Dr. Vernon L. Smith receives a special Honorary Degree from KU Chancellor Bernadette Gray-Little and College of Liberal Arts and Sciences Dean Danny Anderson during Graduation at Kansas Memorial Stadium on May 18. (Photo courtesy of Kelsey Kimberlin/KU Marketing Communications)

Making a memorable return to campus, Nobel Laureate Dr. Vernon L. Smith, was honored at the KU 2014 Graduation Ceremony on May 18 at Kansas Memorial Stadium with a special Honorary Doctor of Science Degree for notable contributions to experimental economics.

Dr. Smith, who was awarded the 2002 Nobel Prize in Economic Sciences for his ground-breaking work in studying alternative market mechanisms, received his master’s degree in economics at KU in 1954 before moving on to Harvard University for his Ph.D. In the 1970s, he published two papers that provided the formal groundwork for using controlled laboratory experiments to study economic decision making.

Dr. Smith has held numerous editorial positions and served in many private and public advisory and consultancy roles on privatization and deregulation. The author of more than 250 articles and books on finance, natural resource economics and experimental economic theory, he has held a number of faculty appointments and has been a Ford Foundation Fellow, a Fellow of the Center for Advanced Study in the Behavioral Sciences and a Distinguished Scholar at the California Institute of Technology. He is a Fellow of the Economic Society, the American Association for the Advancement of Science, the American Academy of Arts and Sciences, and the National Academy of Sciences. He also in 2011 was named recipient of the CLAS Distinguished Alumni Achievement Award, the highest honor bestowed by KU’s College of Liberal Arts and Sciences.

While on campus, he also appeared as a special guest speaker at the Economics Department’s Graduation Recognition Ceremony the previous day.

Honorary degrees were authorized in 2011 by the Kansas Board of Regents.
**Ginther**  
**Featured in NSF ScienceLives Interview**

The KU Economics Department’s own Dr. Donna Ginther was featured in a special National Science Foundation video (ScienceLives Interview with Donna Ginther) released by NSF in late July. In the interview, Dr. Ginther recounts how having children forced her to focus on her work and improve her overall time management skills. Facing the challenges of motherhood in a rigorous and mostly male academic environment further prompted her to study the gender makeup of US research scientists to better understand the barriers women face in training for and maintaining research careers.

Donna made national news in 2011 as the lead author in a groundbreaking study (“Race, Ethnicity, and NIH Research Awards” in the August 2011 edition of Science). The study had found that even after controlling for applicants’ educational background, country of origin, training, previous research awards, publication records, and employer characteristics, blacks were 10 percentage points less likely than whites to be awarded certain NIH research funding.

She also serves as Director of KU’s Center for Science Technology and Economic Policy (as well as Professor of Economics) and in 2013 was named one of the Top 30 Women Professors at Affordable Colleges. Donna is considered a leading authority on the use of “Big Data” techniques that combine multiple and diverse sources and databases.

During the NSF interview (http://nsf.gov/news/mmg/mmg_disp.jsp?med_id=76753&from=), she said that the best piece of advice she ever received was to “study what you are interested in.” She added that the most important characteristics to have as a scientist are persistence and having a thick skin – understanding that criticism of your work is not personal.

In response to a question about what surprises people most about her work, she said that many people seem amazed that economists study so many broad aspects of human behavior and not just the nuts and bolts of the economy.

**Recent Grad Dean Spends Summer in India as Part of Special MIT Math Project**

Recent grad Josh Dean (Class of 2013) completed his whirlwind first year in the doctoral program at MIT with a trip to India over the summer. Josh, who is working for Professor Esther Duflo as a research assistant, spent six weeks in Delhi cleaning data on a project relating to children and mathematics before returning to Cambridge for follow-up data analysis. He has also helped conduct research on a second project regarding asset transfers to low-income families.

Josh received a number of honors upon graduating (with Highest Distinction) from KU in 2013, not the least of which were the James K. Hitt Award for Outstanding Undergraduate Research; and the John Ise Award, given by the Department to recognize the most outstanding achievement.

Josh also was named the graduating student speaker and gave his fellow economists an inspirational and sobering challenge during his May 2013 remarks reminiscent of President John F. Kennedy’s inaugural address. Josh noted that everyone in a cap and gown had been lucky enough to have been blessed with the ability to receive a college degree in economics, something that trained and empowered them to deal with multiple problems at once. He cited staggering world poverty, literacy, and resource-allocation problems, and challenged the auditorium full of graduates to accept the responsibility of using their skill set to address these issues. Economists, he observed, are trained to think of opportunities forsaken as costs; and they should not miss the great opportunity they had now been given.

