

ALUMNI NEWS

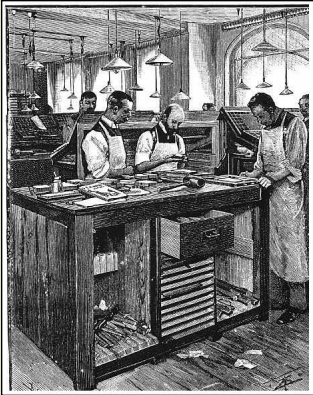
DEPARTMENT OF ECONOMICS

INDIANA UNIVERSITY OF PENNSYLVANIA ☞ INDIANA, PA 15705-1087

Issue 56, Fall 2014

A REAL GREEK TRAGEDY

BY DR. ALEXI S. THOMPSON



Editor's Note: Dr. Alexi Thompson joined the Department of Economics in August 2013. He spends his summers in Greece noting first hand what is happening to their economy. More importantly, Dr. Thompson has promised to be my tour guide when I visit Greece in the near future. ☺

Outside the metro station in Halandri, a suburb of Athens, Greece, I go looking for a bite to eat. The restaurants are cheap relative to other suburbs, and thus have become trendy the past few years since the recent economic crisis. It's a warm summer Tuesday night in Athens and the streets and restaurants are packed with young people. I find this puzzling given the current economic situation in Greece where unemployment is 40% for Greeks under 25. Recent mandates have reduced the minimum wage to 592 euros a month in a city where studio apartments rarely rent for 300 euros (Malkoutzis 2011). Despite these harsh realities, the bars are still full! The problem for the businesses, however, is that a full bar doesn't necessarily translate into much money changing hands.



Dr. Alexi Thompson

This point is elaborated upon by Christos, my cousin Nadia's boyfriend. Christos co-owns *Bartessera*, a popular bar close to Syntagma Square in downtown Athens. Christos tells me that despite the crowds you can find in his bar nightly, his business has fallen on hard times. Simply put, customers are not spending money. Customers also tend to head home considerably earlier than they did before the crisis. The metro stops running at midnight. Young Greeks have substituted cheaper metro rides for taxi rides.

One such young Greek that has seen his life greatly affected by the crisis is my dear friend Aki. I first met Aki in Tennessee when I was two years old. Aki was barely a year old. I lived in Knoxville until I was about six. At the time, my dad was an assistant professor of Economics at the University of Tennessee and my mom who is Greek was a graduate student in Fine Arts at the University of Tennessee. During part of our time there, my family lived in a large high-rise apartment building filled with primarily graduate students. Aki's dad Taki was a graduate student studying mechanical engineering, his mom Efi a graduate student in biology.

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Editor: Nicholas Karatjas

A REAL GREEK TRAGEDY (CONT.)

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And in that very large apartment building, the two Greek families found themselves next door neighbors. During our first encounter Aki chest bumped and fell on top of me, then bit me on the forehead. We have been great friends ever since.

When Aki was about four years old, my parents took him to my grandparents' house in Rainsville, Alabama. Rainsville is a small country town in the Appalachians of northeastern Alabama. Needless to say, not many Greek kids pass through Rainsville so Aki was a real hit at Sunday breakfast at the local church. Several grandmas and grandpas instantly surrounded poor little Aki, welcoming him to Rainsville. Eventually, the locals wanted to learn some Greek words.

"Aki, Aki, how do you say 'good morning'?" they asked.

Aki replied, "Ah...it's easy...in Greek, the word 'good morning' is 'skata'."

"Skada?"

"No, no, no...your pronunciation is wrong...it's *ska-ta*" said Aki.

"*Ska-ta?*" responded the locals, visibly trying to pronounce their first Greek word correctly.

"Yes, yes...that's it!" replied Aki with a deadpan expression.

As the little old grandmas and grandpas were walking around the church basement, waving and saying "s--t" to each other, my parents and I were left biting our tongues to keep from laughing while four-year-old Aki casually ate his biscuits and gravy completely expressionless.

So why share this story? It should come as no surprise that, twenty years later, Aki became a lawyer. Aki's family moved back to Greece when Aki was about 11 years old. After high school, he got into the University of Athens Law School, the top law school in Greece. Once completing his law degree he went to the University of Glasgow in Scotland and got a Master's Degree in law. After another two years, he returned to Greece ready to start working.

Unfortunately for Aki and all Greeks in general, the Greek debt crisis was on the horizon. Fast forward to the 2008 Greek crisis. Taki, Aki's dad, worked at Technical Institute of Evia. After many years he saved enough to buy some property and build his dream house, a short five minute drive to some excellent beaches. Taki was able to enjoy his dream house for about four or five years before the crisis hit. Although he did not lose his job, his pay was cut in half. Taki told me the average after-tax salaries for university professors before the recession ranged from 2500 to 3000 euros. Now, salaries range from 1500 to 2000 euros. Unable to cover his housing loan Taki was forced to sell the house for much less than it was worth. This situation had a terrible physical toll on Taki as he developed some medical problems for a year or two which doctors believed may have been partly caused by high levels of stress. Fortunately, Taki is healthy now and has now bought a nice apartment. Efi, Aki's mother, works at the University of Kefalonia. She still has her job although yearly rumors surface that the entire university will be shut down.



