to how the Singapore economy works and to trace out the macroeconomic consequences of various government policies.

THE NEW ELECTRICITY MARKET OF SINGAPORE: REGULATORY FRAMEWORK, MARKET POWER AND COMPETITION
by Chang Youngho
Energy Policy (forthcoming)

This study examines whether the New Electricity Market of Singapore (NEMS) is functioning at a workable level of competition. The generation market of the NEMS appears highly concentrated by a four-firm concentration ratio or the Herfindahl-Hirschman Index. However, other measures of market power present that the NEMS is working at close to a competitive market. First, there seems to be a number of effective competitors in the market. Second, Supply Margin Assessment and Residual Supply Index support that the market is competitive, though there are some possibilities in which the largest generator or a few large generators jointly could still have market power. Third, the Lerner Index of the NEMS shows that the generation market is fairly competitive and the Lerner Index adjusted with an industry-level price elasticity of demand implies that there has not been much exercise of market power. Finally, vesting contracts – a contractual obligation of a specified quantity of electricity supply to the market – have appeared to be a strong and effective tool to mitigate market power in the NEMS. The vesting contracts are considered the force behind the lowering in the average Uniform Singapore Electricity Price and the Lerner Index in 2004.

ELECTRICITY MARKET STRUCTURE, ELECTRICITY PRICE AND ITS VOLATILITY
by Chang Youngho and Cheolbeom Park
Economics Letters (forthcoming)

The transition of the Singapore electricity market structure shows that real-time pricing with vesting contracts appears more effective than day-ahead or real-time pricing with a cap in maintaining a low electricity price and its volatility.

ELECTRICITY MARKET DEREGULATION AND ENERGY SECURITY: A STUDY OF THE UK AND SINGAPORE ELECTRICITY MARKETS
by Chang Youngho with Jian Liang Lee

This study seeks to examine whether deregulated electricity markets can provide energy security. Conceptualizing energy security as that of having adequate, reliable and reasonably-priced energy, this study proposes a set of indicators that can serve as an approximate gauge to determine whether a particular electricity market is robust enough to provide energy security. These chosen indicators are applied for both the UK and Singapore electricity markets in particular, and the outcomes provide evidence to believe that both markets are capable of providing energy security.

EFFICIENCY AND DEREGULATION OF THE ELECTRICITY MARKET IN SINGAPORE
by Chang Youngho with T. Tay

This study examines the production efficiency of electricity generation in the Singapore New Electricity Market (NEM), where deregulation is currently proceeding. It concerns itself mainly with production efficiency and attempts to calculate possible production efficiency gains by using a linear programming model. Production-efficiency gains are quantified by the base case scenario of continued regulation versus four counterfactual deregulation scenarios. The results indicate that cost gains could be about eight per cent of current production cost, and this is possibly a lower-bound estimate. However, whether the purported efficiency gains are realized is to be seen as the deregulation proceeds.

TECHNOLOGY PARKS AND REGIONAL ECONOMIC GROWTH IN CHINA
by Albert Hu Guangzhou
Research Policy (forthcoming)

China’s technology parks have been growing rapidly in the decade that followed their establishment. I examine whether this is merely in response to the policy incentives or there have been external economies from the concentration of high-technology firms in the technology parks as policy-makers had hoped. Using data on China’s 53 national technology parks from 1992 to 2000 and data on the metropolises that host them, I find results that are consistent with the neoclassical growth mechanism - labour productivity across technology parks is converging and there is no evidence of geographical external economies. But the foreign direct investment the host city receives has robustly contributed to the productivity growth in the technology parks. Finally, I find evidence that in their early stage of development, the technology parks have hampered the secular trend of increasing regional inequality in China.
**CLASSROOM PEER EFFECTS AND ACADEMIC ACHIEVEMENT: QUASI-RANDOMIZATION EVIDENCE FROM SOUTH KOREA**  
by Kang Chang Hui  
Journal of Urban Economics (forthcoming)

Endogenous formation of peer groups often plagues studies on peer effects. Exploiting quasi-random assignment of peers to individual students that takes place in middle schools of South Korea, we examine the existence and detailed structure of academic interactions among classroom peers. We find that the mean achievement of one’s peers is positively correlated with a student’s performance (standardized mathematics test score). Employing IV methods, we show that such a relationship is causal: the improvement in peer quality enhances a student’s performance. Quantile regressions reveal that weak students interact more closely with other weak students than with strong students; hence, their learning can be delayed by the presence of worst-performing peers. In contrast, strong students are found to interact more closely with other strong students; hence, their learning can be improved by the presence of best-performing peers. We also examine the implications of these findings for two class formation methods: ability grouping and mixing.

