

---

---

# ECONOMIC ENDEAVORS

Volume 5, Issue 1

The Haverford College Economics Department Newsletter

May 2012

---

## In this issue:

~Greetings from  
Department Chair  
Anne Preston~

~Alumni  
Updates!~

~Thesis Topics  
from the class  
of 2012~

~Faculty research  
and teaching  
updates~

## Greetings from the Haverford Economics Department!

This year our department was especially vibrant with eight full time faculty members. Shannon Mudd launched the microfinance and impact investment initiative with a new introductory course on microfinance, a microfinance speaker series with 4 practitioner/researchers visiting campus throughout the year, an extracurricular impact investing seminar, and a reopening of the microfinance club. Student interest has been strong with high enrollments in all the courses, good turn-out at the speakers and a number of senior theses on microfinance. Professors Cichello and Banerjee have continued on staff replacing Dave Owens, who has been on junior leave, and Linda Bell, who is finishing her five year term as provost.

Over fall break, Professor Banerjee took 17 students from his class, The Economics of Transition and Euro Adoption in Central and Eastern Europe, to Brussels, Belgium, and Frankfurt, Germany, to attend lectures at the EC, the European Central Bank and the Frankfurt School of Finance and Management. The trip was funded by the CPGC and the President's Office. Traveling during an exciting and tumultuous time in the history of the Euro, students saw their classwork come alive. They had front row seats in the policy debates over how to curb the European economic crisis.

This year was the inauguration of the full year senior thesis. Fall term was spent attending a speaker series, building skills not taught elsewhere in the curriculum, and developing a research question, and by the end of the fall semester all students had written and presented their thesis research proposal.

On October 20, 2011 we welcomed a full house to our annual economics alumni forum on "Rising Income Inequality: Causes and Consequences". The panelists were Timothy Taylor '82, managing editor of the *Journal of Economic Perspectives* and author of *Principles of Economics: Economics and the Economy*, and Jane Dokko '98, economist at the Federal Reserve Board. Rebecca Saxton-Fox '06, a student in International Affairs at Columbia University, was the moderator.

On March 28, 2012 Dr. Raghuram Rajan, winner of the inaugural Fischer Black Prize (a prize given every two years to the financial economist under age 40 who has made the most significant contribution to the theory and practice of finance), delivered the 3rd annual William Comanor '59 lecture. In his talk, "Have Capitalism and Democracy been Captured by the Elite?" Dr. Rajan examined developments across industrial countries over the last few decades, focusing both on macroeconomics and the evolution of the corporation, and argued that capitalism and democracy have not been captured by the few, and policies have not stemmed from the moneyed and for the moneyed. The video of the lecture can be viewed here: <http://www.youtube.com/watch?v=JTtnVIT0ddU>

Next fall the title of our economics alumni forum will be "How Will the Budget Deficit Affect the 2012 Presidential Election?" Classmates, David Wessell '75, economics editor for the Wall Street Journal, and Barry Zubrow '75, executive vice president at JP Morgan Chase & Co., will be panelists. Keep an eye out for more information on this exciting and timely event.

We are saying farewell to 23 incredibly talented senior economics majors. They were our first class to experience the junior research seminars and the full year thesis, and while they may feel like guinea pigs, their theses are the best we have seen. Please enjoy reading about them on pages 8-10. We were proud to see each of them accept their diplomas on May 19 and we look forward to hearing about their (as well as all our alumni's) engagement with the world in future editions of *Economic Endeavors*.

Anne Preston, Professor and Chair  
Haverford Economics

**Richard (Dick) Parran '50** In June of 2011, we moved to Longwood @ Oakmont, a retirement community in Verona, PA. My wife of 11 years, Pat, and I spend 6 months at our home in Wickenburg, Arizona and the other six months travelling or at Longwood. We enjoy golf, bridge, travel, reading and both being in good health.

