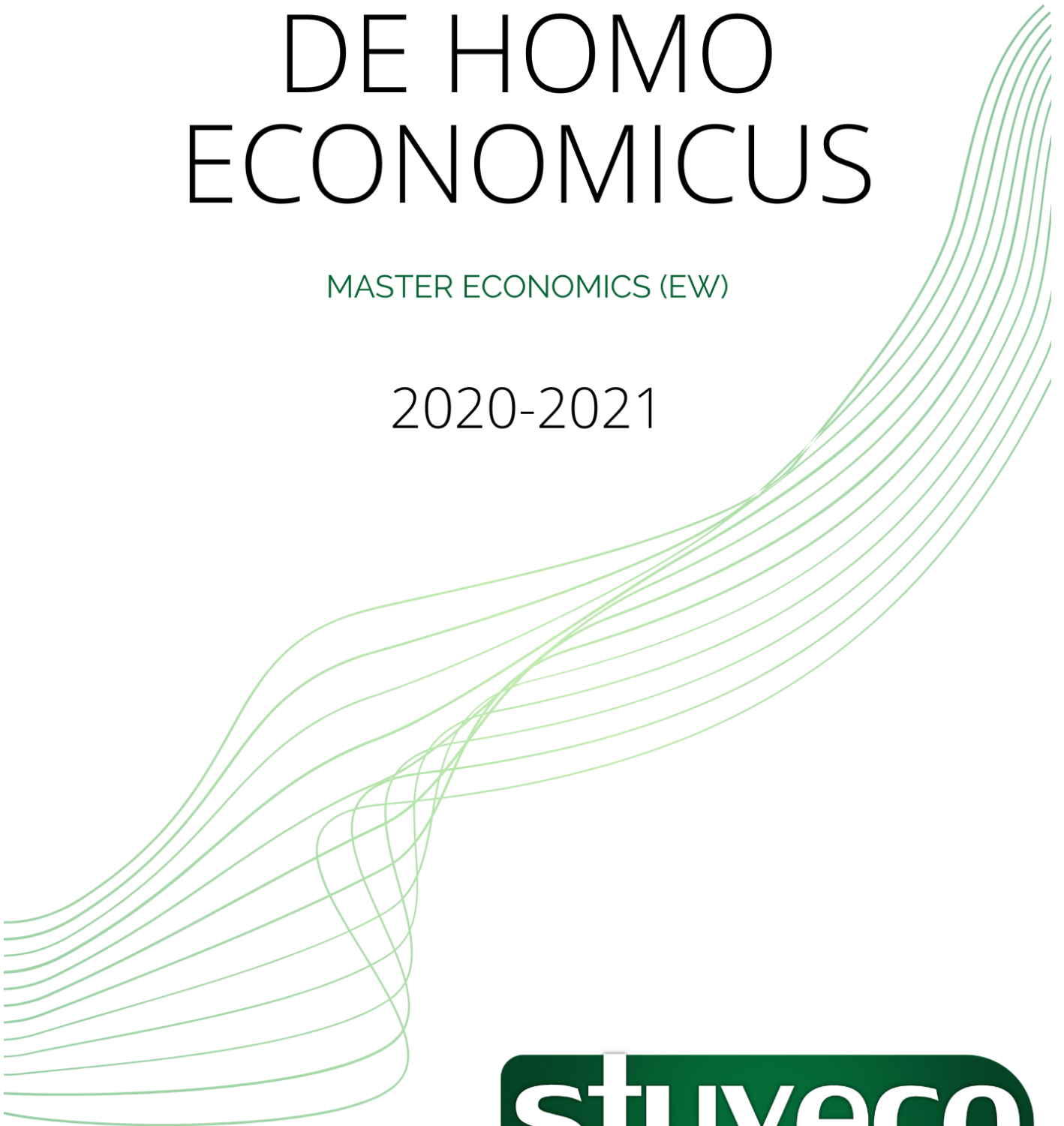STUDENTENRAAD STUVECO PRESENTS

DE HOMO ECONOMICUS

MASTER ECONOMICS (EW)

2020-2021

stuveco

STUDENTENRAAD FACULTEIT ECONOMIE EN BEDRIJFSKUNDE

CONTENT

INTRODUCTION

Dear Master

To prepare you as good as possible for the exams, Stuveco, the student council of the Faculty of Economics and Business Administration, provides for you in this bundle exam questions from the past years. Together with this, we also provide general information about the course and tips to study.

