

# The Marginalist

April 2011

A PUBLICATION OF THE ECONOMIC STUDENT ASSOCIATION  
Southern Illinois University Carbondale, Department of Economics



Volume 15, Spring 2011

## Letter from the Chair

### Department of Economics

Southern Illinois University Carbondale

#### *Greetings from Carbondale!*

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Starting June 1, 2010, Southern Illinois University Carbondale had a new Chancellor, Rita Hartung Cheng. Prior to joining SIUC, she was the Provost and Vice-Chancellor for Academic Affairs at the University of Wisconsin-Milwaukee. Regarding campus matters, a number of building projects which have been in the pipeline for over ten years, have now started to materialize. From 2005 to 2009, Morris Library underwent a comprehensive renovation. It is now a completely new building which also fills its role as an intellectual center of campus life. The Starbucks Coffee is on the main floor and beautiful landscape surrounds the library. As you came to the office in Faner Hall, many of you may remember that either you walked or drove by the McAndrew Football Stadium (opposite the Student Center and also on the south side of the parking garage). The McAndrew Stadium, originally built in 1939 was demolished last month. Starting Fall 2010, SIUC has a new state-of-the-art football stadium, called Saluki Stadium. The new Saluki Stadium is adjacent to the Arena near the tennis courts. Last year the Arena also underwent a complete retrofit – both inside and out.

Now on to the Department matters. The Department website is updated regularly. This contains faculty and graduate students' photos besides other information. I would encourage you to

visit the Department website:

<http://economics.siu.edu>. The Department has finally gone high tech. Our conference room/graduate teaching room now has state-of-the-art new technology, including a ceiling projector multimedia presentation system, lectern and smart symposium. Some of the faculty have started using this technology in teaching graduate classes, instead of blackboard.

The Department of Economics has just undergone an internal and external review. The evaluation of the department was quite positive by both review teams. The external reviewers were Professor Richard Baillie from Michigan State University and Professor James Fackler from University of Kentucky. They wrote, "The Department of Economics at Southern Illinois University provides the State of Illinois excellent value for the resources used. The department is very small yet produces on average 6 Ph.D. graduates each year. This is a rate of production that would normally be supported by a department twice this size. In addition, the Ph.D. graduates are apparently well-trained in light of a high rate of publications in refereed journals subsequent to their graduation. The Ph.D. program has long been visible in the economic profession. The Department of Economics achieves this high rate of output in part through the efforts of the entire faculty working in cooperation with each other and an energetic department chair."

## Letter from the Chair, continued

Professor AKM Mahbub Morshed was awarded tenure starting Fall 2010, and he is now a tenured associate professor. He was on sabbatical during Fall 2010 and spent six weeks at the University of Warwick. While in the U.K., he also gave seminars at the University of Manchester, University of Birmingham, University of Nottingham and University of Reading, besides the University of Warwick. Professor Zsolt Becsi is on sabbatical this semester. During Fall 2010, the Vandevener Annual Speaker (invited by Vandevener Chair Professor Sajal Lahiri) was Professor Pranab Bardhan from the University of Berkeley. He spoke on "Awakening Giants, Feet of Clay: Assessing the Economic Rise of China and India".

From time to time, you are contacted by the University to request contributions to the Economics Alumni Fund. I know that sometimes these sorts of calls can be annoying. Many of you have, in the recent past, responded quite generously

to such solicitations. I would like to sincerely thank all of you for your contributions. This money has been used to provide cash awards to our undergraduate students at the Honors Day ceremony, and also to provide some support to our graduate students to attend meetings and present papers.

I would like to list information about all of our alumni (Ph.D., M.S. and B.S.) on our website. It will allow you to stay in touch with each other and also allow the Department's perspective students to see what our graduates have been able to accomplish with their degrees. I would appreciate it if you can update your information on the department web page by using the link: <http://www.economics.siu.edu/alumni/alumninews.html>. I am always interested in hearing from you. Please feel free to contact me via email [sharma@siu.edu](mailto:sharma@siu.edu) or by phone at 618-453-5082.

Subhash C. Sharma, Professor

## Faculty Profile: Professor Scott Gilbert

**Professor Scott Gilbert:** received his Ph.D. from the University of California San Diego in 1996. He has been with the SIUC economics department since 1999. Prior to that he taught at the University of Mississippi from 1996 - 1999. He developed an interest in economics while an undergraduate student at the University of California Berkeley. After graduating from Berkeley, this interest grew while he worked as research associate at the Federal Reserve Bank of San Francisco.

