

# The Marginalist

A PUBLICATION OF THE ECONOMICS STUDENT ASSOCIATION  
Southern Illinois University, Department of Economics  
2016 ISSUE

## Letter from the Chair

### Greetings from Carbondale!

As far as I can recall, the department always mailed the Marginalist in the late or early spring. But this year, for various reasons, the Marginalist has been delayed. We had a very mild winter and a long beautiful spring, but we are now going through a few weeks of hot weather.

In spite of budget and enrollment issues at your alma mater, the department is doing great. Professor Sajal Lahiri, the Vandever Chair professor, is the recipient of the 2016 university-level Scholar Excellence Award. He finished his three-year term on the Faculty

Senate and was elected to the Graduate Council. Professor Alison Watts completed her three-year term on the Graduate Council, and Professor Chifeng Dai is serving a two-year term on the College of Liberal Arts Council. Thus, the economics faculty are being busy in the department as well as very active in serving on the university/collegewide committees. In April 2015, I testified (along with SIU President Randy Dunn and Dr. Kyle Harfst, executive director of the SIU Research Park and of economic development) to the state Senate Appropriations Committee on the SIU Carbondale campus regarding the economic impact of the proposed state budget cuts to the region. The local newspaper, *The Southern Illinoisan* covered the testimony in a front page story. The link to article is: <http://goo.gl/K6B0MV>

Our department is the most international department on campus. During the 2015-2016 academic year we had graduate students from 22 countries, and during the last 10 years I can recall that we always had students

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from at least 15 countries. Thus we have many very successful and famous alumni around the world. This year the biographies of two of our very successful alumni are included in this issue: Southern Methodist University professor Ravi Batra and Arizona State University vice provost Arthur Blakemore.

In spite of a decrease in enrollment of 6,000 to 6,500 students at SIU Carbondale during the last 15 years, the enrollment in the department at the graduate and undergraduate levels has stayed fairly steady. We have 45 to 50 graduate students and an equal number of economics majors. During the last 10 years, on average, the department graduated six Ph.D. students and five master's students per year. As always, the department faculty is regularly publishing in referred journals. During 2015-2016, the department graduated ten Ph.D. students, and all have received job offers so far.

The students in the department are fortunate to have a variety of scholarships available to them. These scholarships include: the Thomas and Chany Chung Scholarship; the Glen W. and Cornelia Y. Miller Scholarship; the Garret A. and Susan J. Pierce Scholarship; and the Elizabeth Goyak Endowed Scholarship that was started last year. The department is very grateful to the individuals who have endowed these scholarships. These scholarships

have made a major impact on the lives of so many of our students.

Many of you contribute quite generously to our alumni fund, and some of you have been contributing regularly to it. I sincerely thank you for your contributions. This money has been used to provide cash awards to our undergraduate students at the Honor's Day ceremony, and to provide some support for travel to meetings for our graduate students. This support is very much appreciated by our students.

I would like to list information about all of our alums (Ph.D., M.A., M.S. and B.S.) on our website. It will allow all of us to stay in touch with each other, and also will allow the department's prospective students to see what our graduates have been able to accomplish with their degrees. I would appreciate it if you can update your information on the department web page by using the following link: <http://cola.siu.edu/economics/alumni/keep-in-touch.php>. I am always interested in hearing from you. Please feel free to contact me via email at [sharma@siu.edu](mailto:sharma@siu.edu), or by phone at 618/453-5082.

