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As you can imagine, the number one topic at UNI has to do with budgets. If you haven’t seen it in the papers or on TV, the state legislature decreased appropriations to us by about $12 million in late summer and now another $8 million for this spring. The $12 million was covered by one time only stimulus funds and we are now in the process of trying to deal with the additional $8 million cut. No matter how we deal with it, it will involve pain. But, next year may be worse because the stimulus funds will be gone and we’re going to have to make up about $20 million.

As much as anyone, I recognize the economic problems associated with the recession. After all, it’s what we study. What is discouraging is if past history holds, when the economy recovers—as we know it will—our state appropriations in all likelihood will not keep pace. When I first came to UNI (back what seems like a century ago but was in fact only a third of a century), tuition covered about 25 to 30% of the cost of a student’s education. The balance came from the taxpayers of the state of Iowa. If you remember us talking about positive externalities or spillover benefits in your classes while you were here, you will recall that we decided that Iowans believed in them where education was concerned. That’s why they were willing to contribute so much to the overall expense of a college degree. I always liked that about Iowans and it’s one of the principal reasons I chose to settle down here.

Next year with the inevitable tuition increases that are on the horizon, students will be paying 50 to 55% of their college education. Now, I recognize this is still a pretty good deal and that we are still giving students a nice discount on their education. But, we continually move in the direction of treating higher education as a private good with almost no spillovers and hence force students to shoulder a heavier burden.

A result of all this is students need to work more hours off campus to generate income and borrow more money to finance their education. The latest numbers are that for students who graduate with debt, the average debt load is almost $24,000. When this is coupled with a job market that currently has a 10.2% unemployment rate making good jobs scarce, the financial outlook for today’s graduates is pretty grim. Let’s hope all of this turns around in the future—and soon—and Iowans are willing to reverse the trend of less state support of higher education.

On a more positive negative note (how’s that for a convoluted statement?), this is really an interesting time to be teaching economics. The stimulus package passed by Congress and President Obama is exactly what is taught as appropriate expansionary fiscal policy in our Principles of Macroeconomics class. Students hear about all these things in the news and really like it when they can understand what’s going on—at least to the extent that anybody does! I’ve never had so many interested students stop and talk to me after class about what they’re seeing in the news. It’s just great there’s so much interest in economics. It’s too bad it took a recession to generate it.

For us, another positive result has been a tremendous increase in the number of economics majors. We are up 50% from last year and have a record number this year. In response, Ken McCormick is offering a special seminar on an experimental basis next semester for advanced economics students. You can read about it elsewhere in the newsletter. Let me say I’m very excited about this class. It’s a tremendous opportunity for our students to take their learning to a higher level.

As I have said many times in the past, our alums are extremely generous to us. We have a scholarship completely funded by contributions from alumni that has benefitted many students over the years.

Continued on page 18
When we make scholarship awards, we consider a variety of factors and some of our scholarships have different objectives. Some are given to our best students, some to those with the greatest need, and some to those with an excellent work ethic. In 2009 we were able to help eight students.

The Mahmood Yousefi Scholarship was awarded to Michael Boevers from Readlyn, Iowa. Michael is in the General Economics emphasis and has a 3.96 GPA. Michael has served as a tutor for the Economics Department and he plans to attend graduate school for a Master’s degree in Economics.

The oldest scholarship we have, the Leavitt Scholarship, was awarded to Lucas Leidal from Charles City, Iowa. He is in the Business Analysis emphasis and has a 3.96 GPA. Lucas’ future plans are to pursue a career in an economics or MIS related field, hopefully in the Midwest or to work full-time at Deere, where he is currently employed as a student.

Ahmed Alhashim is the recipient of the Glasener Scholarship. Ahmed is from Safwa, Saudi Arabia, majoring in the Business Analysis emphasis with a 3.61 GPA. His future plans are to attend graduate school.

Kyle Rehnstrom from Sioux Rapids, Iowa, was awarded the Alumni Scholarship. Kyle has a 3.78 GPA and is majoring in the General Economics emphasis. He is a tutor for the Economics Department and his plans for after graduation are to work in business.

Casey Hall received the Emeritus Faculty Scholarship established to honor our retired faculty. From Peosta, Iowa, Casey has served as a tutor for the Economics Department and was President of the Pre-law Club. He is in the General Economics emphasis with a 3.53 GPA and his future plans are to pursue a Master’s degree in Economics.

The annual Maurice Van Nostrand Scholarship was awarded to Jack Luze from Cedar Falls, Iowa. Jack is in the General Economics Analysis emphasis and has a 3.54 GPA. Jack is a member of the Economics Club, the Pre-Law Club, and has also served as a tutor for the Economics Department. His future plans are to attend law school.

Jennifer Boden of Waverly, Iowa, was awarded the Economics Endowment Scholarship. Jen has a 4.00 GPA and is majoring in the Business Analysis emphasis. She is a tutor for the Economics Department and her future plans are to attend graduate school.

The Thomas Amlie Scholarship was awarded to Anthony Schreck of Cedar Falls. Anthony is in the Quantitative emphasis and has a 3.64 GPA. After graduation, he plans attend graduate school to pursue a PhD.

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**Honoring Scholarship Recipients**

The Honorees

Fred entertaining the crowd

Ahmed Alhashim and Dave Hakes
Scholarship News

Adam Smith Circle
Fred Abraham  
Scott Broshar  
Ron Giddings  
Charles Gillette  
David Hakes  
Peter & Amanda (Eddy) Hosch  
Jacquelyne Joens  
Gregg & Chandra Lutz  
Barb Mardis  
Mark Miller  
Thomas Rietz  
Janet M. Rives  
Marti Rodemaker  
Jon & Stacy Shepherd  
Charles Strein  
Bulent Uyar  
James Van Nostrand

J.M. Keynes Club
Joel Abrahamson  
David Altman  
Marshall Blaine  
Craig Chase  
Lisa Jepsen  
Deborah Nestor  
Charles Phillips  
Kathryn Quinn  
Ernest Raiklin  
Christopher Riley

Professors’ Club
Stanley Benz  
Kevin Bracker  
Lisa (VerMulm) Dreyer  
Steffanie & Robert Guess-Murphy  
David & Kathleen Jones  
Alex & Beth (Ganson) Knight  
Terrence & Lois Lindell  
Catalina & Michael Paar  
Ronald Rolighed  
Jeff Scudder  
Jeffrey Williamson

Scholars Club
David Adams  
Melissa Edsill  
Kelly (Cleveland) & Scott Fricker  
Robert Gettemy  
Maris Boyd Gillette  
David Gingerich  
Rebecca Huss  
Bryce Kanago  
Allison (Falor) Larson  
Gregor MacDonald  
Rick Massa  
Katsuyuki Ohbayashi  
Kevin Pearson  
Jerry Peterson  
Scott Rowsell  
Erin (Blaine) Souder  
Megan (Swanson) Thiel  
Steve Veit-Carey  
Mark Willard  
Mahmood Yousefi

Advance Fund
Fred & Robin Abraham  
Imam Alam  
Shahina Amin  
Andrew & Jennifer Behrens  
Robert Cenak  
Liz Dunshee  
Jennifer Fuhrman  
David Hakes  
Lisa Jepsen  
Sue Joseph  
Todd Kielkopf  
Cassie & Randy Luze  
Ken McCormick  
Joseph Parcell  
Ron & Gloria Rolighed  
Keith Saunders  
Jeff Scudder  
Jon & Stacy Shepherd  
David Sparks  
Derek & Aaron-Marie Thoms  
Greta Truman  
Kerry Tudor  
Bulent Uyar & Katherine Cota-Uyar

Law & Graduate School Application Help
Among the many objectives of the UNI Economics program is to prepare qualified students for law and graduate school. The deductive reasoning and analytical thought so prevalent in economics lends itself well to the study and practice of law as well as advanced study of economics. Our graduates who have gone on to school have reported they were well prepared by their economics major and have continued on to successful careers.