Heading into his second year at MIT, Josh says that his areas of emphasis include development and labor economics, as well as econometrics and public finance. He anticipates that his research work with Dr. Duflo on the math project will continue during the 2014-15 academic year. That research focuses on shape recognition and other games developed by developmental psychologists at Harvard that attempt to train innate math abilities in young children in order to help them learn math in the future.

While the six weeks in India were very hot and somewhat louder than Josh anticipated, he said that he very much enjoyed the food and looked forward to returning there the next chance he gets.

**Additional Faculty Information**

Information on faculty, their areas of research interest, and recent activities and publications may be found at [http://www.economics.ku.edu/people/faculty.shtml](http://www.economics.ku.edu/people/faculty.shtml). Additional information on current working papers also is available at [http://econpapers.repec.org/paper/kanwpaper](http://econpapers.repec.org/paper/kanwpaper).
Society for Economic Measurement Hosts First Annual Conference in Chicago

The Society for Economic Measurement (SEM), founded in 2013 by Dr. William A. Barnett, Oswald Distinguished Professor of Macroeconomics at KU, held its first annual conference in August at the University of Chicago’s Booth School of Business. That event featured prominent speakers from around the world, including Nobel Laureate James Heckman.

The conference was sponsored by the University of Chicago’s Becker Friedman Institute (BFI); the University of Kansas; Carnegie Mellon University; and the Center for Financial Stability (CFS), where Dr. Barnett directs a program designed to oversee and develop national and international databases rigorously founded in economic aggregation and index-number theory.

SEM was founded to promote research on economic measurement using advanced tools from a variety of economic and statistical disciplines to facilitate communication among researchers. The society’s long-run objective is to meet the data standards established for the physical sciences, notwithstanding the fact that economics as a social science is subject to certain inherent limitations. The origins and motivations for SEM can be found in the special “Measurement with Theory” issue of the Journal of Econometrics (March 2011).

The inaugural conference stretched over three full days with eight plenary presentations and nine parallel sessions all with invited speakers. Dr. Barnett delivered the presidential address, “Milton Friedman and the Positive Methodology of Economic Measurement”.

In that presentation, he discussed the relationship between Milton Friedman’s work and the work on Divisia monetary aggregation (originated by Dr. Barnett himself). His research found that the paradoxes associated with Friedman’s work are largely resolved by replacing official simple-sum monetary aggregates with monetary aggregates consistent with economic index number theory (such as Divisia monetary aggregates). Using these monetary aggregates means demand function stability becomes no more of a problem for money than for any other good or service. He further noted that a number of papers have appeared in 2014 alone on the relevancy of monetary aggregation to New Keynesian and New Classical macroeconomics. Dr. Barnett pointed out that research and data on Divisia monetary aggregates are available for over 40 countries from a CFS online library.

Also at the conference, KU’s Dr. John Keating organized and chaired a session on “Reexamining Monetarist Principles”. During that session, Dr. Keating presented his research on “Determinacy and Indeterminacy in Monetary Policy Rules with Money” (co-authored with Dr. Andrew Lee Smith of the Kansas City Federal Reserve). This paper provides an important finding that Friedman’s constant money growth rate rule is likely to result in indeterminacy for most parameter values when implemented with a simple-sum monetary aggregate – an issue that is resolved if the rule is implemented using the Divisia monetary aggregate.

In the conclusion of his address, Dr. Barnett said that the answer to one key historical question is that Friedman likely was too trusting of the Federal Reserve and should not have relied on that entity as his source of money supply data. He added that there currently is both bad news and good news. The bad news is that the Fed still does not have an autonomous data bureau staffed by experts in index number theory. The good news is that the membership of SEM includes substantial representation by Fed staff economists, many of whom were in attendance at the conference.

SEM has designated two official journals to which members receive free online subscriptions — Macroeconomic Dynamics (founded and edited by Dr. Barnett); and Journal of Economic and Social Measurement — and 11 affiliated publications.

Dr. Barnett noted that the rapid growth of SEM (543 members in less than a year) and positive momentum from the initial event in Chicago likely meant that next year’s conference, scheduled for Paris on July 22-24, will be even larger.
The 2013-14 academic year concluded for the Economics Department in historic fashion with the Graduation Recognition Ceremony on May 17, a formal event at Woodruff Auditorium in the Kansas Union that honored graduating seniors, masters, and doctoral students and featured two prominent guest speakers.

The 2014 departmental ceremony was made even more memorable by having Nobel Laureate Dr. Vernon L. Smith as one of the guest speakers. Dr. Smith returned to KU in May to receive a special honorary degree (see page 1.) A second guest speaker, Rachel Koch, had been honored at the White House in 2013 by President Obama after overseeing development of an award-winning website addressing equal pay issues (see Fall 2013 edition of the *KU Economist*).