*Subhash C. Sharma, professor and chair*  
*July 21, 2016*

## Scholarships and Awards

### **Thomas and Chany Chung Scholarship**

#### **Undergraduate**

Ryan Hilgen	James Garrett Russell
Justin Jackson	Austin Schultz
Tabitha Juneau	Michael Serna
Michal Kianicka	Binbin Shen
Kenneth King	Nicholas Tyrell
Rishonda Napier	Lakshila Wanigasinghe
Wilder Pimentel Basurto	Andre Luiz do Nascimento Brilhante

#### **Graduate**

Ishraq Ahmed	Sungida Rashid
Genevieve Alorbi	Shucui Zheng
Assyad Al-wreikat	

### **Glenn W. and Cornelia Y. Miller Scholarship**

Samuel Brittingham  
 Jasser Reyes Portillo

### **Garrett E. and Susan J. Pierce Scholarship**

Austin Schultz

### **Outstanding Seniors**

Nicholas Tyrell  
 Lakshila Wanigasinghe

### **Outstanding Junior**

Michael Serna

## Faculty News: Accomplishments in 2015-2016

### **Dr. Scott Gilbert**

#### Publications:

- “Worklife,” forthcoming in *Harvard Economics Review*.
- “Evidence from Structural and Factor-Augmented VAR Analyses,” with MD Rafayet Alam, forthcoming in *Agricultural Economics*.
- “Banks, Development, and Tax,” with Bojan Ilievski, forthcoming in *Quarterly Review of Economics and Finance*.

#### Presentations:

- “Risk and the Present Value of Future Earnings,” paper presented at the *Allied Social Sciences Associations* meeting, Boston, MA (January 2015).

### **Dr. AKM Mahbub Morshed**

#### Publications:

- “International Migration, Migrant Stocks, and Remittances: Reexamining the Motivations to Remit,” *Quarterly Review of Economics and Finance*, Vol. 57, pp. 101-115, 2015 (with Sokchea Lim).

#### Paper Presentations:

- “Unconditional Convergence of Labor Productivity in the Service Sector,” (with Bisrat Kinfemichael) Department of Economics, Northern Illinois University, DeKalb, Illinois *Midwest Econometrics Group Meeting*, Federal Reserve Bank of St. Louis, St. Louis, MO (October 2015).
- “Inequality in Landownership and Real Wage.” *Midwest Economics Association Annual Meeting*, Chicago, IL (March 2014).
- “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:

- “Foreign penetration and domestic competition,” presented at the *Seventeenth Annual Conference*, 10-12 September, 2015 at the Université Paris 1 Panthéon-Sorbonne, France.

#### Publications:

- “Promoting Trade Liberalization: Theoretical analysis of foreign aid as prize,” *Review of Development Economics*, 2015 (with Malokele Nanivazo).

- “Pollution, foreign direct investment, and welfare,” *Research in Economics*, 2015 (with Yoshiyasu Ono).
- “Financing Growth through Foreign Aid and Private Foreign Loans: Nonlinearities and Complementarities,” *Journal of International Money and Finance*, 2015 (with Subhayu Bandyopadhyay and Javed Younas).
- “Potential Pareto-improving Move Towards Most Favored Nation Tariffs” forthcoming in *Economic Inquiry* (with P. Silva).

### **Dr. Andrea Sorensen**

#### Publications:

- “Asymmetry, Uncertainty, and Limits in a Binary Choice Experiment with Positive Spillovers,” *Journal of Economic Behavior and Organization*, 116, 2015, 43-55. (August 2015).

### **Dr. Kevin Sylwester**

#### Publications:

- “Does Democracy Promote the Rule of Law?” *Journal of Economic Development*, 40, 2015, 63-92. (with A. Assiotis) .
- “Market Competition and Corruption,” *World Development*, 66, 2015, 487-499. (with A. Diaby).
- “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.

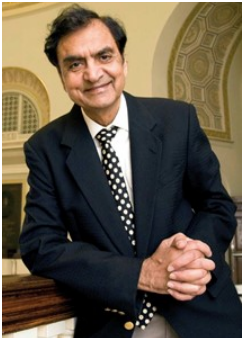
### **Dr. Alison Watts**

- 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.