**EMBODIED AND DISEMBODIED TRANSFERS OF KNOWLEDGE: GEO-POLITICS OF ECONOMIC DEVELOPMENT**  
by Binod Khadria  

Since the mid-1990s, the concept of the knowledge society has been the main mobilising force behind globalisation, the focus of world development. With the experience of the last decade, it is time to assess the reality of this link between knowledge and development. Other than through education, historically, knowledge has also been known to be acquired by many countries through global transfers of high-skill labour, which is supposed to be the embodiment of knowledge. However, under GATS in WTO, migration is seen not separately but as part of the globalisation of disembodied knowledge through four modes of international trade in education services. Thus, there have been two trends of globalisation of knowledge—one of knowledge embodied in the migrant professionals and students, and the other of tradable educational services comprising disembodied knowledge. In both, the forces of geopolitics have been at play, catering to the interest of the more developed countries, and ignoring that of the less developed or developing countries. This geopolitical divide has led to a paradoxical separation of factor-endowment from factor-use in the latter and thereby undermined the creation of a knowledge society for development there. This must be recognised and taken care of in understanding the new knowledge paradigm that is likely to emerge.

**EXODE DES EMPLOIS CONTRE EXODE DES CERVEAUX, LES DAU FACES D’UNE MEME PIECE? (EXODUS OF EMPLOYMENT VS EXODUS OF KNOWLEDGE WORKERS - TWO FACES OF THE SAME COIN?)**  
by Binod Khadria and Eric Leclerc  
Autrepart, Special issue on La Migration des Emplois Vers le Sud, IRD Editions, France (in French), 2006.

As the Indian government started to celebrate the return of the knowledge workers, it has been alleged, in the USA, as helping the offshoring of employment to India, leading to loss of jobs for the North and gain for the South. The discourses on exodus of work and migration must be separated in order to evaluate the two perspectives of the North and the South. The actual trajectories of development of new technologies (e.g. ICT) in the two countries are analysed to understand the reversal of perspective away from brain drain in the South, and from calling Indians model minority immigrants in the North. In this case study, we have taken a broader perspective of the generic knowledge worker (and not merely ICT professionals) in order to assess the risk of the new restrictive migratory regimes hidden behind the discourse on loss of jobs emerging in the North. There are two sides of the coin, and both need to be brought in view.

**UNCHARTED CONTOURS OF A CHANGING PARADIGM: SKILLED MIGRATION AND BRAIN DRAIN IN INDIA**  
by Binod Khadria  

Shifting global demography is the source of much political and social unrest around the world. While some countries are losing their best skilled labour, others are grappling with large influxes of immigrants. In India, the emigration of knowledge workers since the late 1960s has been traditionally branded as “brain drain”. However, the perceptions of costs and benefits of migration have changed with shifts in the paradigm from “brain drain” of the 1960s and 1970s to “brain bank” of the 1980s and 1990s, and subsequently to “brain gain” in the 21st century. Yet, there are emerging contours of costs and benefits in international migration that have remained uncharted so far. These could be seen as arising from three key aspects of international migration from India in the 21st century that are potentially very significant: The Primacy of Temporary Migration; The Primacy of Student Migration; and the Silent Backwash of Remittances. Given a clearer mapping of these three uncharted contours of skilled migration, a win-win situation between countries of origin and the destination could be arrived at through greater international cooperation. For India, this could be based on two specific conditionalities: a necessary condition of global geo-economic presence of the Indian knowledge worker, and a sufficient condition of India deriving sustainable benefits from that global geo-economic presence.
POST-WAR MIGRATIONS, MIGRATION OF PROFESSIONALS, AND BUSINESS AND ENTREPRENEURSHIP
by Binod Khadria

The mid-20th century saw the beginning of a change in the pattern of Indian migration. For the first time, people moved not to the colonial periphery but to the metropolitan centres. Initially, this movement was to the UK. Reaching a peak in the early to mid-1960s, the first movements were directed to Britain because coloured immigration into the white Dominions was heavily restricted till the mid-1960s. In the last three decades of the 20th century, a new Indian diaspora began to emerge. Indian migration increasingly became dominated by professionals, and many amongst them showed entrepreneurial flair, some becoming major icons in global 'big business'.

MIGRATION BETWEEN INDIA AND THE UK
by Binod Khadria

India has been drawing a lot of attention as a major source country in global migrations in the twenty-first century. The principal flows of legal and voluntary migration from India have been to Britain, Australia, Canada and the US, becoming more attractive destinations once their highly discriminatory immigration policies changed. However, India to UK migration now seems to have been reinventing itself in the new context of the recent and more contemporary bilateral developments between the two countries. While India can benefit from migration through upliftment of its average labour productivity though investment of diaspora resources in education and health, destination countries like the UK could continue to attract Indian knowledge workers - both professionals and students - and ameliorate some of their own challenges, such as of an aging population, cumulating pension liabilities, and sustaining their lead in the latest vintage of knowledge embodied in the youngest generation of graduates and students - what I have elsewhere called the triple-advantage of Age, Wage, and Vintage.

THE IMPACT OF WOMEN’S POWER ON CHILD QUALITY IN RURAL CHINA
by Liu Haoming
China Economic Review (forthcoming)

This paper examines the effect of raising mother’s controlling power over household resources on child development. One of the major contributions of this paper is that it uses a measure of mother’s power that is unrelated with mother’s ability. Mother’s power is measured by her household headship status, which is defined as a person who plays a decisive role in household affairs. Using household survey data from rural China, this paper shows that children whose mother plays a decisive role in household affairs are generally taller than those whose father plays a decisive role. The evidence suggests that children indeed benefit from women’s empowerment.