We update the courses yearly to give you the correct information. However, we did not receive questions of all the courses which means that several courses may still include dated information about the course and exam questions. We will clearly mention this for every course. Nevertheless, the Professor is obliged to inform you as a student in the beginning as well as somewhere at the end of the semester about his/her evaluation method. You can also find information on the study guide of each course.

For every course, you can find the score distribution on oasis.ugent.be under this school year -> my courses ('mijn cursussen'). You can then click on a course and can select above 'score distribution' to see the average types of scores students get calculated over 5 years or less.

You can help to keep the Homo Economicus up-to-date by filling in the Google Document posted in your year group on Facebook after every exam. This way, you can help the students that come after you and in return, you get up-to-date exam questions for next year (and/or august) from preceding students. Fair deal, right?

For Stuveco, this is a way to inform you and help you prepare for the examination. This is only a tool to give you some extra information in the learning process. Nothing more, nothing less..

If there are courses missing or if we give wrong information, please send an email to onderwijs.stuveco@UGent.be and we will gladly get back at you.

We wish everyone the best of luck with their exams!

In the name of Stuveco, your student council.

THE BOARD

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WHAT IS STUVECO

Stuveco is the student council of the Faculty of Economics and Business Administration of Ghent University. We provide the communication between the students and the faculty. Our main task is to represent the interests of the students. Our student representatives are members of different commissions and boards in which they, together with the professors and assistants, manage our faculty.

We manage the site www.stuveco.be in which we provide information about our Public Meetings and 'Studelen'.

PUBLIC MEETINGS

Every year, we organize 4 to 5 Public Meetings during which we discuss several topics with our members. We provide information about decisions made in boards and commissions as well as discussions about topics preceding these boards and commissions to make sure that everyone's voice is heard. After every meeting, a report is posted on Ufora and on our site.

Every student listed to the Faculty of Economics and Business Administration can attend these Public Meetings. These students can become members of several commissions in which they will present the voice of all students of our Faculty.

In May, we elect our new board for the next year. To vote, you have to attend at least 2 Public Meetings during the school year to be sure you know what the functions uphold.

STUDELEN

Studelen is an important part of our website. Here, we let students share summaries they made. Every student can upload and download these summaries FOR FREE. **The University of Ghent forbids trading summaries for money. Doing this can have severe consequences, it may even lead to suspension. Studelen is thus the only and best way to share and receive summaries.**

To upload or download summaries, you only have to make a free account on our website. When downloading summaries, do not forget to rate these so following students know which summaries are the best to learn courses.

SOCIAL MEDIA

Studentenraad Stuveco

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GENERAL COURSES (18 SP)

For the most recent information on the evaluation terms of the exam and on syllabi/books, click the link below and click on a course to download the study sheet:
https://studiegids.ugent.be/2020/EN/FACULTY/F/MABA/FMEECO/FMEECO.html

MICROECONOMICS: DECISION THEORY   1ST SEM

Professor: Dirk Van de Gaer dirk.vandegaer@ugent.be
Co-Teacher: Ferdinand Vieider ferdinand.vieider@ugent.be

GENERAL

This course consists of lectures, seminar: coached exercises, online lectures and online seminar: coached exercises.

EXAM

There is only a written exam.

Exam questions 2019-2020:

   Part 1: four multiple choice questions + one big exercise with multiple sub-questions

   Multiple choice questions:
   ✔ Indicate the correct revealed preference based on the bought quantity and the prices (this question was treated in the lectures).
   ✔ Indicate EV and CV graphically.

   Big exercise about participation constraints and self selection constraints:
   ✔ Show why the indifference curves have their specific shape.
   ✔ What is the optimal quantity of good x?
   ✔ Show that consumer the consumer who has a high preference for good A, will limit good B.
   ✔ Graphically give the second-best contract (pooling contract).

   Part 2

   ✔ Graphically indicate the next things for a risk-averse consumer: expected utility, certainty equivalent, risk premium (also give the mathematical formula for this) …
   ✔ Three multiple choice questions. Each time a description of a model is given (for example insurances). You have to indicate the model that fits with the given description or paradox.

