

Has it Been Ten Years Already?

George Coontz and
Alexis Manning

Although each edition of the Park Place Economist represents a unique, valuable publication, this particular edition possesses a special significance. This edition is the 10th volume of the Park Place Economist, one of the few undergraduate economics journals in the nation. The journal has greatly developed over the past decade, and we would like to celebrate the 10th anniversary of the journal by exploring the origins of the *Park Place Economist*.

The idea for an undergraduate economics journal developed over a cup of coffee in the Dugout shared between various faculty members, including Professors Michael Seeborg, Margaret Chapman, and Robert Leekley, and Robert Aaron, Director of University Communications. The economics department felt that an academic economics journal would greatly benefit the student body and Illinois Wesleyan University alumni. The original goal of the journal was to develop critical thinking skills, encourage academic research, promote leadership abilities, and establish and maintain alumni connections within the economic department.

Although the original concept for the *Park Place Economist* originated from faculty, excited, motivated economics students quickly developed enthusiasm and passion for the project. These students transformed a great idea into a reality. This special group of students formed the original staff for the journal, and these individuals created a strong foundation for future economists of Illinois Wesleyan University. The founding staff included: Bruce T. Bennett as editor in chief, Christine Pol (Pinne) as managing editor, Risa Kumazawa as alumni editor, and Ossi Saarinen as technical editor. The advisory board consisted of a few key faculty members, including: Dr. Michael Seeborg as faculty advisor, Mr. Robert Aaron, and Barb Kube, Mercy Lukose, and John Goodnow as students advisors.

According to both the founding staff and faculty, the formation of the Park Place Economist was a challenging yet highly rewarding process. Although the editorial staff possessed considerable academic ability and knowledge, they lacked

experience in terms of the publication process. According to Risa Kumazawa, “None of us knew how to put a journal together.” However, the staff remained determined and learned from a combination of trial and error as well as the journalistic experience of Mr. Robert Aaron. The actual publication process of the journal imparted students with a greater appreciation for the hidden editorial process and created a strong bond among the staff.

Although the first edition of the journal emerged as a very professional, sophisticated publication, the staff lacked many of the basic technological tools that students now take for granted. The staff only possessed a single computer, located in Shaw. Due to the relatively undeveloped state of computer technology a decade ago, the staff relied predominantly upon Word Perfect. Fortunately, the technical editor, Ossi Saarinen, put forth a tremendous amount of effort and late nights and endured many frustrating hours of converting and formatting the journal. The entire staff united in a joint effort to overcome various technical difficulties, though inevitably students had to retype and scan some papers into the journal. The strong team dynamic of the founding staff greatly contributed to the journal’s success. Clearly, the staff faced considerable obstacles, though their determination and desire surmounted these impediments.

While the first edition of the journal was undoubtedly a milestone for Illinois Wesleyan University, the journal has progressed considerably during the last decade. The four fundamental goals of the journal, which include; improving analytical skills, promoting scholarly research, developing leadership, and expanding alumni relations, were more than achieved. The publication process of the journal is now a much smoother, efficient process, thanks to improved technology and methodology. Student leadership, teamwork, and cooperation have flourished. Consequently, faculty involvement has diminished as students become increasingly self-sufficient and innovative. Current students owe a lot of their success to the trials and tribulations of the founding staff. The founding staff formed a strong tradition within the Illinois Wesleyan University economics community by stimulating academic interests. Currently, the *Park Place Economist* receives an increasing number of paper submissions.

Although the *Park Place Economist* has transformed considerably in the last decade, the pride

the publication remains a paramount characteristic. Both the founding staff and faculty recall the tremendous gratification of holding the first journal issue hot off the press. The staff continues to take pride in the journal each year. Considering student enthusiasm, pride, satisfaction, and desire, the *Park Place Economist* will continue to be an integral component of the Economics department and Illinois Wesleyan University.

Alumni Notes

Brendan Slade-Smith

Pritam Banerjee, '01

Pritam is currently pursuing a masters in economics and diplomacy at Jawaharlal Nehru University, New Delhi, at the Center for Studies in Diplomacy, International Law and Economics (CSDILE). Pritam is on track to graduate in May 2003. Pritam would like to ask if America could please get out of recession so the 3rd worlders can sell them stuff they don't need so they can finally get out of recession. Pritam has some advice for all economics majors that are planning on attending grad school; "Pay good attention to Dr. Leekley's econometrics class and try and do a research project."

Lisa Birr, '01

Lisa is a Pricing Analyst for Caterpillar Inc. in Peoria, Illinois. She develops formulas and strategies that she uses to determine how Caterpillar prices the parts that go on Cat machines.