Aki and Alexi enjoying the view from Mount Lykavittos in Athens, Greece.

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A REAL GREEK TRAGEDY (CONT.)

(continued from page 2)

Before the crisis, Aki worked for a couple of different law offices around Athens. Even during that time, Aki would occasionally supplement his income by bartending part-time during the summer. He really had no choice. Greece's adoption of the euro in 2001 made Greece much more expensive than it had been when Greece was on the *drachma*. Athens is the 38th most expensive city in the world, according to a report by UBS Wealth Management Research (Malkouzis 2011).

In 2008 Aki was working for an older woman in a small law firm. The economy was on the decline, unemployment was high. Many of Aki's clients were unable to pay him for his legal services.

Things continued on the downward spiral until the boss's son-in-law, who was a lawyer and had just recently lost his job, came to the law offices of his mother-in-law looking for a job. In came the son-in-law, out went Aki. Aki faced a difficult situation. He could attempt to find a new law office to work in but at that time he would be making a base pay of 500 euros per month working 70 hours a week. Worse, to maintain the license to practice law in Greece costs 5000 euros per year! Even while Aki was enjoying some success as a lawyer, he made it no secret that he wasn't enjoying it very much. Eventually Aki decided to go in an entirely opposite direction. The decision to go to law school was precipitated by the chance to earn money. Aki reasoned that if the Greek economy was as bad as it was, and it was difficult making money anyway, why not do something he really enjoyed?

Drawing and painting had always been a hobby of Aki's. I remember some pretty good Spider Man drawings Aki showed me growing up but nothing ever too serious. In 2012 he took entry exams into the Athens Fine Arts University, a very selective public school in downtown Athens, and not only got in but is a top student. In the two years he has been at the Fine Arts University, he has gotten two graphic novels published and is currently working on a third. He has completed several paintings and has several more in progress, and is hoping connections with his professors may land him some shows in galleries. Once he completes his degree, he is hoping to earn a Master's degree and then may be able to teach in the Athens Fine Arts University.

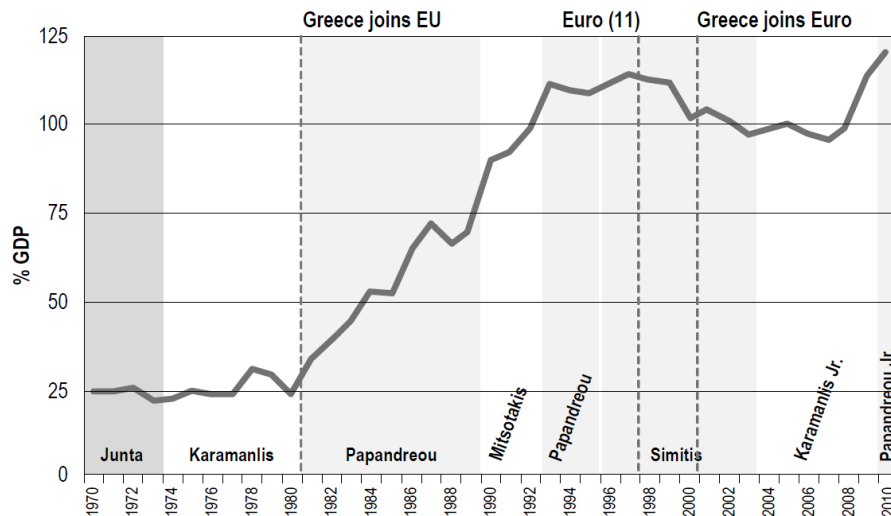
It is scary to think about what the future of Greece holds. Taki and Aki believe Greece may turn things around but it will take 15 to 20 years. That may be optimistic.

Kouretas and Vlamis (2010) attribute Greece's current economic depression to two main factors, one internal and one external. According to the chart below (see page 4), the rise to power of Papandreou and the PASOK Socialist Party saw a sharp increase in the debt/GDP ratio. The debt/GDP ratio is estimated to be 150% by 2020. Thirty years of burgeoning public sector expenditures, corruption, and widespread tax evasion finally caught up to Greece. The credibility of Greece's government, largely considered to be ineffective, was further discredited in 2009 when they reported data had been misreported to EuroStat, Europe's chief statistical agency. Externally, the hesitation of the EU to financially back Greece once problems surfaced induced foreign capital flight and further eroded Greece's economic position.

