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Letter From The Editor

Welcome to the 2001-2002 edition of *The Park Place Economist*. We are especially proud to present this volume because this year marks the tenth year of this incredible undergraduate economics journal. Alexis Manning and George Coontz studied the beginnings of the journal and present the history of how the journal was started in their article “Has it Been Ten Years Already?”

We received a number of quality research papers this year and we are excited to feature ten of those papers in this issue. The works cover a wide variety of topics relating to the field of Economics. Our first paper, written by Megan De Serf, uses labor theory to predict the effects of familial and social variables on the educational attainment of children. Next, Nicole Skalski presents a study on contingent workers and the wage gap they face in the labor market. The next two papers focus on legal issues. Alison Oliver’s paper looks at the determinants of crime rates in America. Mindy Mannlein looks at how the risk of facing malpractice suits affects what specialties physicians choose to enter. Justin Leverton’s paper explains the causes of stock market bubbles. Amy Cline studies how the prices of oil in the transportation and residential sectors affect demand in those sectors. Our next two papers study immigration in America. Jeremy Sandford looks at how English language proficiency affects wages of Mexican immigrants. Sam Kwainoe’s paper studies the impact of unskilled immigrants in America. Our last two papers both have an international focus. Alexis Manning’s paper develops a cost/benefit analysis of the Kyoto Protocol. Finally, Anisha Madan studies how economic freedom affects the socioeconomic development of various nations.

I want to thank all of the staff members who worked hard to help produce this year’s journal. We had a very large staff so it is impossible to thank everyone individually. I do want to extend a special thank you to Jeremy Sandford, who spent countless hours putting this journal together. Also, I want to thank Kory Blumer for his help throughout the year and wish him the best of luck as next year’s Editor-in-Chief.

Thanks to the Economics Department for their help and support throughout the year. We would not be able to produce such a high quality journal without their support. Also, thank you to Gary Schwartz in Printing Services for his help with the divider pages and the printing of the journal. Finally, I want to thank past Editors for working so hard to create such an amazing journal and for setting the standard for what we produce today. Without the dedication of those early staff members, *The Park Place Economist* would not be what it is today.

I invite you to sit back, relax, and enjoy this tenth edition of *The Park Place Economist*.

Katie Hampson
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 questions or comments regarding *The Park Place Economist* should call Robert Leekley at (309) 556-3178 for more information. Written queries and responses can be addressed to bleekley@iwu.edu through email, or to:

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Reflections on the Economics Program

Faculty

Since the time that Bob Leekley wrote last year, the world has seen a lot of change. September 11 has made us more aware of the uncertainties that we face, and this year's graduates are facing more competition in the job market and for entry into graduate programs than we have seen in years. However, the economics program remains stable and our students continue to impress us with their accomplishments.

There have been no changes in our faculty over the past year. The addition of Diego Carbajo-Mendez in fall 2000 and Ilaria Ossella-Durbal in fall 1999 gave us two very competent and high energy youthful colleagues who provide significant expertise in macroeconomics and international economics respectively. Diego and Ilaria bring an interesting international diversity to the faculty. Diego, who hails from Spain, earned his Ph.D. from Florida International University. He is very knowledgeable of recent developments in the European Union, including the introduction of the Euro. Ilaria, who received her Ph.D. from Cornell, has parents who were U.N. diplomats. As a child, she lived in many Asian and African countries and learned much from her Italian father and Sri Lankan mother.

The only administrative change in the department is that Bob Leekley has finished his three year term as Chair. As his successor, I am extremely grateful for the excellent job that Bob has done as Chair. Under his leadership, there was an increase in the number of majors and an expansion of our faculty from four regular faculty members to five. Bob continues to serve the university as a faculty leader as chair of the University Academic Standards Committee. Margaret Chapman has also been a busy campus leader. She is currently serving on an important university committee that is working on reaccreditation of the university. This major responsibility comes only a short time after she chaired the university's Tenure and Advancement committee.

Eric Kirchner, who has very capably taught Introduction to Economics (ECON 100) and Statistics for Business and Economics (BUS 227) as an instructor for several years will be moving on after this year, most likely for employment in the private sector. We all thank Eric for his excellent service to the department. Many of our majors and minors will remember Eric as the person that "turned them on" to economics and persuaded them to take more courses. Eric, by the way, graduated from Illinois Wesleyan University a few years back with a double major in economics and political science. Eric has been a great student and a great colleague. We wish him well.

Student

We are proud of the accomplishments of our economics majors and minors. They have excelled in the classroom, received awards and recognition for their scholarship, presented papers at professional meetings, and have engaged in meaningful extra-curricular activities.

