

RESEARCH NEWSLETTER



Department of Economics Texas Christian University

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PREMIER EDITION (Collectors' Item???)

Welcome to the first edition of the Department of Economics' **Research Newsletter**! Beginning with this Spring 2001 issue, we will be using this medium to keep alumni, students, faculty, and other friends abreast of our activities (please let us know if you wish to be removed from or added to our contact list!). We hope that our majors, especially, will benefit from this endeavor by discovering just exactly what it is we do with those hours we aren't spending enthralled with IS-LM curves and Slutsky decompositions on the chalk board! Though roughly 40 to 50% of faculty efforts are devoted to research, we know that students are largely in the dark as to what we do. Not any more!

Each edition will offer a summary of what our faculty have accomplished over the past year (we'll go back a bit further on this one, since it's the first), a review of our seminar series, and a list of papers available from our working paper archive. We sincerely hope you enjoy learning about this aspect of our professional development.

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/>

SPRING SEMINAR SERIES

Steve Quinn has been the mastermind behind our seminar series and he has worked hard to bring us interesting and inspiring speakers. On January 31, Dr. Pia Orrenius of the Federal Reserve Bank of Dallas was kind enough to cross the Metroplex and offer us an analysis of US immigration policy. February 21st, Sam Bostaph, Economics Department Chair at the University of Dallas and graduate of TCU, presented a very well-received paper, "The Emptiness of Wieser's Natural Value." On March 1, we were absolutely delighted to host Deirdre McCloskey of University of Illinois at Chicago. She spoke to a large crowd consisting primarily of students on the subject of the irrelevance of significance tests (I was, by the way, quite proud of the questions asked by our majors of Dr. McCloskey!). Our own Mike Butler told us how little inter-league baseball really increased revenues on March 7, and on the 15th economics majors Joe Blosser, Yecenia Camarillo, and Matt Townsend formed a session for us (complete with discussants) in anticipation of their Southwest Social Science Association presentations (more on this later). A faculty roundtable on teaching introductory economics is planned for April 4, and Dr. Kristin Klopfenstein and myself will present "International Capital and Mexican Development: A System-Dynamics Model" on April 18 (if we can get the dang model to work properly again!).

FACULTY RESEARCH ACTIVITIES

The Object of Faculty Research

Before I launch into all the brilliant and fascinating work our faculty have done, you may wonder why we do this at all and why you should care. I know that I, as an undergraduate, had very little understanding of what my professors did outside the classroom. There are a couple of things to bear in mind. First, we have degrees in “economics,” not “teaching economics.” These degrees are the very same ones earned by our colleagues who entered the business world and government, for example. Hence, our training emphasized research activity in our field, and that’s a major part of what attracted us to the Ph.D. in the first place. You don’t write a dissertation if you aren’t intensely curious about the subject matter!

But what does that do for you, the student? Why should you pay the incredibly-fair and even bargain-level tuition that TCU charges and NOT have your professors spend all their time on teaching? Think about this. I earned my Ph.D. in 1987. My area of expertise is exchange rates, and I therefore teach the International Monetary Economics course. What if I never did a bit of research? Then folks in my course might get exchange rate theory as of 1987. Instead, given my interest in writing, about ½ of my International Monetary Economics covers *nothing but theories and events that have happened since I left graduate school*. Not every field changes as quickly as international economic relations (as you can imagine!), nor is research the only means by which an instructor can keep abreast of recent developments in their teaching areas (many of our faculty participate in professional development programs, for example, as well as work hard to assign up-to-date reading and texts), but it nevertheless illustrates the general point that **you** are better off at an institution like TCU that places an important emphasis on both teaching and research.

Charles M. Becker, Associate Professor: Dr. Becker is the senior member of the Department, having come here in 1967 from the **University of Arizona**. His primary interest is financial economics and he writes and publishes regularly in this area. His most recent paper presentation, “The Post Merger Financial Position of NationsBank Corporation /Bank America Corporation ” was at the Southwestern Society of Economists meetings. He also chaired a session on financial markets there.