MACROECONOMICS: BUSINESS CYCLES, INNOVATION AND GROWTH   1ST SEM

Professor: Freddy Heylen freddy.heylen@ugent.be

GENERAL

This course consists of guided self-study, lecture, seminar, seminar: coached exercises, online lecture, online seminar and online seminar: coached exercises

Extra information from the studyguide:

- ✔ Interactive teaching with extensive participation by students when theory is built, and acquired knowledge is applied.
- ✔ On several occasions exercises are given, to be prepared at home. Students receive individual feedback. Solutions are discussed in class during one of the following lectures.   Students are also expected to read carefully a selection of complementary articles published in journals (self-study of offered articles). The exam also contains some (rather general) questions about these articles.
- ✔ Students are also expected to read carefully a selection of complementary articles published in journals (self-study of offered articles). The exam also contains some (rather general) questions about these articles.

EXAM

Written examination with open questions, oral examination.

Exam questions 2018-2019:

- ✔ Real Business Cycle Theory: How can a shock in technology lead to a recession?
- ✔ Question on endogenous growth: optimization of model.
- ✔ Make own Hamiltonian with given model and optimize.
- ✔ Steady state in the Diamond Model: Explain graph.
- ✔ Explain the Calmfors-Driffel model.

ECONOMETRICS: TIME SERIES ANALYSIS   1ST SEM

Professor: Gerdie Everaert gerdie.everaert@ugent.be

GENERAL

This course consists of group work, lecture, seminar: coached exercises, online lecture and online seminar: coached exercises

Extra information from the studyguide:

- ✔ Written and oral exam (with written preparation) exam during which the knowledge of the econometric techniques discussed during this course and the ability to use these techniques to analyse real problems are evaluated.
- ✔ Practical assignment (in preparation of the written exam) in which the acquired knowledge is applied to real problems. The main part of the exam evaluates the correct interpretation of the student's solution (R output) of this case study. The solution of the case is not evaluated as such.

EXAM
Written and oral examination.

Exam questions 2018-2019:

WRITTEN

- ✔ Univariate
    1) afc, pafc, get the best arma based on the graphs from your task in levels
    2) with which two tests/manners can you select several lags for arma? Give advantages & disadvantages? Give two alternative
    3) residuals: Why and how do you test it?

- ✔ Multivariate
    1) Tell something about the data according to your estimated
    2) Can the parameters in your ... model be estimated consistenly with OLS? What are the assumptions that need to be fulfilled to be able to use OLS?
    3) covariance: What is it, how to test it, is it present in your data? Any consequences?
    4) Test if your variable has a ... random drift with walk ... pattern versus a more general pattern f.e. see course notes
    5) Enders 2004, 2010: test for covariance?

✔ VAR
   1) identification scheme, which one did you use? Why? Are there restrictions?
   2) Explain Granger causality, how do you test this?
   3) what is contemporaneous causality?
   4) Can the justness of your identification scheme of structural VAR to restricted VAR be tested based on the estimated results of your structural var?
   5) If we talk about causality in any direction in VAR, is it about the Granger casaulity, contemporaneous causality or… ? Maybe all?

ORAL (5 points)

   ✔ How to model firm specific heterogeneity?
   ✔ Pooled OLS estimator consistent? Why? Different for N going to infinity or T going to infinity?
   ✔ Within estimator consistent? Why? Different for N going to infinity or T going to infinity?
   ✔ MW panel unit root test
   ✔ What is the intuition, how was this test set up?
   ✔ Outline the advantages
   ✔ Are there disadvantages?

Exam questions 2019-2020:

WRITTEN

   ✔ ARMA and Unit root
   1) Show for the first 7 lags in the ACF and PACF what your preferred ARMA model is. Motivate using the theory of ACF and PACF on which you base your arguments
   2) Give another way to choose an ARMA model. Motivate using two arguments.
   3) Is your chosen model stable over time? Clearly explain
   4) What is the link between your chosen AR model in FD and ADF in levels which you use for unit root testing? Is there a different link under the nullhypothesis or under the alternative hypothesis?
   5) What order of integration does Yt have? Clearly explain the procedure
   6) Suppose we estimate Gt without trend. Show that it is a random walk with drift. Give all the statistics and critical values on which you base your arguments. Use both multivariate and univariate test statistics.
   ✔ Univariate:
   1) Estimate the static model: Yt = alpha + beta Xt + epsilon
   2) Is it possible to use OLS on this static model? Give your estimation results and show which tests you used.
   3) Starting from ADL in levels, show if there is cointegration. What do you think are two advantages of this method?
   4) What is the link between ADL in levels and ADL in first differences?
   5) When you'd like to do inference, which model would you chose? Your discussion should include a discussion about a) dynamic or static, b) levels or first differences

