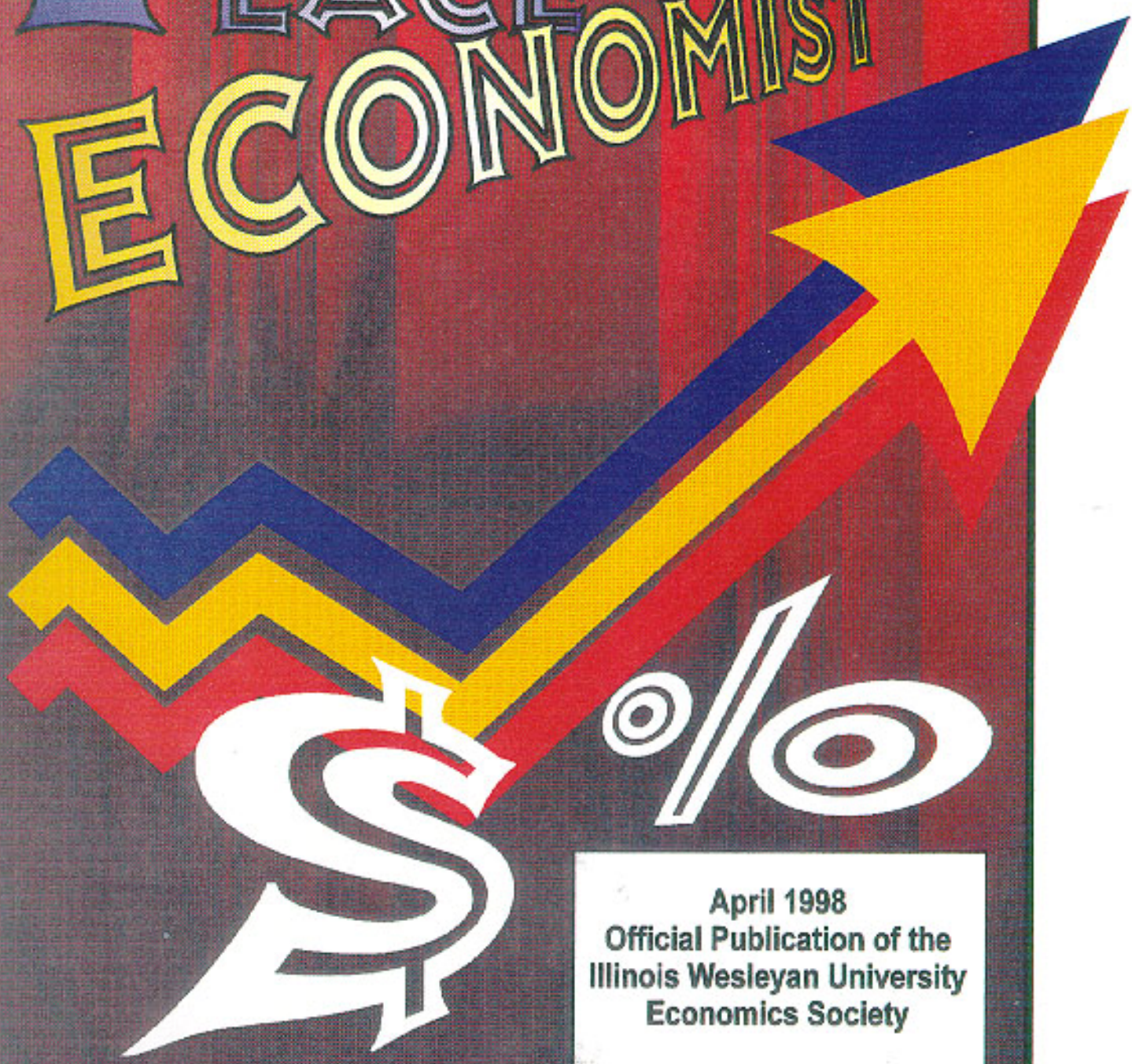


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ECONOMIST



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Letter from the Editor

Welcome to the 1998 edition of *The Park Place Economist*! This marks the sixth year that the journal has been in publication. It is a collaborative effort by students from several disciplines, produced by the Economics Department of Illinois Wesleyan University.