#### Presentations:

- “Opting out of Buyer-Seller Networks,” Spring 2015, *Midwest Economic Theory Meetings* at Ohio State University.
- “Opting out of Buyer-Seller Networks,” August 2015, the 11<sup>th</sup> *World Congress of the Econometric Society*, Montreal.
- “Opting out of Buyer-Seller Networks,” September 2015, *Conference in honor of Hervé Moulin in Marseille*, France.

## Alumni Update - Dr. Ravi Batra



Dr. Raveendra N. Batra ("Ravi" Batra) received his Ph.D. in 1969 from the Department of Economics at Southern Illinois University Carbondale and is one of the most distinguished world renowned alumni of the department. Batra's main areas of interest are international economics, macroeconomics, labor economics and economic

development. Batra is professor of economics at Southern Methodist University, Dallas. He was the chairperson of the Department of Economics at the Southern Methodist University from 1977 to 1980. In October 1978, because of dozens of publications in top journals such as the *American Economic Review*, *Journal of Political Economy*, *Econometrica*, *Journal of Economic Theory* and the *Review of Economic Studies*, among others, Batra was ranked third in a group of "superstar economists" selected from all the American and Canadian universities by an article in the learned journal *Economic Enquiry*. Specifically, during 1970-1980, Batra published 10 papers in *American Economic Review*, one in *Econometrica*, three in *Oxford Economic Papers*, two in *Review of Economic Studies* and two in *Journal of International Economics*, among others. In 1990 the Italian prime minister awarded him a Medal of the Italian Senate for writing a book that correctly predicted the downfall of Soviet communism 15 years before it happened.

Batra has written in major newspapers and magazines, such as the *New York Times*, *Washington Post*, *USA Today*, *Time*, *Newsweek* and the *U.S. News and World Report*, and has appeared on all major U.S. television networks including **CBS**, **NBC**, **CNN**, **ABC** and **CNBC**, among others. In 2009 Batra received the Pratina and Navin Doshi Award for his contributions to economic analysis.

Batra has written 15 books so far; among these, six have been international best-sellers and two have appeared on the New York Times best-seller list. The books written by Batra are:

1) Batra, Raveendra (1975). "The pure theory of international trade under uncertainty." London: Macmillan. ISBN 9780333165607; 2) Batra, Raveendra N. (1978). "The downfall of capitalism and communism: a new study of history." London: Macmillan. ISBN 9780333216453; 3) Batra, Raveendra

(1987). "The great depression of 1990: Why it's got to happen - How to protect yourself." New York: Simon & Schuster. ISBN 9780671640224; 4) Batra, Raveendra (1989). "Regular economic cycles: money, inflation, regulation and depressions." New York: St. Martin's Press. ISBN 9780312032609; 5) Batra, Raveendra (1989). "Studies in the pure theory of international trade." New York: St. Martin's Press. ISBN 9780312772109; 6) Batra, Raveendra (1989). "Surviving the great depression of 1990: protect your assets and investments - and come out on top." New York: Dell Publishing. ISBN 9780440204619; 7) Batra, Raveendra (1989). "Progressive utilization theory: Prout: an economic solution to poverty in the Third World." Ermita, Manila, Philippines: Ananda Marga Publications. ISBN 9789718623077; 8) Batra, Ravi (1990). "The downfall of capitalism and communism: can capitalism be saved." Dallas, Texas: Venus Books Distributed by Taylor Pub. Co. ISBN 9780939352098; 9) Batra, Ravi (1993). "The myth of free trade: a plan for America's economic revival." New York Toronto New York: C. Scribner's Sons Maxwell Macmillan Canada Maxwell Macmillan International. ISBN 9780684195926; 10) Batra, Ravi (1996). "The great American deception: what politicians won't tell you about our economy and your future." New York: John Wiley & Sons. ISBN 9780471165569; 11) Batra, Ravi (1999). "The crash of the millennium: surviving the coming inflationary depression." New York: Harmony Books. ISBN 9780609605127; 12) Batra, Ravi (2003). "Common sense macroeconomics." Richardson, Texas: Liberty Press. ISBN 9780939352869; 13) Batra, Ravi (2005). "Greenspan's fraud: how two decades of his policies have undermined the global economy." New York: Palgrave Macmillan. ISBN 9781403968593; 14) Batra, Ravi (2007). "The new golden age: the coming revolution against political corruption and economic chaos." New York: Palgrave Macmillan. ISBN 9781403975799; 15) Batra, Ravi (2015). "End unemployment now: how to eliminate joblessness, debt, and poverty despite congress." New York: Palgrave Macmillan. ISBN 9781137280077.