✔ Multivariate

1) Show how Yt, Gt, Tt contemporaneously influence each other. Give the p-values.
2) Why is it important to distinguish reduced-form VAR from a SVAR?
3) How many restrictions do you impose?
4) Which restrictions are used in Blanchard-Perotti
5) Show the impact in the IRFs of Blanchard-Perotti. Clearly state where you can see these restrictions.
6) Is it possible to estimate a reduced-VAR based on these restrictions?
7) VAR model has causality in all directions when compared to ADL model. Which causality do we mean? Is this Granger-causality, contemporaneous or both?
8) Explain Granger-causality and give the results of your model
9) What are the disadvantages of a recursive identification scheme?
10) Give another identification scheme and explain the difference compared to a recursive identification scheme

MAJOR FINANCIAL INSTITUTIONS AND MARKETS (18 SP)

ECONOMICS OF BANKING   1ST SEM

Professor: Rudi Vander Vennet rudi.vandervennet@ugent.be

GENERAL

This course consists of group work, lecture and online lecture.

Extra information from the studyguide:

- ✔ Students will also prepare a presentation of the papers in small groups.

EXAM

Written examination with open questions and oral examination.

Exam questions 2019-2020:

- ✔ A balance is given. Calculate the risk and performance ratios. Compare them with the ones of the previous year, and discuss the health of the bank.
- ✔ Discuss the following econometric data…
- ✔ Give the orders, and discuss four elements that caused the R* to decrease since 1980.
- ✔ How can you improve ROE and COE so that ROE > COE?

MAJOR ECONOMIC POLICY (18 SP)

FISCAL POLICY   2ND SEM

Professor: Ewoud Quaghebeur ewoud.quaghebeur@ugent.be

GENERAL

This course consists guided self-study, lecture, seminar, online lecture, online seminar. 20% of the final mark consists of continuous assessment. The remaining 80% consists of end-of-term evaluation.

Extra information from the studyguide:

- ✔ Students will also prepare a presentation of the papers in small groups.

- ✔ Interactive teaching with extensive participation by students when theory is built, and acquired knowledge is applied.

- ✔ Small exercises and illustrations are solved and discussed interactively in class.

- ✔ Students are also expected to read carefully a selection of complementary papers published in journals (self-study).

- ✔ Because of COVID-19, modified teaching methods can be rolled out if this proves necessary.

EXAM
Written examination with open questions and oral examination.

Exam questions 2018-2019:

- ✔ Given is the Var model. Explain. What are the, main findings? What are the disadvantages? Link with Ramsey (Narrative studies).
- ✔ Give the determinants of the net effect of fiscal consolidation, also discussed in the multivariate empirical research (Heylen). Compare the results.

Professor: Dirk Van de Gaer dirk.vandegaer@ugent.be

GENERAL

This course consists of lecture, lecture: plenary exercises, online lecture and online lecture: plenary exercises.

EXAM

This course only has an oral examination.

Exam questions 2018-2019:

✔ A table with 3 voters and 3 policies is given. The numbers are the utility that each voter gives to each policy.

	policy a	policy b	policy c
voter 1	5	4	0
voter 2	1	5	0
voter 3	4	0	5

Each individual votes the policy that gives them the most utility.

(i)   What is the outcome? Which policy receives the most votes?
(ii)   Is there an incentive to start using a certain strategy (lying for example)?

✔ A typical example question as was treated in the lectures with different income distributions. You have to compare these. The question is about the absolute poverty line, transfers, equalizing, transfer sensitivity…

✔ Social choice: 4 people enter the hospital, but you can save only 2:
   o Person 1: is drunk and has caused an accident.
   o Person 2: is sober and has been ran over by a car.
   o Person 3: is a labourer and has had an accident at work because of carelessness.
   o Person 4:is a labourer and has been hit at the head.

(i) Which 2 people will you save? (brute luck, responsibility…)

(ii) Imagine that person 3 has a disabled son for whom he/she has to care. Does this change your choice from the previous question?