

The Economics Club Activities

By: Jillian Ditzler, Club President

The Econ Club has been up to some very exciting things over the fall semester! We kicked off the school year with an Olympic themed welcome party where we got to meet some of the new freshmen on campus while welcoming back previous members. In October, we had our big fundraiser for the year, our 5K race. The race started and finished by the Klaus building, and we had about 40 runners in five different age groups come out to participate. Through this event our members got to learn how a large event is planned, advertised, and executed. This event raised about \$700, most of which will go to providing better services and support for our members. As always, we had our monthly speaker dinner meetings. Speakers this year have included the Principal Owner of TSJ Advisory Groups, a Transfer Pricing Consultant from Deloitte, and a representative from the State Senator's office.

We're looking forward to hearing from some more speakers in the spring, and helping our members network and learn from Atlanta's business professionals! We will be holding our annual philanthropy event in the spring as well. Last year we held an art show to benefit Create Enterprises Incorporated. We raised over \$1,000 in donations, and completed an Economic Impact Analysis on the organization. The impact study gives our members some real world experience while also offering a service to the organization that would normally be too expensive to obtain. This year, we will be holding a similar event and performing the analysis with a different non-profit organization. We're looking forward to continuing our success into the next semester, and we hope to see you at our next meeting! For more information on the Econ Club and events, please visit our website at www.econclub.gatech.edu.



Members Anna Hunter and Amanda Figedero at this fall's 5K.

SCHOOL OF ECONOMICS

221 Bobby Dodd Way
Atlanta, GA 30332

Georgia
Tech



Dr. David Laband

Introducing Dr. David Laband a letter from our new SOE Chair

Dear SOE students, alumni, and friends:

On August 1, 2012, I started a 5-year term as Chair of the School of Economics at Georgia Tech. I am truly honored and excited to be here. A native Virginian, I grew up in the small town of Lompoc, north of Los Angeles on the coast of southern California. In 1974, on the young side of 18, I got on a Greyhound bus with one box of possessions and returned to Virginia, to Virginia Tech and the Blue Ridge Mountains. I started college as a Forestry and Wildlife Sciences major. As part of that program, I spent 6 months working as a co-op student at a wildlife research station in northern Ohio. But the fall quarter of my sophomore year, I took my first economics class, principles of microeconomics. Suddenly the world made sense to me and I made two critical decisions: 1) I would become an economics major, and 2) I would become a university professor. As it happened, I stayed at Virginia Tech for 8 years, receiving my Bachelor's, Master's, and Ph.D. (1981) degrees, and spending one year as a visiting assistant professor. Prior to coming to Georgia Tech, I taught at the University of Maryland Baltimore County, Clemson University, Salisbury University, and Auburn University.

So, after 31 years as an economics professor, why am I excited to be at Georgia Tech? There are many reasons; let me focus on 3 that I hope resonate with you. First, without exception I have found the students, faculty, and staff at Georgia Tech to be talented, enthusiastic, professional, and very welcoming. I feel at 'home' here. Second, the School of Economics faculty is united in their determination to improve the quality of our undergraduate and graduate programs. Good efforts to improve what we do are very gratifying to be a part of. Third, as a behavioral science, economics is inherently dynamic. Georgia Tech's emphasis on innovation and technology makes it a great place to emphasize the importance and relevance of economics in our lives, especially as it connects to other academic disciplines.

I hope I will have the opportunity of meeting with many of you in the future. If you live in or near the Atlanta metro area or plan to visit in the area, and would like to meet for an hour over breakfast or lunch, please drop me an email at david.laband@econ.gatech.edu or ring me at 404.385.4145.

Sincerely,

Dave Laband

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faculty updates

PUBLICATIONS

Byung-Cheol Kim

"Signaling Learning and Screening Prior to Trial: Informations of Preliminary Injunctions," forthcoming Journal of Law, Economics, and Organization 2012, joint with Thomas D. Jeitschko.

Levent Kutlu

"Price Discrimination in Cournot Competition," published in Economics letters.

"Misspecifications in Allocative Inefficiency: A Simulation Study," accepted by Economics Letters.

Haizheng Li

"Human Capital in China, 1985-2008," Review of Income and Wealth, forthcoming 2013, joint with Barbara M. Fraumeni, Yunling Liang, Zhiqiang Liu and Ziaojun Wang.

Olga N. Shemyakina

"Subjective Well-Being and Armed Conflict," Social Indicators Research, forthcoming, joint with Anke C. Plagnol.

Ruth Uwaifo

"Coming to America: Does Having A Developed Home Country Matter for Self-Employment in the U.S.," American Economic Review Papers & Proceedings, 2012, joint with Willie Belton.

CONFERENCE PRESENTATIONS

Erik Johnson

"Spatial Inefficiencies in the Deployment of Renewable Electricity Generating Capacity," Southern Economics Association meeting, New Orleans., November 2012.

Byung-Cheol Kim

Presented research at 2012 Korea Economics Association International Conference and 2012 Korea Economics Society Summer Meeting.

Levent Kutlu

"Misspecification in Allocative Inefficiency: A Simulation Study," North American Productivity Workshop, Houston, 2012.

Haizheng Li

Invited to participate in the first research plenary meeting on "Lifelong Learning, Innovation, Growth, and Human Capital Tracks in Europe," Germany, October 2012, sponsored by the European Union.