Julie Dusek, '01

Julie is currently working at Andersen in the International Tax Department. She hopes things are going well with the *Park Place Economist* this year. After working on it for the past three years, she can't wait to see this year's edition.

Justin Etnyre, '99

Justin is currently working as a Business Information Analyst in the Marketing department of the Consumer Lending Division of Household International. His job involves data management using SAS, OLAP cubes

and other technology to provide services for the Marketing users. Justin started at Household in October 2001.

Patrick Holly, '99

Patrick is currently a Quality Assurance Manager at Hewitt Associates in Lincolnshire, Illinois. Hewitt Associates is the largest Human Resources Consulting and Technology firm in the United States. He currently lives in Bloomingdale, IL with his wife, Theresa (also an IWU alum). In terms of advice, Patrick wants all economics majors to learn the concept of opportunity costs (and any related aspects) well. He says students will be amazed by how far that kind of knowledge can take them in 'the real world'. The most analytical and reliable people he works with were either economics majors or minors who apply those concepts to their work successfully.

Kristopher H. Kaneta, '00

Kristopher is currently the Manager for Wells Fargo Financial in Palatine, IL. He advises everyone to pick up research Honors in economics. His economics research helped him become more resourceful and thorough in his research and day to day analytical activities.

Esteban Lizano, '01

Esteban is currently working for Merrill Lynch/Howard Johnson doing pension plan management and consulting. He passed course 1 of the Society of Actuaries Exam last November and will be pursuing the actuarial route alongside pension consulting for Merrill Lynch. His advice: remain flexible, experiences are what you make of them and everything can be of use in the future. Remember to enjoy the journey.

Bryan C. McCannon, '98

Bryan is currently in his fourth year working toward a Ph.D. in Economics at Penn State University researching product quality choices by firms and labor raiding.

Guerric Russell, '97

Guerric is a maritime attorney at a mid-sized law firm located in downtown Manhattan, four blocks from the World Trade Center. He is admitted to practice in both New York and New Jersey State and federal district courts. Guerric's experiences on September

11 were memorable. He wrote an article for the winter edition of the Illinois Wesleyan Magazine depicting an eyewitness' account of the day's events. If he learned one thing since then, it's to enjoy everyday, including your job, which as a lawyer ends up being a significant part of your day, and make the best of what you have...you never know what's going to happen tomorrow. If any current students or alumni are interested in law school, the field of maritime law, or moving to New York he welcomes their emails.

Jennifer Van Dyke, '99

Jennifer is working for Andersen as a Healthcare Consultant. Her focus in healthcare is in revenue management. For the first time since she started with the firm two and a half years ago, she is living and working in the same city - Chicago.

The Class of 2002

Jamie Davenport

Greg Adamo is an economics and political science double major from Palos Park, IL. He will attend law school following graduation.

Timofey Checkhoyev, from Moscow, Russia, is an economics and managerial accounting double major. He will attend graduate school, specializing in international taxation, before taking the CPA exam. Following graduation, he will spend the summer traveling in Russia, France, and Italy.

Amy Cline is an economics major with minors in environmental studies and French. After graduation she will be attending law school, specializing in environmental law. Her senior project was titled "The Effect of Prices on Oil Demand in the Transportation and Residential Sectors."

Megan DeSerf is an economics and business double major from Dalzell, IL. Megan is currently looking for a marketing/sales job on the East Coast.

Marty Gardner is an economics and Spanish double major from Des Plaines, IL. He will be working at MB Financial Bank after graduation as a branch

manager trainee. His senior project tried to predict the stock market.

Andrew Giordano is an economics and business administration double major from Willow Springs, IL. After graduation he plans to work for Chubb Insurance as a Property, Machine, and Marine Underwriter. His most memorable movie night at Dr. Seeborg's house.

Katie Hampson, from Gurnee, IL, is an economics major with a minor in business administration. She will be working for Household International in Prospect Heights, IL as a Credit Risk Analyst. Her research honors project measured demand curves for marijuana, cocaine, and heroin to see if there are different patterns of demand between them. She will most remember the long hours she spent on her Econometrics final and beating the Accounting Society at bowling-twice!

Dale Hauser, from Plainsfield, IL, is an economics and international studies double major with a minor in psychology. His future plans include teaching English in Japan for a few years, getting married, and going to law school.

Katia Hristova is an economics and computer science double major from Bulgaria. She will attend SUNY Stony Brook in the fall to pursue a Ph.D. in computer science.

David Janashvili is an economics major from Russia. He is currently looking for a job and applying to business schools.