MARRIAGE MARKET, PARENTS’ BARGAINING POWERS AND CHILDREN’S NUTRITION AND EDUCATION
by Cheolsung Park

Test of resource pooling and test of effect of sex ratio in the marriage market on intra-household resource allocation are combined to test the unitary household model. The consistency condition between the two tests is derived to test the Nash household bargaining and Pareto-efficient household models. I examine intra-household resource allocation to children’s nutrition and education in Indonesia. For children’s nutrition, the unitary household model is rejected in favour of the non-unitary models. The results for investment in education are mixed. The decision-making process may differ depending on the type of decision being made.

MUSIC PRODUCT AS A DURABLE GOOD AND ONLINE PIRACY
by Sougata Poddar
Review of Economic Research on Copyright Issues (forthcoming)

Music is a typical experience good and the formats in which music is available, for example, CDs and cassettes or downloaded files, are durable in nature. Using these two typical characteristics of the ‘music product’, in this paper, we develop an analytical framework to study the economic implications of online music piracy. On one hand, we show that no protection against piracy is never optimal for the legitimate music producer; on the other hand, we show that complete protection against piracy may not always be the best option; the decision on the degree of limiting piracy depends on the extent of the informational value of music downloads, cost of piracy and the quality of the downloaded music and as a result, a partial protection can be optimal to the music producer.

FIRM OWNERSHIP, PRODUCT DIFFERENTIATION AND WELFARE
by Sougata Poddar and Yuanzhu Lu
The Manchester School (forthcoming)

The purpose of this paper is to study the impact of firm ownership in a differentiated industry. We find there is no effect on product differentiation and welfare due to ownership ratio change between private and state so long as the private (state) ownership in a partially state-owned firm remains at least half (less than half). However, when the private (state) ownership in the partially state-owned firm falls below half (rises more than half), the degree of product differentiation increases (decreases) whereas welfare decreases (increases) in the share of private (state) ownership; and thus, the extent of private or state ownership matters.

CONTINUITY IN MECHANISM DESIGN WITHOUT TRANSFERS 1
by Aggey Semenov and David Martimort

We adopt a mechanism design approach to model communication between a principal and a privately-informed agent in the context where monetary incentives
are not available. We provide a simple condition on the distribution of the agent’s type which ensure that the optimal mechanism is continuous. With strict log-concavity of the distribution, we ensure that there exists a unique optimal mechanism that is characterized.

POLITICAL BIASES IN LOBBYING GAMES UNDER ASYMMETRIC INFORMATION
by Aggey Semenov and David Martimort
Journal of European Economic Association (forthcoming)
This paper introduces asymmetric information in a pluralistic model of interest groups competition and analyzes its impact on policy biases. Lobbying groups are uninformed on a decision-maker’s preferences and use nonlinear contributions not only to influence this agent but also to learn about his preferences in an otherwise standard common agency model of lobbying. Asymmetric information can be, either on the decision-maker’s ideal point (horizontal differentiation) or on the strength of his own preferences for ideology (vertical differentiation). At equilibrium, asymmetric information redistributes bargaining powers between interest groups and the decision-maker in non-trivial ways that may depend on the kind of informational asymmetry which is postulated. Asymmetric information tends to mitigate the influence of interest groups and contributions and might be significantly reduced. Interest groups no longer contribute for a change in policy what it is worth to them as under complete information but contributions incorporate a discount related to the group’s ability to solve the asymmetric information problem.

THE PLURALISTIC VIEW OF POLITICS: ASYMMETRIC LOBBYISTS, IDEOLOGICAL UNCERTAINTY AND POLITICAL ENTRY
by Aggey Semenov and David Martimort
Economics Letters (forthcoming)
In a spatial common agency model, two asymmetric interest groups (principals) influence a unique decision-maker (agent). The decision-maker chooses a one-dimensional policy on behalf of those principals and has private information about his ideology after contracting with principals. The policy is always efficient and reflects a weighted average between the principals’ and the agent’s ideal points. The decision-maker’s expected rent can be fully extracted by congruent interest groups but not when interest groups’ objectives are too conflicting. The degree of congruence is endogenous. It depends on the level of ideological uncertainty, whether interest groups can easily buy influence or not, and on their relative ideological distance with the principal. In particular, the game of influence is biased towards the closest principal. This suggests that free-entry equilibria of a lobbying game may only reflect the full diversity of the lobbying groups’ preferences when there is enough ideological uncertainty and when those groups are close to be equally distant to the decision-maker.

CORE, EQUILIBRIA AND INCENTIVES IN LARGE ASYMMETRIC INFORMATION ECONOMIES
by Sun Yeneng and Nicholas Yannelis
Games and Economic Behavior (forthcoming)
We consider a perfectly competitive ex-ante economy with a continuum of agents and negligible asymmetric information. For such an economy, we recast the basic classical results on the existence of Walrasian equilibrium, core equivalence and the blocking size of coalitions. Moreover, we examine the incentive compatibility of the ex-ante Pareto, core and Walrasian allocations.