We are about to initiate a new group of 16 students into the economics honorary (Omicron Delta Epsilon), and others have gained recognition by being initiated into the national honoraries of Phi Kappa Phi and Phi Beta Kappa. Economics majors have traditionally been listed among the top students in the university, and that tradition continues this year.

State Farm Insurance Company has recently selected junior economics major, Kory Blumer, and senior economics minor, J. Wesley Dyke, in a national competition to receive the State Farm's Outstanding Student Award. Kory will assume the duties of Editor-in-Chief for next year's *Park Place Economist* and Wes has accepted a position with Caterpillar Corporation in accounting.

An unusually large number of economics students are working with their faculty committees toward research honors this year. The nine students are: Megan DeSerf, Katie Hampson, Katia Hristova, David Janashvilli, Justin Levertson, Anisha Madan, Mindy Manlein, Jeremy Sandford, and Debbie Slezak. In recent years our department has led the university in numbers of successful research honors projects and this year is no exception. To qualify for research honors, a student must have at least a 3.5 GPA in the major and a 3.2 GPA overall and, of course, successfully defend the project before the faculty committee. We are proud of the outstanding record of our students in producing research honors projects.

This year's seniors have been more active in making professional presentations than any group in the past. We believe that preparing for and making professional presentations helps to promote good research, develops presentation skills and enhances the reputation of our program. Katia Hristova made a presentation on the pirating

of intellectual capital in Eastern Europe to a large audience at the Economics Conference at Western Illinois University last fall. Then, in March, four students (Katia Hristova, David Janashvilli, Jeremy Sandford, and Debbie Slezak) presented their research honors projects at the Midwest Economics Association Annual Meetings in Chicago at the Westin Hotel. It is quite an experience for undergraduates to present at meetings like these, since the vast majority of the conference participants are PhD economists from universities. There were a total of only twelve undergraduate presenters at the meetings, so we are pleased that one-third of them were IWU students. Every one of our students did a great job and received very favorable reviews from the faculty discussants from other universities.

Also, four seniors (Katia Hristova, Anisha Madan, Jeremy Sandford, Debbie Slezak) were asked to present papers at the prestigious Carroll Round Conference at Georgetown University, an undergraduate conference that focuses on contemporary international economic research and policy. These four students join about 34 others from the most selective universities in the country, including Columbia, Harvard, Stanford, MIT, Swarthmore, and Oberlin. Travel expenses and lodging were paid by the conference sponsors. Participants will have the opportunity to interact with well-known economic policy makers, including a meeting with Fed Vice Chairman Roger W. Ferguson after a tour of the Federal Reserve Building.

The Economics Society has had an excellent year. I am very impressed with the leadership shown by Debbie Slezak (President), Katie Hampson (Secretary), Wes Dyke (Treasurer) and several other students who are serving in special positions. Even the Executive Board meetings seem to draw a good crowd. The Society has sponsored speakers, held brown bag seminars on various topics, and sponsored social events. An event that I especially enjoyed was the thrashing that the Economics Society inflicted on the Accounting Society in the annual bowling contest. Fences have been mended, though, and the Economics Society will soon join the Accounting Society for a bus trip to visit the Board of Trade and Wrigley Field for a Cubs vs. Reds baseball game. The Economics Society has also promoted the economics program through a series of Power Point presentations to ECON 100 classes.

Katie Hampson, Editor-in-Chief, and the other student editors of the *Park Place Economist* have done a great job. Rather than going into details, I'll let this issue speak for itself. But, I would like to indicate how important this unique publication is to our program. *The Park Place Economist* promotes good research, gives editors a chance to further develop critical thinking skills and provides opportunities to develop leadership and teamwork skills. Congratulations on a great issue!

Our collaboration with ISU to produce the on-line *University Avenue Undergraduate Journal of Economics* continues. This journal publishes undergraduate research from around the world. It is supported, in part, from grants from the Kazanjion Fund. In the last issue Yuet Wen Wen (class of '01) published her research honors project in the journal and received the "Best Paper" award (\$750) as judged by economics professors at a neutral university. Other papers in this issue are from top quality universities, including Princeton, MIT, Harvard, and Stanford. Yuet Wen is now working as an Associate Consultant in Rewards & Performance Management for Towers Perrin in Atlanta.

We will miss the graduating seniors. Of the twenty seniors, five will enter law school and three others will start the journey toward a Ph.D. in economics. Others plan on pursuing an MBA degree after getting some work experience, and still others are starting exciting professional careers. It is an impressive group and we wish them well.

Please visit our departmental web site that is so ably managed by Bob Leekley and senior Jeremy Sandford. The address is titan.iwu.edu/~econ. This is a good way to keep up on what is going on in the department. We also try to make notes on what alumni are up to. We encourage you to stay in touch and look forward to another great year at IWU.

Michael C. Seeborg, Chair