### Some Comments on Batra's work:

♦ "Ravi Batra has made an outstanding reputation in the United States as an international economic theorists in the best Western tradition." Leonard Silk, **New York Times**. ♦ "The forecasting record of this widely respected Southern Methodist University economist has won glowing praise from many pragmatic investment masters." Tom Peters,



## Alumni Update - Dr. Ravi Batra (continued)

**Chicago Tribune.** ♦ "Dr. Batra writes about his subject as clearly as if he were telling bedtime stories." Christopher Lehmann Haupt, **New York Times.** ♦ "The good professor has a formidable academic reputation and, from what I know, his forecasting record is impressive." Barton Biggs, **Morgan Stanley.** ♦ "Batra [is] a scholar who has earned a considerable reputation as an expert on

trade." Albert Crenshaw, **Washington Post.** ♦ "His predictions in the early 1980s of low inflation, falling oil prices and a wave of mergers – mocked for years – have proved close to the mark." Thomas C. Hayes, **New York Times.** ♦ "Ravi Batra was used to making tumultuous global forecasts and having nobody listen – then predictions started to come true." Chip Brown, **Associated Press.**

## Alumni Update - Dr. Arthur Blakemore



Dr. Arthur Blakemore received his Ph.D. in 1977 from the Department of Economics at Southern Illinois University Carbondale. After that, he served for three years as staff economist and senior staff economist in the Executive Office of the President, including

the Council of Economic Advisers. After serving three years in Washington, he joined Arizona State University (ASU) in 1979. He was chair of the Department of Economics at ASU from 1994-2014. He added the duties of senior vice provost of ASU in 2006 with responsibilities in retention and graduation policies, assessment of learning and

initiatives related to adaptive learning. As chair he oversaw a major expansion in undergraduate teaching, economics majors and Ph.D. students. At the same time, the department grew in research reputation, rated recently within the top 20 departments in research productivity by the National Research Council.

Blakemore has published in the area of labor economics and applied macroeconomics pertaining to productivity and economic growth. At ASU he also received twice the "Teacher of the Year" award in the Department of Economics. While at ASU he has had extended leaves as a research fellow at Australian National University and as a visiting professor at the London School of Economics.

## Ph.D. Graduates

### Academic Year 2015-2016 Ph.D. Graduates

Melaku Abegaz	Spring 2016
Department of Economics, University of Minnesota-Duluth, Duluth, Minnesota	
Md. Rafayet Alam	Spring 2016
Assistant Professor (tenure-track), University of Tennessee at Chattanooga	
Assyad Al-Wreikat	Summer 2016
Assistant Professor of Accounting (tenure-track) Briar Cliff University, Sioux City, Iowa	
Bizuayehu Bedane	Spring 2016
Visiting Assistant Professor, School of Business & Economics, The Catholic University of America, Washington D.C.	
Md. Didarul Hasan	Spring 2016
Instructor of Economics, Department of Economics, Asian University for Women (AUW), Bangladesh	

Erick Kitenge	Spring 2016
Assistant Professor (tenure track), Department of Economics, Central State University, Wilberforce, Ohio	
Eric Lenz	Fall 2015
Postdoctoral Research Associate, The Bush School of Government and Public Service, Texas A&M, College Station, Texas	
Hio Loi	Spring 2016
Assistant Professor, Black Hills State University, Spearfish, South Dakota	
Mohammad Sediq Sameem	Spring 2016
Visiting Assistant Professor, Marshall University, Huntington, West Virginia	
Dambar Upreti	Spring 2016
Lecturer, University of North Carolina Wilmington, Wilmington, North Carolina	

# Graduate Student Teacher of the Year



**Eric Lenz** was honored for his work in the classroom with the Graduate Student Teacher of the Year Award.

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. Zsolt Becsi, director of undergraduate studies. Selection is based on classroom student evaluations, teaching observations and student testimonials.