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A REAL GREEK TRAGEDY (CONT.)

(continued from page 3)



On January 25, 2015, Greeks elected Alexis Tsipras of the left-leaning SYRIZA party as Prime Minister. SYRIZA, unlike its predecessor, have promised Greeks they will not give in to the EU's demands of increasingly harsher austerity measures. In addition, Tsipras is attempting to persuade creditors to forgive some of Greece's debt, an unlikely outcome. Bailouts will have to be repaid with Greece owing more now than ever. As the Greek government begins a painful restructuring process, it is unfortunate that Aki, Taki, Efi, Christos and all Greeks are collateral damage. I, for one, will do my part to help stimulate the Greek economy by eating plenty of gyros on my next visit to Greece.

References

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Malkotzis, N (September 2011), Young Greeks and the Crisis, The Danger of Losing a Generation, Friedrich-Ebert-Stiftung, International Policy Analysis, Berlin, Germany, accessed on 10.31.2014.

Pascual A.G. and Ghezzi, P., 2011. The Greek Crisis: Causes and Consequences. *CESificio Working Papers*, 3663.

INTERESTED IN BEING AN ECONOMICS CLUB SPEAKER?

This Fall semester, the Economics Club hosted the following speakers:

- ◆ James Thompson of Thompson/McLay Insurance Associates
 - ◆ Terry Monteleone, President/Owner of Picasso Lures
 - ◆ Simeon Novels, Owner of Core Concept Marketing

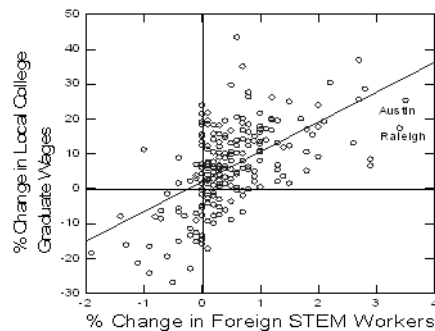
If you plan to be in the area (or live in the area) and would be interested in speaking to the Economics Club, please contact Dr. Chris Jeffords at Christopher.Jeffords@iup.edu.

STEM IMMIGRATION AND COLLEGE GRADUATES' PAY: IS CORRELATION CAUSATION?

BY DR. WILLARD W. RADELL, JR.

This spring (2014) there was a splash in the media about the positive correlation between STEM (Science, Technology, Engineering and Mathematics) immigration growth and college graduates' salary growth. The source of the excitement was a *Wall Street Journal* article, "Want an 8% Raise: Let Foreign Scientists Immigrate to Your City," (*WSJ* May 22, 2014), in support of relaxation of the INS restrictions on H1-B Visas (Giovanni Peri, Kevin Shih, and Chad Sparber). Peri, Shih and Sparber's conclusion is that since there is a positive correlation between college graduates' pay growth and STEM immigration growth, more STEM immigration will cause higher pay for college graduates in a metropolitan area. The simplistic correlational analysis touted by the media falls apart when the raw data are analyzed. There are several serious analytical problems with the media version of the Peri, *et al.*, study:

- 1) The simplest explanation for the observed positive association between increases in foreign STEM workers and increases in the pay of college graduates is that economic growth increases the demand for all college educated workers, increasing college graduates' pay while attracting regional, national, and international STEM immigration. It's not immigration that increases college grads' pay, but rather it is economic growth as a third lurking variable that simultaneously increases pay while attracting foreign and domestic immigrants.



- 2) The graph above is a re-drafting of the *Wall Street Journal* graphic except that mine is taken from the raw data and I have labeled Austin and Raleigh. Austin, which is verbally praised in the Peri article for wage gains of 25.3% on STEM migration growth of 3.5%, was well below the *WSJ* prediction line, as was Raleigh-Durham. Many metro areas with lower growth of foreign STEM workers equaled or exceeded Austin and Raleigh-Durham's college educated wage growth. [The prediction line shown in the *WSJ* version of the Peri study is an OLS regression with an adjusted R-squared of 0.32.]

- 3) For metro areas with more than 1% STEM foreign migration, only 8% of local college wage growth is associated with the foreign STEM immigration and much of that is due to the high leverage of the Austin and Raleigh observations in the regression. When Austin and Raleigh are removed, less than 6% of college grads' salary growth can be statistically attributed to foreign STEM immigration.

- 4) For metro areas with 2% or more STEM foreign migration, none of local college grads' salary growth is associated with foreign STEM migration [the R-squared is zero]. In other words, there is no detectible STEM effect on college educated wages over the 2% threshold. Fitting a non-linear LoWeSS smoothing algorithm (Locally Weighted Scatterplot Smoother) to the data shows that any possible strong positive STEM immigration incremental effect flattens out as the 1% immigration growth level is reached. The apparent positive association between college grads' pay and foreign STEM immigration growth in the -1% to +1% range may just be telling us that STEM

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ANOTHER COGNITIVE TRAP: MERGING PERCENTAGE CHANGES

BY DR. WILLARD W. RADELL, JR.