EXCLUSIVE DEALING WITH IMPERFECT DOWNSTREAM COMPETITION
by Julian Wright and Jose Miguel Abito
International Journal of Industrial Organization (forthcoming)
The existing literature on exclusive dealing is extended to take into account that buyers signing exclusive deals are typically competing firms that are differentiated from the perspective of their customers. We show, provided such downstream firms are not too differentiated or provided upstream firms can compete in two-part tariffs, exclusive dealing forecloses entry to a more efficient rival. An established upstream firm and competing downstream firms raise their joint profit by signing exclusive deals to protect the industry from upstream competition. Naked exclusion arises despite the Chicago School logic that buyers only sign contracts that make themselves (jointly) better off.

DETERMINANTS OF LONG-RUN UNEMPLOYMENT
by Zeng Jinli and Liu Haoming
Southern Economic Journal
This paper investigates the determinants of long-run unemployment and growth by extending the endogenous growth model of Howitt and Aghion (1998) to allow for a more general treatment of the labour market in the spirit of Pissarides (1990). We find that (i) both long-run growth and unemployment depend not only on factors that affect long-run growth as identified in endogenous growth models with full employment, but also on certain labour market parameters; (ii) the relationship between long-run growth and unemployment is not monotonic; and (iii) while government policies that promote growth indirectly through improvement in labour market efficiency always reduce the long-run unemployment rate, policies that directly encourage investment in R&D may increase the unemployment rate.
SCAPE-IMF/World Bank Workshop

In conjunction with the World Bank-IMF Meeting held in Singapore in September 2006, the Singapore Centre for Applied and Policy Economics (SCAPE), in cooperation with the World Bank and the Institute of Policy Studies, organised a two-day workshop from 14 – 15 September 2006 held at the Faculty of Arts and Social Sciences, National University of Singapore.

The theme of the workshop was “Production Networks and Changing Trade and Investment Patterns: The Economic Emergence of China and India and Implications for Asia and Singapore”. Mr Heng Swee Keat, Managing Director of the Monetary Authority of Singapore (MAS), was the Guest of Honour. Among the distinguished speakers were Professor Ronald Jones from Rochester University, Professor Sven Arndt from Claremont McKenna College and Professor Richard Baldwin from Graduate Institute of International Studies. The workshop provided a forum for participants to discuss challenges posed by globalization, production fragmentation, outsourcing and the economic emergence of China and India and policy implications these challenges have on Singapore and Asia as a whole.

The workshop was well attended by participants from the public and the private sectors, academics from leading universities and research institutes around the world, as well as representatives from the World Bank and the International Monetary Fund.

As of 31 December 2006, there are 34 working papers; details are available at http://nt2.fas.nus.edu.sg/ecs/pub/wp-scape/index.asp. The series facilitates the dissemination of research results with the least possible delay and makes inroads into publishing them in applied international journals.

SCAPE has achieved the following between 1 July 2006 and 31 December 2006:

- **Published 4 working papers**

- **Organized 2 Workshops**
  - “Production Networks and Changing Trade and Investment Patterns: The Economic Emergence of China and India and Implications for Asia and Singapore“, 14 – 15 September 2006, held at Faculty of Arts and Social Sciences, National University of Singapore. Jointly organized with World Bank and Institute of Policy Studies.
  - “South Asia-East Asia Economic Cooperation and Pan-Asian Integration”, 29 – 30 November 2006, held at Orchard Hotel, Singapore. Jointly organized with ADB, ISAS, ISEAS and RIS.

- **Completed 3 commissioned projects**
  - “Study on Professional Pilotage Fees” commissioned by Port of Singapore Authority Marine Pte Ltd. Completed in October 2006. Researchers: Shandre M. Thangavelu and Anthony Chin

- **Others**
  - Shandre M. Thangavelu was interviewed by Channel U’s Money Week on 22 December 2006, for his views on Singapore’s overall economic performance in 2006.
Conferences attended by our staff members between July 2006 and December 2006 are given below:

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<th>Title of Paper</th>
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<tr>
<td>Assoc Prof Julian Wright</td>
<td>Competition Policy in Two-Sided Markets Conference</td>
<td>Exclusive Dealing with Network Effects (written with Toker Doganoglu)</td>
<td>University of Toulouse, France</td>
<td>29 June - 1 July 2006</td>
</tr>
<tr>
<td>Dr Lu Jingfeng</td>
<td>Econometrics Society Australasian Meeting</td>
<td>Optimal Multi-Stage Contest</td>
<td>Alice Springs, Australia</td>
<td>3 – 7 July 2006</td>
</tr>
<tr>
<td>Dr Younghwan In</td>
<td>The Econometric Society Australasian Meetings</td>
<td>A Fictitious-Play Model of Bargaining to Implement the Nash Solution</td>
<td>Alice Springs, Australia</td>
<td>4 - 7 July 2006</td>
</tr>
<tr>
<td>Dr Sanja Samirana Pattnayak</td>
<td>13th International Conference on Panel Data</td>
<td>Is Learning by Exporting Important? Evidence from Indian Manufacturing Firms</td>
<td>Faculty of Economics &amp; Robinson College, University of Cambridge, Cambridge, UK</td>
<td>7 - 9 July 2006</td>
</tr>
<tr>
<td>Assoc Prof Tilak Abeysinghe</td>
<td>Far Eastern Meeting of the Econometric Society 2006</td>
<td>A Direct Test of Tax Smoothing: The Experience of Some OECD Economies</td>
<td>Beijing, China</td>
<td>9 - 12 July 2006</td>
</tr>
<tr>
<td>Prof Binod Khadria</td>
<td>Migration and Development: Perspectives from the South</td>
<td>India - Skilled Migration to Developed Countries, Labour Migration to the Gulf</td>
<td>Rockefeller Centre, Bellagio, Italy</td>
<td>10 - 13 July 2006</td>
</tr>
<tr>
<td>Dr Lu Jingfeng</td>
<td>17th International Game Theory Conference</td>
<td>When and How to Dismantle Nuclear Weapons</td>
<td>Stony Brook, State University of New York, USA</td>
<td>10 - 14 July 2006</td>
</tr>
<tr>
<td>Dr Lu Jingfeng</td>
<td>Public Economic Theory Conference</td>
<td>Optimal Multi-Stage Contest</td>
<td>Hanoi, Vietnam</td>
<td>31 July - 2 August 2006</td>
</tr>
<tr>
<td>Assoc Prof Aditya Goenka</td>
<td>European Economic Association Meeting</td>
<td>Habit Formation and the Transmission of Financial Crises</td>
<td>Vienna, Austria</td>
<td>24 - 28 August 2006</td>
</tr>
<tr>
<td>Dr Aggey Semenov</td>
<td>European Economic Association Meeting</td>
<td>Recent Contributions to the Lobbying</td>
<td>Vienna, Austria</td>
<td>24 - 28 August 2006</td>
</tr>
<tr>
<td>Dr Aggey Semenov</td>
<td>Econometric Society European Meeting</td>
<td>Ideological Uncertainty and Lobbying Competition</td>
<td>Vienna, Austria</td>
<td>24 - 28 August 2006</td>
</tr>
<tr>
<td>Assoc Prof Julian Wright</td>
<td>European Association for Research in Industrial Economics (EARIE) Conference 2006</td>
<td>Exclusive Dealing with Imperfect Downstream Competition</td>
<td>University of Amsterdam, Netherlands</td>
<td>25 - 27 August 2006</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Name</th>
<th>Event</th>
<th>Topic</th>
<th>Location</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr Hur Jung</td>
<td>European Trade Seminar Group 2006</td>
<td>Conflicts and Delays in International Trade Agreements</td>
<td>University of Vienna, Austria</td>
<td>7 - 9 September 2006</td>
</tr>
<tr>
<td>Dr Sougata Poddar</td>
<td>Information and Communication Technology Workshop, Invitation</td>
<td>Economics of Digital Piracy – Some Thoughts and Analysis</td>
<td>ZEW Mannheim (Centre for European Economic Research)</td>
<td>5 - 6 October 2006</td>
</tr>
<tr>
<td>Prof Parkash Chander</td>
<td>School of Economics Seminar Series</td>
<td>The Gamma-Core and Coalition Formation</td>
<td>The University of Queensland, Australia</td>
<td>13 October 2006</td>
</tr>
<tr>
<td>Prof Sun Yeneng</td>
<td>Midwest Economic Theory Meeting</td>
<td>Core, Equilibria and Incentives in Large Asymmetric Information Economies (with Nicholas Yannelis)</td>
<td>Purdue University, USA</td>
<td>13 October 2006</td>
</tr>
<tr>
<td>Assoc Prof Indranil Chakrabarty</td>
<td>Midwest Economic Theory Meeting</td>
<td>A Comparative Analysis of Multi-Unit and Bundle Auctions</td>
<td>Purdue University in West Lafayette, Indiana, USA</td>
<td>13 - 15 October 2006</td>
</tr>
<tr>
<td>Dr Chang Youngho</td>
<td>International Workshop on the Legal Issues for Clean Energy and Climate Change</td>
<td>Issue Linkage and Multilateral Environmental Agreements</td>
<td>Tsinghua University, Beijing, China</td>
<td>21 - 22 October 2006</td>
</tr>
<tr>
<td>Dr Lu Jingfeng</td>
<td>3rd Pan Pacific Game Theory Conference</td>
<td>When and How to Dismantle Nuclear Weapons</td>
<td>University of International Business and Economics (UIBE), Beijing, China</td>
<td>22 October 2006</td>
</tr>
<tr>
<td>Prof Binod Khadria</td>
<td>Indo-French Workshop on Indian Migration</td>
<td>Bridging the Binaries of Skilled and Unskilled Migration from India</td>
<td>CNRS, Laboratoire d'Anthropologie Urbaine, Paris</td>
<td>14 - 15 November 2006</td>
</tr>
<tr>
<td>Dr Han Hee Joon</td>
<td>Economics &amp; Statistics Seminar</td>
<td>ARCH Models with Persistent Covariates</td>
<td>Singapore Management University</td>
<td>17 November 2006</td>
</tr>
<tr>
<td>Prof Binod Khadria</td>
<td>Migration Challenges in the Asia-Pacific in the 21st Century and Malaysia &amp; Singapore Society 14th Colloquium</td>
<td>The Movement of Skilled Indian Workers and in the Asia-Pacific Region - Mapping Emerging Geo-Economic Contours through a Telescope and a Microscope</td>
<td>UNE, Armidale, Australia</td>
<td>27 November - 1 December 2006</td>
</tr>
<tr>
<td>Dr Chang Youngho</td>
<td>Sixth Joint Research Symposium organized by Faculty of Economics and Commerce, University of Melbourne and Department of Economics, National University of Singapore</td>
<td>Consumption Efficiency and Deregulated Electricity Market</td>
<td>Melbourne, Australia</td>
<td>14 - 15 December 2006</td>
</tr>
<tr>
<td>Dr Hur Jung</td>
<td>NUS-UM Joint Symposium 2006</td>
<td>Conflicts and Delays in International Trade Agreements</td>
<td>University of Melbourne, Australia</td>
<td>14 - 15 December 2006</td>
</tr>
<tr>
<td>Dr Lu Jingfeng</td>
<td>Hong Kong Economic Association Biennial Conference 2006</td>
<td>Auctions Design with Private-Information Costs of Valuation Discovery</td>
<td>Chinese University of Hong Kong</td>
<td>14 - 16 December 2006</td>
</tr>
<tr>
<td>Dr Sougata Poddar</td>
<td>National University of Singapore and University of Melbourne Joint Symposium</td>
<td>Economics of Digital Piracy – Some Thoughts and Analysis – The Case of Software and Movie Piracy</td>
<td>University of Melbourne</td>
<td>14 - 15 December 2006</td>
</tr>
</tbody>
</table>
# GRADUATE THESIS TOPICS