Unfortunately, the application process can be expensive. Several faculty in the department have established a fund which is used to defray some of the expenses related to the LSAT & GRE exam. If you wish to contribute to this fund, please make checks payable to the Economics Advancement Fund: Applications and send in the enclosed envelope.

Thanks for your help!

Remember
The University is currently undertaking a large fund-raising campaign called “Imagine the Impact.” If you are contacted by the UNI Foundation or anyone else from the University about contributions, please consider being generous to our students. Also, you can designate that your gift be directed to the Economics Department or any of the Department’s scholarship funds. If this is your desire, please so specify. Thanks!

–Fred Abraham

Give Now?
Please consider sending a contribution to our scholarships by using the enclosed envelope. With the rising tuition costs, our students can use the help! Thanks!

Fred Abraham
Alumni News

Blaine, Marshall, ’98. Works for Premera Blue Cross Actuarial in the Seattle area. His wife and he bought a house in April and are expecting their first child in December.

Flint, John, ’96. John is Vice President of Asset Management & Strategic Initiatives at Lockard Companies in Cedar Falls.

Frleta, Mario, ’04. Mario is currently a director of the international trading desk at the Bank of Moscow. He is also a member of the Board of Directors for their daughter bank in Serbia and co-managed a greenfield project of establishing that bank. Mario also helps run the family tourist business and olive oil production. They have two 30 meter sailing boats they charter and a tour agency in Russia and Croatia.

Fricker (Cleveland), Kelly, ’94. Kelly now lives in Parkville, Missouri and is owner of KellyGirl Studio.

Guess-Murphy, Steffanie, ’98. Steffanie is employed by Wells Fargo-Home Equity. She has worked in credit risk for the past five years and is currently in Loss Forecasting group for Home Equity at Wells Fargo. She and her husband, Bob, ’98, have two children, Keelyn (5) and Brexton (20 months).

Heaney, Michael, ’93. Michael has accepted a position at the University of Michigan as Assistant Professor of Organizational Studies and Political Science.

Johnson (Rasmussen), Jaclyn, ’73. lives in Waverly, Iowa.

Kielkopf, Todd ’91. Todd went on after graduation from UNI and received an M.S. degree from Iowa State in Business Administration. In mid-2007 Todd was appointed to oversee Indiana Municipal Utilities’ (IMU) electric, water and telecom utilities. Prior to that, he was the finance officer for both IMU and the city of Indianapolis. He also has a financial advising “sideline” business and is involved in the selection of various investment professionals, measuring performance, and determining strategies given macroeconomic conditions. He and his wife have two daughters (ages 9 and 11) and a black lab named Millie. Their free time is spent following their kids’ activities, camping, and the occasional family or work-related trip. In the winter, his wife coaches both girls’ basketball teams and they enjoy skiing.

Klaes, Brad, ’95. Brad is currently employed by Ahrens Concrete, a nationwide concrete contractor based in Iowa City as an estimator/project manager. He and his wife, Laura have three children, Brandon, Jayden and Sam and another on the way.

Knight (Gansen), Beth Ann, ’02 and Alex Knight, ’02. Beth, Alex, and daughter Bella welcomed Lucian Richard, born on August 21, 2009. 8 lbs 3 ounces, 21 inches long. They live in Wilmington, Delaware.

Lowen (Gilkes), Aaron, ’07. Aaron was recently promoted to Associate Professor of Economics at Grand Valley State University. He states, “While I’ll be the first to admit I’ve worked hard over the years, I believe my success was due, in no small part, to having started with a rock solid education and great role models. While I owe a debt of gratitude to the entire faculty at UNI, and especially the Department of Economics, I give special thanks for Fred Abraham, Ken Brown and Kenneth McCormick. Thank you for challenging, training and inspiring me.”

Milder, Mark, ’99. Mark received his law degree from the University of Iowa and has his own practice in Waverly, Iowa.

Russell, Michael, ’01. Michael is employed at the Minnesota Medical Foundation in Minneapolis where he does healthcare fundraising.

Schabilion, John, ’06. John is a research associate at Aurora Investment Management LLC, primarily focused on equity hedge fund managers. He recently passed the third and final exam in the CFA program.

Sly, Nicholas, ’04. Nicholas is currently a PhD candidate at Michigan State University and has accepted a position at the University of Oregon.

Swanson, Kevin, ’07. Kevin is employed in Assurance & Advisory Business Services at Ernst & Young in Des Moines.

Economics Club

As the number of economics majors grows, so does our Economics Club membership. We have a record number of students in the Economics Club this year. Our officers are as follows: co-presidents are Ryan Fischels (Cedar Falls, IA) and Matthew Peterson (Cedar Rapids, IA); co-vice-presidents are Keian Holt (Falmouth, England) and Josh Vogeler (Marshalltown, IA); treasurer is Jordan Voss (Ankeny, IA); secretary is Andy Smith (Ankeny, IA); community outreach coordinator is Kristi Philips (Ames, IA); publicity committee includes Larissa French (Johnston, IA), Jamie Harthoorn (Linnville, IA), and Matthew Rice (Danville, IA) and recruiting committee includes Tom Augspurger (West Des Moines, IA) and Ellen Nosbisch (New Hampton, IA).

About 50 students attended our initial meeting on September 10, 2009. President Fischels organized our first miniature golf outing on September 24, 2009. Students and faculty attended, including Dr. Ken Brown’s daughter, Olivia, who outplayed more than one college student. Based on the success of last year’s writing seminar, we offered the event again in October. About 25 students were able to attend at least one session. The Club sponsored a career talk by Mr. Mike Mallaro, CFO & CIO of The VGM Group, on November 10, 2009. He provided excellent information, including ten characteristics shared by successful employees.

We held our annual Texas Hold ‘Em poker tournament on November 18, 2009. Twenty-six students attended. Sam Mazuk (Marion, IA) beat out Emily Scholtes (Lansing, IA) to claim the DVD prize pack.

Jamie Harthoorn does a great job updating the Econ Club’s Facebook page where Club meetings and event notices are posted. Please join our group–alums are welcome!

–Lisa Jepsen
The Alumni-in-Residence program has continued to be quite well received by our students. Started in 1992, the program brings an alum on campus for a day, usually in April, to visit with students and faculty. The alum shares post-graduate experiences with students by visiting classes and discussing what the real world is like and also how important undergraduate preparation is for a successful career.

A variety of events throughout the day provide the opportunity for the alum to share experiences and also offer insights into our program that we on the inside can not obtain. The day culminates with the Alumni-in-Residence assisting the department head in recognizing our top students at the annual Spring Recognition Banquet. We really enjoy the day and welcome the chance to hear the perspective of our graduates. If any graduates are interested in being an Alumni-in-Residence, please contact the department office.