Mihir Khilnani is an economics and public accounting double major from Bombay, India. After graduation, Mihir will be working for PricewaterhouseCoopers in their Assurance and Business Advisory Services division. He plans to get his CPA and maybe attend law school further down the road.

Sam Kwainoe, from Accra, Ghana, is an economics major and business minor. Sam is currently living in the Chicago area working as a financial analyst at Siemens Building Technologies.

Justin Leverton is an economics and public accounting double major from Bloomington, IL. His

plans after graduation include going to law school with a concentration in merger and acquisitional law and eventually starting a mutual fund.

Anisha Madan, from Bombay, India, is an economics and managerial accounting double major. Her most memorable econ moment is dinner and a movie at Dr. Seeborg's house with the Economics Society. Anisha plans to spend the summer travelling abroad and then hopes to go to an Economics graduate school.

Mindy Mannlein, from Decatur, IL, is an economics major with a political science and Spanish double minor. Her senior project was titled, "The Effects of Malpractice on Medical Specialties." Mindy will be attending law school in Washington, DC specializing in international law and hopes to get a puppy. Her most memorable econ moment is "sitting with Amy Cline in our designated corner of the classroom, talking and laughing." Her advice to underclassmen is to try to work out an easy second semester senior year since it will be the last chance to be lazy.

Kathy-Ann Moe is from Tunapuna, Trinidad and Tobago. She is an economics and international business double major. After graduation, Kathy-Ann plans to move either to Madison, WI or Atlanta, GA.

Alison Oliver, from Lake Forest, IL, is an economics major and history minor. Her senior project analyzed the determinants of crime in the United States. Alison will attend law school specializing in civil litigation or corporate law and will be married in August. Her favorite econ moment was bowling a 166 against the Accounting Society.

Jeremy Sandford is an economics and Spanish double major from Elk Grove Village, IL. He will be studying towards a Ph.D. in economics at The University of Wisconsin - Madison next year. His senior project studied English language proficiency and the earnings of Mexican immigrants. Jeremy's most memorable moments include "visiting the Robert Taylor Homes with Dr. Seeborg, those bizarrely charming John Kenneth Galbraith videos Dr. Chapman showed us, and learning how to calculate the value of my own life with Dr. Stumph."

Clay Scott is an economics major from Gurnee, IL. His most memorable moments include the presentations given by James Yonker and making Mindy laugh during his presentations. Following graduation, Clay hopes to join the Peace Corps.

Debbie Slezak, from Orland Park, IL, is an economics and Spanish double major and business administration minor. Her future plans include working in a leadership development program at SBC/Ameritech and later pursuing an MBA. Her senior project analyzed mobile phone usage in Spain and the United States. Her most memorable economics moments include Dr. Seeborg's Tai-Chi demonstration, the Economics Society victorious bowling challenge against the Accounting Society, and the conference trip to D.C.

James Yonker is an economics major with a minor in philosophy from Naperville, IL. After graduation, James will be moving to Naperville with his wife Lindsay and son Jakob. He will be a financial advisor with Waddell & Reed.

A Day in the Life of a Federal Reserve Economist

Sarah Williams

Dr. James Moser, an economist at the Chicago Federal Reserve, came to campus in December to give a presentation to Economics students. Dr. Moser received his Ph.D. from Ohio State and started his career at the Federal Reserve in 1989.

His presentation, entitled "A Day in the Life of a Federal Reserve Economist," began by telling us about the history and structure of the Federal Reserve. There are three areas to the Economic Research department at the Chicago Fed; Macro, Regional Economy, and Bank Regulations. The Macro area studies the interest rate and releases that information every six weeks. The Regional Economy area focuses on economic issues most important to the individual district. The Bank Regulations area examines district member banks to make sure they are complying with regulations.

The Federal Reserve System started in 1913 and consists of twelve districts. Initially, its role was rather limited. The Federal Reserve purchases the loans and securities of commercial banks which deters the chance of deposit runs. After the Great Depression, the role of the Federal Reserve increased substantially to include monetary policy.

Dr. Moser works in the Bank Regulation area. He is concerned with bank safety, or capital adequacy standards. There is also the payments system division, which is the largest division. It processes checks by the Fed, runs payment systems for banks, and operates the securities wire, which moves treasury securities from one account to another.

The macroeconomic model used by the Federal Reserve, according to Dr. Moser, is an “aggregate model which divides all goods of the economy into four composite categories: labor services, commodities, bonds, and money.” Effective Macro policy must relate the four sections to each other, a difficult balancing task. Dr. Moser’s personal job is to “make rules that bankers will accept, that are consistent with their incentives.”