The following graduate students of the Department were conferred degrees between 1 July 2006 and 31 December 2006.

## PHD

<table>
<thead>
<tr>
<th>Name of Student</th>
<th>Topic</th>
<th>Supervisor(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alka Chadha</td>
<td>Essays on TRIPS, Pharmaceuticals and Developing Countries with Special Reference to India</td>
<td>Professor Åke G. Blomqvist and Dr Sougata Poddar</td>
</tr>
<tr>
<td>Issahaq Umar Iddrisu</td>
<td>The Monetary and Exchange Rate Policies of Singapore</td>
<td>Dr Lin Mau-Ting</td>
</tr>
<tr>
<td>Kong Yuen Chin</td>
<td>Productivity and Efficiency of Hotels in Singapore</td>
<td>Assoc Prof Jose Tongzon</td>
</tr>
<tr>
<td>Lum Wei Hsiung, Alex</td>
<td>Essays on Entrepreneurship in Singapore</td>
<td>Professor Parkash Chander and Assoc Prof Hoon Hian Teck</td>
</tr>
</tbody>
</table>

## M.SOC.SCI. BY RESEARCH

<table>
<thead>
<tr>
<th>Name of Student</th>
<th>Topic</th>
<th>Supervisor(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feng Shuang</td>
<td>Technology Frontier, Education and Growth</td>
<td>Assoc Prof Zeng Jinli</td>
</tr>
<tr>
<td>N. P. Dammika Padmakanthi</td>
<td>Stock Exchange of Singapore: An Economic Analysis</td>
<td>Assoc Prof Wong Wing Keung</td>
</tr>
<tr>
<td>Wong Beng Lun, Gabriel</td>
<td>The Trade and Industrial Impact of RTAs in East Asia</td>
<td>Assoc Prof Jose Tongzon</td>
</tr>
</tbody>
</table>

## THANK YOU AND OUR BEST WISHES FOR THE FUTURE

- **Dr Mark Donoghue**  
  Assistant Professor from 27 July 1999 to 31 December 2006
- **Dr Gao Ting**  
  Assistant Professor from 25 July 2005 to 31 July 2006
- **Ms Claudia Gehlen**  
  Adjunct Assistant Professor from 4 August to 31 December 2006
- **Dr Richard Gray**  
  Visiting Fellow from 30 October to 18 November 2006
- **Assoc Prof Photis Michael Panayides**  
  MPA Visiting Associate Professor from 28 August to 27 December 2006
- **Dr Souresh Saha**  
  Assistant Professor from 24 December 1999 to 31 December 2006
- **Dr Lee Chee Tong**  
  Research Fellow from 18 August 2005 to 31 January 2007
- **Ms Sabrina Tan**  
  Senior Administrative Officer from 15 December 1999 - 3 November 2006
- **Mr Enrico Tanuwidjaja**  
  Research Fellow from 3 May 2005 to 1 December 2006
A WARM WELCOME TO THE DEPARTMENT

* **Professor Ivan Png** from NUS School of Computing on his joint appointment to the Department of Economics and Department of Information Systems with effect from 1 October 2006 to 30 June 2008.

* **Professor Andrew K. Rose** from the University of California on his appointment as Visiting Professor at the Department of Economics and Department of Finance and Accounting for a year with effect from 20 July 2006 to 19 July 2007. Professor Rose is also the Acting Director of the Berkeley-NUS Risk Management Institute. Professor Rose is the B.T. Rocca Jr. Professor of International Business in the Economic Analysis and Policy Group, Haas School of Business at the University of California, Berkeley. He is also a Research Associate of the National Bureau of Economic Research (based in Cambridge, MA), and a Research Fellow of the Centre for Economic Policy Research (based in London, England). Professor Rose’s research addresses issues in international trade, finance and macroeconomics. His teaching is in the areas of international macroeconomics and econometrics.

