

## Summer Institute 2019



### 2019 Summer Institute at Oriel College Oxford

#### --- International Economics Programme

#### I. Introduction & Background

##### **Oriel College**

Oriel College is the fifth oldest of the University of Oxford's constituent colleges, founded in 1326. Situated in the heart of Oxford, Oriel is home to around 300 undergraduate and 200 postgraduate students, as well as around 100 members of academic staff. The majority of Oriel's buildings date from the 17th century onwards and include the Chapel, Pantin Library, Senior Library, and Hall. The College prides itself on being a welcoming academic community, home to world-class teaching, learning and research.

##### **Summer Institute at Oriel College Oxford**

Summer Institute at Oriel College Oxford (OSI) is an exclusive study abroad programme offered by Oriel College (University of Oxford, UK). It offers courses on a wide range of subjects like International Law, International Economics, PPE, English Literature and Learning Skills. OSI works with an outstanding faculty that is comprised of current professors, lecturers, researchers and tutors from the University of Oxford and the University of Cambridge.

in partnership with:

## II. Economics Programme Introduction

This exclusive International Economics programme is part of the Summer Institute of Oriel College Oxford. It offers delegates a number of academic programmes focusing on business and economic topics, including: Principles of Microeconomics, Financial Crisis, Behavioural Economics, and other cutting-edge economic disciplines. It also offers delegates a rare opportunity to learn about international and theoretical economics as part of an incredibly international community. Each week, Delegates will participate in one course with an examination at the end of the week. Cultural activities will be offered as well so that delegates can have the closest experience of Oxford life within a short time.

### Programme Dates:

**Session 1: 7 July to 3 August 2019**

**Session 2: 21 July to 17 August 2019**

**Session 3: 4 August to 31 August 2019**

**Session 4: 18 August to 14 September 2019**

### Course Options:

*\* All course topics are subject to availability of the faculty and Oriel College would be happy to offer other course topics upon the request from partnerships universities.*

#### 1. Principles of Microeconomics

We are going to cover the foundations of modern microeconomics: risk, expected utility theory; welfare economics and general equilibrium, public goods and externalities; game theory and industrial organisation; information economics; applications of microeconomics. The course is based on the Core Microeconomics paper taught to second-year undergraduate students at the University of Oxford.

The course (a) introduces students to the scope and purpose of current microeconomic analysis, and provides them with the basic tools to help them understand many of the more advanced problems within economic theory; (b) shows how those tools can be applied to microeconomic policy issues.

#### 2. Endogenous money creation, Banking, and Central Banking

This course aims to correct existing fallacies of money creation in some textbooks and literature by introducing how modern banking system creates fiat money. The course will also discuss the evolution of banking and central banking from a historical point of view. The course will challenge students' critical thinking by exploring some fundamental questions in the market-based capitalist society. It will

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include a mixture of lectures, in-class exercises and group assignments in order to develop insight into some of the most important monetary issues today, including the unwinding of quantitative easing, cryptocurrency, and the coordination between monetary policy and financial regulation.

### 3. Economic of Industry

The economics of industry is concerned with the behaviour of firms. This course covers both theory and applications. It is based on the final year undergraduate course taught at the University of Oxford.

The objectives of this course are to provide an understanding of:

- the theoretical foundations of firm decisions regarding pricing, product differentiation, advertising, entry, mergers and takeovers, innovation, vertical integration, and organization
- the welfare implications of firm behaviour
- strategic firm behaviour, its effects on other firms
- inappropriate firm behaviour and the design of public policy responses
- methods of determining and analysing firm behaviour through the use of data

### 4. Monetary Policy and Central Banking

The course covers the literature on the transmission of central bank policies via the banking system and financial markets to the real economy featuring consumers and corporations. The coverage will include the analysis of both conventional monetary policy and unconventional measures such as quantitative easing and forward guidance over interest rates. After completing this course delegates will have a thorough understanding of the monetary policy transmission mechanism and policy challenges currently facing central banks around the world.

### 5. Financial Crisis and the Euro Crisis

The objective of this course is to provide an overview of the events, causes and consequences of the recent crisis in the Euro Area, and of the ensuing policy response. In order to understand the most recent events, we will start with an overview of the European integration process and its theoretical underpinnings (the theory of “optimum currency areas”). The second lecture will cover the crisis of 1992 and the steps that led to the creation of the European Monetary Union and the introduction of the Euro. The third lecture will focus on the European debt crisis and will speculate on the future of the Euro Area.

### 6. Financial Crisis: Past, Present, and Future

The objective of this course is to provide an overview of the causes and the events of the recent financial crisis, as well as of the policy response by governments and

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central banks. The first two lectures will discuss the critical aspects of the evolution of financial markets and institutions that have led to the crisis. The next two lectures will go over the events of the crisis and the actions undertaken by government and central banks around the world. The fifth lecture will recap before the multiple-choice test. The last two lectures will put the recent crisis in a historical perspective and compare alternative views on the causes of the crisis.