Following the formal recognition of 99 undergraduates, 15 master’s candidates, and 6 Ph.D. candidates, everyone was invited to join arms and sway one last time to the Alma Mater and Rock Chalk Chant.

Three students (Michael Fehn, Megan Nelson, and Joshua Russell) also received special Departmental Honors recognition for completing their undergraduate economics degrees with a 3.5 grade point average in economics courses and 3.25 overall; and researching, writing and defending a thesis before a faculty committee.

Economics Department Chair Dr. Joe Sicilian said that the ceremony nicely complemented the less formal University of Kansas Commencement held the next day at Kansas Memorial Stadium, where many students took the traditional “walk down the Hill” with heavily decorated caps and gowns.

The historic day continued when a number of the doctoral candidates subsequently attended a separate university-wide doctoral hooding ceremony held several hours later at the Lied Center.
Doctoral candidate Andrew Lee Smith reflects on his days at KU before entering Woodruff Auditorium.

KU graduate Rachel Koch, who in 2013 participated in a special White House ceremony to commemorate the 50th anniversary of the Equal Pay Act of 1963, returned to KU as a guest speaker at the 2014 departmental graduation ceremony.

MESSAGE FROM THE CHAIR

As Chair, I am honored to have played a small part in the Economics Department’s exciting and ongoing arc of history. We experienced one quite memorable weekend in May that is now an important chapter in that history when Nobel Laureate Dr. Vernon L. Smith returned to campus to speak at the Economics Department Graduation Recognition Ceremony (page 4) and receive a special honorary degree the next day from the Chancellor at the KU Graduation Ceremony (page 1).

We launched the KU Economist a number of years ago to improve and expand on our alumni outreach efforts and have subsequently been delighted at the response we have received from all over the world. I hope in this issue, you enjoy reading about just a few of the many successes of our graduates, whether they have been reelected as President of Colombia (page 9); or published award-winning research on terrorism (page 8). I always take special pride in observations from our graduates about how their degree in economics helped them succeed in any number of fields and endeavors, so I particularly enjoyed Mike Edwardson’s guest column (page 11) about his remarkable journey.

Relative to the current happenings at the Economics Department, we are very excited to continue bringing you the news about the awards, accomplishments, publications and growing national reputations of our faculty and students alike.

Please come by my office in Snow Hall the next time you are in town or consider dropping in some Friday afternoon to sit in on one of our fascinating guest lectures from prominent visiting economists from around the world. In the meantime, please keep sending us your latest news and updates, as we want to stay in touch with everyone on an ongoing basis and would be delighted to include your alumni update or guest column in the next edition of this publication.

Rock Chalk!

~ Joe Sicilian

ALUMNI NEWS

Alums and friends of Economics at KU, we want to hear from you! Please keep us updated on what is happening in your lives. We look forward to including your news and events in the next KU Economist.

Mail
Alumni News
Department of Economics
415 Snow Hall
University of Kansas
Lawrence, Kansas 66045

Send News Online
http://economics.ku.edu/newsletter/online_news_form.shtml

Email Your News
econalums@ku.edu
Subject Line: Alumni News
**Stephan Research Explains Latest Economics, Trends for Postdoctoral Positions**

The KU Economics Department in April co-sponsored a leading authority on postdoctoral research positions, Dr. Paula Stephan, as the plenary speaker at the annual KU Postdoc Research Day and STEM Career Fair. Dr. Stephan, professor of economics at Georgia State University’s Andrew Young School of Policy Studies and a research associate with the National Bureau of Economic Research, gave the event’s plenary address, “The Economics of the Postdoctoral Position,” at the Kansas Memorial Union the day after she had made a talk at the National Press Club in Washington, DC on international competition for Ph.Ds and postdoctoral scholars.

During her KU presentation, she said that relative to what is going on with postdoctoral positions, it is important to differentiate between long-term trends and those related the business cycle, especially since 2008. She explained that the long-term trend over the last 30 years has been for a substantial increase in post-doctoral positions at higher educational institutions. A more recent trend relates to the fact that shortly after 2008, ARRA funding very much helped accelerate the post-doctoral taking rate and number of post-doctoral positions (especially in engineering, where the collapsing economy was providing far fewer private-sector opportunities). But the most recent data show a fall off now that the ARRA funds have dried up.

She further explained that principal investigators have had to spend an ever-increasing amount of time on increasingly competitive grant acquisition, meaning that there has been an accelerating reliance on post docs, grad students and staff scientists to staff laboratories. She noted that on many campuses, post docs tend to be cheaper than grad students when measured by the hour; and are cheaper than staff scientists, who command higher pay and generally more fringe benefits.

Post-doctoral salaries are relatively low for a number of reasons, not the least of which is the fact that there is an ample supply of domestically produced Ph.Ds, as well as a large supply from abroad.