Reflections from Jon Shepherd

Let me first thank Dr. Abraham and the rest of the Economics department for inviting me to be this year’s Alumni-in-Residence and inviting me to come back to campus. A lot of things have changed since I graduated in 1990—it fact, I think Drs. Abraham and McCormick are the only professors still here from those days! I consider myself very lucky to have spent my junior and senior years at UNI (to paraphrase something us “Northerners” who have moved to Texas often say, I didn’t start off at UNI but I got here as fast as I could). The professors in the Economics department were not only fantastic teachers, they were interested in each and every student, even those of us who tried to hide in the back row to avoid answering the tough questions. From what I saw during my visit to campus, the current group of professors carries on that proud tradition for the Economics department.

I also would like to thank the students whom I had a chance to talk to during my visit to campus. Learning from them about the new classes that the Economics Department has added to its curriculum since I graduated—especially the Directed Research class—convinces me that today’s graduates will be even better prepared as they leave UNI than I was. Indeed, I attribute much of my success both in law school and as a lawyer to my experience as an Economics major at UNI. The focus that my Economics professors placed on class papers, as well as having the opportunity to publish an article in Major Themes in Economics, greatly improved my writing abilities.

Additionally, it is impossible to escape F.’s Econometrics class without being forced to develop rigorous analytical skills, not to mention learning entirely too much math! But each and every Economics class I had prior to being subjected to F. prepared me for that experience by requiring me to develop my critical thinking skills. Combined with every class’s requirement of a research paper, these skills provided me with the ability to succeed at the University of Michigan Law School and in my legal practice in Dallas.

I was honored to be invited back to UNI to serve as the Economic Department’s Alumni-in-Residence and look forward to many more return visits to campus.

Note from Fred: Thanks, Jon, for financing this newsletter!

2009 Alumni-in-Residence Jon Shepherd (center), Fred Abraham, and CBA Dean Farzad Moussavi (left). Jon is currently a partner with Alston + Bird, LLP in Dallas Texas. He graduated in 1990 and it was really great having him back.

Major Themes in Economics

Over the years, some of you may have published articles in Major Themes in Economics aka Draftings in Economics. The link, www.cba.uni.edu/economics/Themes can take you to the recent issues. This is a great publication but expensive. We wish to thank Ron Rolighed for a generous contribution again this year which covered ALL of the costs of production. In tight budget times, help like this makes an enormous difference in what we can do for our students. Once again, our alumni have come through for us with great support. Thanks Ron!
Graduation is a fun time for students and faculty. It’s so great to see students we have known for years finishing this part of their studies and moving on to another phase of their lives. It was a long time ago that I earned my bachelor’s degree but I can remember most of the surrounding events as if it were last week. While I wouldn’t want to relive my life, I do have a little envy for those students who are just starting out their careers. It’s exciting to know your future is still unwritten.

I invited all of the economics graduates and their families to my house immediately after graduation for some cake and punch. We had a good turnout and got to meet a lot of nice families.

—Fred Abraham

Help Us Recruit Majors

Professor Jepsen, Professor McCormick and I are on the department’s student recruiting committee. As part of our efforts we have created ways for students and alums to find out more about the economics major and department events. These efforts are still a work in progress, but we now have a website called UNI Economics Connections at [www.cba.uni.edu/economics/connections](http://www.cba.uni.edu/economics/connections) where you can access the department Facebook page, photo album, and blog. We also have a Linkedin group for the department, current students, and alums.

We believe good advice to students on internships, careers, graduate school, and law school helps our students succeed which in turn attracts future majors. Professor Amin advises our students on internship possibilities, Professor Jepsen advises students interested in law school, and I advise students interested in graduate programs. You can help us promote the major and help our students succeed by informing us of any internship or job openings you know about. Email us or if you join the Linkedin group, you can post job announcements.

Professor Jepsen and I talk about the economics major to students in the recently created UNI College of Business seminar course for freshmen and transfer students. We also maintain bulletin boards on graduate and law school opportunities and the recruiting committee has created new brochures to attract students. Students enjoy seeing pictures of and hearing about the success of our alums so please feel free to send us photos and update us on your studies and careers. Thanks for your help!

—Bryce Kanago
When I started my college career at UNI four years ago, I never thought I would be capping it off with a trip to Moscow, Russia. The opportunity to travel to such a historically important place was too great to pass up. During the month of March we hosted five Russian students in Cedar Falls, which allowed us to develop a good relationship with the group who would be showing us around Moscow.

After a long day of travel starting in Cedar Falls and ending in Moscow, we reunited with our Russian friends at the Arbat hotel in the heart of the city. We explored the area around our hotel and made the first of many attempts to dine at a Russian restaurant without the ability to speak the language of the wait staff. Luckily, our hosts were more than happy to help us out.

From the time we awoke in the morning to the time we went to bed, our hosts kept us busy exploring all that Moscow had to offer. The Red Square is a must-see during any visit to the historic city, with the breathtaking architecture of St. Basil’s Cathedral, Kremlin walls, and Lenin’s Mausoleum. Going through Lenin’s Mausoleum was unlike anything I had ever experienced. After silently walking past several military guards you see the embalmed body of the influential leader who has been in the tomb since 1924. According to our Russian friends, there is still much debate on whether it is appropriate to display his body in this manner.

Apart from sightseeing, we also got to experience some cultural events and performances. We saw Romeo and Juliet performed as a ballet at a popular theatre, which is perfect for non-Russian speaking tourists—no language barrier. We also attended the Moscow Circus where we watched some impressive acrobatic stunts. My personal favorite part of the trip was the time spent inside the Kremlin walls. I was surprised and excited when I found out we would actually be inside one of the most mysterious fortresses in the world. There were great cathedrals, government buildings, and watchtowers throughout the massive complex. During our visit, we were lucky enough to witness a traditional Russian military parade in an open square within the Kremlin. It was a unique display of Russian military pride and something I will never forget.

Having the students show us around the city and getting their viewpoint on everything made the experience all the more interesting. Rather than listening to tour guides give the same speech, we were allowed to interact with Russians close to our age. Near the end of our stay, they took us out for a night on the town. We were anxious to see how much different the nightlife was in Moscow. We all had a great time and it was the perfect send-off for our time with the students.

Traveling to a place like Moscow, Russia with such a great group of people was one of the most memorable experiences of my life. The many pictures and stories from the trip are great, but they don’t compare to the feeling of being in one of the oldest and most influential cities of the modern age. In a place so far from home, our Russian friends took great care of us as our hosts and for that we can’t thank them enough. The UNI faculty who traveled with us made the trip even more enjoyable. Additionally, we would like to thank the UNI Economics Department and all the financial supporters of this program for the once in a lifetime experience.
Competition

**Lawrence M. Jepson International Economics Essay Contest**

The Lawrence M. Jepson International Economics Essay contest was established to encourage students to think seriously about the international economy. As the world continues to integrate, it becomes ever more important to understand our economic relationship with the rest of the world.

The prize this year was split between three Economics majors. Luke Leidal’s essay was entitled, “Outsourcing and Its Effect on the Labor Market”; Robert Sandor’s was entitled, “Shay’s Rebellion”; and Kyle Rehnstrom’s essay was “NAFTA: Effects on the United States.”

They each received from the Lawrence Jepson fund $350 and a framed, commemorative certificate for their efforts.

