

The Marginalist

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Southern Illinois University, Department of Economics
2015 ISSUE

Letter from the Chair

Greetings from Carbondale!

With the arrival of Spring, the whole campus looks beautiful with greenery all around. The landscaping in front of Faner Hall, which was done a couple of years ago, now has beautiful flower beds and a fountain in operation.

There is some good news to report from the Department. After ten years,

the department hired a tenure-track faculty, Dr. Andrea Sorensen (a graduate of the Indiana University, Bloomington). We all welcome her to the department.

During 2014-2015, Professor Alison Watts is on Sabbatical and Professor Sajal Lahiri is on sabbatical for the Spring 2015 semester. This semester, he is visiting Cambridge University and the Indian Statistical Institute. Professor Thomas Mitchell retired in Summer 2014 and Professor Richard Grabowski retired in December 2013. Thus, I am now the senior-most faculty in the department with 32 years of service. Dr. Regina Trevino (a University of Chicago graduate) joined the department as a non-tenure track faculty member in Fall 2012 and I am sorry to see her leave. This summer,

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Md. Rafayet Alam, Editor
Dr. Subhash Sharma,
Faculty Advisor
Monica Russell,
Administrative Support
Department of Economics
Faner 4121 - Mail Code 4515
Southern Illinois University
1000 Faner Drive
Carbondale, IL 62901
Phone: 618/536-7746
Fax: 618/453-2717
cola.siu.edu/economics/

she will be moving to California with her family. We all wish her the best.

On behalf of the Department, I would like to thank our Alumni for their generous donations and the scholarships they have created for our students. I would like to extend my sincere appreciation and thanks to Dr. Thomas and Mrs. Chany Chung for their very generous Scholarship fund that has provided financial assistance to many deserving and grateful students.

Moreover, many of you have contributed quite generously and regularly to our Alumni Fund and I would like to sincerely thank you for your contributions. This money has been used to provide awards to our undergraduate students at

the Honor's Day Ceremony, and some support for travel to meetings for our graduate students. This support is very much appreciated by our students.

As part of our alumni outreach, I would appreciate it if you can update your information on the department web page by using the link:

<http://cola.siu.edu/economics/alumni/index.php>

I am always interested in hearing from you. Please feel free to contact me via email: sharma@siu.edu or by phone at 618-453-5085

Subhash C. Sharma, Professor and Chair

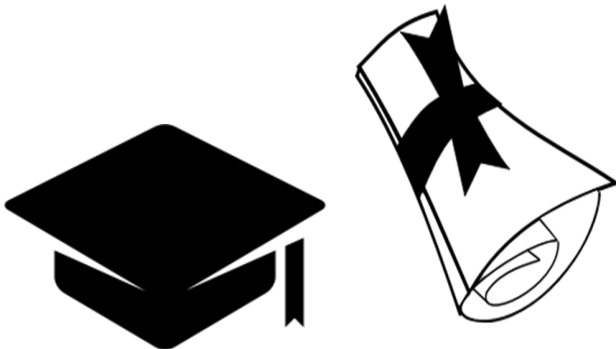
Ph.D. Graduates

Academic Year 2012-2013 Ph.D. Graduates

Ms. Channary Khun Summer 2013
Ms. Huiqing Li Summer 2013
Mr. Sokchea Lim Summer 2013
Assistant Professor of Economics, John M. and Mary Jo Boler School of Business, John Carroll University, Cleveland OH
Ms. Yuqin Wang Summer 2013
Assistant Research Fellow, Institute for Advanced Research, Shanghai University of Finance and Economics, Shanghai, China.

Academic Year 2013-2014 Ph.D. Graduates

Mr. Suleman Abdiah Summer 2014
Mr. Ficawoyi (Charles) Donou-Adonsou Summer 2014
Instructor, Department of Economics, University of Colorado, Denver (International College in Beijing)
Mr. Hussein Elkamel Spring 2014
Instructor, Al-Jabel University, Al-Jabel Algarbi, Libya
Mr. Gabriel Pino Saldias Fall 2013
Associate Professor, Faculty of Economics and Business, Universidad de Talca
Mr. Markum Reed Summer 2014
Associate Professor, Southeast University, Jiulonghu Campus, Nanjing, China
Mr. Hyeon Joon Shin Summer 2014
Assistant Professor of Economics, Falls School of Business, Anderson University
Ms. Xu Xu Spring 2014
Assistant Professor, Southeast University, Jiulonghu Campus, Nanjing, China



Graduate Student Publications and Presentations 2014-2015

Mr. Babatunde Aiyemo

➤“Inequality and Growth in a Model of Public Capital Rivalry” paper presented at the **Missouri Valley Economic Association Annual Meeting**, St. Louis MO (October 2014)

Mr. Pavlo “Pasha” Buryi

Conference Presentations:

➤“How Can a Monetary Authority Stimulate Output? Promise a Lot, Deliver Little,” paper presented at the **Missouri Valley Economic Association Annual Meeting**, St. Louis MO (October 2014)

➤“Public Support for Product Innovating R&D in a Game-Theoretic Setting,” **Midwest Economics Association Annual Meeting**, Minneapolis, MN (March 2015).