Olga N. Shemyakina

Presented research at World Bank Conferences: First NOVAFRICA Conference: Economists Development in Africa, Nova School of Business and Economics, University of Lisboa, September 2012. Development Impact Evaluation Initiative (DIME) united at World

Bank, Washington DC, October 2012. Northeastern Universities Development Consortium (NEUDC), Dartmouth New Hampshire, November 2012.

Ruth Uwaifo

"Conflict and its impact on Education Accumulation and Enrollment in Colombia: What we can learn from recent IDPs," University of Illinois-Urbana Champaign, May 2012.

"Do Significant Immigrant Inflows Create Negative Education Impacts? Lessons from the North Carolina Public School System," Ohio State University, Second Wave Conference, June 2012.

"Poverty and Inequality in Nigeria 12 Years Post Democratic Reform: Questions, Preliminary Results and Next Steps," Three year Economics of Global Poverty sponsored seminar program hosted by Calvin College, July 2012.

INVITED TALKS

David Laband

"The Impact of Tree Shade on Residential Electricity Usage," 22nd Annual Georgia Urban Forestry Council Conference, LaGrange.

Christine Ries

"Next Steps in Tax Reform," 2012 Georgia Chamber Tax and Banking Forum, Atlanta, November 2012.

Recognition

Congratulations to **Shatakshee Dhongde**, assistant professor in the School of Economics, who, in August 2012 was awarded the Nancy and Richard Ruggles Memorial Fund Prize for her paper "Measuring Segregation of the Poor in India." In the paper, Dr. Dhongde proposes a poverty segregation curve to measure regional inequality in the distribution of the poor in India, particularly in the urban sector. The Ruggles Prize aims to develop the scholarship of young researchers. Dr. Dhongde was presented the prize at the International Association for Research in Income and Wealth (IARIW) General Conference.

Congratulations to **Byung-Cheol Kim** who was awarded the 2012 NET Institute grant of \$3,000 on his recent working paper "Two-Sided Platform Competition in the Online Daily Deals Promotion Market."

Vivek Ghosal was a Visiting Fellow at the International Monetary Fund, Research Department (Washington D.C.), July 2012. His research focused on the impact of policy uncertainty and macroeconomic uncertainty on small businesses.

Vivek Ghosal and Frank Southworth received a grant in support of their research "Micro-Dynamics of Business Location & Growth, and its effects on the Transportation Network and Congestion in the U.S. Southeast Region." U.S. Department of Transportation, Georgia Department of Transportation, and Woodruff Foundation,

Announcements

We are extremely pleased to announce the establishment of the first endowed professorship in the SOE, the **Richard and Mary Inman Professorship** in Economics. This professorship is designed specifically to help us attract and retain a highly productive teacher/scholar.

The School of Economics recently received a bequest pledge of \$50,000 from alumnus **Jack McGinnis** (1972) to create the Jack L. McGinnis Jr., scholarship endowment. Earnings from this endowment will fund scholarships for students majoring in economics.

The SOE Newsletter is GOING GREEN!

Starting Spring 2013, the newsletter will be delivered electronically and on the website. If you would still like to receive a hard copy via mail, please email Kelly Billings at kelly.billings@econ.gatech.edu.

Attention Alumni!

We want you! We would love to showcase the lives and accomplishments of current and former students, but we need your help. One way you can help is by providing us with information for a new section on the SOE website that will spotlight our graduates. For each person featured, we would like to post a picture and information about your careers. This way, you can help us let prospective students know about the different types of careers of our economics alumni. If you would like to be featured, please send your information to kelly.billings@econ.gatech.edu.

We would also like to start offering a 1-credit course, Economics at Work, starting Fall 2013. Each week, we would like to have one or more of our alumni meet with undergraduate students and provide an overview of how they are using economics professionally. Again, our hope is that by listening to your experiences, our majors and prospective majors will develop a more focused understanding of career possibilities in economics. For this hope to become a reality, we need to hear from any of you who would be willing to come. Please contact Kelly Billings at kelly.billings.gatech.edu if you are interested.

Faculty Spotlight By: Dr. Tibor Besedes



Dr. Tibor Besedes

My research deals with questions in two separate fields of inquiry within economics. The majority of my research effort is spent on international trade, while my secondary area of interest is experimental and behavioral economics. In international trade, I have focused on the issue of duration of trade--how long a particular product is exported by a particular country to a particular trading partner. In one current project I am investigating to what extent investigations of antidumping claims, that foreign firms are selling their product at less than fair value in the U.S., affects how long the U.S. imports from that country will cease altogether. Most of this increase in risk occurs while the investigation is in progress and prior to a final decision being rendered, which reduces economic welfare even if the investigation determines there was no dumping. A different project is investigating to what extent does economic integration affect duration of trade. The results indicate that trade relationships which commenced prior to economic integration become more stable and less likely to cease, but those that begin after the integration become less stable and more likely to cease. I am also pursuing a project comparing duration of trade in goods and in services using data on German product-and firm-level trade.

The second area of my research deals with trying to understand decision making in environments where individuals have many options to choose from. The initial interest in this area was motivated by the addition of prescription drug coverage to Medicare, Medicare Part D, and was funded by a grant from the National Institute of Health. The results showed that the ability to find the best option decreases significantly as more options are added and that the decrease is more pronounced as individuals grow older. This is largely due to the fact that older individuals use different decision making tools, ones more likely to result in worse decisions. A current project shows that decisions can be improved by restructuring how the problem is presented to individuals, but that individuals do not like the design which allows them to make best decisions.