*Ken McCormick*

*Lawrence Jepson Professor of International Economics*

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**UNI Team Enters Fed Challenge**

The College Fed Challenge is a program that provides university and college undergraduates with an opportunity to experience the Federal Reserve's policy.

Teams of three to five students have 20 minutes to present an analysis of the current U.S. economy, present a short-term forecast, and make a monetary policy recommendation. The team then defends its view before a panel of professional economists in a 15-minute question and answer session.

For the second year, we entered a team in the competition in Chicago. The format was a little different this year and there were 18 teams presenting in 4 divisions. Winners from each division moved on to the championship round and our team lost out to a team from the University of Chicago. Our team was put together and trained under the capable leadership of Dr. Bryce Kanago and the students put in a great deal of work. As you can imagine, it was an outstanding experience. Winners from the other divisions were Michigan State, Iowa, and Northwestern with Northwestern being the overall winner. We’re very proud of how well our team did in the face of some pretty tough competition!

Our team consisted of James Hanlon, Jack Luze, Sam Mazuk and Kalen Hutcheson, and Bryce says they did a great job. This was a great opportunity and learning experience for our students. We are planning to go back next year and try again. Wish us luck!

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**Economics Rules My Life**

Economics is ruling my life. I tried to calculate my 3 year old granddaughter’s discount rate by seeing how many pieces of candy I needed to promise her after dinner to be equivalent to exactly one piece before dinner. Then, I spent an hour in a toy shop making up over 20 bundles of toys that could be purchased for $50 and asked her to select one of these bundles.

–Fred Abraham
Competition

Undergraduate Research Program

The College of Business Administration’s Undergraduate Research Program (URP) provides opportunities for students to conduct and present research projects under faculty supervision. Students selected for the program receive a $750 stipend and modest funding is also available from the college for research-related expenses, such as supplies and travel. Students conduct their research during the academic year and present their research to faculty and students at an URP Seminar to faculty. The research, which adds enormously to a resume, can also lead to journal publication.

Our department has greatly expanded on the CBA program and we now are able to send students to economic conferences to present their research. Last year, Dr. Lisa Jepsen, who oversees our part of the program with the help of Dr. Bryce Kanago and Dr. Bulent Uyar, took four students to the Eastern Economic Association’s annual conference in New York to present their research in special student sessions. It was a fantastic experience and the cost to students was minimal because of the financial help from the dean’s office and the contributions of economics alumni.

Economics majors are the most numerous participants in this program and this year we have eight students involved. Congratulations to Lisa on putting together a superb program for students!

Please consider contributing to fund this excellent program for students. What a great way to help!

–Fred Abraham

How Old is the UNI Economics Major?

The question arose as to how long UNI has had an economics major. Gerald Peterson from the Rod Library provided me with some information. Apparently, at least as early as 1914, the catalogue includes Economics among its list of majors. Prior to 1914, there was a major area of study called History, Government, and Economics.

Economics as a separately listed area of major study persisted in the catalogue into the 1930s. But then it seems to have become paired with Sociology in the big Social Science Department. The major was called Economics and Sociology. Through the 1950s, a student could major in Social Science with the possibility of an emphasis in Economics. Economics, as a separately named major, and as part of the BA degree (not the teaching degree) appears again in the 1968 catalogue.

So, it was possible to major in Economics, as part of the teacher education course, quite early—at least as early as 1914. There was even an Economics Department from 1911 through 1920 (I was not in it), before it became part of the overarching Social Science Department. The Economics major stayed within the Social Science Department until the current Economics Department emerged in 1969, a couple of years after this institution became a university and was differentiated into colleges and departments.

Can we say, students have been able to major in economics at UNI, uninterruptedly, since 1914? No, not quite. There was really quite a long stretch when the major was in Social Science with an Economics emphasis. But, for practical purposes, students have been able to concentrate their studies in Economics and to receive transcript recognition for Economics as a major or emphasis for a long time.

So the economics major is older than I am!

–Fred Abraham
University of Northern Iowa Economics major and senior football linebacker Josh Mahoney has been selected by the National Football Foundation & College Hall of Fame (NFF) as a member of the 2009 National Scholar-Athlete class. The 16 members of this year’s class are finalists for the William V. Campbell Trophy, which recognizes the best scholar-athlete in the nation.

The NFF’s National Scholar-Athlete program was launched in 1959 and awards scholar-athletes with post-graduate scholarships for their athletic, academic and leadership abilities and accomplishments. Each finalist will receive an $18,000 scholarship, and one finalist will be the winner of the William V. Campbell Trophy and a $25,000 post-graduate scholarship. The winner will be announced December 8 in New York and Josh will be there with his competition, quarterbacks Tim Tebow of Florida and Colt McCoy of Texas among others.

Mahoney’s academic accomplishments include being recognized on the Dean’s List every semester while at Northern Iowa. In 2008, he was named an ESPN The Magazine Academic All-American and selected to the FCS Academic All-Star Team. Josh was the recipient of the Economics Department’s prestigious Mahmood Yousefi Economics Scholarship and carries a perfect 4.0 GPA. He has also won the UNI undergraduate English Major Essay Contest three times and has been a member of the Missouri Valley Conference All-Academic Team in both 2008 and 2009. He plans on attending law school after graduation. Congratulations Josh!

UNI economics major Ryan Mahaffey, a junior tight end from Grinnell was named to the ESPN The Magazine Academic All-District team for 2009. Mahaffey secured second-team honors for the District VII squad. He was selected by members of the College Sports Information Directors of America. District VII includes schools in the states of Colorado, Iowa, Kansas, Missouri, Montana, Nebraska, North Dakota, South Dakota and Wyoming, and the Canadian provinces of Alberta and Saskatchewan. Selections are open to all Division I student-athletes who have reached sophomore academic standing and carry at least a 3.30 GPA. Congratulations Ryan!
Many smaller schools use their size as a strength by pointing out the individual attention and opportunities available to students. I think we can do that and more.

The benefits of attending UNI are well known. But, the economics major at UNI offers advantages usually thought to be associated with much smaller schools. With about 135 majors distributed across the freshman through senior classes, we are able to offer benefits other larger programs can’t. Below are some of them.

**Writing, Research and Publication Opportunities**

- Undergraduate Research Program. Qualified students receive funding to do research under the guidance of an economics professor and write a paper which is delivered at a national conference.
- Most upper division classes require papers.
- All majors write a term paper in Directed Research.
- *Major Themes in Economics*. Up to five selected student papers are published in a bound journal format and widely distributed.

**Advising**

- All declared economics majors are assigned a professor as their personal faculty advisor.
- Pre-Law students are assigned to a special faculty advisor who specializes in helping students with law school questions.
- Pre-Graduate School students are assigned to a special faculty advisor who specializes in helping students with graduate school questions.

**Departmental Employment and Financial Support**

- Qualified Economics majors are hired by the department as tutors to help students in introductory economics classes.
- Majors receiving work-study financial support can apply to be assigned to work in the Economics Department office thus increasing contact with Economics Professors.
- The Economics Department and our generous alumni provide funds to pay fees associated with the LSAT and GRE exams.

**Travel Opportunities and Support**

- Each May, five senior economics majors, accompanied by a faculty representative, are selected to present research papers in Moscow. Transportation, room and board expenses are covered by the Economics Department and the College of Business Administration.
- The Economics Club sponsors an annual trip to the Chicago Federal Reserve Bank for economics majors and the faculty advisor. The trip is heavily subsidized by the Department of Economics and our alumni contributions.
- Selected economics majors are funded for travel to represent the department in the annual Fed Challenge.