In an earlier economics newsletter I discussed some of the cognitive traps associated with comparison of percentages in the context of Simpson's paradox. Consider another trip down Incongruity Lane associated with inappropriate merging of percentages.

A newspaper headline announces that "Student's Cost to Attend Megalopolis University set to Increase 5%." The article explains that "tuition will increase by 2% and room and board charges will increase by 3%."

As I always ask the children of my family, is that "sense or nonsense?" It is surprising how many otherwise intelligent and educated persons fall into the cognitive trap and answer, "sense." The mistake is that the two component percentages were added instead of averaged. To see the mistake, consider some numerical examples.

Suppose tuition is \$10,000 and room and board charges are \$10,000, totaling to a student price of \$20,000. A 2% increase in tuition is \$200 (on a base of \$10,000) and a 3% increase in room and board is \$300 (on a base of \$10,000), yielding an overall increase of \$500 to the student. Dividing \$500 by \$20,000 gives you a percentage change of 2.5%, not the 5% featured in the headline.

Now suppose that tuition is \$5,000 and room and board is \$15,000. A 2% increase in tuition is \$100 and a 3% increase in room and board is \$450 for a combined increase of \$550 on a base of \$20,000. That is an increase in the total price to the student of 2.75%, which is again far short of the 5% given in the newspaper headline.

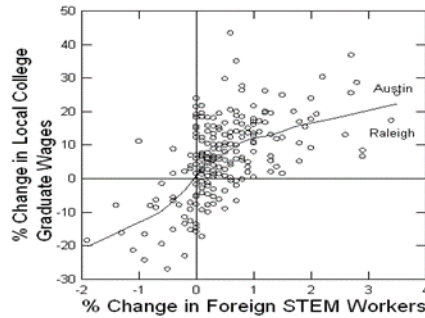
Given all the possible mixes between tuition and room and board, the overall percentage price increase at Megalopolis University for room and board and tuition will be somewhere between 2 and 3%. That's quite a different story than is told by the nonsense headline. Beware of inappropriate summation of component percentage changes!



Faculty and student presenters attended the 2014 Pennsylvania Economic Association (PEA) Conference held at Edinboro University of Pennsylvania in May. Pictured are Dr. Yaya Sissoko, Devin Gray, Dr. Jim Jozefowicz, Jennifer Johnson, Dr. Alexi Thompson, and Dr. Chris Jeffords. For more information, see pages 11 and 13.

STEM IMMIGRATION & COLLEGE GRADUATES' PAY (CONT.)

(continued from page 5)



immigrants avoid economically imploding areas. STEM immigration isn't causing wage growth among indigenous college graduates. Rather, higher salaries for college graduates are causing STEM immigration. Beyond the 1% STEM immigration growth level, there is little correlation with grads' pay.

The Peri study is being hyped as proof that foreign STEM immigration causes higher wages for college graduates in metropolitan areas and that H1-B visas should be more liberally granted. Although that conclusion is not supported by careful analysis, the Peri, *et al.*, study does show that compensation of indigenous college educated workers does not decrease with more foreign STEM immigration. By the media's overselling of the Peri study, that kernel of truth has been buried in a mountain of mixed info-rubble.

Alumni Information

The Department of Economics aims to maintain a current contact list of all of our alumni. Please let us know what you are doing!



.....

Name: _____

Graduation year, degree earned: _____

Address: _____

City, State, Zip: _____

Your news for the newsletter:

Keep in touch!



The faculty in the Department of Economics are always thrilled to hear from their former students. Please keep us posted on your work and well-being. Feel free to drop us a note via email, letter, or phone call. Or, complete the Alumni Information form. We would love to hear from you!

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Mail to: Alumni News, Department of Economics,
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STAR WARS AS MY MODEL FOR TEACHING ECONOMICS

BY DR. BRANDON C. VICK

Much of my time is currently consumed by two physical and intellectual challenges. The first is my son's (pictured below) unending thirst to know more about *Star Wars* and desire to ambush me with his light saber. The second is the challenge of breaking through the idea that many students have about economics – that they “don’t like” or “aren’t good at” economics. Revisiting *Star Wars* through the eyes of my son has made me realize the great effect this story has had on my adult life.

[Luke:] “I can’t believe it.” [Yoda:] “That is why you fail.”

To combat negative beliefs my students have coming into my principles of microeconomics class, I try to create the sense of *A New Hope*.¹ I design lectures with as much intent on linking to student experiences as delivering content. Economic analysis of *The Walking Dead* and *The Hunger Games* links newly learned knowledge of production possibilities and economic development to interests in other parts of their lives. I deliver content in a stepwise manner that builds toward understanding over time. The main feedback I get from students, especially early on, is that they come out of lectures feeling like they understand what is going on.



