

SPRING NEWSLETTER



Department of Economics Texas Christian University

Prepared by John T. Harvey, Professor of Economics, except as noted!

Vol.2

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Fort Worth, Texas

SECOND EDITION

New Format

Hello loyal readers! This marks the second edition of our departmental newsletter, and already we are making a change! Last year, I took on the job of Coordinator of Research Activities (or something like that—I should remember since I made up the name) for economics. As such, I act as the liaison with University publicity outlets and I maintain our archive of working papers. But, being a chatty fellow, I decided to do a newsletter, as well. And I figured that it should naturally focus on our research since that was the point of my new position.

However, as we all know from episode 1F20 of **The Simpsons** (Secrets of a Successful Marriage; it's the one where Homer decides to teach a class in the adult education center), students are always more interested in your personal life than the course material! So, with that in mind, we will be shifting gears and making this a general newsletter as opposed to a research one. Let's hope this shows greater presence of mind than that of Mr. Simpson.

Homer: Look, everyone: now that I'm a teacher, I've sewed patches on my elbows!

[shows his elbow]

Marge: Homer, that's supposed to be *leather* patches on a *tweed* blazer, not that other way around! You've ruined a perfectly good jacket!

Homer: Ah -- incorrect, Marge. *Two* perfectly good jackets.

P.S. I've also gone to a larger font for those of us who are aging!

WORKING PAPER SERIES

I announced last year that we were starting a working paper series on our web page. You can find it at (it also has last year's newsletter on it):

<http://www.econ.tcu.edu/harvey/workppr/working.html>

I am very pleased to announce that it has already been cited (in the most recent **Journal of Post Keynesian Economics**). How about that? Someone's actually reading that stuff!

DEPARTMENTAL NEWS

FACULTY TEACHING WORKSHOPS

by Staff Reporter, Kristin Klopfenstein

This year we launched a new faculty development project, a teaching workshop, inspired by the Japanese method of Lesson Study described by James W. Stigler and James Hiebert in their recent book, **The Teaching Gap**, and organized by our own Drs. Klopfenstein, Garnett, and Quinn. Each semester we choose a teaching topic, usually a basic lesson from micro- or macroeconomics. One brave professor gives a sample lecture on this topic to the rest of the faculty. Spirited discussion then follows regarding how to improve our teaching of this particular lesson. More ideas are generated as faculty sit in on each others' classes to observe different ways of teaching this lesson in an actual classroom setting. At the end of each semester we hold a final meeting to synthesize what we've learned and to choose a topic for the next semester. Participation in the workshops has been fantastic, and we hope to continue these workshops in the future.

DEPARTMENTAL SEMINARS

To check on specific times and locations please call the Department of Economics (817-257-7230) or Dr. Stephen Quinn (817-257-6234), or check our web page:

<http://www.econ.tcu.edu/>

FACULTY NOTES

Charles M. Becker, Associate Professor: Dr. Becker will be retiring at the end of the Fall 2002 Semester. Though we are delighted for him and his wife, he will be sorely missed. He has been a friend to so many students over the years and will be impossible to replace. Go Browns, and good luck, Dr. Becker! If you'd like to send him a note, our address is:

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Michael R. Butler, Associate Professor and Associate Dean of the AddRan College: We are delighted to announce that Dr. Butler's "Interleague Play and Baseball Attendance" (mentioned here last year) has been accepted for publication in **Journal of Sports Economics**. As you will recall, one of the central arguments of the paper was that the introduction of interleague play has had an insignificant impact on revenues in Major League Baseball. In addition, he and Dr. Garnett are currently working on a paper they have entitled, "Teaching the Coase Theorem: Are We Getting It Right?" Of course, no such report is interesting if the answer is "Yes," and it is not! He is later presenting that paper at the **53rd International Atlantic Economic Conference** in Paris, a trip for which Dr. Butler and his wife have been learning French. I offered to accompany them (perhaps in Mrs. Butler's stead) based on my four years of high school French. Thus far they have been noncommittal, but I am hopeful.

UPDATE! They went, but I wasn't invited! I shall remember this!

Dawn R. Elliott, Associate Professor: Dr. Elliott was recently invited to be contributing editor with the **Hand Book of Latin American Studies** published by the *Library of Congress*. In addition, TCU's Development Studies program, in which she is very active, continues to grow. Most noteworthy is perhaps their ability to draw non-TCU experts for guest lectures and presentations. So in general, Dr. Elliott maintains her hard work researching economic development, teaching her courses, and being a mother (of two, if you recall last year's newsletter) and wife. I, personally, think she should take on a second job, as well. I'd suggest it to her, but I don't have enough life insurance.