## Eric's Teaching Philosophy

"Every instructor has his or her own philosophy of teaching, but generally I've found three keys to successfully communicate economics. First, the teaching material must be organized and presented clearly to students. Second, the style of teaching must be focused and direct for a hard subject such as economics. Finally, the lecture should include current events and personal examples so that students find the information relevant.

"A good instructor understands the importance of clear and visually attractive learning materials. The SIU economics department gives its graduate students the tools to communicate economics. I use statistical software such as Stata and Eviews, but also the presentation and word-processing program called LaTeX. Professor Scott Gilbert and my fellow graduate students use this highly customizable word processor for presentations, research and creating course content. These programs are the standard among economists, and I continue to use LaTeX as an instructional tool for graduate students in international affairs at Texas A&M.

"My style of teaching is goal-oriented, with a focus on solving interesting problems and efficiently completing tasks. The economics department at SIU imparts these skills to graduate students, and I've also found them to work in teaching. Every one of my lectures has learning objectives, but I also give students time for questions and discussion. My communication style is informative and concise, and emphasizes a unique objective. I believe that a direct approach is effective and appreciated when communicating a subject that students think is hard.

The communication of economics is also easier if students relate the ideas to something personal and current.

"I find that a successful lecture illustrates economic concepts through current events. For instance, Russia's embargo of foreign goods and Donald Trump's proposed tariff on Chinese imports explain the effects of trade restrictions. Economic substitutes and complements abound at local supermarkets, and opportunity costs arise daily for undergraduate students who attend events, join clubs and purchase new iPads. These news headlines and everyday examples are familiar and memorable, which makes learning easier.

"Overall, my teaching experience with two undergraduate economics courses at SIU adds to the quality of my instruction at Texas A&M. I continue to learn and improve just like my students, but the teaching opportunities at SIU provide a strong foundation for the future."

*Eric teaches a graduate course in International Affairs at Texas A&M titled "Fundamentals of the Global Economy." It is a course in international trade, finance and development. The master's program that he teaches in at Texas A&M is in the top 25 for international affairs.*

**"A good instructor understands the importance of clear and visually attractive learning materials."**

# Graduate Student Publications and Presentations 2015-2016

## Ouadie Akaaboune

### Journal Articles:

➤ "Accounting Education and Reform: A Focus on Pedagogical Intervention and Its Long-Term Effects," *Accounting Educators' Journal* XXV, 6459, 01-93 (with Marc Morris, Royce D. Burnett, and Chris Skousen).

## Md. Rafayet Alam

### Publications

➤ "Monetary Policy Shocks and the Dynamics of Agricultural Commodity Prices: Evidence from Structural and Factor-Augmented VAR Analyses," *Agricultural Economics*, Forthcoming. (With Scott Gilbert).

➤ "Economic Policy Uncertainty in the US: Does It Matter for Canada?" *Economics Bulletin*, vol.79, issue 4, pp. 2725-2732.

## Genevieve Alorbi

### Presentations

➤ "Production and Costs in the U.S. Apparel Industry" paper presented at the **Midwest Economic Association Annual Meeting**, Evanston IL (April 2016).

## Bizuayehu Bedane

### Presentations

➤ "Dynamics and Persistence in Rural Credit Markets: Panel Evidence from Ethiopia," paper presented at the **Missouri Valley Economic Association Annual Meeting**, Kansas City MO (October 2015).