[Yoda:] “Ready are you? What know you of ready? For eight hundred years have I trained Jedi.... A Jedi must have the deepest commitment, the most serious mind.... You are reckless.”



Such overconfidence in students is typically squashed by the first midterm, a setback that may feel to many students what Luke felt having his hand cut off by Darth Vader at the end of *The Empire Strikes Back*. Luke falls through the air in despair only to be caught by Leia. Our heroes, escaping a great defeat, regroup, and plan their next steps.

I follow up the midterm by giving students a clear plan to achieve their goals in the course, now that they have a true understanding of the challenges. Students must complete several projects designed to help them engage the material in different ways. A policy memo requires that they argue for or against a soda tax to be implemented in PA. A one-on-one presentation requires that they discuss economic aspects of something that is particularly interesting to them. I utilize Pinterest.com to bombard students with articles on the economics of everyday life.² Students that have successfully re-engaged with the course are seeing a momentum that leads to the second midterm.³ Now it is time to perform.

[Luke:] “Oh, I’ll give it a try.” [Yoda:] “Do or do not. There is no try.”

After this journey, students are typically not thinking they “don’t like” or “aren’t good at” economics. Those who have actively engaged in the course have at least one successful presentation, memo, or exam grade. Many are in position to earn the grade they set as a goal. Most have met with me face-to-face, where I advise on plans to prepare for and perform well on the remaining exams. The story is familiar: a hero begins with a great hope, meets a difficult challenge and fails, but gets up and succeeds in the end. Whether this pedagogy is effective or not, I know not. I do know that I create an interesting way for students to experience their first economics course (for most) and that most students stop thinking that economics is *the path to dark side*.

¹ *Star Wars: Episode IV – A New Hope* (1977) is the first part of the original trilogy.

² I link to articles on the game theory of *The Price is Right*, robot armies, innovations in hamburger advertising, and the economics of dating.

³ I track how students are following along with lectures using Clicker, track course website hits, and who comes to office hours.

GREETINGS FROM THE CHAIR

BY DR. NICHOLAS KARATJAS

Greetings, Alumni:

I am sad to report that Dr. Clarence Alexander Garvin, Jr. passed away on December 4, 2014. Dr. Garvin was a member of the Department of Economics from 1969 to his retirement in 1998. Dr. Garvin taught a wide variety of economics courses including monetary policy, econometrics, and intermediate macro- and microeconomic theory. As a long-time friend and colleague, Alex will be greatly missed by the department. Prior to teaching at IUP, Dr. Garvin served in the Navy and was partner and general manager of the Garvin Furniture Store. Many of you may not be aware of the details of Dr. Garvin's life so I thought I would include a portion of his obituary that appeared in the *Indiana Gazette* in this newsletter:

Alex was born in Clarksville, TN, on September 1, 1921, the only child of the late Clarence Alexander Sr. and Lena (Medcalf) Garvin. He attended St. Mary's Catholic grade school and graduated from Clarksville High School in 1938. He attended the University of Tennessee, Knoxville, and finished a B.A. degree in 1942.

He took the test for the V-7 program of the USNR which enabled students to finish their degrees before reporting to Midshipman's school. He trained at the University of Notre Dame and was commissioned an Ensign. His duty was on the LST 84 which took part in 4 major battles in the Central Pacific theater of war, Tarawa, Tinnian, Saipan, Iwo Jima and Majuro. He was promoted to Lt. J.G. and then Lt. and eventually became commanding officer of the ship. After returning home in 1946, he entered the University of Chicago and finished an M.A. in International Relations in 1948. In 1952 he resigned his commission in the Navy. For the next 15 years he was partner and general manager of the Garvin Furniture Store in Clarksville, TN.



Dr. Clarence Alexander Garvin

He entered the Ph.D. program at the University of Tennessee, Knoxville, and received his Doctor of Philosophy degree in 1973. In 1969 he was added to the Economics faculty of Indiana University of Pennsylvania and retired in 1998. He was actively involved in Economic associations, especially the International Atlantic Economic Society whose annual meetings were held in cities in Great Britain and Europe. While at IUP, he established a chapter of Omicron Delta Epsilon and was an advisor to the Kappa Sigma Fraternity. In 1979-1980 he taught at the University of East Anglia, Norwich, England, in an exchange program. In 1984 he finished his Master's degree in mathematics at the University of Pittsburgh. Also in 1984-1986 he and his wife lived in Cairo, Egypt, where he taught at the American University. They both loved to travel and explore different places.