**Philip Vance '53** I can report little of interest for the economics department. I was never much of an economist, although I did benefit substantially from an accounting course at college when I got into the thick of banks' back office operations. It was useful in the early 90's when my wife, Ragnhild, and I were volunteers in Russia. I pretty much left the U.S. for good upon my graduation some 60 years ago, but do appreciate what the years at Haverford did for me and am happy to keep vaguely in touch. The photo which my son, "Black Tony", took at our local pub several months ago shows me, accompanied by our 10 year old Gordon setter, Homer (named, incidentally, after Homer Goodall, class of 1953). Homer accompanies Ragnhild and me when we swim in Norway in the summer and when we ski there in the winter and, as you see, he also occasionally tags along when I wander across the street to the pub (photo on page 6). Homer has in fact more than once participated in extensive Quaker gatherings.

**Ben Hart '57** I am happily retired and living in North Carolina where 10 people by law are supposed to call me "Uncle Ben." A grandniece does call me "GRAND Uncle Ben", but no one else obeys the law in this area.

**William Comanor '59** I graduated from Haverford in Economics a full 53 years ago. Truly, I cannot imagine where the years have gone or that I have reached my current age. For all that time, I have done Economics in one form or another. It has been a fully absorbing career and I cannot imagine any other. The prospect of retirement has little appeal. The Haverford Economics Department started me on this path and I am enormously grateful. (See photo on page 5).

**Koichiro Matsuura '61** Immediately after graduating from Haverford, I started my career as a young Japanese diplomat with the Japanese Embassy in Ghana (West Africa). Upon my return to Japan after two years in West Africa, I embarked upon my 40-year career with the Japanese government, at the headquarters of the Foreign Ministry. There my responsibilities encompassed two major areas of Japan's diplomacy: one its overseas development aid for developing countries, initially in Asia but later extended to Africa, and the other Japan's relations with the USA, for which my experience at Haverford proved a great asset. My diplomatic career culminated in the post of Japanese Ambassador to France, based in Paris for 5½ years, following which I was elected to the post of Director-General of the international organization known as UNESCO, which is the United Nations agency dealing with education, the sciences, culture and communication. The ten years I spent at the head of UNESCO in Paris, together with those as Japanese

### *Koichiro Matsuura CONT'D*

Ambassador, meant that I totaled 15½ years in the city over that period. I returned to Tokyo, at the end of my second mandate, in 2010. I married a Japanese girl called Takako Kirikaye in the 1960s after my time in West Africa. I was posted to Paris immediately after we married and our two boys, Hajime and Satoshi, were born in France. I am therefore the proud grandfather of three grandchildren, in what has become an international family.

**Raym de Ris '63** The best summary of what I am up to and about is the LinkedIn link here <http://www.linkedin.com/in/raymderis>. In another year I hope to "retire" to full-time work on the things that my heart yearns to do: some building and garden making. Although I have been in business most of my life, I am not an economist. I only majored in economics because Haverford didn't offer the subjects I loved: Architecture, Landscape & Geometry. I chose economics because I figured I had something to learn, I really enjoyed Eugene Smolensky, and because professor Holland Hunter invited me.

**William White '67** I continue to teach in the Department of Policy Analysis and Management at Cornell. I spent a very enjoyable sabbatical this fall at Cambridge University where I was a visitor at the Judge Business School and at Queens' College. My research continues to focus on health economics. Current projects include research on the economics of physician markets and on the willingness of consumers to pay for health reform.

**Emil Bonaduce '71** I'm still running my own company, I've got 5 grandkids now, and I just gave a talk to the Palm Beach Stock Club entitled - The Ten Things I Wish They Told Me Before I Started Investing - which covers 40 years at my hobby, investing in stocks. I highly recommend Daniel Kahneman's book "Thinking, Fast and Slow". It would be a great read for our econ alumni.

**Mark Kleiman '72** My book *When Brute Force Fails: How to Have Less Crime and Less Punishment* (Princeton University Press, 2009, named as one of the "books of the year" by *The Economist*) is mostly an application of the principles I learned from Ho Hunter. A more mathematical treatment of the same material appears in this article in the *Proceedings of the National Academy of Sciences*: <http://www.pnas.org/content/early/2009/08/17/0905513106.abstract> Since then, I've published a book on drug policy, and have one forthcoming on marijuana legalization, both from Oxford University Press. Both apply a combination of straightforward micro and behavioral economics to the problems of drug abuse control. Tom Schelling, the Nobel laureate in economics in 2005, called *Drugs and Drug Policy* "a product of genius." I was introduced to Schelling's work in the economics senior seminar in 1972. <http://www.oup.com/us/catalog/general/subject/Politics/AmericanPolitics/PublicPolicy/?view=usa&ci=9780199764501> <http://www.oup.com/us/catalog/general/subject/Politics/AmericanPolitics/PublicPolicy/?view=usa&ci=9780199913732>