Journal Articles:

➤Pavlo Buryi and Scott Gilbert. “Effects of College Education on Demonstrated Happiness in the U.S.,” **Applied Economics Letters** (2014).

➤Pavlo Buryi. “How Can a Monetary Authority Stimulate Output? Promise a Lot, Deliver Little,” **The Quarterly Review of Economics and Finance** (under review).

Working Papers:

➤Pavlo Buryi and Sajal Lahiri. “Public Support of

Product R&D in a Game Theoretic Setting: A Case of a Matching Grant,” Job Market Paper (2014c).

➤Pavlo Buryi and Sajal Lahiri. “Matching Grant for Product R&D in Presence of Foreign Competition,” (2014a).

➤Pavlo Buryi and Sajal Lahiri. “Product Innovating R&D when Investments Differ in Quality,” (2014b).

Mr. Bisrat Kinfemichael

➤“Unconditional Convergence of Labor Productivity in the Service Sector,” paper presented at the **Missouri Valley Economic Association Annual Meeting**, St. Louis MO (October 2014)

➤“Unconditional Convergence in Labor Productivity in the Service Sector,” paper presented at the **Midwest Economics Association Annual Meeting**, Minneapolis MN (March 2015)

Mr. Dambar Uprety

➤“Impact of Remittances on Economic Development in Nepal: An ARDL Approach to Cointegration,” paper presented at the **Missouri Valley Economic Association Annual Meeting**, St. Louis MO (October 2014)

Scholarships and Awards

Thomas and Chany Chung Scholarship

Undergraduate

Derek Dodd
Audra Donaldson
Ryan Hilgen
Tabitha Juneau
James Russell
Dylan Sellers
Michael Serna
Binbin Shen
Nicholas Tyrell
Andre Luiz do Nascimento Brilhante

Graduate

Genevieve Alorbi
Diana Donnelly
Mulugeta Jemberie
Nana Quaicoe
Mohammad Sameem

Glenn W. and Cornelia Y. Miller Scholarship

Audra Donaldson

Garrett E. and Susan J. Pierce Scholarship

James Russell

Outstanding Senior

Derek Dodd

Outstanding Junior

Andre Luiz do Nascimento Brilhante

Graduate Student Teacher of the Year



Pavlo (Pasha) Buryi was honored for his work in the classroom with the Graduate Student Teacher of the Year Award presented to him at the Fall Department Picnic.

The Graduate Student Teacher of the Year Award is awarded annually to one or two graduate students whose classroom teaching has been deemed exemplary by a faculty committee, chaired by Dr. Kevin Sylwester, Director of Undergraduate Studies. Selection is based on classroom student evaluations, teaching observations and student testimonials.

Pasha's Teaching Philosophy

As I have recently learned, teaching is an art. It requires talent, skill, dedication, passion, knowledge, hard work, preparation, and most of all continuing progress. About three years ago, for the first time in my life I stood in front of a room full of students of different backgrounds, with different interests, skills, and career aspirations as an independent instructor. Right then and there I had realized that preparing a lecture and appearing to class would not be enough to create an inclusive, engaging, and encouraging learning environment. With no prior teaching experience I had no idea what to do. I knew I had to learn. I needed an example, a teacher, and a mentor who would teach me how to teach. Fortunately, I had found someone who considered teaching to be his privilege and not a job, who managed to make blunt economic concepts interesting and fun, managed to engage, encourage, and teach even the least interested and motivated students.

I have met Dr. Richard Grabowski during my first year in the graduate program when I was assigned to be his teaching assistant for the course that he has developed titled: "History and Philosophy of World's Economic System". It was a true joy and pleasure to see that man teach, just a year away from his retirement he was as enthusiastic and energetic about teaching as it is humanly possible.

Dr. Grabowski taught by example and I have learned a great deal from him. I realized the importance of personal interaction cannot be overvalued in changing learning outcomes, sometimes, all a dim star needs, is a sturdy shoulder and words of encouragement to shine again. Personal relationships are crucial for identifying students who might need additional help due to the state of their physical or psychological health, without which the problem would not be addressed and student's success would be jeopardized. Although, Southern Illinois University Carbondale is known for its strong research program and quality education, it is also known as a school that provides chances for underprivileged students of different cultural and economic backgrounds. To meet the needs of students with different levels of basic preparation, mixed ability groups techniques can be used which make course materials challenging and keep students motivated.