**Focus on Learning**

- Most upper-level classes in economics are large enough to enable a wide range of perspectives in student discussions yet small enough to allow personalized attention and individualized opportunities.
- Almost all upper-level classes are taught by Economics professors with Ph.D’s who are specialists in their teaching areas.
- Only excellent teachers receive tenure in the department.

**Internships and Cooperative Education Opportunities**

- The Economics department will work with every student seeking an internship or co-op experience to help find the right opening.
- To facilitate the process, one faculty member is assigned the responsibility of networking with employers to identify placement opportunities and help match students with employers.

It’s why we say,

**“UNI Economics: A small school experience in a big school environment!”**
We often hear statements such as “women earn 78 percent of what men earn.” The most common interpretation is that women are not paid equally to men for the jobs that they do. People often interpret wage differences as labor market discrimination against women. The term labor market discrimination is often misunderstood. According to Nobel Laureate Gary Becker, labor market discrimination exists when two equally qualified individuals are treated differently solely on the basis of their gender, race, age, ethnicity, disability, etc.

Statements like the one above refer to the female-to-male earnings ratio, also known as gender earnings ratio, which is calculated as female earnings divided by male earnings. In the late 1970s, the ratio began to increase. Between 1978 and 2007, the weekly earnings of women working full time rose from 61 percent to 80 percent of men’s full-time weekly earnings. In other words, the gender wage gap narrowed during this period. We can see that although the gender wage gap narrowed, women still earn less than men.

But men and women may differ, on average, in their age, experience, educational attainment, seniority, occupation, industry, and other characteristics related to earnings. So we must control for these characteristics that can be measured in assessing the gender wage gap. After controlling for individual characteristics, there could be a part in the gender wage gap that is not explained. Thus, the gender wage gap consists of two parts: explained gap (which is due to differences in human capital or other measured characteristics) and unexplained gap (could be due to unmeasured qualifications e.g., skill, ability, etc. and/or labor market discrimination). So when we see in the media that the gender earnings ratio is 80 percent, we are seeing the “unadjusted” or “raw” gender earnings ratio.

If we control for the measured skills, the ratio is likely to go up. In fact, research finds that if we control for education, experience, industry, occupation, and union coverage, the “adjusted” ratio rises to 91 percent. However, women still earn less than similar men. The unexplained gap, nine percent in this case, could be due to unmeasured characteristics, such as ability, labor market discrimination, or could be a combination of both. Ability is difficult to measure. Researchers approximate ability using standardized test scores, or IQ test scores.

The status of women in academia has received a great deal of attention in recent years. Women are concentrated at the lower end of the occupational hierarchy as lecturers, instructors, and assistant professors. They are less likely to be at the upper ranks such as associate and full professors. Although, women’s representation has increased over the years, most studies find that the underrepresentation of women at higher ranks cannot be entirely explained by lags as women work through the pipeline. Rather, the pipeline is “leaky.” Detailed studies by some researchers suggest that discrimination plays a role in academia. For example, a study of faculty in the economics profession finds that even after controlling for many measured qualifications including publishing productivity, quality of Ph.D. training, major field of specialization, etc. female economists are significantly less likely to be promoted from assistant to associate and from associate to full professor. Similar results have been found in other disciplines as well.

A group of UNI faculty have been meeting this year to discuss potential earnings differences by gender among faculty at UNI. We are both members of the committee. The committee will approach the topic from a variety of disciplines. As labor economists, our goal is to produce a scholarly research paper that tests the hypothesis that female faculty earnings are statistically different from male faculty earnings, controlling for factors such as discipline, rank, years in rank, and productivity, to name a few.

--Shahina Amin & Lisa Jepsen

There is a big push on to have students earn college credit while in high school. I think this is a bad idea. While it has always made sense to accelerate the exceptional students, it does not follow we should accelerate all students. I understand the desire to get a head start on college and perhaps save some money but it may be short-sighted. Unless the college courses are taken on an overload basis (which does not make sense), there must be an opportunity cost associated with high school students taking college courses. Alternatively, if they are taking high school classes that earn high school and college credit simultaneously, we have to question the rigor of the class. After all, it is a high school class!

Every time high school students take a college class, that’s one less high school class they could take. Believe me, based on what I see, they would be much better off taking another writing or math class in high school than a college class.

I cringe when I hear students say they want to “get a class out of the way.” That certainly is not what education is about. We do not have required courses as barriers. They are there because we believe they are important to a student’s education. And, we make that determination, not the high schools.

We are already seeing some of the effects this practice. We offer Business Statistics that has a prerequisite of an introductory statistics class. In the past, incoming freshmen have taken the prerequisite in the fall and the Business Statistics class in the spring. Recently, large numbers of first semester freshmen are taking the Business Statistics class in the fall which means they took the prerequisite in high school. The drop rate has soared as they discover they are not prepared for our class.

This is not a criticism of high school teachers. They do a great job under trying circumstances. They have to deal with behavioral problems, motivational issues, and student ability shortfalls in addition to teaching content. Their job is tough enough. Let’s not ask them to teach college as well.

Rather than wanting high school students to take college classes, maybe we should urge higher standards and rigor in high school. Students would be well served and better prepared for coming to the university.

--Fred Abraham
China has come a long way in the last three decades. In 1975, GDP per capita (adjusted for international price differences) was $229.80 compared to an amazing $6757.27 in 2005. It has been experiencing double digit economic growth for a long time. Even during the current global economic downturn it grew at an astonishing annualized rate of 16.5% in the second quarter of 2009 compared to the previous quarter. As a direct consequence of these miraculous growth rates, China is bringing people out of abject poverty in the millions. In a recent piece in the Wall Street Journal, Shubom Choudhuri reports that between 1981 and 2004 China managed to pull 500 million people out of poverty. According to the World Bank, “A fall in the number of poor of this magnitude over such a short period is without historical precedent.” This report also says, “Without China there would have been no decline in the numbers of poor in the developing world over the last two decades of the 20th century.”

How is China accomplishing this unprecedented task? Economic reforms that started in the late 1970s with liberalizing trade initiated the process of dismantling a highly regulated economy. Gradually introducing market reforms in the agricultural sector, creating financial institutions, allowing foreign direct investment in the country, liberalizing the financial sector, and, overall, systematically reducing the role of the state in allocating resources and relying more on the forces of supply and demand, all of these factors have important roles to play in the growth process of the Chinese economy. At this point in time, Chinese economy can be best described as a complex mix of traditional way of doing things, socialism, and capitalism. An apparently peaceful coexistence of the teachings of Confucius, Mao, and Adam Smith. And it seems to be doing wonderfully well.

International trade is contributing to the economic development of this still poor and developing country. According to The Economist, net exports from China (difference between exports and imports) made a contribution of around 2.6 percentage points to the GDP growth rate of China in recent years.

Unfortunately, in the last couple of years, China is being looked upon as a villain in the US. A major concern is the massive bilateral trade deficits the US is having with China. Critics from both parties, some prominent economists, organized labor, and a significant portion of the general public are under the impression that China is manipulating its currency, the yuan. By deliberately keeping its currency undervalued China is giving its producers an unfair advantage over the US producers of goods and services. As a result of this the US imports more from China than it exports, thus creating this huge trade deficit. In 2005 Senators Schuman and Graham proposed to impose a tariff of 27.5% on Chinese goods entering the US unless China increases the value of its currency. The Obama administration decided to levy new tariffs on imported tires from China (September 11, 2009). This rise of protectionist measures and sentiments, I think is detrimental to all the parties involved.