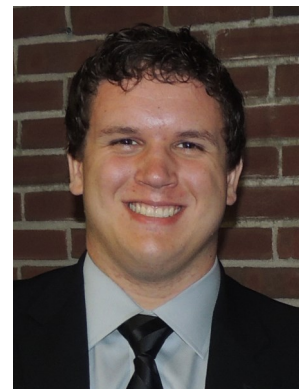
Alex loved the Episcopal Church and served on the Vestry, as a Lay Reader and Chalice Bearer at Christ Church, Indiana and since 1981 had joined the renovation team at the historic St. Peter's Episcopal Church in Blairsville. Over the years he has served on the Board of Trustees, Growth Fund, and Diocesan Council at the Episcopal Diocese of Pittsburgh. He was a member of the Indiana Rotary, and the Indiana Chapter of the Military Order of the World Wars.

THE AMERICAN ECONOMIC ASSOCIATION'S SUMMER TRAINING PROGRAM BY DEVIN GRAY

Editor's Note: Devin Gray is currently an undergraduate student at IUP majoring in Economics and Mathematics. This past summer, he was accepted to the American Economic Association's Summer Training Program at the University of New Mexico in Albuquerque, NM. We appreciate his willingness to share his experience with us.

This summer I had the good fortune to be selected as a participant in the American Economic Association's Summer Training Program which was held at the University of New Mexico. I found out about this program through Drs. James and Stephanie Jozefowicz. This was a 6-week program in Albuquerque, New Mexico, that consisted of three five-week courses and culminated in a one-week research project that was then presented at the American Economic Association's pipeline conference.

The three courses consisted of a Microeconomics course, an Econometrics course, and a Math Economics course. The Micro course was mostly focused on game theory and industrial organization and was taught by Dr. Brady Horn. The Econometrics course took us through the statistical derivations of how econometrics works and some real-world applications of the theory using Stata to do our research. This course was taught by Dr. Alok Bohara who also was in charge of the research project at the end of the semester. The Math Economics course, taught by Mr. Brad Bergsbaken, did a brief overview of derivation and then got into matrix algebra applications in economics. Outside of these three courses we also listened to guest speakers from universities and businesses across the country including Dr. Rhonda Sharp from Duke University, Mark Lopez from the Pew Research Center, analysts from the Congressional Budget Office, and many others.



Devin Gray

In addition to all of the academic knowledge and research opportunities achieved through this program, I also got to meet economics students from across the country. On our weekends we explored Albuquerque as well as taking occasional day trips to check out Santa Fe, go hiking in the nearby mountain ranges, take a white water rafting trip down the Rio Grande, and go to a local baseball game for a Fourth of July celebration. The program and these day trips were all organized by the Robert Wood Johnson foundation at UNM and directed by Dr. Gabriel Sanchez.

This program was an incredible chance for me to grow, both as an economist and as a person. I picked up a lot of valuable knowledge in the classes and the research project gave me some great experience in using regression analysis. The research projects were done in groups and my group analyzed data from a recent health survey in Nepal. Using a probit model we looked at the risk factors of abuse and added having a sexually transmitted infection (STI) to the other factors that are normally measured. We found some very strong results and all of us were very pleased with our project at the end of the week.

I am incredibly happy that I had the chance to attend such a wonderful program and I know it will help me attain even greater success. This program was arguably the proudest moment of my undergraduate career and I could not have done it without the support and guidance of the faculty and staff of the IUP Economics Department.

FACULTY NOTES

Dr. Stephanie M. Brewer Jozefowicz was reelected Secretary of the Pennsylvania Economic Association at the Annual Conference held at Edinboro University of Pennsylvania in May 2014.

Drs. Stephanie M. Brewer Jozefowicz, James J. Jozefowicz, and Yaya Sissoko attended the Spring Pennsylvania Economic Association Board of Directors meeting held at Edinboro University of Pennsylvania in May 2014 and the Fall Pennsylvania Economic Association Board of Directors meetings held at the Penn Stater in October 2014.

Dr. James J. Jozefowicz presented “Keystone Kops’ and Crime Theories: A Panel Data Analysis of Pennsylvania County Crime Rates,” co-authored with economics alumnus **Zackary T. Nelson ’14**, at the 2014 Pennsylvania Economic Association (PEA) Conference held at Edinboro University of Pennsylvania in May.

Dr. Yaya Sissoko presented “Employment Dynamics for Pennsylvania since the Great Recession by Gender,” co-authored with Brian Sloboda (U.S. Department of Labor), and “Trade-dwindling Effects of Market Price Support on Refined Sugar,” co-authored with Inoussa Boubacar (University of Wisconsin-Stout), at the 2014 Pennsylvania Economic Association Conference held at Edinboro University of Pennsylvania in May.

Drs. Chris Jeffords and Alexi S. Thompson presented “Employment Booms and Busts Stemming from Nonrenewable Resource Depletion,” co-authored with colleague **David Yerger**, and “Does the Marshall Lerner Condition Hold for Highly Touristed Countries?” co-authored with economics major Jessica Black, at the 2014 Pennsylvania Economic Association Conference held at Edinboro University of Pennsylvania in May.