Dr. Stephan said that post-doctoral scholars take the positions because of their interest in science and their aspirations, but also because they lack alternatives and accurate information. As to the latter point, she said her findings were that the life sciences are not as good at reporting on career outcomes and placements as are economics programs and business schools. One of her conclusions is that getting better information to students earlier in graduate school, including career counseling, could greatly help alleviate the situation. In some cases, master’s degrees could and should be considered as more cost-effective alternatives. Another suggestion is for universities to be required to more adequately provide placement information as a pre-requisite to receiving grants.

Much of her research may be found in her recent book, *How Economics Shapes Science* (Harvard University Press, 2012).

**Nelson Research on Tipping Garners Undergraduate Award**

Several weeks before graduating with her undergraduate degree, Megan Nelson was honored with a special undergraduate award and presented her research (“Tipping: An Economic Anomaly”) at KU’s 17th Annual Undergraduate Research Symposium held at the Kansas Union in late April.

After reviewing the literature seeking to explain variations in tipping, Megan’s job while at KU gave her a unique opportunity for field research, and she collected data on cash transactions involving alcoholic beverages on weekends (over 1,000 observations extending over a year).

Generally, Megan found that “free riding” identified in the previous literature tended to exist in Lawrence, as the average tip per drink went down by about 5 cents for each additional person at a table or in a group. The average tip per drink did not tend to decrease as much for exclusively male groups as it did for exclusively female groups, a phenomenon Megan cites as the “bro” effect. The average amount per tip also tended to go up from all customers age 25 to 30 before gradually declining after that point. Megan was advised on the project by Dr. Neal Becker.

Josh Russell, also a 2014 graduate, presented his research (“Resources and Educational Outcomes: A Look at Kansas and Missouri Public Schools”) at the same symposium. Josh, who was advised by Dr. Donna Ginther, previously had presented his work at the McNair Heartland Research Conference in Kansas City and at a special national undergraduate research conference in Kentucky (see Spring 2014 issue of the KU Economist).

Megan and Josh were two of six campus-wide winners who were recognized for presenting their work in accessible, creative and engaging fashion.
Economics Department Student Awards, 2014-15

The Economics Department gives a number of annual awards to outstanding economics majors. The selections are made by the faculty and are based upon academic achievement.

The 2014-15 awards were presented at a special awards banquet held April 17 at the Oread Hotel just off campus. A number of faculty and alumni joined with Dr. Joe Sicilian, Chair, in congratulating the winners, all of whom are required to have exceptional academic records as a prerequisite for being considered for the honors.

The John Ise Award, Domenico Gagliardo Award, R. S. Howey Award and Arthur J. Boyton Award are granted each year to graduating seniors. The John Ise Award recognizes the most outstanding achievement.

* The Arthur J. Boynton Memorial Awards and Scholarships were established by friends, former students and associates after Professor Boynton’s death in 1928. A longtime member of the Economics Department, Professor Boynton graduated from Harvard in 1903 and came to KU, where he served as head of the department from 1915 to 1924. An asset to the entire Lawrence community, he served on the KU Athletic Board and the Lawrence School Board. An avid golfer and one of the founders of the Oread Golf Club in 1908, Professor Boynton built a nine-hole golf course between Mississippi Street and Potter Lake. He also was a member of the Beloit College Glee Club and the Harvard Double Quartet. When his wife, Flora Boynton, died in 1978, most of her estate was added to the fund.

* The Domenico Gagliardo Award was established after Gagliardo’s death in 1955 to honor his teaching, scholarship and impressive accomplishments in scholarship and public service. He joined the Economics Department faculty in 1923. Professor Gagliardo, born in Frontenac, Kansas in 1895, began working in coal mines in Crawford County as a seventh-grader and did not start high school until age 20. After serving in the Navy in World War I, he came to KU originally in 1920, received a degree in just three years, and subsequently obtained his Master’s degree from Harvard in 1924 and his Ph.D. from the University of Chicago in 1931. He later received the Legion of Merit and the Army Commendation Ribbon for again serving his country in World War II. He was a renowned for his scholarship and expertise in labor economics.

* The R.S. Howey Award, established upon the retirement of the late Richard S. Howey, recognizes outstanding students majoring in economics. He received a B.S. from Harvard in 1926, an M.A. from Southern California in 1929, and a Ph.D. from the University of Chicago in 1955. He joined the KU faculty in 1929, taught for 44 years, and subsequently helped establish the notable Howey Economic History Collection of literature at Spencer Research Library. The Howey Collection, considered one of two benchmark collections in the world alongside the Kress holdings at Harvard University, now includes over 15,000 items. Exceedingly rare books, pamphlets and journals from most major European countries from 1700 through the 1850s form the backbone of this one-of-a-kind archival resource. Adam Smith’s The Wealth of Nations is available in 53 editions and translations. Even after he became professor emeritus in 1973, Dr. Howey continued to serve the university in a variety of capacities and conduct research in economic history.