Robert F. Garnett, Instructor: Dr. Garnett has had another productive year, writing three papers ("Teaching the Coase Theorem: Are We Getting It Right?" with Michael R. Butler, "Practicing What We Preach: A Market-Minded Approach to Economic Pedagogy," and "Paradigms and Pluralism in Heterodox Economics;" Dr. Garnett also presented the last two) , directing three student projects, and acting as a referee for both the **Journal of Economic Issues** and **Rethinking Marxism**. In addition, he helped organize the teaching workshop mentioned above and was instrumental in planning the forthcoming conference for the **International Confederation of Associations for Pluralism in Economics** (www.icafe.org), "the Future of Heterodox Economics." Wait! Forgot one! And began work on **An Introduction to Economics**, an introductory textbook (with Arjo Klamer and Deirdre McCloskey). Go Rob, go!

John T. Harvey, Professor: I have been on sabbatical this semester and have spent a great deal of time taunting the rest of the faculty. In between that, I have been working on a book on exchange rates. Right now I have a draft of four

or five chapters and am currently trying to get the dang model to work properly. I hope to have a complete version by December, at which point I will make a more formal proposal to my publisher (Routledge). In other news, I published two new articles (one of which was the lead in the Fall 2001 **Journal of Post Keynesian Economics**) and had two more accepted (plus a chapter in a friend's book). My daughters are now in 2nd grade and are no longer as gullible as they used to be. I find that I am forced to use more and more guile with my tall stories and outright lies. Though depressing, I guess this was inevitable.

Kristin Klopfenstein, Assistant Professor (prepared by Dr. Klopfenstein): Kristin Klopfenstein is continuing her work studying minority access to educational opportunity in Texas. Her paper "Advanced Placement: Do Minorities Have Equal Opportunity?" is currently under review at the *Economics of Education Review*, and "Minority Advanced Placement Participation: Is Equal Opportunity Enough?" is slated for submission shortly. This year Prof. Klopfenstein received financial support for her work through a research grant from The Spencer Foundation (a Chicago-based foundation that supports education research). In addition, Prof. Klopfenstein presented her work in San Francisco at the meetings of the Western Economic Association International and in Washington, D.C. at the meetings of the Association of Public Policy Analysis and Management. Her most recent work examines the influence of ethnic role models on the curriculum choices of black and Hispanic high school students.

John Lovett, Instructor (prepared by John Lovett): In recent months, John Lovett, besides acquiring the annoying habit of referring to himself in the 3rd person, has continued to love and

adore his loving and adoring wife, Julie. He has watched his daughter, Amanda grow from a baby to almost a toddler. The house is now relatively baby resistant. In addition to the standard cabinet locks and outlet covers, several bookcases and TV stands have been attached to the walls. Yes, toddlers have been known to pull over TV stands and bookshelves on to themselves ... but not in the Lovett household! I'd like to see any child pull out half a dozen dry wall screws penetrating 2 1/2 inches into studs! The only child to have accomplished this in recorded history eventually became an East German female swimmer! Not in my house baby! It makes rearranging the furniture a bit difficult though.

Oh yeah, professionally John has formed a company, Four Monkeys LLC, with three others primates. He is the President, i.e. Chief Executive Primate. The company is developing learning software for Principles of Economics courses. By the way, the competition, with the possible exception of Aplia's upcoming software, ain't much. McGraw Hill's DiscoverEcon and Thompson's !Xtra, for example ... well ... *are inferior* {NOTE FROM EDITOR HARVEY: The words "are inferior" replace Dr. Lovett's original, more colorful (and, no doubt, more accurate) phraseology—please e-mail him if you are interested in obtaining a first-edition copy!}. The software is being coded in 100% pure Java. A Windows only demo (without the on-line grading) is available on his web site, however. Beta testing of the Java release should start in the fall semester. Let me know if you are interested.

What else? I'm working on a paper regarding on-line competition games. The paper examines the effects of price uncertainty on firm (and student behavior). This paper was accepted at a conference in beautiful Pocatello, Idaho this April. Unfortunately, they postponed the

conference until September when they found out they had scheduled it over Easter weekend. Amanda Wilsker, TCU student extraordinaire, will probably be a co-author of the final version.

Edward M. McNertney, Associate Professor and Chair: You may recall from last year's newsletter that Dr. McNertney has accepted a position as editor of a journal. Well, the first two issues have come out! They each have a slightly different focus, so one is called **Southwestern Economic Review** while the other is **Southwestern Economic Proceedings**. Well done! In addition, Dr. McNertney served as the President of the **Southwestern Society of Economists** from March 2001 until March 2002.

On the home front, his son Michael (who wishes now to be know as "Mike") has graduated from Rice and is working in California. His home is a couple of blocks from the beach. To think he got such a good job after deciding not to go to TCU! And Dr. McNertney's daughter, Jenny, is living in Minnesota and plans to get married this summer. Congratulations!

