

The Park Place Economist

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The Park Place Economist

Illinois Wesleyan University
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Letter From The Editor

Welcome to the 2002-2003 edition of *The Park Place Economist*. This year's journal is filled with current news and stories from the Economics department as well as research articles written by upperclassmen majoring in economics.

We received a variety of quality research papers this year and we are excited to feature seven of those papers in this issue. Patrick Spangler is the author of the first published article, which uses Cobweb theory to analyze the market for new lawyers. Next, junior Alexis Manning takes an in-depth look at the collapse of the Argentine economy, with an emphasis on their fixed exchange rate. Matthew Melick follows with research concerning the relationship between crime and unemployment. Desislava Hristova's research article is entitled "Gender Gap of Immigrant Groups in the United States", which is immediately followed by Jamie Davenport's look into the relationship between the affordability of housing and demand and supply factors. Our sixth article is authored by Juliana Giraldo and researches the global evidence of growth and income inequality. Finally, Kristin Smevold compares horse race betting and the Stock Market!

I would first like to thank 2002 graduate and last year's Editor-in-Chief Katie Hampson for all of her guidance in putting together this year's journal. She really made it easy for me! Also, I would like to thank Dr. Leekley for serving as a very helpful and informative advisor. My last two personal thank you's go to Alexis Manning—good luck next year—and to Nimish Adhia, who worked long hours as Technical Editor. Finally, thank you to all the other staff members and authors. You are the ones really responsible for *The Park Place Economist*.

Please enjoy this eleventh edition of *The Park Place Economist*.

Kory Blumer
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:

The Park Place Economist
Attention: Dr. Robert Leekley
205 E. Beecher Street
Bloomington IL 61701

Reflections on the Economics Program

Faculty

The economics program here at Illinois Wesleyan University remains strong. There have been no changes in the tenure-line faculty since Mike Seeborg wrote last year. Mike himself is on sabbatical this spring; hence my reappearance here as acting chair. Mike is using his sabbatical for professional development in some new econometric techniques, as well as for a research project in economic education, exploring the role of capstone experiences at liberal arts colleges around the country. Margaret Chapman continues to teach her usual, wide array of courses. And she no doubt looks forward to a well-deserved break from the long hours she has spent in the last year, working on the university's successful re-accreditation effort.

Our younger colleagues, Ilaria Ossella-Durbal and Diego Méndez-Carbajo, now in their fourth and third years, respectively, continue their scholarly work. Ilaria had an article appear in the *Japanese Economic Review*; Diego is presenting his research at several professional conferences. Both are also becoming quite active on campus, especially in the international studies program.

We did have a change in visiting faculty. Eric Kirchner, '93, who so ably taught Introduction to Economics (Econ 100) and Statistics (Econ 227) for us, has moved on. Fortunately, Risa Kumazawa, '94, was just finishing her Ph.D. at the University of Texas at Austin, and was available. Some of you may recall that Risa was one of the editors of the very first *Park Place Economist*, and Editor-in-Chief of the second. Risa earned her masters from Illinois State University before heading to Texas for her Ph.D. See the article by Mahi Garg for more. It has been great having Risa back this year.

Finally, with Mike on sabbatical, Alan Cring has also been helping us out in Introduction to Economics. Alan is an excellent teacher with broad experience, not only in economics, but in English, mathematics and finance as well. We are grateful for his help this year.

Students

Fifteen senior majors are poised to graduate in just a few short weeks; for information on them, see the article by Ana Maria Romero. And quality remains high. Four seniors—Nimish Adhia, Kory Blumer, Jamie Davenport, and Juliana Giraldo—are doing honors research. Nimish and Juliana presented their work at the Midwest Economics Association Meetings in St. Louis in late March. And all four, along with Matt Melick, Pat Spangler, and Kristen Smevold, will present their research at the university-wide John Wesley Powell Research Conference in April.

We have initiated 17 new members into Omicron Delta Epsilon this spring—

Iftexhar Ahmed	AJ Gatesman	Andy Rowland	Andrew Tarman
Jordan Ault	Justin Hendrix	Eliane Shin	Svetlin Vulov
Sarah Bland	James Melton	Tanya Simokaitis	Sameer Zaman
Christina Eyer	Ana Maria Romero	Rajen Subba	David Zohfeld
Robbie Gallagher			

Congratulations to all.

The Economics Society has had another active year, under the leadership of President Jamie Davenport, and Executive Board members Lindy Wick, Mahi Garg, Kory Blumer, Andy Rowland, George Coontz, Ana Maria Romero, Eliane Shin, and Nimish Adhia. Thanks to all for your contributions.

Last fall's guests included Jennifer Van Dyke, '99 (the only two-time Editor-in-Chief of the *Park Place Economist*), who has been working since graduation as a business consultant, specializing in healthcare. She spoke on "The Economic Problems of Hospitals." David Vance, President of Caterpillar University, gave his always-illuminating overview on the state of the U.S. and world economies. And James Moser, Economic Advisor and Research Officer at the Federal Reserve Bank of Chicago spoke again on "A Day in the Life of a Fed Economist."

This spring, Mark Israel '92, Assistant Professor of Management and Strategy at Northwestern's

Kellogg School, returned as our special ODE speaker. Mark spoke to students in Applied Econometrics in the afternoon; then, after the banquet that evening, he spoke on “The Economics Behind Successful Business Strategies.” And later this spring, Bob Aaron, former IWU Director of University Communications, now Executive Director of University Marketing and Communications at ISU, will conduct a mock interview of Rob Fazzini ’62, President of Busey Bank in Bloomington, and spokesman for the American Banking Association, on issues in banking. Thanks to all who have given so graciously of their time and expertise to enrich our program.

Of course, the Society’s major project each year is *The Park Place Economist*. Kory Blumer and Nimish Adhia have taken the helm this year, as Editor-in-Chief and Technical Editor, to produce our eleventh edition. See the credits on page two for the others who have made substantial contributions. Congratulations to all on another fine volume.

The University Avenue Undergraduate Journal of Economics (UAUJE), our on-line collaboration with Illinois State University, appears for the last time this spring. Dessie Hristova, Kory Blumer, and Iftekhar Ahmed, this year’s IWU editors, are working with Mike Seeborg to chart a new direction. For more, see the article by Amanda Thorson.

If you have not visited our web site recently, visit us at <http://titan.iwu.edu/~econ/> for additional news from the Department and alums, as well as links to the *UAUJE* and much much more. Thanks to Nimish Adhia, this year’s webmaster.

Seniors, we wish you the best in all your future endeavors. Please stay in touch. Alums, if we have not heard from you in a while, it is time to get back in touch. Give us some news for the web page. Returning students, we look forward to another wonderful year next year.

Robert M. Leekley, Acting Chair