* The John Ise Award is funded from sales of Ise’s book, The American Way, a collection of his speeches. A committee from the Economics Department and the KU School of Business published and distributed the book. Professor Ise, a native of Downs and the author of Sod and Stubble, was a member of the economics faculty at KU from 1916 to 1955. One of eleven children, he obtained degrees from KU in Fine Arts (1908), Liberal Arts and Sciences (1910), and Law (1911) before getting advanced degrees at Harvard. The author of a total of eight books, he served as president of the American Economics Association and on the editorial board of the American Economic Review. His great generosity is reflected not only in numerous large gifts that helped aid generations of KU students, but also in helping the city of Lawrence build and support its first humane animal shelter.

*** Boynton Legacy ***

Rachel Koch, whose award-winning website was recently honored by President Obama at a special White House ceremony, is a former recipient of the Boynton Award.
Keinsley Attends Historic Lindau Meeting of Nobel Laureates in Germany

Doctoral student Andrew Keinsley in August attended the historic gathering of Nobel Laureates at the 5th Lindau Meeting of the “Laureates of the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel”. Held in Lindau, Germany, the special international conference featured 18 Nobel Laureates and over 460 young scientists, including Andrew, selected from over 80 countries.

Andrew was selected for the Lindau meeting, held for the first time since 2011, after being nominated by Dr. Shu Wu, associate professor, associate chair, and graduate program director.

The Lindau Meetings were held for the first time in 1951 and have evolved into the leading international platform for intergenerational dialogue between scientists. Presentations included “Rethinking Market Experiments in the Shadow of Recessions: The Good and the Sometimes Ugly” by KU’s own Dr. Vernon L. Smith; and “Repugnant Markets and Prohibited Transactions” by Dr. Alvin E. Roth, who also spoke at KU’s Lied Center last semester.

Earlier in 2014, Andrew was named winner of a special Graduate Research Competition Award for his research on “Decomposing Government Deficits”.

Andrew, who hopes to be finishing up his doctoral degree by defending his dissertation next year, is teaching Econ 600 (Money and Banking) for the sixth straight semester at KU. He arrived at KU in 2010 after completing his undergraduate degree at Franklin College (Franklin, Indiana.) He was steered to KU by Dr. Hisaya Kitaoka, assistant professor of economics at Franklin. Dr. Kitaoka received his Ph.D. from KU in 2008.

Lugovskyy Research on Terrorism Wins Best Paper Award

Fascinating research regarding terrorism by a recent KU grad, Dr. Josephine Cruz Lugovskyy, was chosen for a special award at an international conference in May. Her paper (“The Economic Determinants of Terrorism”) received the Best Paper Award after being presented at the Academic Business World International Conference in Nashville.

Dr. Lugovskyy’s research looks at the connection between terrorism and economic, political and social unrest, a topic of great interest since September of 2001. Other research has demonstrated significant relationships between economic factors, social factors and the number of terrorist attacks worldwide, implying that terrorist activity is indicative of larger problems with economic and political fundamentals. Her groundbreaking research expands on the extant literature by examining the country-level determinants of terrorism using 1990-2008 data from 148 countries. Using Hausman-Taylor estimates, she finds that social variables (such as education levels) and democracy variables have more of an impact on terrorism than economic variables (such as national income and employment rates).

Josephine’s interest in the topic grew after a special 2010 summer fellowship program with the US Department of Homeland Security (see Spring 2011 issue of the KU Economist).

The paper also will be published in a forthcoming issue of the International Journal of the Academic Business World, according to an announcement from the conference chair.

She is currently assistant professor of economics at Northwest Missouri State University, where she teaches general and international economics.

2014-15 Student Awards

John Ise Awards
Jacob Kirsch and Gabriel Neslin

Gagliardo Award
Mike Lierz

Howey Award
Michael Fehn

Arthur J. Boynton Awards
Lindsey Eriksen, Joshua Witteman, Joshua Hanson, Joshua Russell, and Dylan Ramsey.

Dr. Josephine Cruz Lugovskyy’s paper regarding terrorism recently won Best Paper Award at a special international conference.

Andrew Keinsley in August traveled to Germany for the a special Lindau Meeting of Nobel Laureates.
KU Alum Santos Reelected President of Colombia

One of the KU Economics Department’s most prominent alumni, Colombian President Juan Manuel Santos, was elected to a second four-year term in June. The Associated Press hailed his reelection as an endorsement of the peace talks he has established designed to “end the Western Hemisphere’s longest-running conflict.”