Dr. David B. Yerger was elected in September 2014 to serve on the Executive Board for the Middle Atlantic & New England Council for Canadian Studies.

Drs. Chris Jeffords’ and Alexi S. Thompson’s article “Cowboys and Indians: Murders of Environmental Activists and Income per Capita,” was published in the *Bulletin of Economic Research*, September 2014.

Dr. David B. Yerger is serving as outside grant reviewer for the Center for Rural Pennsylvania’s 2015 Grant Funding Cycle. He is one of five faculty from the Penn State, Pitt, and PASSHE systems asked to review the 18 full proposal submissions.

Dr. Todd B. Potts’ article titled “Governance, Corruption, and Olympic Success” was published in *Applied Economics* this fall.

Dr. David B. Yerger presented “The Shale Gas Revolution: Its Current and Potential Impacts on Ontario’s Economic Relationship with the USA and Western Canada,” at the Middle Atlantic & New England Council for Canadian Studies Biennial Conference, September 25–27, 2014, at Niagara Falls, Ontario.

Dr. Brandon C. Vick attended the Indiana County Poverty Summit, sponsored by **State Rep. Dave Reed (’00)** and the United Way of Indiana County, September 19, 2014.

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FACULTY NOTES (CONT.)

(continued from page 11)

Retired economics faculty member **Mr. Harry Holt** stopped by the department in October while on campus to distribute *Gideon Bibles*. He noted that he would be attending the Keith School Alumni Reunion on October 18th to remember Keith Hall. Mr. Holt said he attended Keith Hall “from my kindergarten days [through 9th grade] to my teaching economics here.” *Editor’s Note: When IUP’s new building for the College of Humanities and Social Sciences is finished in January 2016, both Keith and Leonard Halls will be torn down.*

Dr. Yaya Sissoko presented two research papers entitled “Using Agricultural Development as a Tool for Rural Poverty Alleviation in Kenya,” co-authored with economics major Riley Smith, and “Trade Openness and Economic Growth: Empirical Evidence from Singapore and Malaysia,” at the 37th Northeastern Association of Business, Economics, and Technology (NABET) Annual Conference held in State College, PA, on October 23–24, 2014. Dr. Sissoko also chaired the session on “Technology.”

Congratulations to both **Dr. Todd B. Potts** and **Dr. David B. Yerger** (pictured on right) who were recently promoted to Full Professor!

Dr. Chris Jeffords presented research findings from his paper “Do Constitutions Matter? The Effects of Constitutional Environmental Rights Provisions on Environmental Outcomes” (coauthored with Lanse Minkler, University of Connecticut) at the third UNITAR–Yale Conference on Environmental Governance and Democracy, Yale University, September 5–7, 2014. The conference was organized and sponsored by Yale, the United Nations Institute for Training and Research (UNITAR), the United Nations Environment Programme, the United Nations Development Programme, and the World Resources Institute. The paper is available through the UConn Department of Economics Working Paper Series and via IDEAS/RePEc here: <http://ideas.repec.org/p/uct/uconnp/2014-16.html>.

Dr. David B. Yerger recently published the following three journal articles with Dr. Amber Stephenson (an IUP doctoral graduate): “The Role of Satisfaction in Alumni Perceptions and Supportive Behaviors,” *Services Marketing Quarterly*, forthcoming; “Optimizing Engagement: Brand Identification and Alumni Donation Behaviors,” *International Journal of Educational Management*, Vol. 28, No. 6, 2014; and “Does Brand Identification Transform Alumni into University Advocates?,” *International Review on Public and Nonprofit Marketing*, Vol. 11, No. 3, 2014.

Dr. David B. Yerger’s paper “Students’ Estimates of Earnings by Major: Assessing Their Usefulness in the Classroom and Implications of Their Accuracy” was published in the *Quarterly Review of Business Disciplines*, Vol. 1, No. 2, 2014.

Dr. David B. Yerger’s paper “Variations in the Returns to Skills Across Bachelor’s Degree Occupations,” was accepted for publication in the *International Journal of Interdisciplinary Research*, forthcoming.



Dr. Todd Potts (with Dr. Natalie Larsen) and Dr. David Yerger (with Dr. Ellen Yerger) attended a reception for promoted faculty at President Michael Driscoll’s residence.