We are excited to be publishing the work of nine scholars in this edition. The globalization of world markets is reflected in this year's journal. This issue features papers focusing on the European Union, China, and Japan. With the European Union commencement date rapidly approaching, we have included three papers featuring the debates over this union. Patrick Holly, Jr. gives an overview of the development of the European Union. Tom Purl points out some of the problems that the member countries will face, while Sean Hantak discusses the benefits the united countries will receive. This issue also features two articles on domestic topics: education and the specialization of travel agencies.

It has been an exciting year for *The Park Place Economist*--it has undergone several changes, yet maintained the academic quality of past journals. We have welcomed staff members not only from the Economics Department but also from the English, International Business, and Political Science Departments. These students have dedicated countless hours to producing a journal that I am very proud of; I wish I had room in this letter to thank each of them individually. I would especially like to thank Pat Holly, my Technical Editor, for his contagious enthusiasm and dedication. I would also like to thank Kate Dougherty for her grammatical wisdom and for going above and beyond the call of duty of an Assistant Editor. These two, along with the rest of the staff, have made this journal possible.

Finally, I would like to thank Robert Aaron for his help with the journal over the years. Without his direction and support, this journal would never have existed. Bob has recently taken on a similar position at the University of Puget Sound. On behalf of *The Park Place Economist*, I wish him the best of luck with his new position.

That being said, I invite you to sit back and enjoy this year's edition of *The Park Place Economist*.

Jennifer Van Dyke, Editor-in-Chief

General Information:

Submissions to *The Park Place Economist* are always welcome. Students interested in assisting in future editions of the journal are also welcome. Those interested in submitting papers or becoming part of the editorial staff, and those with any comments or questions regarding *The Park Place Economist* should call (309) 556-3178 for more information. Written queries and responses can be addressed to bleekley@titan.iwu.edu through e-mail, or to:

The Park Place Economist

Attention: Dr. Robert Leekley
301 E. Beecher Street
Bloomington, IL 61701

Reflections on the Economics Program

Dr. Margaret L. Chapman, Chair

The Program and Faculty:

This year marks our first in the “Economics Suite” on the third floor of the newly renovated Center for the Liberal Arts. Students and faculty alike are enjoying our spacious new quarters, which include a departmental research lab and study lounge for students. Park Place editors especially are enjoying their very own computer and a refrigerator with plenty of Mountain Dew as they finalize the 1998 edition of *The Park Place Economist*.

To fill the new faculty offices, the Economics Department will expand to include five tenure line faculty members, beginning in the fall semester, 1998, when Macro economist Carolyn Stumph joins us from Lehigh University. Carolyn is already renowned among both faculty and students for pulling a Big Mac out of her briefcase, transported all the way from Allentown, Pennsylvania, to illustrate Purchasing Power Parity during her candidate’s presentation. If that lecture was typical, we’re expecting lots of excitement in Carolyn’s classes next year.

For those of you who haven’t found it yet, the promised Economics Department Homepage is on-line. In addition to the usual departmental scheduling and other information, you’ll be especially interested in our alumni/ae page, where we are attempting to keep an updated record of alumni, together with their e-mail/Website addresses. Those of you who are not yet on the alumni page, and who would like to be included, please send your e-mail address and a brief description of what you’re doing now to the webmaster’s e-mail address and we’ll be happy to include you. Our majors and prospective majors find it fascinating to read about what you are doing with your undergraduate degrees in Economics. As I’ve told you before, you are our best advertisement for our quality program here at Illinois Wesleyan. You can access the Website either through the University home page: www.iwu.edu or directly at: <http://titan.iwu.edu/~econ/>

At the end of this semester I will resign as chair and the revolving position will move to Bob Leekley. Then in the spring semester next year, I will be taking a sabbatical leave. I plan on continuing my study of state and sub-state governments’ roles in creating and maintaining a stable economic base for their communities. Though it’s too early to say if it’s another book, I’m quite interested in researching how political decision making has responded to major shocks to communities’ economies. To help out the department in my absence, Professor Virginia Owen will join us to teach Money and Banking. One of our alums, Eric Kirchner, will also be teaching Statistics for us in both the fall and spring semesters.