Santos made national news with his historic return visit to KU in 2012 to receive the highest honor bestowed by the College of Liberal Arts and Sciences, the CLAS Distinguished Alumni Achievement Award (see Fall 2012 edition of the KU Economist). On that occasion, he gave a special talk at the Dole Institute of Politics and said that his experiences at KU were critical in teaching him the importance of freedom and democracy. KU Chancellor Bernadette Gray-Little and Economics Department Chair Joe Sicilian were part of the delegation who welcomed Santos back to campus.

He received his undergraduate degrees in economics from KU in 1973 and was originally elected President of Colombia in 2010 after having served several years as defense minister.

Wales Named Oswald Service Award Recipient

The Economics Department announced over the summer that in recognition of her many years of commitment and hard work, office manager Leanea Wales has been named recipient of the Oswald Service Award for 2014. Leanea, who has been with the Department since 1989, also in 2013 was given a special CLAS Staff Achievement Award.

The Oswald Service Award was established in 2008 to recognize high quality administrative and support services. The award, which is determined by a special departmental selection committee, is restricted to non-tenure track faculty and departmental support staff.

Two Econ Undergrads Named 2014-15 Hall Center Scholars

KU announced in late August that two of the ten undergraduates named to serve as Hall Center Scholars for 2014-15 are economics majors: Saran Davaajargal, a sophomore from Mongolia majoring in economics and mathematics; and Corbin Stephens, a senior from Colby, Kansas majoring in economics and pre-med.

The Hall Center Scholars will have exclusive opportunities to interact with the authors, scholars, and intellectuals who comprise the Hall Center Humanities Lecture Series. That series is renowned for providing a forum for interdisciplinary dialogue among its speakers, the university, and surrounding communities. The students also will participate in a special faculty-guided book club.

AAAWE Organizing Sessions for Prestigious WEAI Conference in New Zealand

The Association for the Advancement of African Women Economists (AAAWE) as a participating allied society is organizing sessions at the upcoming 11th Western Economic Association International (WEAI) Conference in New Zealand in January. The prestigious WEAI Conference, which will be held January 8-11 in Wellington, New Zealand, will feature two Nobel laureates, Robert F. Engle and Christopher A. Sims, as keynote speakers.

KU’s own Dr. Elizabeth Asiedu, who founded AAAWE in 2012, is a member of the WEAI Program Committee and is organizing the AAAWE sessions. Authors seeking to make presentations at the AAAWE sessions were scheduled to be selected by late September based on abstracts they submitted over the summer.

The Economics Department was among the entities providing resources and support for the 2012 launch of AAAWE, which in 2014 signed a more formal agreement with the University of Kansas designed to assure continued support and expansion through the Dean of the College of Liberal Arts and Sciences; and the establishment of a special account at the KU Endowment Association.

As a sign of the rapid growth AAAWE has already experienced, the organization as of March 2014 had 751 members representing 55 countries (38 countries in Africa and 17 outside Africa); and 558 of the members were African women economists. The website (www.aaawe.org) contains information about upcoming conferences, publications and working papers, workshops, and membership.

AAAWE Organizing Sessions for Prestigious WEAI Conference in New Zealand

Dr. Elizabeth Asiedu is organizing AAAWE sessions at the upcoming WEAI Conference in New Zealand.

Juan Manuel Santos, who received an economics degree from KU in 1973, was reelected President of Colombia in June.

Juan Manuel Santos, who received an economics degree from KU in 1973, was reelected President of Colombia in June.

Wales Named Oswald Service Award Recipient

Leanea Wales, longtime office manager, was named recipient of the Economics Department’s Oswald Service Award for 2014.
Brandes Lands at University of Redlands

Another of the Class of 2014 Ph.D. recipients, Julia Brandes, has accepted a tenure-track position at the University of Redlands (Redlands, CA) Business School. Dr. Brandes is joining the faculty of the private institution founded originally in 1907. The business school, founded in 1976, offers both undergraduate and graduate degrees.

She first arrived in Lawrence in the Fall of 2007 and jokes that her stint in the Economics Department took so long because she also picked up her Master’s in East Asian Languages and Cultures along the way. Her dissertation was “Essays in Environmental Economics”.

Julia specifically credits her advisor, Dr. Dietrich Earnhart, for many years of support and patience, as well as Dr. Elizabeth Asiedu and Dr. Donna Ginther.

Smith Headed to KC Fed

One of the Class of 2014 Ph.D. recipients, Andrew Lee Smith, will be staying in the area, having accepted a job at the Kansas City Federal Reserve in its Economic Research Department. Dr. Smith will be working in the Macroeconomics and Monetary Policy Group.

