Program in Economic Policy Management
Welcome to the Program in Economic Policy Management (PEPM) at the Columbia University School of International and Public Affairs. PEPM brings together leading mid-career policymakers and private sector practitioners from around the world and exposes them to state-of-the-art techniques and ideas for a better understanding of modern economies.

The program draws upon the many strengths of Columbia University, one of the foremost institutions of higher learning in the world, and its prime location in New York City, close to Wall Street, the United Nations, and leading foundations and civil society organizations. It also benefits from a long-standing partnership with the World Bank, which provides fellowship support for some students and opportunities to gain practical work experience through optional training following the academic program.

PEPM places special emphasis on policy issues that are relevant for developing and emerging market countries. We train students in the most up-to-date analytical methods and tools of various core disciplines, emphasizing those needed to confront today’s ever more complex policy challenges. PEPM also encourages faculty and students to share their diverse experiences and points of view, both through classroom discussions and informal conversations. In addition, the program sponsors frequent seminars, lectures, and workshops with outside experts who offer their specialized knowledge of various regions and spheres of economic policy. In this brave new globalized world, having country-specific knowledge and experience is still important, but gaining exposure to the trends and practices of other countries is equally, if not more, valuable.

After completing the PEPM program, graduates become part of a broad and growing network of policymakers and practitioners with similar training and motivation, namely, the community of PEPM alumni and professors. In today’s dynamic global economy, being part of such a network is indispensable for achieving long-term professional success.

Guillermo A. Calvo

*Director and Professor of Economics, International and Public Affairs*
The objective of the Program in Economic Policy Management (PEPM) is to provide professionals and policymakers of demonstrated achievement and superior promise with the skills required for understanding issues involved in the design and implementation of economic policy in market economies, with a strong emphasis on the economic problems of developing and transition economies in a globalized context. The program is relatively brief, twelve months in total, and highly focused to accommodate the demands of mid-career professionals and policymakers in both the public and private sectors. The course of study is designed to apply the theoretical rigor of the social sciences to the practical lessons of economics and management science through the intensive study of actual economic policy successes and failures. The demanding curriculum presupposes that students possess some measure of intellectual maturity and professional exposure to the problems of economic decision making.

The program, which started in 1992 as a cooperative effort of Columbia’s School of International and Public Affairs (SIPA) and Department of Economics, draws on the global reach of the faculty and the resources of Columbia University and New York City. Since its conception, the program has operated as a partnership with the World Bank. Each year, funding for selected students is granted by the Joint Japan/World Bank Graduate Scholarship Program. All students who complete the requirements of the Program in Economic Policy Management successfully will be awarded the degree of Master of Public Administration (MPA) from the School.

The Academic Year Curriculum
The core of the PEPM program consists of three three-semester course sequences in Macroeconomic Policy Management, Microeconomic Policy Management, and Econometrics. This core is supplemented by courses in financial and public or private management skills, and political economy. Students also have ample opportunity to take elective courses within SIPA and other schools at the university. Each course has a practical and applied orientation and relies heavily on real-world examples and case studies.

Macroeconomic Policy Management Sequence
Examines balance-of-payments accounting and macroeconomic identities in the open economy and the monetary approach to exchange rate determination. Analyzes fiscal and monetary policies under floating and fixed exchange rates and the mechanics and overall strategy of monetary policy. Applies the tools developed to specific issues such as balance-of-payments crises and the collapse of fixed exchange rate arrangements. Explores the policy determinants of the level and composition of domestic spending under fixed and flexible exchange rates and the links between money, inflation, and the budget. Topics discussed include the sensitivity of the public-sector budget to external and domestic macroeconomic variables; the economic consequences of devaluation, along with the causes and consequences of capital flows; determinants of public and private saving; and optimal foreign borrowing. Examines banking reform, banking crises, and alternative strategies in banking regulation.

Microeconomics and Public Policy Sequence
In addition to providing review of the fundamentals of microeconomics, including supply & demand, consumer choice, production functions, cost concepts, and competitive markets, the sequence examines the relationship between market structure and market performance, exploring conditions under which policy intervention can improve market performance, and when it can be counterproductive. Both distributional and efficiency aspects of intervention are stressed. An introduction to formal strategic analysis is included, along with its application in the modern theory of auctions. The advanced module covers basic economic thinking and policy applications derived primarily from labor economics, industrial organization, and international economics. It examines the effects of government policies on firms, labor, and capital markets. It also focuses on issues of corporate and national governance and performance. Guest lectures on these and other topics play a major role in the course.