Michael R. Butler, Associate Professor: Dr. Butler has been with the University since 1986. He earned his Ph.D. at the **University of North Carolina**, specializing in industrial organization and applied microeconomics. He has written a number of interesting papers over the years, ranging from an analysis of abortion legislation to an empirical study of the behavior of regulatory boards. His most recent work focuses on understanding the determinants of attendance at baseball games, in which he argues that the contribution of the introduction of inter-league play by Major League Baseball was so minor as to be insignificant. On a personal level, he believes the maintenance of the traditional split between American and National League to be more important.

Dawn R. Elliott, Assistant Professor: Dr. Elliott comes to TCU from the **New School for Social Research**, where her Ph.D. specializations were international trade and economic development. It is the latter that drives her current research. She has been very successful in publishing her work (which looks mostly at growth and development in the Caribbean and Latin America), as is evidenced by the fact that the **World Bank** contacted her last year and asked her to review several loans to developing countries. This unique honor was accorded her specifically because members of the **World Bank** staff were familiar with her work.

Robert F. Garnett, Instructor: Dr. Garnett earned his Ph.D. (with specializations in history and philosophy of economics and macroeconomics) at the **University of Massachusetts**. Most of his research has focused on theories of knowledge and value in economics, and he is the editor of a very successful recent book published by Routledge: **What Do Economists Know? New Economics of Knowledge, New Knowledges of Economics**. He has very quickly made a name for himself in this area and was, in fact, *in the title* of a research note in the September 2000 **Journal of Economic Issues** (“Garnett and Cullenberg on Postmodernism, Value, and Overdetermination” by William S. Brown)! I thought you had to be dead before that happened?!

John T. Harvey, Professor: I have been at TCU since 1987, earning my Ph.D. at the **University of Tennessee** and specializing in history of economics and international economics. Most of my research focuses on the latter, especially exchange rates. It has been my goal to develop a model to explain short-term currency price movements. In practice, this task has proved so frustrating that many economists have simply stopped trying (shifting their analyses to the long run). My premise is that we, as economists, have failed because we refuse to adopt the necessary tools. I have made this argument in articles in the **Journal of Post Keynesian Economics** and the **Journal of Economic Issues**, in chapters in two edited works, and in a invited presentation to the *Jerome Levy Economics Institute* in April 1999 (I have also been lucky enough to have my work cited dozens of times and have my articles listed as assigned reading at other universities—it's not only my students who must suffer!). I hope to bring all this together in single model during my sabbatical next spring.

Kristin Klopfenstein, Assistant Professor: Dr. Klopfenstein is new to TCU, having just earned her Ph.D. from the **University of Colorado** in 1999. Her specialities are labor economics and econometrics and she is currently involved (as a Faculty Research Fellow at the University of Texas at Dallas, Texas Schools Project) in a research project studying issues related to minority access to educational opportunities in Texas. Dr. Klopfenstein has two articles under review (“International Capital and Mexican Development: A System-Dynamics Model,” with John Harvey, at the **Journal of Economic Issues** and “A Reconsideration of Immigrant Welfare Participation,” at **Economic Inquiry**) and one almost ready for submission: “The Internal Migration of the Foreign Born as an Assimilation Process.”

Edward M. McNertney, Associate Professor: Dr. McNertney came to TCU in 1977 from the **University of Massachusetts** with a speciality in macroeconomics. Dr. McNertney brought us some very exciting news just a week or two ago: he has been selected to be the new editor of the **Southwestern Economic Review**! This is the first time a journal has been headquartered in our department. Editing a journal is a very time consuming and stressful job (especially when you are telling an aspiring author “No!”), but it will add considerably to the prestige to our program.

Stephen F. Quinn, Assistant Professor: Dr. Quinn arrived at TCU the same semester as Dr. Elliott (both are up for tenure and promotion this year—we are confident of their success). Dr. Quinn is an economic historian with a Ph.D. from the **University of Illinois**. His particular interest is the financial development of London from 1650 to 1850. His research often leads him to England, where spends time collating data from original archival materials of the 17th, 18th, and 19th centuries. His contributions in this area have led not only to several journal publications, but no less than six invited presentations (ranging from the London School of Economics to the Federal Reserve Bank of Atlanta), a request to write a chapter for *Economic History of Britain Since 1700* (Cambridge University Press), and several citations of his works in scholarly books and journals. He also has an article or two appearing on other professors' syllabi!