His research, which centers on econometrics and financial economics, has been published in the *Journal of the American Statistical Association*, the *Journal of Multivariate Analysis*, *Economics Letters*, and *Southern Economic Review*, and elsewhere.

He teaches a variety of courses, at the graduate and undergraduate levels, including econometrics, financial economics, and monetary economics. Recipient of the economics department's faculty teaching award in the year 2005, he is currently the department's director of undergraduate studies. In addition to lectures, his courses typically involve hands-on computer work for economic analysis, culminating in projects that students develop and present at semester's end.

## ESA: Economics Student Association

The ESA has 50 members.

The Association's web site includes a list of all graduate students, an alumni directory, a link to past and current issues of *The Marginalist*, departmental news, etc.

The Economic Student Association is a non-profit, student-led association with a mission of enhancing the educational as well as social experience of economics students through mentoring, guidance and providing academic related information.

The Association takes the responsibility of publishing this Newsletter and assists in organizing lectures and seminars. ESA also helps the faculty of the department, by giving a venue for students to voice concerns and thereby helping faculty to improve their teaching. Each semester new entering students express their appreciation to the invaluable advice and mentoring provided by senior members.

Members of the association are mostly graduate students in the Department of Economics seeking a Masters or Doctorate degree. The ESA is organized by the ESA Officers, all of whom are graduate students. The officers are elected by fellow graduates to perform unique duties for the organization. Membership is free.



### ESA Officers –2010/11

President  
Andreas Assiotis

Vice President  
Malokele Nanivazo

Secretary/Treasurer  
Yi Liu

Computer Committee  
Representative  
Andreas Assiotis

Entertainment Committee  
Representative  
Huiqing Li

Faulty Recruitment  
Representative  
Zheng Du

Graduate and Professional  
Student Council  
Yi Liu & Zheng Du

Graduate Studies Committee  
Representatives  
Mahalet Fikru & Andreas Assiotis

Marginalist Editorial Staff  
Mahelet Fikru

ESA Web site: <http://www.siu.edu/~esa/>

### New Graduate Students:

The department has accepted 6 new PhD students and 6 masters students for Fall 2010.

## Faculty News: Publications 2010

### Dr. Zsolt Becsi

“Does Wealth Imply Secularization and Longevity?” *Journal of Money Credit, and Banking*, February.

### Dr. Chifeng Dai

“Imperfect Verification, Appeals, and Limited Liability,” *Journal of Regulatory Economics*, 37, pp. 23-41.

### Dr. Scott Gilbert

“The Value of Future Earnings in Perfect Foresight Equilibrium,” *Journal of Forensic Economics* Volume 22, Issue 1 (in press).

### Dr. Richard Grabowski

“State Effectiveness and Structural Traps: Some Colonial Experiences,” *Asian Pacific Development Journal* 17 (June), pp.1-25.

“Effective States and Agriculture: East Asian Experience,” *Canadian Journal of Development Studies* 31, pp. 173-188.

“A Comparison of Latin American and African Development With an East Asian Twist,” *Asian-Pacific Economic Literature* 24 (November), pp. 104-116.

### Book Chapters:

“Financial Development/Deepening,” in *Booms and Busts: An Encyclopedia of Economic History from Tulipmania of the 1630s to the Current Global Crisis of the 21<sup>st</sup> Century*, edited by James Ciment (Armonk, New York: M.E. Sharpe).

“International Development Banks,” in *Booms and Busts: An Encyclopedia of Economic History from Tulipmania of the 1630s to the Current Global Crisis of the 21<sup>st</sup> Century*, edited by James Ciment (Armonk, New York: M.E. Sharpe).

Book Review: Penelope Prime and Kishore Kulkarni, eds., *Economic Development in India and China: New Perspectives on Progress and Change* (New Delhi: Serials Production, 2007), in *Eastern Economic Journal* 36, pp.423-426.

### Dr. Sajal Lahiri

“Current Account Imbalances and Foreign Investment: A Theoretical Analysis of Interrelationships and Causalities,” *Review of International Economics*, vol. 18, no. 2, pp. 369-381 (with AKM Mahbub Morshed).