Statistics and Econometrics
This three-course sequence trains students in applied statistical methods and analyzes how policy managers can assess the validity of technical studies in economics. By providing a survey of applied statistical methods, it also allows students to carry out their own data analysis. Econometric techniques discussed include both time series and cross-sectional analysis, such as linear and multiple regression, specification tests, forecasting, limited dependent variable models, and logistic regression. The advanced module aims to analyze dynamic, multivariate interactions in evolutionary and nonstationary processes, first considering stationary univariate time-series processes and then extending the analysis to nonstationary processes and multivariate processes.
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financial policy, regulation, and central banking. The role of finan-

cial times. The second section examines the political economy of

global imbalances that have been frequent features of contempo-

ary. Then we analyze the difficulties of managing the crises and

etary arrangements from the gold standard period to the present

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and examines how financial development and exchange rate

sector institutions on economic growth and distribution of income;

and the empirical evidence on the factors influencing growth,

bution of global income; analyzes the theory of economic growth

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bution of global income; analyzes the theory of economic growth

and the empirical evidence on the factors influencing growth,

cluding physical and human capital accumulation, technical

change, and population growth; explores the effects of trade, for-

eign direct investment, natural resources, geography, and public

sector institutions on economic growth and distribution of income;

and examines how financial development and exchange rate

regimes affect the prospects for economic growth.

Political Economy of Finance

Provides an introduction to the political economy of financial and

international monetary policy, presenting both theoretical pers-

pectives and more policy-oriented concerns. Wherever possible,

it looks at the issues covered from the perspective of developing

and emerging market countries. There are three main sections.

The first examines the political economy of the global monetary

system. We begin by surveying the evolution of international mon-

etary arrangements from the gold standard period to the present
day. Then we analyze the difficulties of managing the crises and

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cial policy in economic development, especially of industry, in

developing and emerging market countries is the primary lens for

exploring this topic. The final section considers financial crises,

with a special focus on the Asian financial crisis of 1997/98, and

the recent global crisis that had its origins in the United States.

Management Skills for Policymakers

This sequence teaches basic skills and tools for the effective

management of public and private sector organizations and the

efficient implementation of economic policy.

Financial management is covered through a core course on account-

ing and finance, which introduces the basic concepts of accounting

and financial management used in decision making. The accounting

portion of the course focuses on the role of accounting as an infor-

mation system and decision tool. An accounting project then applies

these concepts to the financial statements of either a publicly-traded

corporation, a public enterprise (i.e., Federal Reserve, World Bank,

or the U.S. government). The finance portion of the course presents

basic corporate finance concepts on valuation and decision analysis.

Students are given a brief introduction to financial markets, selected

financial products, and the theory and rudiments of bond pricing. A

finance project reinforces the basic bond concepts with a detailed

analysis of a bond offering.

Students are required to select another public or private manage-

course from among SIPA’s extensive offering. Subjects have

included public and private sector leadership, cost-benefit and/or
decision models, advanced financial management, applied politi-
cal economy, and many other topics.

Development Economics

Describes the history and current situation of the level and distri-
bution of global income; analyzes the theory of economic growth

and the empirical evidence on the factors influencing growth,

cluding physical and human capital accumulation, technical

change, and population growth; explores the effects of trade, for-
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sector institutions on economic growth and distribution of income;

and examines how financial development and exchange rate

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Extracurricular Activities

PEPM students also benefit from a host of activities organized
outside the classroom designed to enhance their curricular
experience and to provide access to leading practitioners and

scholars from other institutions. These include public lectures

and workshops by leaders in economic policy and presentations

by PEPM and SIPA alumni on working in economic policymak-
ing around the globe. PEPM also hosts an annual workshop on

Inflation Targeting and macroprudential policymaking with the

Bank of England’s Centre for Central Banking Studies. PEPM

students also benefit from an array of learning opportunities

provided by SIPA’s Center on Global Economic Governance

(CGEG), which is led by PEPM faculty member Jan Svejnar, and

administered in close collaboration with the PEPM program.