He first came to KU in the Fall of 2009 after finishing his bachelor’s degree (economics and math) at Drury University (Springfield, MO). He says that his dissertation, “Monetary Policy in Financial Economies”, was greatly influenced by Dr. William Barnett’s work on monetary aggregation.

Lee said that he also owed much of his success to Dr. John Keating, his dissertation advisor and coauthor. He noted Dr. Keating worked especially hard to locate conference opportunities for him, including the Midwest Macroeconomics Meetings and the Princeton Initiative. Lee also acknowledged Dr. Elizabeth Asiedu, who recruited him to KU when she was Graduate Program Director and later played an integral role in preparing him for the job market this year; Dr. Ted Juhl, who he said is a remarkable teacher who helped not only with research, but also with his teaching (Lee taught three semesters of intermediate macroeconomics); and Dr. Shu Wu, whose “unique perspectives usually resulted in epiphanies for me (although they often arrived sometime after the conversations)”.

He said that the great upside with having the opportunity to work at the KC Fed was that it would enable him to stay in close touch with all of his friends and mentors at KU.

Longtime Professor Bhattacharya Departs Kansas for Kazakhstan

After more than 30 years of service to the Economics Department, Dr. Gautam Bhattacharya retired from KU at the conclusion of the 2013-14 academic year and took a position at the Kazakhstan Institute of Management, Economics and Strategic Research.

Gautam came to KU as an assistant professor in 1980 and was named associate professor in 1986.

An acknowledged expert who taught microeconomics at both the undergraduate and graduate levels, he also frequently taught courses in industrial organization and antitrust. The Department wishes Dr. Bhattacharya the best in Kazakhstan!

Slusky Coming on Board in 2015 as Assistant Professor

The Economics Department has announced that David Slusky, who is completing his doctoral degree in economics from Princeton University, has been hired as assistant professor of economics at KU starting in the fall of 2015. David also has been designated as an Oswald Scholar within the Department.

David recently presented research (“Revisiting the Affordable Care Act’s Parental Mandate”) at the Society for Economic Measurement’s inaugural conference in Chicago. He is also a recipient of Princeton’s prestigious Towbes Prize for Outstanding Teaching.
I began attending KU in 1965 as the oldest of seven siblings. I paid for my education by myself while working hard and carrying a full load of classes. My main job was as an ambulance attendant (paid minimum wage of $1.25/hour), where I was witness to a great deal of horrible carnage, especially involving injured motorcyclists. I also put up hay bales in the summer, worked as a night shift orderly at the hospital, at a chemical company, and at a pork and beans factory in Lawrence. Since tuition was $169 per semester, I managed to work hard and graduate with no debt (no longer an option for most of today’s students) while getting an education on the realities of life.

Although I had thought initially about majoring in business, I was dissuaded because the prevailing view at the time was that the military-industrial complex was behind the war in Vietnam. Having taken courses in psychology and economics which I enjoyed, I opted to declare a double major. I had enjoyed the analytical and mathematical components of the economics course and figured choosing that major would help with getting a career. I remember one economics professor telling us that Mick Jagger of the Rolling Stones had been enrolled at the London School of Economics, although by then he obviously had departed that institution for a more fun and lucrative career path!

Another memory I have involves a course I took involving the economic system of the Soviet Union. When my father found out, he said that having that course on my record could end up ruining my life. (My father was well aware of lives that had been ruined because of rampant fear of communism during the Cold War.) I’ve sometimes wondered if he was right – if that course had something to do with my becoming a highly educated light weapons infantryman (grunt) in Vietnam.

Although I was very busy supporting myself while at KU, I did manage to attend football, basketball and track events. I can recall seeing Gale Sayers play football and watching Jim Ryun run the mile. I also participated in antiwar demonstrations because, like most students, I felt the war was a big mistake that was needlessly costing the lives of many Americans and Vietnamese.

Shortly after graduating, I went to work briefly at a Kmart before being drafted in the US Army. My experiences in Vietnam as an airborne pathfinder have been the subject of a much more extensive essay and of multiple speeches that I have given. Shortly after my return to the US, I married while living in San Francisco and enrolled in additional courses in marketing and accounting at San Francisco State University.