* **Professor Huw David Dixon** from York University has joined the Department as Visiting Professor with effect from 15 January 2007 to 31 May 2007.

* **Professor Janardhan Mohan Rao** from the University of Massachusetts has been appointed as Visiting Professor at the Department of Economics while being the Director at the Institute of South Asian Studies (ISAS) with effect from 15 August 2006 to 14 August 2008.

* **Professor John Charles Wooders** from the University of Arizona has joined the Department as Visiting Professor with effect from 3 January 2007 to 30 April 2007.

* **Dr Aggey Semenov** from Centre for Operations Research and Econometrics (CORE) has joined the Department as Assistant Professor with effect from 4 July 2006 to 30 June 2009.

* **Dr Han Hee Joon** from Rice University has joined the Department as Assistant Professor with effect from 17 July 2006 to 30 June 2009.

* **Mr Roland Cheo Kim San** from Monash University has joined the Department as Teaching Assistant with effect from 3 July 2006 to 30 June 2007.

* **Mr Rasyad Akhmad Parinduri** has joined the Department as Research Fellow to the Singapore Centre for Applied and Policy Economics (SCAPE) with effect from 9 January 2007 to 8 January 2008.

* **Mr Jayasundara M. A. Jayawickrama** has joined the Department as Research Assistant to the Singapore Centre for Applied and Policy Economics (SCAPE) with effect from 22 September 2006 to 21 September 2007.

Congratulations

The Faculty Excellent Teacher Awards 2005/2006 are given in recognition of the work and success of our most dedicated teachers. Our congratulations to the following Excellent Teachers:

- Assoc Prof Chia Ngee Choon
- Dr Wong Wei Kang
NUS ECONOMICS SOCIETY (ENS)

Freshmen Orientation Camp – Effervescence 2006

Effervescence 2006 was an opportunity for undergraduates, young and old, to come together and have a great time. It was also a great chance to meet like-minded friends who majored in Economics. Lectures will never be lonely again. It was held from 4th July 2006 to 7th July 2006 in two separate locations, NUS campus and Aloha Loyang Chalet. Many fun-filled and exciting activities were planned, such as, Wargames, Fright Night and The Amazing Food Hunt. Through these activities, we forged lasting friendships and some might even go one more step further than that... Be sure to join us next year in 2007!

Our journey began on 23rd September 2006 at Changi Village. We had just formed our various committees for the new academic year and there were a mixture of new faces and old ones. With this event, we aimed to bring our committee together so that we might develop the team spirit and cooperation that will accompany us for the year. There were many who professed to be beginners but after a stint on off road tracks, they gained much confidence in their biking skills and had a lot of fun! Many photos were also taken at the interesting sites that we visited. At the end, everyone was exhausted but happy. There will be more exciting activities coming up, so keep a lookout!

Venture & Adventure – Pulau Ubin Cycling

Tired but nonetheless satisfied after a cycle around the island!

Oh, the glory of nature!

Reading Week Exam Tea

ENS, mindful of the welfare of its members during the stressful reading week, decided to provide snacks and hot drinks to all who came and study with us. We booked AS2-05-09 and AS2-05-10 from 20th to 23rd November 2006. A mini-pantry was set up in case students might, after intensive study, be hungry or would just like something to munch on.

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The National Economics and Fund Management Quiz (NEFMQ) is a prestigious, annual event organised by the Economics Society (ENS), National University of Singapore since 1991. Aiming to promote greater interest and awareness in Economics among pre-university students, it has received resounding response from both the students and sponsors. Besides testing the students on economic theories found in textbooks, the quiz also requires the students to apply the knowledge in real life problems. In addition, the students are also challenged to think creatively and make use of general knowledge in the field of fund management.

This year, the event was proudly sponsored by Government of Singapore Investment Corporation (GIC). The event was organised by the Economics Society, NUS, with the help and support of the Economics Department and the Office of Student Affairs, National University of Singapore. The preliminary round held on 17th May 2006 attracted more than 800 students from 17 institutions. The students participated in a 1.5 hour paper consisting of 50 challenging and thought-provoking multiple choice and calculation questions that revolved around economics and fund management. All participants were also rewarded with a simple yet practical gift - a foolscap pad. Out of these 17 institutions, 4 won themselves a place in the finals, based on the top 50 scores from each school. The institutions were Anderson Junior College, National Junior College, Raffles Junior College and Victoria Junior College.

The final round for the GIC - National Economics and Fund Management Quiz 2006 was held at the UCC Theatre, University Cultural Centre, National University of Singapore on 22nd July 2006. Our invited Guest of Honour was Mr. Gan Kim Yong, Minister of State, Ministry of Education and Ministry of Manpower. The judges for the competition were Professor Basant K. Kapur, Associate Professor Shandre Thangavelu, Assistant Professor Wankyo Chung and Assistant Professor Chang Youngho, all from the Economics Department of NUS. Their expertise in various fields of economics proved to be valuable in the judging and grading of the finalists.

In this year’s finals, each of the teams presented a different economic issue, ranging from integrated resorts to the pegging of currencies. RJC and VJC chose to hold debates on the cartels across different countries and the pegging of currencies respectively, while NJC held a mock parliamentary session with incorporated video segments on the integrated resorts. AJC went for a simple no-nonsense approach to international trade. The varied styles of presentation proved to be both intellectually stimulating and entertaining.