The main macro goal of the Federal Reserve is stable growth, which is growth without the high risk of inflation. The Fed’s tools consist of the money supply and interest rates. The measurements of success are employment levels and the inflation rate.

For example, on November 6th, 2001 the Federal Reserve lowered the Federal Funds rate from 2% to 1.5% because of the uncertainty in the economy and the possibility of recession. The lower interest rate made saving money less attractive to consumers and businesses. It also lowered the cost of borrowing money, making business investment more attractive. Profits and employment were increased as a result of these policy actions.

Dr. Moser said that the Fed needs help! To be an associate economist, you must have a four-year degree. Associate economists are research assistants. There are also paid internships available for thirty to forty students. Go to www.chicagofed.org for more information.

A Prestigious Opportunity

Jamie Davenport

This spring, five economics students have the opportunity to present their research honors projects at two prestigious conferences. The 66th Annual Midwest Economics Association (MEA) Conference will be held in Chicago and includes presentations by hundreds of economists. This year, the conference will also include four sessions of undergraduate presenters. Of the twelve undergraduate presenters, four are from IWU. Jeremy Sandford, Katia Hristova, David Janashvili, and Debbie Slezak will present their research honors projects alongside students from other top midwest schools. According to Dr. Seeborg, undergraduate research conferences are a relatively new idea and offer a great opportunity for students to experience research economics in a professional setting. The conferences also provide great visibility and recognition for IWU and the Economics Department. The Economics Department is one of the few departments at the university to allow students the opportunity to present their original research in a professional setting.

IWU students will also present at the 2002 Carroll Round at Georgetown University in Washington, D.C. Sandford, Hristova, Slezak, and Anisha Madan will travel to D.C. on an all-expense paid trip and participate in the conference with students from the nation’s most selective colleges and universities. The conference, sponsored by the Sallie Mae Fund, focuses on international economic research and policy and allows opportunities for undergraduates that are otherwise difficult to attain. It is the hope of the conference’s founders that the “conference and the exchange it fosters will embolden students to continue pursuing innovative ideas and rewarding careers in international economics.”

The students were chosen for the conferences by sending in an abstract, application, and personal statement. Their research design, general interest in economics studies, and academic records were all taken into account.

Besides presenting, the students will also have “the chance to view policy-making and policy-makers in action and interact with distinguished members of the economics community.” The weekend also

includes a tour of the Federal Reserve and a meeting with Vice Chairman Roger W. Ferguson, Jr.

Jeremy Sandford will be presenting his paper, included in this edition of the *Park Place Economist*, on how English proficiency affects earnings of Mexican immigrants. He finds that for immigrants speaking very little English, the level of education and job experience does not affect earnings. Alternatively, immigrants speaking English very well experience returns to their education and job experiences very similar to English-speaking natives. In addition to his research honors project, Jeremy is co-authoring a paper with Dr. Seeborg that was presented by Dr. Seeborg at the Missouri Valley Association Conference in Memphis, Tennessee.

Debbie Slezak is presenting her comparative analysis of mobile phone usage in the United States and Spain at both conferences. She discovers that the difference in mobile penetration (number of mobile subscribers per one hundred inhabitants) can be attributed to a difference in the pricing structures that results in a shift in demand instead of a movement along the demand curve. Debbie is most looking forward to “incorporating the ideas I receive from the discussion into my final draft.”

Katia Hristova will present at the MEA and Georgetown conferences. Her research analyzes voucher privatization in the Czech Republic and its involvement in the transition from a centrally-planned to a free market economy. Her conclusions question rapid transitions and the role of international institutions, specifically the IMF. Katia is looking forward to the conferences because she’s interested in the issues her paper brings about. She also enjoys talking about her research with other economists and hearing the research of fellow students.

Anisha Madan will be presenting her cross-country analysis on the relationship between economic freedom and socioeconomic development at the Georgetown Conference. She examines human development indicators, such as life expectancy, education, and income inequality to determine where the development occurred. She finds a significant positive relationship between economic freedom and development. Anisha feels honored to have the opportunity to present her research at this prestigious economic event and that IWU was invited to participate with the other, largely Ivy League, schools.

David Janashvili is attending the MEA Conference and will present his project investigating

the relationship between industrial concentration and technology. He is trying to show that technology influences market concentration among different manufacturing industries and this effect varies depending on several industrial specificity factors, including industry size variability, growth and growth trend, and advertising levels. David chose to apply for the conference because of the honor associated with presenting at MEA and for an opportunity to gain new insight in how his own research can be improved.

These students have a unique opportunity to present their own research and to meet and interact with economists and fellow economics students from around the country. They each feel privileged to represent IWU at these prestigious conferences.