Since then, I have taught various classes of different sizes as an independent instructor. It would be foolish to admit that I have fully accomplished my goal of creating this inclusive environment that makes all people in my classes feel as if they found a friend, but I am proud to say that many of them did. I have had people come to my office to cry, laugh, tell personal stories, and ask for advice on a variety of different subjects that are beyond the scope of economic science. Many of them still do, although I am not their instructor any more. There is one thing that I have learned so far. The only way to succeed is to continue to improve. I am looking forward to what the future brings, and as my mentor once did, I am ready to dedicate myself to the field of teaching and learning.



Alumni Update - Dr. Sokchea Lim



My name is Sokchea Lim. I received a Ph.D. in Economics from SIU Carbondale in 2013. I worked with Dr. AKM Mahbub Morshed on my dissertation. The title is “Essays on a Small Open Economy with Cross-Border Labor Mobility”. I am currently an Assistant Professor of Economics at John M. and Mary Jo Boler School of Business, John Carroll University, in Cleveland, Ohio.

I came to John Carroll – a private, Jesuit University – in the Fall of 2013 as a Visiting Assistant Professor. Fortunately, a tenure-track position opened the following year and I was hired for it. I am teaching Macroeconomics on a regular basis, two sections at the principles and one section at the intermediate level. Teaching three classes a semester is a busy schedule and research receives no less emphasis as well.

My current research agenda includes fiscal policy in a small open economy, the economics of international migration and remittances, and the relationship between culture and economic growth. My research has appeared in *Quarterly Review of Economics and Finance*, *Journal of Economics and Business*, *Journal of International Trade and Economic Development* and other outlets. I often time present the papers at the *Missouri Economics Association* and *Midwest Economics Association* meetings.

Advice for Ph.D. students:

First- and second-year students: Focus on the comprehensive and field exams only. Team work worked for me. Form a study group and study room at the library is a great place. Take turn to explain things to one another. You always learn better by teaching it.

Third-year students: NO REST! And, if anyone tells you to relax and take it easy, do not believe. Given the

current program, writing three papers in two years is a challenge. So, start early. Find a professor whose research interests fit yours (Not trying to fit yours with his/hers). Working in his/her field is always a plus since they knows the literature in the area very well. For that reason, have your advisor as a coauthor for the job market paper.

Fourth-year students: Research is an important factor that universities are looking at. Having some publications going to the job market gives you a competitive edge over other candidates. Work hard on the term papers for classes you took and send them out for publication. Even in low-tier journals, they do help.

Advise for Students

*Research is an
important factor....
Having some
publications going to
the job market gives
you a competitive
edge....*



Alumni Update - Dr. Markum Reed



My name is Markum Reed. I graduated from SIU Carbondale with a Ph.D. in Economics in August 2014. My dissertation title was *An Empirical Analysis of Social Networks*. My advisor was Professor Alison Watts. I would like to take a

moment to thank her and the whole department for encouraging my research and for allowing me to grow as academic. The mentorship I received from the department was invaluable. For this I thank you.

Currently, I am an Associate Professor at Southeast University, School of Economics and Management. My current research interests include behavioral finance, computational economics, social and economic networks, monetary policy, and data visualization. Since graduation I have published papers regarding trust based networks and social media influence on stock fluctuation. The research regarding trust-based networks led to a patent for a trust based framework. Recently, I have been commissioned to write a book regarding Monetary Policy and Banking Regulation; it will come out late 2015 or early 2016.

Advice for students:

Write. Write as if your life depends on it, because in academia it does. By your third and four year most of your writing ability has been “beaten” out of you. But don’t let all the studying stop you from writing.

Be friendly with your fellow students; you way eventually marry one of them. [I met my wife Xu Xu while we were taking classes in the department]

Be willing to take risks on new research topics. The only way we are going to be able to move forward as scientists is if we take risks and push the boundaries of economics.

Actually talk to your professors. Remember professors are still human. Talk to them even if they are not on your committee or even in your department. They have valuable wisdom to share with you.

Learn something new. The most valuable skill I learned while in the economics department wasn’t taught in the classroom. I taught myself how to computer program and now it is the cornerstone of my research.

Advise for Students

Write...

Be friendly...

Be willing to take risks...

Talk to your professors...

Learn something new....

Faculty News: New Assistant Professor for 2015-2016



Dr. Andrea Sorensen will join the Department of Economics faculty in August 2015 as an Assistant Professor. Her research interests lie at the intersection of theoretical and experimental microeconomics, with applications to health and public economics. Her current research uses experimental methods

and theoretical models to study individual vaccination decisions, with the primary goal of identifying factors that may increase vaccination rates.

Andrea earned her B.A in mathematics and economics from Barnard College in 2008, her M.A. in economics from Duke University in 2009, and her Ph.D. in Economics from Indiana University in 2014.