CGEG carries out research and hosts major events on issues

particularly relevant to PEPM students, including topics ranging

from global macroeconomic and monetary policy to global eco-
nomic development, financial regulation, trade and innovation,

and studies on inequality.

Electives

Students may choose three elective courses from a set of

selected regular course offerings throughout the University. The

following list provides examples of currently offered courses that

have been of interest to students in the Program in Economic

Policy Management:

• Corporate Finance
• Cost-Benefit Analysis
• Decision Models and Management
• Emerging Capital Markets: Theory and Practice
• Emerging Financial Markets
• Emerging Market Investment Climate
• Financial Issues in Latin America
• Global Economic Governance
• International Banking
• International Capital Markets
• International Finance and Monetary Theory
• Investment Strategies in Developing Countries
• Macroeconomics Lab

Association with the World Bank

The Joint Japan/World Bank Graduate Scholarship Program (JJ/

WBGS) contributes to the program in several ways. It currently

provides support for up to twelve students enrolled in the pro-

gram; offers guest lecturers in courses and symposia; provides

training opportunities for students; and contributes to program

development and review. For scholarship eligibility criteria,

please visit sipa.columbia.edu/pepm.

Please note: Joint Japan/World Bank scholars will not be eligible

for employment with the World Bank or IMF for a period of three

years after completion of the program.
The world faces oil market insecurity, worldwide restructuring of natural gas and electricity systems, massive energy infrastructure requirements for economic development, and pervasive local and global environmental issues associated with energy production and use. These challenges demand a new generation of policy leaders with an understanding of energy technologies, economics, institutions, and quantitative methodologies. The PEPM-GEMP program recognizes this demand and equips students with the essential tools to understand and address contemporary energy challenges.

The curriculum provides a thorough understanding of energy industry fundamentals, including the structure and operation of international energy systems and of the business organizations involved in the producing, transporting, and marketing of energy products. It examines economic, environmental, and social policies applicable to energy development and consumption; political and strategic issues arising from the unequal distribution of global energy resources; and the impact of technological change on the future role of energy in the global economy.

Selected courses (for full course listing see the PEPM website):

- Energy Systems Fundamentals (core)
- Economics of Energy (core)
- Petroleum Markets and Trading
- Electricity Markets
- International Energy Project Finance
- Energy Business and Economic Development
- Current Issues in Energy Policy
- Advanced Energy Markets and Innovation

The program is ideal for individuals from energy ministries, national oil companies, marine transportation organizations, energy-producing firms and others from around the world who would prefer an intensive master’s degree program with a practical focus on the forces that shape energy sector decision making. Students following this concentration also benefit from the curriculum’s association with the Center on Global Energy Policy (CGEP) at SIPA, which hosts events and research projects at the cutting edge of global energy policy.

This is an unparalleled educational opportunity, thanks to CGEP’s close association with those at the highest levels of energy policymaking and business, SIPA’s broadly international population, Columbia’s outstanding faculty and facilities and the University’s location in New York City—a quintessentially cosmopolitan learning medium and the financial capital of the world. Individuals who complete the PEPM-GEMP sequence successfully are awarded the degree of Master of Public Administration (MPA) from SIPA.
Admission to the Program in Economic Policy Management is competitive, based on academic excellence and superior professional qualifications. The size of the entering class is limited to ensure that participants receive the individual attention that this intensive program demands. For admission, applicants must satisfy the following criteria:

- Hold an undergraduate degree with a record of superior academic accomplishment, and preferably with strong economics content.
- Demonstrate proficiency in the English language adequate for study at the master’s level. The Test of English as a Foreign Language (TOEFL) exam is the best evidence of proficiency. If TOEFL scores cannot be presented, applicants should present any available evidence of English-language skills.
- Demonstrate verbal and quantitative aptitude by taking the Graduate Record Examination (GRE) or by providing comparable evidence of their aptitude.
- Have had a meaningful professional exposure to economic policymaking, preferably in a public agency or nongovernmental organization.
- Demonstrate an intention to pursue a career in economic policy management.

Applicants with less than two years of relevant work experience may not be considered for admission to the program. Significant experience of at least four or five years is preferred.

For admissions information, visit www.sipa.columbia.edu/admissions.

For information about SIPA’s other degree programs, visit www.sipa.columbia.edu.