STUDENT NOTES

- Congratulations to **Sahara Dickison** who was awarded the Karl A. McDermott Scholarship for Economics.
- Congratulations to **Allie Larch** who was awarded the Donald A. Walker Department of Economics Scholarship.
- Congratulations to **Celeste Catalano** (Dual Baccalaureate candidate in Economics and Mathematics) who received the Roy A. Daugherty Scholarship from the IUP Mathematics Department.
- The Department of Economics wishes to congratulate the following award recipients. The awards were presented at the May 2014 Department of Economics Commencement Ceremony:

Bright Dismal Scientist Award, which is awarded annually to the graduating major chosen by the faculty on the basis of academic interest, achievement, and service: **Zackary Nelson**

Dr. Brewer Award, which is awarded annually to a female graduating major chosen by the faculty on the basis of academic achievement in Economics and professional character: **Ashleigh Craig**

Dr. Jack D. Julian Memorial Award, which is awarded to the graduating major with the highest grade-point-average in Economics: **Shannon Costa**

In addition, the Department of Economics Honors Track Graduates were: **Shannon Costa, Ashleigh Craig, Ryan Egan, William Harman, Sarah Lynn, Alec Redd, and Chad Schuckers.**

- At the 2014 Pennsylvania Economic Association (PEA) Conference held at Edinboro University of Pennsylvania in May, the following students gave presentations:
 - **Devin Gray** (co-authored with economics alumna **Sarah Lynn '14**): “The Social and Industrial Determinants of Imports and Exports”
 - **Jennifer Johnson**: “Economic and Demographic Determinants of Per Capita Electricity Consumption at the State Level”

The paper co-authored by **Devin Gray** and **Sarah Lynn** won Second Place in the Best Undergraduate Student Paper Contest at the 2014 PEA Conference. This is the fourth consecutive year that a paper written by an IUP Economics major has won an award in the PEA Best Undergraduate Student Paper Contest. In addition, economics alumna Angela Rowland’s (’13) PEA award-winning paper, “What Affects New Zealand Wine Prices? Estimation of the Effects of Sensorial, Reputational, and Quality Factors in the Hedonic Price Model,” has been published in the *Pennsylvania Economic Review*. You can read the article online at <http://aux.edinboro.edu/pea/pub/PER/PER20-2-Fall2013.pdf>. All of these winning papers were supervised by Dr. James J. Jozefowicz.

- **Riley Smith** was an Investment Research Intern at Stewart Capital Advisors LLC, a wholly owned subsidiary of S&T Bank over the summer. The firm holds over \$1.1 billion in Assets Under Management, and is focused primarily on undervalued mid-cap equities. In this position, Riley gained a better understanding of the investment process, from identifying equity investment opportunities to trade execution and settlement. Along with the accurate and timely execution of trade orders valued at \$50,000 to \$100,000 on average, a large share of Riley’s time was spent researching companies in energy, technology and media sectors.

STUDENT NOTES (CONT.)

(continued from page 13)

- **Jon Browe** had an internship in the Marketing Department at S&T Bank in Indiana, PA, over the summer. Jon assisted in the selection of a technology vendor to implement a solution in a new branch, created a campaign process flow chart to facilitate projects between S&T Bank and their advertising agency, gathered information and assessed the current state of the company image to kick start a branding initiative, and managed a department-wide effort to create a community wall within a new branch.
- **Zackary Nelson ('14)** completed an internship with the Drug Enforcement Administration in Newark, NJ, over the summer. As a "Student Volunteer Intern," Zac was primarily assigned to the Support Services Unit, which covers training, hiring, and firearms instruction, amongst other things. Later, Zac switched over to Enforcement Group 3, which specialized in high-level narcotics trafficking, such as cocaine and heroin smuggling. As a volunteer, he did background tasks, including running license plate numbers, fingerprints, names, etc. Plus, as the only person who knew Arabic, Zac was often used when there were documents in Arabic to be translated.
- **Holly Brenize** had an internship with the United States Department of Agriculture's National Agriculture Statistics Service (NASS) at the North Eastern Regional Office in Harrisburg, PA, over the summer. Holly's tasks included shadowing statisticians, creating PowerPoints, doing the weekly crop weather report, and making the annual bulletin for the New England states.
- As part of the 2014 IUP Homecoming festivities, economics majors **Matthew Brown** and **Derek Hanely** were elected by university-wide vote as members of the Crimson Court to represent the College of Humanities and Social Sciences and the College of Natural Sciences and Mathematics, respectively.
- Last semester, Dr. Chris Jeffords and his Environmental Economics students (pictured below) toured the S. W. Jack Cogeneration Plant on campus. Led by Plant Manager Mark Labant, Dr. Jeffords and his students discussed how fossil fuels are converted into electric and thermal energies for the campus. They also discussed the environmental impacts of the cogeneration process and when it is feasible (from a pricing perspective) to actually use the plant to generate electricity, steam, and hot water.



Dr. Chris Jeffords (back row on right) and his Environmental Economics students.

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DEPARTMENT OF ECONOMICS



INDIANA UNIVERSITY OF PENNSYLVANIA ✧ INDIANA, PA 15705-1087



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