Teams also battled their wits against one another in the Speed and Team Rounds, which called for both strategy and lightning reflexes. Based on the game ‘Jeopardy’, teams could choose to direct their questions to another school in the team round, forcing the latter team to rise up to the challenge or face the consequences of point deduction.

It was a close fight during the speed and team rounds, with team scores separated by only 1 or 2 points. Eventually, NJC emerged as the champion team owing to the students’ creative and entertaining presentation. RJC came in a close second, while AJC and VJC came in third and fourth respectively. Each team received cash prizes and trophies for their hard work in the past months.

Indeed, the GIC - National Economics and Fund Management Quiz would not have succeeded without the help and support of all Economics Society members, Office of Student Affairs, Economics Department, as well as GIC for their sponsorship.
THE SINGAPORE ECONOMIC REVIEW (SER)

The Singapore Economic Review is a triennial journal devoted to the publication of high-quality theoretical and empirical papers on all aspects of economics with a special emphasis on the economic problems related to Asian countries. Contents of the current issues, Volume 51, Number 2 (August 2006) and Volume 51, Number 3 (December 2006), are appended below. For more information on submission of manuscripts and subscription to the journal, please visit the website at http://www.worldscinet.com/ser/ser.shtml.

Volume 51, Number 2 (August 2006)
Special issue on International Economics, Information Economics and Competition Policy

Editorial
Sougata Poddar

Identifying and Dating the Episodes of Speculative Pressures against the Singapore Dollar
Victor Pontines and Reza Siregar

On Aspects of Food Safety and International Trade
Donald MacLaren

Innovation, Imitation and Entrepreneurship
Grace Li Ann Yong and Kong Weng Ho

The Role of Foreign Direct Investment in India’s Services Exports: An Empirical Investigation
Sadhana Srivastava

Finding Out Who the Crooks Are - Tax Evasion with Sequential Auditing
Ralph-C. Bayer

Comparative Statics on Online Competition and Internet Taxation
Sang-Ho Lee

Competition Policy and Law in ASEAN
G. Sivalingam

Book Reviews

Volume 51, Number 3 (December 2006)
Invited Eminent Paper Series - Industrial Policy in a Globalized Age - Lessons from East Asian Experience
Henry Wan Jr. and An-Chi Tung

Does China Save Too Much?
Lan Lu and Ian M. McDonald

The State-and-Speed of the Economies in ASEAN-5: A Geometry Analysis
Kian-Teng Kwek and Cho-Wai Cho

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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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     (Office) ________________________
Fax: ______________________________

SINGAPORE FORUM 2006

Is APEC Suitable for Currency Union?
Yutaka Kurihara

A Note on the Correlation Relationship among Singapore, Hong Kong and the US Capital Markets since the Hong Kong Handover: Implication for International Portfolio Management
Leo H. Chan

Predicting US 2001 Recession, Composite Leading Economic Indicators, Structural Change and Monetary Policy
Mehdi Mostaghimi

Interacting Business Cycle Fluctuations: A Two-Country Model
Carl Chiarella, Peter Flaschel and Hing Hung

Household Heterogeneity and Optimal Inter-Temporal Pricing for a Durable-Good Monopoly
Winston T. H. Koh

Book Reviews

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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.

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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Your Friend’s or Colleague’s Address
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Email: ____________________________
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     (Office) ________________________
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Alumni Activities

The NUS Economics Alumni Association was established in 2006 with the intention to serve as a social gathering and networking place for NUS Economics graduates across generations. It features strongly as a contributory body towards deepening the ties amongst its members. The association currently operates as a group under the Office of Alumni Relations umbrella and an alumni chapter of the Faculty of Arts and Social Sciences.

The first pro-term working committee meeting was held in conjunction with the Department of Economics department dinner on 8 December 2006. The Chairperson of the committee, Dr Lee Soo Ann, Senior Fellow, introduced Assoc Prof Anthony Chin, Deputy Head of Economics Department, as the advisor to the association. The profile of the founding committee members has been kept diverse so as to represent economics alumnus from different graduating cohorts. For a start, the committee is now working together to organize our inaugural alumni event in the first quarter of 2007. Going forward, to ensure continuity in committee work, we aim to bring in more like-minded members to join us.

The association website which will be launched soon will be the online meeting point for all as well as for alumnus to keep up with one another. The website will also be our platform to publicize upcoming events. It is only with our alumnus’ advocacy and support that we will be able to build up our membership base and ensure the future success of the association.

Discover rewarding opportunities to get involved with alumni members by joining us today. You can do so by contacting the secretary of our committee, Mr Tan Tai Kiat (taijkl@alumni.nus.edu.sg) for more details or by downloading the application form from the Department of Economics website. You are only required to be an economics alumnus to join and no membership fee is required. We look forward to hearing from you and seeing you at our future events.

Seated from left to right at its founding meeting are: Ms Connie Chung ('83), Mr. How Hong Chai (2006), Mr. Tan Tai Kiat (2002), Dr. Lee Soo Ann ('60), Mr. Tang Wee Lip ('66), Ms May Chen (2006) and Ms Monica Chang (2002).