Until the early 1970s, most countries in the world operated under pegged or fixed exchange rates (known as Bretton Woods: 1946-73). Under this arrangement, the value of the US dollar was fixed in gold, and currencies of other countries were fixed against the US dollar. This system was abandoned by the developed countries in the early 1970s. Exchange rates were allowed to be determined by the demand and supply of currencies. Today, about half of the members of the International Monetary Fund (IMF) peg their currencies to a single currency (mostly US dollar) or a basket of currencies. Most of the developed countries have free floating or flexible exchange rates, where market forces (including speculations) determine the prices of currencies. The rest of the countries have a system of managed floating (also known as dirty floating). There are strong economic arguments for and against these different kinds of exchange rate regimes. None is inherently better than the other.

From 1994 until 2005, yuan was pegged to the US dollar. When US dollar gained or lost its value, so did the yuan. Incidentally, China mostly escaped the Asian Financial Crisis in the 1990s mainly because of this arrangement and some other restrictions on capital movements. The US and other developed countries at that time actually praised China for their policy. However, this was abandoned by China in 2005 under pressures from the US and the EU. A new regime was established in July 2005. Under this arrangement China moved to a managed floating system with respect to a basket of currencies. Yuan now could go up or down by about 2%. China again resorted to a fixed rate to the US dollar after the recent global economic crisis erupted. And there is nothing wrong with this. Most other countries under similar developmental stage are pursuing exactly this policy.

Whether or not China is manipulating its currency to gain competitive advantage against, for example, US producers cannot be easily demonstrated. A recent study by the IMF concludes that instead of artificially keeping a cheap currency, “There is a strong argument by the Chinese authorities that their main objective in keeping yuan pegged to the US dollar is the stability of the economy”.

In the mean time, we should keep buying goods produced by the Chinese workers, and China would keep buying US assets. And enjoy the enormous benefit we all get from free and unrestricted trade, despite some short run pains. This symbiotic relationship should last for a while until the ever shifting comparative advantages take us to a new level field. Meanwhile, China is looking ahead to meet the immense challenges it faces. It is investing an enormous amount of resources in educating its population in science and technology. It is planning to build one hundred world class universities in the next hundred years.

—Imam Alam

China by the Numbers

<table>
<thead>
<tr>
<th>China by the Numbers</th>
<th>Details</th>
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<tr>
<td>$800 Billion:</td>
<td>Loaned to U.S. Government</td>
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<tr>
<td>1.3 Billion:</td>
<td>Current Population</td>
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<tr>
<td>$337 Billion:</td>
<td>Exports to U.S.</td>
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<tr>
<td>4%:</td>
<td>Current Unemployment Rate</td>
</tr>
<tr>
<td>129/156:</td>
<td>World Economic Freedom Rank</td>
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<tr>
<td>2:</td>
<td>Years of compulsory military service</td>
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It is a safe bet that when Sophocles wrote “What is sought is found,” he was not thinking of statistics. But he might as well have been, because some will look at numbers until they find what they want.

Imagine a politician arguing that the police department needs more funds because the murder rate in an area has increased by 100 percent over the previous year. But how many people were killed last year? If one, then a 100 percent increase would mean two murders this year; if 10, it would mean an increase to 20! Also, what is the population of that area? The 100 percent jump may or may not look ominous, depending on whether the population is 1,000 or 5 million. Our perception of the increase is affected by what kind of additional information we are given.

The wealth of the average alumnus of the Lakeside School in Seattle, Washington is in the millions. Incredible indeed! However, if you also know that both Paul Allen and Bill Gates are among the alumni, you may not be as impressed. After all, even if the rest of the alumni were on welfare, the wealth for the average alumnus would still be in the millions. Averages can be misleading.

The longer a batter has gone hitless, the more likely he is to get one the next time he is up to bat, right? No! Given everything else, he is no more or less likely to get a hit at any one turn at bat than he is at another. The fact that you might not have had five come up even once in a thousand rolls of a die has no bearing on what happens the next time it is rolled. The likelihood of getting a five was, is, and will forever be one-out-of-six. Remember that a die has no memory!

Commercials tell us that eight out of ten doctors recommend a certain painkiller. Before stocking up on it, we should ask a few questions. Are these doctors of medicine or literature or economics or what? Are they receiving any kind of compensation from the pharmaceutical company? What is the sample size? Our reaction to the commercial would be different still if the claim were based on 150 independent doctors versus five.

The other week a reader sent a letter to the Waterloo Courier, asking how two local TV stations could advertise that they have “Iowa’s No. 1 newscast.” The Courier’s answer was that the stations were selected as “No. 1” in totally different categories! So, both claims are accurate but what do they mean? The ads did not make that clear, probably intentionally so.

Members of the news media, columnists, commentators, and politicians confuse correlation and causality all the time. They use the terms as though they were synonyms. Years ago, I wanted to demonstrate to my business statistics students the silliness of doing so. I opened the U.S. Statistical Abstract to a page at random. It had annual data for the number of murders committed in the US. I then opened the Abstract to another page where I found annual data on the number of degrees offered in Home Economics (yes, this was a while back!) by the universities in the US for the same period as the number of murders. I computed the correlation coefficient to be 0.92.

Around the same time, I came across two news stories. One provided information on the annual average salaries of Presbyterian ministers somewhere in New England. The other was about the economic problems in Cuba, and reported the price per barrel of rum in Havana for the same years as the salaries. The correlation coefficient this time was 0.94!

Putting aside all the obvious jokes, the most reasonable inference is that in each case there is a third variable behind the numbers. They are population and inflation, respectively. As the population increases there are more crimes committed, including murders. Also as the population increases, more people will be going to college and getting degrees in any field. Both Cuba and the U.S. were experiencing high rates of inflation during that period which meant the salaries and prices in both countries were increasing. But what is the causality between the number of murders and the degrees given in Home Economics, or between the price of rum in one country and the salaries of ministers in another?

Some of these make us smile. We can live with them. However, what if the misuse is intentional and is meant to deceive? That is where the danger lies because such deception is the work of people who know their statistics. They have an agenda and they know their audience only too well.

This brings to mind an interview from two-or-so decades ago by a former White House Budget Director, an extremely intelligent man with quite the memory. He stated that there were times during Congressional budget hearings when he made up the figures that he forgot. People were aware that he knew the details of the federal budget better than anyone else. Therefore, he felt comfortable that nobody would dare challenge his figures. The sad part was the interviewer joined him in chuckling over that admission rather than taking him to task over the moral and ethical implications of his actions, or asking him whether such deception may have adversely affected public policy.

Why do we fall for such deceptions? Perhaps we are too trusting or eager to embrace statistics that support our version of truth. Perhaps we find comfort in numbers that affirm, reassure, validate. As a result, even those who should know better, become intellectually lazy and vulnerable. They neglect to inquire for themselves.

Finally, did you know that an average American has one testicle and one ovary? That is absolutely correct! Think about it to appreciate that while accurate, the statement means nothing. As silly and even crude as this example may be, it is a good reminder to have healthy skepticism when it comes to statistics.