WORKING PAPER SERIES

Starting this semester we will be placing faculty working papers (completed drafts of papers that have not yet been published). Though I would hardly say that every economics department does this, it is not uncommon. As we build an archive of papers I will be contacting the appropriate web administrators so that economists at other institutions will be made aware of this set of research papers. They will be available both in electronic form and as a hard copy.

Presently, we have just one paper up (because I am still playing with the software—we have at least five others that could go up in a short time). You can find it at: <http://www.econ.tcu.edu/harvey/workppr/working.html> There will also soon (perhaps even before you receive this) be a link on the menu bar of our home page: <http://www.econ.tcu.edu/>. Be sure to check often for words of wisdom!

OTHER NEWS

This past fall, *Dr. Edward McNertney* won a fourth term as Department Chair. Though many of us voters were hoping for promotional pens, pencils, buttons, or at least a criminal pardon or two, it appears that we will have to be satisfied with the fact that Dr. McNertney remains ready, willing, and more than able to undertake this important task! Congratulations and thanks to him.

Dr. Butler will shortly be leaving his position in the Department of Economics for an administrative one. He has been selected to serve as Associate Dean of the AddRan College of Humanities and Social Sciences. There, his primary job will be to deny students whatever requests they might have (“Can I waive my calculus requirement?” “NO!” “Can I have my grade raised to an A?” “NO!” “Can I be dropped from this course?” “NO!”). We are all working hard with him, especially in finding a variety of ways for him to give negative responses so that he does not become bored. Seriously, we offer him hearty congratulations, wish him the best of luck, and ask him not be a stranger around the Department! We are proud to see him succeed!

Dr. John Lovett, new to TCU (since 2000), has very quickly shown himself to be a real asset. He is very popular in the classroom, has taken over our web page management and the Economics Club, and is actively developing computer-based materials for his courses (including some great self-testing programs). Personally, I appreciate having him around as now there is at least one more legitimate suspect for any tom-foolery in the Department!

We have selected *Matt Townsend* to represent our program at this year’s **Dallas Economists’ Club** luncheon. Matt will submit a research paper (which is entered into a competition) and travel to Dallas for a meal (with a faculty member). Matt is already an accomplished researcher and speaker (see the note on our student presentations at the Southwestern Social Science Association Meetings). We wish him Russell-Crowe like luck in the contest!

Our new departmental administrative assistant is *Barbara Goodman*. She has been a delightful addition to our crew and was able to very quickly adjust to our lack of formality (though certainly not maturity!) around the office! Welcome Barbara!

Dr. Quinn spent last fall in London, teaching with the TCU in London program. He spends so much time there that there we are beginning to suspect that he actually has a full-time job in England, too!

Dr. McNertney recently organized the Southwestern Society of Economists meetings in New Orleans and has been elected president of the association for next year. Good work!

Dr. Elliott had a new baby last semester: Laura-Anne. Congratulations to her and her husband, Peter, and big sister, Arielle!

Dr. Klopfenstein will be marrying Doug Alcouffe this summer. He is aware of this plan and heartily endorses it.

Three TCU Economics students, *Joe Blosser*, *Yecenia Camarillo*, and *Matt Townsend*, presented papers in sessions (general, not student ones) at the Southwestern Social Science Association Meetings this March. I can say without prejudice (and I have plenty of witnesses to back me up!) that their presentations were *at least* as good as those of the professors on their panels. Frankly, they were better than most! Excellent work!!!

This year’s Honors Scholar from the Department of Economics was Andrew Luers, an economics/physics double major and math/German double minor. Each year we are charged with choosing a student for this honor, and typically we can narrow the list to three or four worthy of such acknowledgment before our faculty meeting. This year we had NINE, and we all agreed that any one could easily have been a major of whom we would have been proud to choose in any other year. Never have we spent so much time making our choice—it was wonderful!