## Lisa Breger

### Presentations

➤ "Spectrum Allocation in a Partially Linked Network Structure," paper presented at the **Midwest Valley Economic Association Annual Meeting**, Kansas City MO (October 2015).

### Publications

➤ "Poverty Effects and Student Achievement in Chicago Public Schools," *The American Economist*, Forthcoming.

## Md. Didarul Hasan

### Presentations

➤ "Natural Resources and Civil Conflicts: Policy Analysis under General Equilibrium," paper presented at the **10<sup>th</sup> Annual Economics Graduate Student Conference**, St. Louis MO (October 2015).

➤ "Natural Resources and Civil Conflicts: Policy Analysis under General Equilibrium," paper presented at the **Midwest Valley Economic Association Annual Meeting**, Kansas City MO (October 2015).

### Publications

➤ "A Two-Period Model of Natural Resources and Inter-Country Conflicts: Effects of Trade Sanctions," *The American Economist*, forthcoming.

## Erick Kitenge

### Presentations

➤ "On Cross-country Differences in the Contribution of Nontraded Goods to Real Exchange Rate Fluctuations," paper presented at the **Midwest Valley Economic Association Annual Meeting**, Kansas City MO (October 2015).

➤ "The Great Recession and Prive Convergence in the United States," paper presented at the **Midwest Valley Economic Association Annual Meeting**, Kansas City MO (October 2015).

➤ "An Octa-variate Structural Vector Auto Regressive analysis of Inflation Targeting Under the Dornbush-Mundell-Fleming Framework. The Case of South Africa," paper presented at the **Midwest Valley Economic Association Annual Meeting**, Kansas City MO (October 2015).

## Hio Loi

### Presentations

➤ "Digital Currency Risk," paper presented at the **Missouri Valley Economic Association Annual Meeting**, Kansas City MO (October 2015).

➤ "Determinants of the Bitcoin Price Movement: An ARDL Bounds Test Approach," paper presented at the **Midwest Economics Association Annual Meeting**, Evanston IL (April 2016).

## Dmitrii Pianov

➤ "Stability and Efficiency in Dynamic Spectrum Sharing Games: A Simulation Approach," paper presented at the **Midwest Economic Association Annual Meeting**, Evanston IL (April 2016).

## Mohammad Sediq Sameem

➤ "Urban-Rural Health Analysis: Evidence from U.S. County Data," paper presented at the **Missouri Valley Economic Association Annual Meeting**, Kansas City MO (October 2015).

➤ "Urban-Rural Health Analysis: Evidence from U.S. County Data," paper presented at the **Midwest Economics Association Annual Meeting**, Evanston IL (April 2016).

## Dambar Uprety

➤ "Skilled Migration and Remittances in a Model of Monopolistic Competition," paper presented at the **Midwest Economics Association Annual Meeting**, Evanston IL (April 2016).

## Vandever Chair Speaker Series, spring 2016

### Presentations take place in Faner 4125

#### March 4

Speaker: Professor Joonhyung Lee, University of Memphis

**Topic:** "An Empirical Investigation on the Transfer of Expatriates within MNCs from a Knowledge Perspective"

#### March 25

Speaker: Professor Rajeev Goel, Illinois State University

**Topic:** "Virtual Versus Physical Government Decentralization: Effects on Corruption and the Shadow Economy"

#### April 1

Speaker: Professor Subhash C. Sharma, Southern Illinois University Carbondale

**Topic:** "Estimation of Random Components and Prediction in One- and Two-Way Error Component Regression Models"

#### April 8

Speaker: Professor George Gayle, Washington University in St. Louis and Federal Reserve Bank of St. Louis

**Topic:** "What is the Source of the Intergenerational Correlation in Earnings?"

#### April 15

Speaker: Professor Marieke Kleemans, University of Illinois at Urbana-Champaign

**Topic:** "Migration Choice under Risk and Liquidity Constraints"