Economics Majors and their Activities

This year the job market again has been very strong. Our economics majors looking for work immediately after graduation have received excellent offers from top firms, and econ majors continuing their graduate study also have several acceptances from which to choose. You’ll find a more extensive discussion of graduating seniors’ immediate plans in this issue.

The Economics Department once again is well represented among those seniors applying for research honors, with two of our students—Katie Hundman and Ashwin Kapur—working on projects. Jenny Van

Dyke will be initiated in the national scholastic honorary, Phi Kappa Phi, to join current econ student members, Katie Hundman and Jaynanne Calaway. We are also initiating twelve new members into our Economics Honorary, *Omicron Delta Epsilon*, on April 8. We are looking forward to our guest speaker's presentation. Professor Susan Collins, Senior Fellow at the Brookings Institution, will present a lecture titled, "International Integration and the U.S. Economy: Premises, Problems and Promise." Congratulations to all of you for your achievements.

There have been many other departmental activities this year. In the fall semester, the Economics Society sponsored a trip to a conference on the global economy at University of Illinois-Springfield, where the featured speaker was Nobel Laureate James Tobin. Students also took a field trip to Western Illinois University for a student conference, featuring one of our own seniors, Ashwin Kapur, at the student presentation session.

The Economics Society once again organized a marvelous group of outside speakers this year, including David Vance, Chief Economist at Caterpillar, Stan Ommen, Director of State Farm's Mutual Savings Bank, Rob Fazzini, former Econ major and President of Busey Bank, Tom Smith, former Econ major and Ph.D. candidate at University of Illinois-Chicago, Jeff Blend, former Econ Major and Ph.D. candidate at Michigan State, and Gary Klopfenstein, alum and President of G.K. Capital, Inc. The Department owes special thanks to all of these individuals who have donated their time to make economics real to our students. Thanks to Econ Society Officers Amy Lindahl, Steve Krull and Jackie Hood, and a special thanks to Secretary Nate Taulbee for keeping everyone informed of Econ Society activities throughout the year.

You'll notice from the cover and throughout this year's *Park Place Economist* many changes and innovations. An editorial staff headed by Editor-in-Chief Jenny Van Dyke and Technical Editor Patrick Holly created this sixth volume. Others who have made substantial contributions are Katie Hundman, Julie Waryjas, Tom Purl, Nathan Taulbee, Steve Krull, Justin Etnyre, Kristopher Kaneta, Bill Schaub, Pritam Banerjee, Tim Mealiff, Jackie Hood, Kate Dougherty, and Chad Guimond. *Kudos* to all of you for a great job!

And one journalistic endeavor is not enough for our students. Sponsored by Professor Mike Seeborg, IWU economics students are collaborating with ISU Econ students to produce an on-line journal, *The University Avenue Journal of Undergraduate Research*, or the *UAUJE*, for short. With the able assistance of Justin Etnyre and Andrew Beath, the *UAUJE* has solicited manuscripts from some of the best undergraduate programs in the country, including Harvard, Princeton, and Berkeley. To show how discriminating the new journal plans to be, the article from Berkeley was rejected because it did not meet student editors' standards. This project was made possible by a \$12,000 grant to IWU to fund the project and a \$1,500 grant to ISU for best paper awards. The Department owes a special thanks to Mike Seeborg for his part in writing the grant and for the new computer in the student research lab, purchased with funds from the Kazanjian grant. We're looking forward to seeing the *UAJE* on line at http://www.econ.ilstu.edu/Econ_Web_Pages/EconJournal/Splash.html.

On behalf of the entire faculty in the Department, we wish you well in your pursuit of higher endeavors, seniors. Alumni/ae, we look forward to hearing about you through our handy Webmaster e-mail address or by letter. And to all of you returning students, thanks for your many contributions. We look forward to working with you again next year.