By the early 1970s, we ended up in Reno, Nevada. I had read that Reno had very high per capita income and low taxes (the latter largely because of the state’s legalized gaming). I finally opted to pursue my dream of becoming an entrepreneur and got my business license. I knew the basics of supplying retail packaging and display merchandise – how to price and deliver it. So when I would call on a retailer, they would often ask what my price was on bags compared to my competitors. I would then go back to my office, get on the phone and figure out how to get the bags. I would then mark the price up to what I thought the market would bear (but below the competitors) and quote the retailer. In those days, there wasn’t much real competition, so I would frequently get the account. As my distribution business grew, I got more sophisticated at sourcing the merchandise my customers wanted and pricing and delivering it profitably. I remember early on going to a bank to get a working capital loan. They declined, claiming my business model would never work because there wasn’t enough of a profit margin. But they failed to consider that I had greater flexibility in assuring my customers got the right quantity of products they needed in a timely manner; that good service from a small

Mike Edwardson graduated from KU in 1969 with degrees in economics and psychology. He was subsequently drafted into the US Army and served his nation as an airborne pathfinder, a position that involved extensive parachuting and air traffic control of helicopters in heavy combat. After returning the US, he later ended up in Reno, where he put his economics training to work by starting his own distribution business. He recently retired after more than 40 years running that enterprise and now enjoys staying in touch with KU and the Economics Department via the KU Economist.
local business meant something. They also failed to consider my degree of commitment. Hard work, persistence and a bull-headed refusal to accept defeat could trump adequate working capital every time – at least in the 1970s. Before long, I was doing enough volume (debt free) that I was making a decent profit. Word began spreading about my service and pricing, and I was running my truck all over the area selling to most small retailers, casinos, and other entities.

My economics degree from KU helped me start and grow my successful business in a variety of different ways:

(1) Courses in mathematics, including calculus, which I had taken made me very proficient with numbers. Figuring profit margins, freight factors, and inventory valuations came easy to me.

(2) I was able to determine the level of sales at a given profit margin I needed in order to cover fixed and variable costs.

(3) My economics classes taught me the concept of running the business with relatively low profit margins so as to undercut competitors on price. I subsequently was able to increase market share and ended up gaining a large percentage of the Reno market.

(4) When computers came on the scene in the 1980s, my economics degree helped me immediately understand the quantum leap forward that they offered.

(5) My investment decisions in stocks, bonds and real estate were greatly enhanced by my economics training.

(6) I understood far more quickly than others that plastic retail bags ultimately would replace paper bags because they were cheaper, lighter, stronger and waterproof.

(7) The real value of my degrees was in learning to think logically and clearly as a prerequisite to making effective decisions.

My exposure to Agent Orange in Vietnam was likely a major contributing factor to a heart attack I suffered in my early 40s. But I battled back and continued to run the distribution business for over 40 years. Two large competitors ultimately decided to move to Reno – with nearly all their inventory coming from China. As such, they were able to sell to my customers for less than my American-made products. Since my children did not want to follow in my footsteps and take over my business, although it was still viable, I decided to move on. I am now retired and enjoying traveling, hiking, and camping.

Three pieces of advice I can offer that I think are important to everyone’s success are hard work; perseverance; and the acquisition of health insurance.

**Prominent Alum Establishes Scoggins Award for Outstanding Female in Financial Economics**

The KU Economics Department and Kansas University Endowment Association announced over the summer that a prominent KU alumnus, Corina D. Scoggins, had established a new Scoggins Award for Outstanding Female Student in Financial Economics.

Corina, along with her husband, Willie, established the new fund to provide an annual award to the top academic performing junior or senior enrolled in Econ 669 (Economics of Financial Markets) who is also pursuing an internship with an investment management firm or agency.

Corina, who received her undergraduate degree in economics and French from KU in 1988, is Senior Investment Manager (covering the US, European, and Japanese consumer staples sectors) for the Teachers’ Retirement System of Texas. She is also a former Vice President of Equity Research for George K. Baum and Company.

Holder of a prestigious Chartered Financial Analyst (CFA) designation, she also serves as Chair of the Texas Wall Street Women Networking Committee.

**Recent Grad Barthel Lands at Randolph College**

Dr. Anne-Christine Barthel now teaches at Randolph College in Lynchburg, Virginia.

One of the Economics Department’s most recent Ph.D. recipients, Anne-Christine Barthel, landed a job this Fall at Randolph College in Lynchburg, Virginia. Dr. Barthel received her doctoral degree from KU in May and is working as a visiting instructor of economics at the broad-based liberal arts college, which sits at the foot of the Blue Ridge Mountains.

She first came to KU in 2006 as an undergraduate exchange student from Germany, but later returned and formally entered the doctoral program in 2008. Her KU dissertation was “Essays on Monotone Comparative Statics for Constrained Optimization Problems with Applications”. She said her advisor, Dr. Tarun Sabarwal, was especially important in helping her succeed at KU. She also specifically credited Dr. Elizabeth Asiedu with helping her access the job market; and Dr. Neal Becker with helping her develop good teaching skills.

Anne-Christine said that the things she will remember most about KU is the number of friends she made; how the campus is absolutely beautiful at any time of the year; and how crazy the whole community gets during March Madness.