Economics and Quantitative Reasoning Equivalency Exams

The Fletcher School offers three equivalency exams on Friday during Orientation (both fall and spring). Equivalency exams are given for E201/Introduction to Economic Theory, E210m/Quantitative Methods, and for B205/Data Analysis and Statistical Methods – B206/Data Analysis and Statistical Methods for Business. A non-scientific calculator is allowed for the B205/B206 exam. No calculator is allowed for either the E201 or E210m exams. For all exams, no notes, books or computers are allowed. Prior equivalency exams are not available for review. The faculty members responsible for the exams have submitted brief write-ups, included below, that address the content and format of their respective exams.

Results for all examinations will be made available by the Registrar’s office. As soon as we have the results from each individual exam, a notice will be sent out on the official list serve informing students that they can come to the office to obtain their results.

Timing of Exam: Equivalency exams are only offered two times a year. For AY 2011, the exams will be offered on Friday, September 2, 2011 and Thursday, January 12, 2012. Both of these dates are during orientation. The E201 Exam will be given out at 9:30am. The exams for both E210m and B205/B206 exam will follow the first exam at 10:30am. In September, the exam is held in ASEAN auditorium and in January, the exam will be held in Cabot 205.

Economics Breadth Requirement
Each MALD student is EIB E201: Introduction to Economic Theory. Students who pass the economics equivalency test for EIB E201 shall not be required to take either course but shall instead be required to take one of the following courses:

- EIB E211m: Microeconomics
- EIB E210m: Quantitative Reasoning
- EIB E213: Econometrics
- EIB E220: International Trade and Investment
- EIB E230: International Finance
- EIB E240: Development Economics
- EIB E246: Natural Resource and Environmental Economics

Note: Students who pass the E201 equivalency test can immediately take a higher course (see list above) to satisfy their economics breadth requirement. MALD Students who pass the E210m equivalency test have satisfied the Quantitative Reasoning Requirement and if they enroll in and pass E211m then they will have satisfied the Economics breadth requirement. Students may not use E213: Econometrics to meet both the Quantitative Reasoning and the Economics breadth requirement. However they may choose which requirement it will satisfy.

EIB E201 Equivalency Exam – Professor Carsten Kowalczyk
Q: What is the purpose of the exam?
A: The exam serves two purposes:
   It is a diagnostic tool to provide information to you about which level of Economics courses you might consider entering. Also, when passed, the exam offers equivalency for E201, which is required if you offer one of the following fields in economics: International Trade and Commercial Policies, International Monetary Theory and Policy, or Development Economics.

Q: Who should take the exam?
A: Anyone who plans to satisfy the Economics breadth requirement by taking one of the listed Economics courses that can be taken to satisfy this requirement (for MALD students). LLMs, MAs and PhDs can take the exam and are encourage to take the exam if they plan on taking a higher level economics courses. MIBs should take the exam if they are planning on offering one of the Economics fields of study to satisfy their International Affairs field of study requirement.

Q: What does the exam cover?
A: Microeconomic and Macroeconomics at a level corresponding to Alan Stockman: Introduction to Economics; Gregory Mankiw: Principles of Economics; or Fischer, Dornbusch, and Schmalensee: Economics. Questions are usually, but not necessarily, within the areas of supply and demand, consumer theory, technology, cost theory, monopoly, labor economics, national income accounting, savings and investment theory, economic growth, fiscal and monetary policies.
Q: What is the format of the exam?
A: 10 multiple-choice questions.

Quantitative Reasoning Breadth Requirement
All MALD students are required to either take coursework or gain equivalency in quantitative methods. Students can satisfy this breadth requirement by taking either:

- EIB B205: Data Analysis and Statistical Methods
- EIB B206: Data Analysis and Statistical Methods for Business
- DHP P203: Analytic Frameworks for International Public Policy Decisions;
- EIB E213: Econometrics;
- EIB E210m: Quantitative Methods or
- EIB B262/Marketing Research Analysis.

The quantitative reasoning requirement is satisfied if students pass either the B205/B206 or E210m equivalency examination.

EIB E210m: Quantitative Methods Module – Professor Deborah Menegotto
Quantitative analysis is very important in the study of international affairs, and quantitative tools are used extensively in the study of economics at the Fletcher School. Therefore, every student must take at least one course credit that teaches these skills. Specifically, if you offer two fields in economics, you should either pass the Quantitative Reasoning placement exam, or successfully complete the Quantitative Methods Module, EIB E210m, which is offered in the fall semester. Topics covered in this ninety-minute equivalency exam include: logarithmic and exponential functions, differential calculus (both univariate and multivariate), finding the extreme points of functions, and constrained optimization. For more details on the material covered, consult the textbook for the Quantitative Methods Module, EIB E210m, Mathematical Methods for Economics, 2nd edition, by Michael Klein (Addison Wesley, 2002), with special attention to chapters 3, 7, 8, 9, 10 and 11.

EIB B205: Statistical Methods – Professor Robert Nakosteen
Core material covered in B205: Data Analysis and Statistical Methods and B206: Data Analysis and Statistical Methods for Business
The outline below details material that will be covered on the equivalency exam.

The chapter numbers refer to the following text:

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Basic statistics and concepts: data collection and the nature of numerical information; descriptive measures of central tendency, dispersion, and skew. Chapters 1 and 3.

The concepts and rules of probability: Chapter 4.

Discrete probability distributions: The expected value operator. Chapter 5 (section 5.1 only). For those seeking B206 equivalency include: Binomial Probability Distribution. Chapter 5 (sections 5.1 and 5.3)

The normal distribution and sampling distributions: Chapter 6 (skip sections 6.3, 6.4, 6.5, and 6.6) and chapter 7.

Statistical inference I: Confidence intervals. Chapter 8 (skip sections 8.3 and 8.5).

Statistical inference II: Hypothesis testing. Chapter 9 (skip section 9.5).


Please also see “Useful Expressions for B205/B206” on the orientation website.

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