Statistics are meant to enable us to understand our world better by filtering, organizing and summarizing sometimes millions of numbers. Always ask what the source of the numbers is, who is doing the summarizing, how they are summarizing them, and to what end!

---Bulent Uyar
**Faculty Awards**

**Dr. Ken Brown** was promoted to Full Professor, effective with the beginning of the fall semester. This is the highest academic rank for a faculty member and usually comes after many years of working up through the ranks from Assistant Professor to Associate Professor. Requirements for this promotion are a strong record of excellent teaching and research as well as a significant service contribution.

**Dr. Lisa Jepsen** received the Faculty Student Choice Award given out at the annual CBA gala each spring. The recipient is selected by a vote of students in the CBA and Lisa is the first person in the Economics department to receive the award.

**Dr. David Surdam** received the University Book and Supply Outstanding Teaching Award which is given annually to one person from each of the five UNI colleges. The award recognizes untenured but tenure-track faculty for excellence in teaching.

Dr. Surdam was also awarded tenure and promotion from Assistant to Associate Professor effective fall, 2009. Tenure is an extremely high honor and protects faculty from capricious firing for teaching new or innovative ideas which may be opposed by entrenched thinking. It also requires a strong and developing record of effective teaching.

Veridian Credit Union awards up to five Community Engagement Awards annually, potentially one for each of UNI’s five undergraduate colleges. Each award recipient receives a Community Engagement plaque and a $1,000 check payable to the nonprofit organization of the faculty member’s choice.

Candidates for this award must be engaged with the community through their research or teaching. For 2009, **Dr. Fred Abraham** received the award for contributions to the community and research in the area of Forensic Economics.

**Lawrence Jepsen Professorship Awarded**

**Dr. Ken Brown** has been named the Lawrence Jepson Professor of International Economics. Ken succeeds Dr. Ken McCormick who ably held the position for the past three years and did an excellent job.

Ken Brown has been with us since 1994 and has big shoes to fill in his new role. He will oversee the offering of various courses in the Economics department dealing primarily with international topics and issues. In addition, funds will be provided from the Lawrence Jepson Memorial Endowment Fund and administered by him to provide a lecture series, scholarship opportunities for students to enhance their global understanding and other activities which expand understanding of international economics by students and faculty. He will also oversee a large part of the annual Bi-Lateral Seminar which sends students and faculty to Moscow every spring.

Over the years, the Jepson endowment has funded a variety of international activities including the Russian Bi-lateral Seminar and the Jepson Symposium. We’re excited that Lawrence Jepson’s generous gift to us can be expanded to help our students and faculty even more.
Charles Gillette. We live at 912 East Pleasant Street, #6, Milwaukee, WI 53202. We spend quite a bit of time with our grandchildren who live in the Milwaukee area and also travel to visit other relatives. Both of us try to remain somewhat active in our parish. And we are in fairly good health.

Barb Mardis. The highlight of my year was a trip to Ireland in May! We spent 4 days in Dublin then rented a car and drove around the country for 2 weeks. It was beautiful even though it did rain at least a little nearly every day. I think my favorite area was the Dingle peninsula, though it was also fun to track down some old family castle ruins. It seems that my County Cork ancestors (my great great grandfather was born there) were well-known pirates and at various times owned numerous properties along the coast.

This fall I have ventured out of retirement to substitute teach in the Management Department for a couple of months. While it is fun to be back on campus and I am enjoying the contact with students and colleagues, it definitely hasn’t made me want to come back full time!

Janet Rives. Life has been good to me in both Tucson and Cedar Falls over the past year. Last winter, I enjoyed visits in Tucson from various midwest and east coast friends who were trying to escape the cold winter at home. I played quite a bit of golf in Tucson and, once again, volunteered at the Accenture Match Play Tournament. My job was in the Media Center where I perfected my skills in cutting out newspaper articles from the newspaper and making photocopies of various reports for the print media representatives. Many of them left after Tiger lost his match! Despite the cool summer in Iowa, I managed to play golf and do some flower gardening. I was part of a group of six fellow golfers who attended the Solheim Cup golf matches west of Chicago. What fun! The course was amazing and so were the golfers. Sounds as though I’m a golf groupie, which might be true. I have also stayed busy with a poetry writing group in Cedar Falls, a memoir writing class during the summer, various church activities (including keeping track of Lisa Ver Mulm via her parents!), and monthly book club meetings in Tucson. This fall, I once again enjoyed helping Dr. Jepsen and Dr. McCormick with a writing seminar for Economics Club members. Dr. Amin decided that I am now qualified to talk to her Labor Economics class about Medicare as well as Social Security! It was fun to be in front of a class again. A friend and I drove down to Tucson in late October and made a vacation out of it. I highly recommend a visit to Canyon de Chelly in northeast Arizona (northwest of Gallup, New Mexico) if you travel that way. Our visit there was the highlight of the trip west. Please get in touch with me if you are in Cedar Falls or Tucson (Janet. Rives@uni.edu). I would love to see you and catch up on your news.

Chuck Strein. The two of us are doing well. We rented a park model in an RV resort in Gold Canyon, Arizona last winter. We liked it more than we ever thought, so we’re going back this winter. We have joined a bone builders exercise class in Minnesota, and the old man likes a weekly game of golf. In Arizona, we do a lot of hiking and touring. We continue to enjoy watching our grandsons play baseball, football, and ice hockey. They are great athletes! We also do a lot of traveling. Either from Minnesota in the summer or from Arizona in the winter. We look forward to hearing news, especially from retired faculty and students.

Where are they now?

Donald Bumpass (Fall 1974 - Fall 1979) Professor of Economics at Sam Houston State University.

Daniel Christiansen (Fall 1979 - Fall 1981) Professor of Economics and Management at Albion College.

Jennifer Fuhrman (Fall 1999 - Spring 2003) Instructor, University of Iowa

Rick Hansen (Spring 1978 - Spring 1987) Professor of Economics at Hillsborough Community College


Randall Kesselring (Fall 1978 - Fall 1981) Professor of Economics at Arkansas State University.

Randy Krieg (Fall 1987 - Spring 2000) Vice President for Academic Affairs at St. Joseph’s College of Maine in Standish, Maine.

Dongsoo Shin (Fall 2001 - Spring 2002) Associate Professor, Santa Clara University in Santa Clara, California.

Steve Thorpe (Fall 1996 - Spring 2001) Residential Faculty, Economics at Phoenix College in Phoenix, Arizona.
Fred Abraham still teaches Principles of Macroeconomics and Econometrics. Other than that, he leads a pretty dull life which is the way he likes it!

Imam Alam is teaching a section of Principles of Microeconomics this semester (first time in eighteen years) and thoroughly enjoying it. Imam is also teaching Business Statistics. He is currently doing research on child labor and discrimination in the labor market. His (over-40) soccer team won the championship in Minneapolis recently.

Shahina Amin. Shahina continues to teach Economics of the Labor Markets, Intermediate Microeconomics, and Principles of Microeconomics. She is also teaching Principles of Macroeconomics. She loves teaching this class because she gets to meet students just out of high school and loves to see how they mature in one semester! She thinks that it is a great time to teach this class given the financial turmoil in the U.S. She continues to do research on child labor issues and women’s labor issues. Her fifth grader son continues to remind her that life is wonderful!