Stephen F. Quinn, Associate Professor: Since our last newsletter, Dr. Quinn published "The Glorious Revolution's Effect on English Private Finance: A Microhistory, 1680-1705," in the **Journal of Economic History** and presented "Finance and Capital Markets," at the conference for the Cambridge Economic History of Britain, in London, and "Are Online Payments Virtual Banknotes?" (co-authored with William Roberds) at the Academy of Economics and Finance, in Florida. This semester he is teaching a course on the Great Depression with Dr. Clayton Brown of the History Department. But who cares about all that? He and his wife are expecting a baby (in fact, a lot of people are expecting it) August 22! Congratulations Steve and Shelly!

STUDENT NEWS

ALUMNI AND OUR BBS

The response to last year's newsletter was fantastic, and we received quite a bit of news from alumni. I was going to post all that here, but really didn't have the explicit permission of folks to do so. Consequently, I guess I had better not.

But, as the Texas Rangers say every September, wait 'till next year (actually, I think it's mathematically possible for them to say that in late May)! So, if you'd like something tossed in about your adventures, please indicate as such in an e-mail to me and I'll try to put it in the 2003 newsletter (shouldn't be a real problem as long as we continue to do this on the web).

You say you can't wait that long? No problem! I have created a BBS for us all.

<http://pub17.ezboard.com/btcueconomics>

In order to join in the frivolity you will need to register with EZBoard. You can do so at:

http://www.ezboard.com/create_join.html

BE SURE TO UNCLICK ALL THE BOXES SAYING YOU WANT TONS OF E-MAILS!!! I believe these appear at the bottom of page one.

Once you have registered and have a username, try accessing the board. You will find that it prompts you for a password—that doesn't mean the password you made up when you created an account! There's a general one that I made to protect the board, and most of you will know who I am honoring with it:

clevelandbrowns

No capitals and no spaces.

What exactly we do with the BBS is up to you. This is very experimental at this stage and I'm depending on your suggestions to get us going. I sent out the password to a few folks ahead of time to sort of seed it for us—there are already a couple of posts. Add to them!

One more thing—EZBoard has to make their money somehow (this is all free, apart from the opportunity cost!). They do so with pop-up ads. Oh, Lord, do they ever! But, first off they give us an introductory period during which we will see none (sort of like drug dealers handing out free samples). Second, if you find that you like not being bombarded with ads (especially those pesky ones that, as soon as you close them, generate another!), we can pay \$30 to be pop-up free for six months. If it turns out that our page is popular, I'm sure I can convince Dr. McNertney to spend \$30 in Department money toward this project!

Hope to see you there!

OUR BRILLIANT STUDENTS

It has been yet another banner year for economics majors. I don't know exactly what it is we have been doing to attract such outstanding folks over the years—maybe you all just feel sorry for us! Thanks!

This year, we had three students admitted into Phi Beta Kappa (Joe Blosser, Thomas Spann, and Andrew Schlegel) and two honored as Senior Scholars—Charlie Bingham for Mathematics and Joe Blosser for **both** Economics and Religion. As each department chooses only one student for the latter this is a real accomplishment. We, again, had terrible trouble picking ours (though clearly Joe was a popular choice!)—what a great problem to have!

Our choice for the Dallas Economists' Club Luncheon this year is Tom Spann. Eat hearty, Tom, and well done!

And for the second year in a row we are hosting a student paper seminar. Presenting this year are John Collett ("A Problem of Spatial/Economic Segmentation: Dealing with Growth in the Valley of the Sun") and Joe Blosser ("Adam Smith's Self-Correcting Systems"). Someone needs to make Joe take up a hobby or something.

FALL SEMINAR SERIES

(You are correct—this should not be under the general heading "Student News," but I couldn't make it fit anywhere else. Sorry!)

Steve Quinn continues to be the workhorse behind our seminar series. Last fall, we were entertained by the following:

Stephen Quinn, TCU. "Finance and Capital Markets in the Economic History of Great Britain, 1700-1860."

Harvey Rosenblum, Dallas Fed. "What Really Happens at a FOMC Meeting."

Kristin Klopfenstein, TCU. "Advanced Placement Take-Up Rates in Texas."

Ted Harham, UT Dallas. "Knowledge and Social Coordination in Adam Smith."

With all due respect to the other speakers, Dr. Rosenblum's presentation was the highlight. He had been in the World Trade Center the morning of the attacks, and his eerie tale of his experiences and how the Fed then reacted to maintain calm in financial markets was incredible. We sat spellbound. Given his busy schedule and the fact that this was only weeks after September 11, it was really kind of him to spend an afternoon with us.

WEDDING BELLS!!!

Mrs. Barbara Goodman, Economics Department Administrative Assistant, married off a daughter this past month (March 23)! The ceremony took place in the Marty Leonard Chapel of the Lena Pope Home, and our sources tell us both wedding and bride were beautiful. The former Ms. Goodman had every detail planned (down to the minute), and not only did this contribute to the smooth execution of the ceremony, but she now has a job offer from NASA!