“Blood Diamond: International Policy Options for Conflict Resolution,” *Indian Growth and Development Review*, vol.3, no. 1, pp. 5-20.

## Faculty News: Publications 2010 (cont.)

“Political Asymmetry and Common External Tariffs in a Customs Union,” *Economics and Politics* (with Subhayu Bandyopadhyay and Suryadipta Roy)

### Dr. Thomas Mitchell

On-Line Publication: “Monopoly Profit-Maximization with Quadratic Marginal Cost” from The Wolfram Demonstrations Project (an interactive Mathematica notebook) (October) <http://demonstrations.wolfram.com/MonopolyProfitMaximizationWithQuadraticMarginalCost/>

### Dr. AKM Mahbub Morshed

“Current Account Imbalances and Foreign Investment: A Theoretical Analysis of Interrelationships and Causalities,” *Review of International Economics*, Vol. 18, No. 2, pp. 369-381 (with Sajal Lahiri).

“Economic Integration in Africa,” *Quarterly Review of Economics and Finance*, Vol. 50, 245-253 (with Assande Adom and Subhash C. Sharma).

### Dr. Subhash C. Sharma

“Cost Efficiency, Economies of Scale, Technological Progress and Productivity in Indonesian Banks,” *Journal of Asian Economics*, Vol. 21, pp. 53-65 (with Heru Margono and Paul Melvin).

“Trend Following Trading Strategies in Commodity Futures: A Re-examination,” *Journal of Banking and Finance*, Vol. 34, pp. 409-426 (with Qian Shen and Andrew Szakmary).

“Economic Integration in Africa,” *Quarterly Review of Economics and Finance*, Vol. 50, pp. 245-253 (with Assande Adom).

### Dr. Kevin Sylwester

“Does PPP Hold in China? Testing Price Convergence using Disaggregated Data,” *China Economic Review*, 21, pp. 224-236 (with S. Lan).

“Provincial Fiscal Positions and Business Cycle Synchronization Across China,” *Journal of Asian Economics*, 21, pp. 355-364 (with S. Lan).

### Dr. Alison Watts

“Social Games: Matching and the Play of Finitely Repeated Games,” *Games and Economic Behavior*, 70, 1, pp. 170-191 (with M.O. Jackson).

## Graduate Student News: Publications

### Mr. Ficawoyi Donou-Adonsou

"Banks, Microfinance Institutions and Economic Growth in the West African Economic and Monetary Union", *African Development Review*, Vol. 22, No. 4, 495-510 (with Sodokin, Koffi).

### Ms. Mahelet Getachew Fikru

"A Decomposition of the Brain Drain," *The Empirical Economics Letters*, 9(11), (November), pp. 1053-1058

## Student News: Scholarship Award Winners

### Thomas and Chany Chung Endowed Scholarship

Thomas and Chany Chung Endowed Scholarship is awarded to an economics major, both graduate and undergraduate students, with a G.P.A of 3.00 and above and who maintains good academic standing each semester.

Bilal Afzal	Thomas M. Cohen	Falk De Beenhouwer
Miki Fukuchi	Zheng Du	Benjamin Mahalik
Elijah S. Roberts	Kyle Russo	Hyeon Joon Shin
	Yuqin Wang	

### Garrett and Susan J. Pierce Scholarship - Thomas M. Cohen

The Scholarship is awarded to an economics major, both graduate and undergraduate students, with an interest in accounting or manufacturing and who has a GPA of 3.00 or higher.

### Glenn W. and Cornelia Y. Miller Award - Shemariah Isreal

The Scholarship is awarded to an economics major, both graduate and undergraduate students, who has successfully completed Labor Economics/Econ 310 or a course approved by the Miller Award Committee.

### Outstanding Junior Award - Benjamin Mahalik

This Award recognizes outstanding academic achievement by a junior student in the Department of Economics.

### Outstanding Achievement in Economics - Pavlo Buryi

This Award recognizes outstanding academic achievement in the Department of Economics.