Bev Barber accompanied the student group to Russia in May and reports it was a memorable experience. For the past seven years, Bev has been responsible for all the detail work for the Russia trip and this year she got to see Moscow firsthand! She welcomed a new grandson in August, her first granddaughter in November and she has two more on the way!

David Boege. In addition to his part-time teaching at UNI, David is employed by John Deere & Company as a quality engineering supervisor. In that role he supervises a group of 10 quality engineers and drives the use of statistics and mathematical techniques into the tractor business to improve product quality. He currently holds ASQ certifications as a Six Sigma Black Belt, Quality Engineer, Software Quality Engineer, and Quality Manager of Operational Excellence.

Ken Brown. This past year Ken was promoted to full professor and was named the Lawrence M. Jepson Professor of International Economics in the department. He is still teaching Introduction to Decision Techniques and Principles of Microeconomics on a regular basis, and he’ll finally get to teach another section of Introduction to Econometrics in the spring. Ken has a few ongoing research projects with Dave Surdam on the economics of baseball, and he and Lisa Jepsen had a paper published in the *Journal of Sports Economics* earlier this year on “The Impact of Team Revenues on MLB Salaries.”

David Hakes. David continues to teach Principles of Macroeconomics and Money and Banking. He recently published a paper in *Economic Journal Watch* in which he confessed to making a previous research paper more complex than necessary in order to get it published. Although the paper was intended to be lighthearted and somewhat humorous, the Boston Globe and numerous economics blogs reported it as exposing all that is wrong with traditional economic research. All of this is odd considering that David is a mainstream neoclassical economist and not generally considered a critic of the profession. Oh well, as they say, “just spell his name right.”

Hans Isakson. Hans continues his golf therapy during the summer. He and his wife love to visit and spoil their grandchildren. They travel to Wisconsin to visit relatives frequently. Professionally, Professor Isakson’s research on land and real estate markets continues. His most recent exploration has been into the realm of property rights in common resources and land. Lately, his duties and responsibilities as President of the faculty union have landed him on the front page of the local paper and have taken up far too much of his time. He hopes to see the discussions between the Board of Regents and the union end very soon.

Lisa Jepsen. Lisa Jepsen continues to teach principles and intermediate microeconomics and rotates three electives (Managerial, Environmental, Law and Economics). She has had two articles published this year. One, coauthored with her brother, considers differences in home ownership based on sexual orientation. The other is coauthored with Ken Brown and analyzes the effects of team revenues on MLB salaries. She keeps busy with a variety of service commitments, including the University’s Strategic Planning committee and a new committee to promote intensive mentoring relationships and scholarship opportunities for UNI’s best and brightest undergraduates.

Bryce Kanago. Professor Kanago continues to work with students interested in graduate programs. He is researching the effects of inflation on the sectoral composition of output. Last year he accompanied students presenting research papers in New York. This year he took the department’s Fed Challenge team to Chicago. He arranged to have graduate students from the University of Iowa present their research to faculty.

Chris Lukasiewicz. LTC (R) Chris Lukasiewicz began teaching for UNI’s Economics department this past semester after recently retiring from the Army. He served for more than 24 years on active duty as a Corps of Engineer officer. Chris spent the last four years as UNI’s Head of the Military Science
Department. He has an undergraduate degree in Industrial Technology from Colorado State University and a graduate degree in Operations Analysis from the Naval Postgraduate school in Monterey, California. Chris brings of wealth of knowledge and expertise related to project management and leadership techniques as well as managerial and teaching methodologies.

Ken McCormick is hard at work preparing for the experimental seminar course. On the research front, he was asked to write a chapter on the Aggregate Demand/Aggregate Supply model for a book titled 21st Century Economics. Ken tried to be fair, but he believes the model is deeply flawed. He was also asked to write a chapter on Thorstein Veblen for a book titled The New Blackwell Companion to Major Social Theorists. When not working, Ken is still playing the online game World of Warcraft. He has a fully-epic geared undead rogue named Shadowspawn. Shadowspawn will see you in the battlegrounds. But you might not see him until it is too late.

David Surdam is working on a book covering the National Basketball Association’s early years, as well as some articles on the economics of Major League Baseball. He is also working on some op-ed pieces.

Bulent Uyar continues teaching cost-benefit analysis, public finance, and a large section of business statistics. He is currently working on paper estimating intrajurisdictional property tax capitalization. He is also considering phased retirement starting in the near future.

The UNI economics program is widely considered among the best on the UNI campus. We focus entirely on undergraduate education and are extremely proud of our graduates. All across the country higher education is in transition and I’m not quite sure what the end result will be. But, with as much confidence as I can muster—and that’s a lot—I know regardless of all the financial issues that we face, our department will never waver from its number one goal of providing the best possible education to our students. That attitude was pervasive when you were here and will continue into the future.

As usual, stop by and I’ll buy you lunch. But remember to call first!
Applied Economic Analysis

We have never viewed our curriculum as stagnant. Rather, we continually seek newer and better ways to serve our students, frequently trying new courses or even new emphases in the major.

Currently wending its way through the university’s curricular process is a new emphasis in the Economics major. Called Applied Economics Analysis, it is designed to offer students who have taken a lot of math courses some economics and business to go along with it. In fact, we worked closely with the Mathematics Department to put the program together.

It’s a long major but we have designed it so math majors can complete it in four years and graduate with a double major. In addition to the economics involved, it requires courses from four other departments: Mathematics, Accounting, Finance, and Management. This multidisciplinary approach is encouraged by the university and we are convinced this emphasis will be extremely useful for a targeted group of students. We think the Actuarial Science students will be especially drawn to it since they are so interested in taking courses in our college. What a great combination: Economics and Mathematics!

Seminar on Economic Theory and Practice

In keeping with the Department’s theme of “a small school experience in a big school environment,” we have decided to offer a seminar course. Students will read several books and articles and discuss them in class. There will be no lecture. As of this writing, the reading list is not complete, but it will include the following:

**Required Books**


**Articles**

- A Lecture Delivered at Oxford by a Cambridge Economist by Joan Robinson (1973)
- *On the Nature of Capital* by Thorstein Veblen (1908)
- *How Did Economists Get It So Wrong?* by Paul Krugman (2009)

The course will be an experiment. If it succeeds, it may become a permanent part of our curriculum.

—Ken McCormick

UNI Economics Department: Connections

On page 6, Bryce Kanago mentions the new link from the department’s home page called Connections, [www.cba.uni.edu/economics/connections](http://www.cba.uni.edu/economics/connections). The page has a lot of links to a variety of interesting and informative sites from photos of student life to our Facebook page to the Linkedin group to resources dealing with the economy.

One really nice feature of the page is the series of links to interviews with students. We videoed recent and previous students and graduates about a host of topics describing their experiences while at UNI and in the Economics department. If you have a few minutes, check some of the stories out. I think you’ll be impressed with how well the students express themselves as well as how satisfied they are with their UNI education. We work so hard to create an excellent learning environment and it’s nice to occasionally hear that students appreciate our efforts.
A grade school teacher was asking students what their parents did for a living. “Tim, you be first. What does your mother do all day?”

Tim stood up and proudly said, “She’s a doctor.”

“That’s wonderful. How about you, Amy?”

Amy shyly stood up, scuffed her feet and said, “My father is a mailman.”

“Thank you, Amy” said the teacher. “What does your parent do, Billy?”

Billy proudly stood up and announced,

“Nothing. He’s an economist.”