### 7. Behavioural Economics

In recent years, the standard neoclassical economic assumption that individual makes decisions purely to maximise their own material self-interest has been extensively revised. It is now widely accepted that people do not only care about their own material payoff, but they also care about other people's behaviours; often succumb to temptation; their self-expectation influences how they behave; some people are motivated to be helpful to others or do the right thing, whilst others like to see other people worse off than themselves; people are influenced by how choices are presented to them; they are bad at computation and are prone to bad habits. Psychological and social factors play an important role in human behaviours and decision-making processes. Behavioural economics increases the explanatory power of economics by incorporating these factors in order to provide more realistic psychological foundations for economic analysis. The objectives of this course are to introduce students to the theoretical and empirical research in behavioural economics. We will discuss some of the key findings of the literature and their applications in the real world. The course will also touch on the related field of Neuroeconomics.

### 8. Development Economics

This course will provide an introduction and overview to development economics. The course will explain key theories of growth in the developing world, and their accompanying criticisms, and will explore new trends in the attempt to deliver meaningful change in the world's poorest countries. The course begins with a discussion of key theories of social change, and then explains the mechanisms economics have felt necessary to enact economic reform in poorer countries. The course proceeds by outlining new trends in microeconomic theory on the difficulties of adopting new technologies and concludes through reflection on Amartya Sen's capabilities approach to development.

The delegate will learn the key theories of economic development and how they have been put into place. The delegate will engage in criticism of these theories, and ask fundamental questions about whether economic development is a product of social or political change.

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### 9. The Health of Nations: Current Challenge, Future Possibility

This course will discuss and analyse the state of health in the world and the challenges of the next 20-50 years. In addition, delegates will learn how health financing will need to adapt to the challenges of an aging population. Case studies analysing pandemics, such as SARS, flu, and Ebola, will be looked at in detail. New technologies and health innovations will be explored.

By participating in this course, delegates will gain a deeper understanding of the impact of health challenges, both now and into the next several decades. By looking at relevant and recent case studies, there will be the opportunity to discuss solutions.

### III. Faculty

**Dr Krzysztof Brzezinski**, Oriël College, University of Oxford (UK)

**Dr Donna Harris**, Department of Economics, University of Oxford (UK)

**Dr Christopher Bowdler**, Oriël College, University of Oxford (UK)

**Dr Dominic Burbidge**, Department of Law, University of Oxford (UK)

**Andrew Farlow**, Research Fellow at Oriël College, University of Oxford (UK)

**Rachel Cassidy**, Post-doctoral fellow, University of Oxford (UK)

**Xuan Wang**, Lecturer at Magdalen College, University of Oxford (UK)

### IV. Additional Course Features

**1. Excursion:** During students' time off, there are planned trips to top attractions and landmarks around the United Kingdom. Locations delegates can choose from include Bath, Cotswolds and London.

**2. Cultural Activities in Oxford:** Throughout the programme, delegates will have the opportunity to get to know the city of Oxford through a variety of activities

- Welcome Reception
- The Ashmolean Museum
- Oxford Castle Tour
- Oxford Walking Tour
- Oriël College Tours
- Traditional Punting

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- Oxford University Botanic Garden
- River Cruise
- Croquet Tournament
- Film Nights
- Pub Tour
- Evening talks
- Formal Hall and Farewell Dinner
- ...

### V. Certificate, Academic Transcript, and Accreditation

Each week, one course will be taught. Combining lecture time, preparation, study time, and tests, each week is designed to be equivalent to 2 - 3 ECTS credits or 1 - 1.5 US credits. Delegates are invited to participate in one examination each course.

Summer Institute at Oriel College Oxford is a certificate programme that may be accountable for optional credits depending on the requirements of the home institution/school/university.

A certificate of attendance will be issued by Oriel College. An Academic Transcript will also be issued by Oriel College and will show the courses attended by each delegate. It will indicate the workload of each course as well the results of exams and assignments.

### VI. Tuition and Fees

<b>Tuition fee (per 4-week session)</b>	<b>4,070 GBP</b>
<b>For Partnership Universities</b>	<b>2,560 GBP</b>

The tuition fee includes all lectures, lecture materials, leisure activities, and planned weekend excursions.

<b>Accommodation and Food (per 4-week session)</b>	<b>2,650 GBP</b>
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The Summer Institute offers the opportunity to stay in one of the colleges of the University of Oxford (UK). All rooms are single rooms with shared bathroom facilities. Breakfast, lunch and dinner will be offered by the college from Monday to Friday. On weekends only breakfast will be served.