## Vandever Speaker Series—Fall 2010

Friday, September 24

Professor X. H. Wang, University of Missouri at Columbia

Topic: Entry Bias and Product Substitutability

Friday, October 1

Professor Wanki Moon, Department of Agribusiness Economics, Southern Illinois University Carbondale

Topic: World Agriculture Organization (WAO): New Global Governance for Climate Change, Sustainability,

Food Security and Trade

### Annual Vandever Chair Lecture in Economics

Thursday, October 7

Professor Pranab Bardhan

Topic: **Awakening Giants, Feet of Clay: Assessing the Economic Rise of China and India**

Friday, October 15

Professor Rubén Hernández, Federal Reserve Bank, St. Louis

Topic: Spatial Diffusion of Subprime Mortgages

Friday, October 22

Professors Nancy Morris and Lee Ann Slocum, Department of Criminology and Criminal Justice,  
Southern Illinois University Carbondale

Topic: Applying Latent Class Growth Analysis and Growth Mixture Modeling to Terrorism Data:  
Issues and Implications.

Friday October 29

Professor Narine Badasyan, Murray State University

Topic: Broadband Achievement Index: Moving Beyond Availability

Friday, November 5

Professor Bishnupriya Gupta, University of Warwick (Visiting Columbia University)

**The Vandever Speaker Series are held on  
Fridays from 3.00 -4.30 PM in the Department  
Conference Room.**

**The seminar serves as a good venue for graduate  
students to interact with guest speakers and with  
faculty as well.**

## Vandever Speaker Series—Spring 2011

Friday, February 4

Professor Jason Greene, Department of Finance, Southern Illinois University Carbondale

Topic: The Sources of Portfolio Returns: Underlying Stock Returns and the Excess Growth Rate

Friday, February 11

Professor Scott Gilbert, Department of Economics, Southern Illinois University Carbondale

Topic: Linear Models of Apportionment

Friday, February 18

Professor Sajal Lahiri, Department of Economics, Southern Illinois University Carbondale

Topic: Cross-Border Lobbying in Preferential Trade Agreements: The Implication for External Tariffs

Friday, March 25

Professor Chifeng Dai, Department of Economics, Southern Illinois University Carbondale

Topic: Sourcing Innovation in Vertical Relationships

Friday, April 8

Professor Basharat Pitafi, Department of Economics, Southern Illinois University Carbondale

Topic: An analysis of Stock to Stock Externalities

Friday, April 15

Professor Ira Altman, Department of Agribusiness Economics, Southern Illinois University Carbondale

Topic: Producer Willingness and Ability to Supply Biomass a Comparison between Mid Missouri and Southern Illinois

Friday, April 22

Professor A.K.M. Mahbub Morshed, Department of Economics, Southern Illinois University Carbondale

Topic: Determinants of Remittances

Vandever Speaker Series Web site:

<http://mypage.siu.edu/lahiri/vandever%20lecture.htm#Vandever>

## 2010 Ph.D. Graduates and Where They Are Today

Fassil Fanta

Regulatory Economist, Energy Department, Department of Economic Development, State of Missouri

Hasan Mohsin

Research Economist, Pakistan Institute for Development Economics, Islamabad

Guangjun Qu

Visiting Assistant Professor, DePauw University, Indiana



## Student News: Graduate Student Teachers of the Year

Andreas Assiotis

was named Graduate Student Teacher of the Year for the 2010-2011 academic year.

Congratulations Andreas!

Andreas has been a graduate student in our department since August 2007. His research interests include macroeconomics, economic development and growth and political economy. He is currently studying how political and economic institutions affect the growth performance of a country. His dissertation title is, "The Effects of Democratization across Across Time and Space." I feel fortunate enough to have Professor Kevin Sylwester as my adviser who was always there to guide me through the process of my Ph.D.

Andreas' teaching philosophy

*"My goal of teaching economics is to inspire students to explore the world of economics, and provide them necessary tools to master their profession. My teaching philosophy focuses on how to create an environment for learning to take place. I believe learning takes place when the learner is able to integrate the new information into his or her own experience. I focus on the role of understanding students' diverse experiences and their expectations about the course as a guiding principle in creating an effective learning environment.*

Hem Basnet and Bojan Ilievski

were named Outstanding Rookie Student Teachers of the Year for the 2010-2011 academic year.

Congratulations Hem and Bojan!