Faculty News: Accomplishments in 2014-2015

Dr. Chifeng Dai

Publications:

➤ “When Oceans Attack: Assessing the Impact of Hurricanes on Localized Taxable Sales,” *Annals of Regional Science*, 52, 325-342, 2014 (with Ariel Belasen).

Presentations:

➤ “Optimal Procurement Contracts with Private Knowledge of Uncertainty,” The Association for Public Economic Theory (APET) 15th International Meeting, Seattle, WA, 2014

➤ “Optimal Procurement Contracts with Private Knowledge of Uncertainty,” Midwest Economic Theory Meeting, Lawrence, KS, 2014

Dr. Scott Gilbert

Publications:

➤ “A Theory of Tax Effects on Economic Damages,” *Journal of Legal Economics* Volume 20 (1-2), 1-14, (2014).

➤ “Effects of college education on demonstrated happiness in the United States?,” Pavlo Buryi, *Applied Economics Letters*, Volume 21, 18, 1253-1256, (2014).

➤ “Dueling Economics in Personal Injury and Wrongful Death Litigation,” *Illinois Law Journal*, May 2014. “Worklife and Economic Damages,” in *The Brief*, 2014.

➤ “Worklife,” forthcoming in Harvard Economics Review.

Presentations:

➤ “Economic Foundation of Damages in Personal Injury and Wrongful Death Law,” presented at the ASSA meetings, Philadelphia, PA 2014.

➤ “Worklife and Economic Damages,” presented at the American Association of Economics and Financial Experts, Las Vegas, March 2014.

Dr. AKM Mahbub Morshed

Presentations:

➤ “Fiscal Policy in a Small Open Economy with Cross-Border Labor Mobility,” (with Sokchea Lim). Association of Public Economic Theory Conference 2014, Seattle, WA, July 2014.

Dr. Sajal Lahiri

Presentations:

➤ “Financing development: foreign aid versus loans,” presented at the 89th Annual Conference of the Western Economic Association International held in Denver during June 27-July 1, 2014.

➤ “Potential Pareto-improving Move towards Most Favored Nation Tariffs,” presented at the 16th Annual Conference of the European Trade Study Group, held in Munich, Germany during 11-13 September, 2014.

Publications:

➤ “Cross-Border Mergers with Flexible Policy Regime: The Role of Efficiency and Market Size,” *The Japanese and International Economies*, 2014 (with Mahelet G. Fikru)

➤ “Competition and Innovation in Product Quality: Theory and Evidence from Eastern Europe and Central Asia” *The B.E. Journal of Economic Analysis and Policy* (with Fatma Nur Karaman), 2014.

➤ “Promoting Trade Liberalization: Theoretical analysis of foreign aid as prize,” forthcoming in the *Review of Development Economics* (with Malokele Nanivazo).

Dr. Kevin Sylwester

Publications:

➤ “Does Democratization Spur Growth? An Examination of Space and Time,” *Economics of Transition* 22, 2014, 211-246. (with A. Assiotis)

➤ “Do the effects of corruption upon growth differ between democracies and dictatorships?” *Review of Development Economics* 18, 2014, 581-594. (with A. Assiotis)

➤ “Does Law and Order Attenuate the Benefits of Democratization?” *Economica*, forthcoming, (with A. Assiotis)

➤ “Does Democratization Increase Growth More in New Countries” *Economics and Politics*, forthcoming.

Dr. Alison Watts

➤ Grant Awarded: “Efficient Temporal-Spatial Sharing through Voluntary Exchange”, Xiangwei Zhou and Alison Watts (Co-PIs), NSF (SES 1343380), award of \$896,629 for 9/15/2013 to 8/31/2017

Vandever Chair Speaker Series, Fall 2014

Friday, September 19, 3 p.m. in Faner 4135

Speaker: Professor Scott Gilbert, Southern Illinois University Carbondale

Topic: Improving Quantile Regression via Implied Parameter Restrictions

Friday, October 3, 3 p.m. in Faner 4135

Speaker: Professor Kevin Hasker, Bilkent University, Turkey and Indiana University-Purdue University-Indianapolis

Topic: The Emergent Seed: A Representation Theorem and Two Formulas for Waiting Time for Models of Stochastic Evolution

Friday, October 10, 3 p.m. in Faner 4135

Speaker: Professor Alison Watts, Southern Illinois University Carbondale

Topic: Two Ways to Auction Off an Uncertain Good: An Application of Radio Spectrum Sharing

Wednesday, October 15, 3:15 p.m. in Faner 4135

Speaker: Professor Maria E. Canono, Federal Reserve Bank of St. Louis

Topic: Cognitive Skills Gaps in India: Can (Late) Nutrition Ameliorate Them?

Friday, October 24, 3 p.m. in Faner 4135

Speaker: Professor Sajal Lahiri, Southern Illinois University Carbondale

Topic: Foreign Penetration and Domestic Competition