Hem's teaching philosophy

*My overall teaching objectives are to promote a desire in my students to learn and succeed. I chose this discipline because the field fascinates me. As an instructor of economics, I do not only strive to convey my students the accumulated wisdom of the profession, but also its enthusiasm and sense of purpose. I believe that a great teacher is never a final product but rather is always in the process of becoming. I also believe that good teachers are organized, prepared and especially clear. They show that they are the masters of their subjects. As an instructor of economics, I always strive to possess the virtues of a good teacher, and motivate and inspire students to reach their potential.*

Bojan's teaching philosophy

*"I believe my responsibility as a teacher is to provide students with the necessary knowledge and skills to succeed in academic, business and personal areas. My teaching philosophy is based on a belief that education is a tool needed to reach a solution. Not only is education a solution for many social problems and a gateway to better job opportunities but, education also provides the knowledge to make informed decisions, synthesizes ideas, and critically evaluate relevant issues. Therefore, pursuing knowledge and working to improve my skills as a teacher are among my highest priorities."*

## Alumni Updates

Kanokwan Chanchaoenchai  
Associate Dean for Student Affairs, Faculty of Economics, Kasetsart University, Thailand

James K. Self  
Senior Lecturer, Department of Economics, Indiana University, Bloomington

Dennis Pearson  
Assistant Professor, Austin Peay University

Yaya Sissoko  
Assistant Professor, Department of Economics, Indiana University of Pennsylvania

Salim Al-Gudhea  
Economic Advisor to the Secretary General, Gulf Cooperation Council-Secretariat General, Saudi Arabia

Yu-Feng Lee  
Associate Professor, Economics and International Business, New Mexico State University

Doina Vlad  
Associate Professor, Business Department, Seton Hill University, Pennsylvania

Alexandar Tokarev  
Assistant Professor, The Kings College, New York

Peter Ng'anga  
Senior Economist, National Bank of Kenya

Valerica Vlad  
Assistant Professor, Sam & Irene Black School of Business, Research and Economic Development Center (REDC), Penn State Erie - The Behrend College

Marcus Parks  
Risk Analyst, Fifth Third Bank, Cincinnati, OH

Assande Adom  
Assistant Professor, Economics Department, Eastern Illinois University

Yuexing Lan  
Assistant Professor, Department of Economics, Auburn University at Montgomery, Alabama

Sanndip Dutta  
Assistant Professor of Finance, School of Business, Southern Connecticut State University

James Millar  
Data Analyst/IT Auditor, Bureau of Tenn/Care

## Alumni Updates (cont'd.)

Abdelmounaim Lahrech

Assistant Professor of Economics and Statistics School of Business Administration, Al-Akhawayn University of Ifrane, Morocco

Sallem Koubida

Assistant Professor of Economics, School of Business Administration, Al-Akhawayn University of Ifrane, Morocco

Farrokh Kahnemoui

Visiting Assistant Professor, Department of Economics, College of Business and Economics, Western Washington University, Washington

Ahmed Abou-Zaid

Assistant Professor, Economics Department, Eastern Illinois University

Sami Al-Abdulwahab

Visiting Assistant Professor, Economics Department, Eastern Illinois University

Usama Robin Al-Qalawi

Assistant Professor, Economics Department, Hashemite University, Jordan

Liaoliao Li

Assistant Professor, Department of Business Administration, Kutztown University of Pennsylvania

Guangyu Ma

Visiting Assistant Professor, Economics Department, State University of New York at Buffalo

Paul Melvin

Assistant Professor, Economics, Mid-Continent University, Kentucky

Zhifang Peng

Assistant Professor, Business and Economics Department, University of Wisconsin at Richland Center

Dilara Tas

Assistant Professor, Economics and Finance, Lake Erie College, Ohio

Joseph Toe

Business Instructor, Hawkeye Community College, Iowa

Puneet Vatsa

Revenue and Pricing Analyst, Disney Interactive Media Group

## The Marginalist

Marginalist Staff Members 2010/11

Editor-in-Chief: Mahelet Fikru

Faculty Advisor: Professor Subhash C. Sharma

Special Acknowledgements: Mrs. Nancy Mallett

The Marginalist is a newsletter published annually by the Economic Student Association, Department of Economics. Your comments, suggestions and news are most welcome !

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If you have any questions or comments regarding this issue you can directly contact

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Telephone: 618-453-5076

Or

Nancy Mallett

Telephone: 618 536 7746 ( 8.00 A.M-4.30 PM)

Thank you!

The Department of Economics, SIUC is ranked #83 internationally in the area of Economic Development and International Trade and #48 internationally in the area of International Trade/Factor Movements



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