**Fred Curtis '73** is Professor of Economics and Environmental Studies at Drew University in Madison, New Jersey where he has taught since 1979. He earned a Ph.D. in Economics from the University of Massachusetts. He is married to Rona Weiss and they have one daughter Camille. Fred's research concerns the impact of peak oil and climate change on global trade and on the economics of relocalization as a response to peak oil. His

### *Fred Curtis CONT'D*

latest articles are "Peak Globalization: Climate Change, Oil Depletion and Global Trade" *Ecological Economics* (2009) and (with David Ehrenfeld), "The new Geography of Trade" in *Solutions* (2012) <http://www.thesolutionsjournal.com/node/1042> Fred's webpage may be found at <http://users.drew.edu/fcurtis/>

**Lorenzo Villalon '73** I continue as CFO of Cia Minera San Geronimo, a private copper/silver/gold company in Chile. We are undertaking an ambitious growth project and hope to quadruple our production & reserves in the next 4-5 years and then take the company public, probably in the Toronto Stock Exchange. On the side, I continue a small-scale investment management operation, managing money for some private US-based clients. On the personal side, my three boys continue to pursue their interests with plenty of energy and enthusiasm. The oldest is a hedge fund manager in Greenwich, CT, where he lives with his new bride (they got married in a desolate, wind-swept ranch in Southern Patagonia last December) and two dogs, soon to be joined by a feline friend. The second is finishing his residency in Emergency Medicine in San Francisco (UCSF), running marathons for relaxation. And the youngest is attending law school at the University of Hawaii, where he manages to find time for surfing and for running extreme marathons. And I am looking forward to attending the Big Reunion (our 40th) next year!!! (See photo on page 6.)

**David Wessel '75**, economics editor and Capital columnist for *The Wall Street Journal*, will publish his latest book, *Red Ink* (Crown Business/Random House), a short, readable primer on the federal budget (where the money comes from, where it goes and why this can't go on forever) on July 31, 2012.

**Eric W. Sedlak '80**, a corporate and financial transactions partner at Jones Day and a member of the Board of Governors of the American Chamber of Commerce in Japan, was one of the key organizers of the APCAC 2012 U.S.-Asia Business Summit. <http://www.accj.or.jp/doclib/pc/apcacsummaryreport.pdf> Eric is pictured on page 5 of the report at the U.S. Ambassador's residence in Tokyo, at the same place where a famous photograph was taken in 1945. [http://en.wikipedia.org/wiki/File:Macarthur\\_hirohito.jpg](http://en.wikipedia.org/wiki/File:Macarthur_hirohito.jpg) Eric also Co-Chairs the Foreign Lawyers Association of Japan, which focuses on reducing barriers to joint practice between foreign and Japanese lawyers and law firms in Japan.

**Daniel Berkowitz '81** My latest news is that my book with Karen B. Clay entitled "The Evolution of a Nation: How Geography and Law Shaped the American States" was published last December in Princeton University Press series in economic history (see photo on page 6). So, this is more work on the line of comparative institutions. You can read about this book by visiting the link here: <http://press.princeton.edu/titles/9626.html>

**Seth Frazier '81** I just took a job as Senior Vice President, Client Strategy and Clinical Transformation for Evolent Health, a DC area based population health management company that serves health systems nationally. Evolent Health is a start up company capitalized by the University of Pittsburgh Medical

### *Frazier CONT'D*

Center's Health Plan and the Advisory Board. Our family is moving to the DC area over the summer and we look forward to connecting with DC area Fords. My daughter will be starting high school at Sidwell Friends in the fall.

**Randall M. Weiner '81** I'm busy growing my environmental and personal injury law practice. I keep fit by rock climbing and eating healthy in beautiful Boulder, Colorado. My twin boys are 12.

**John Stephenson '88** My business partner and I have just relaunched a new web presence for our online medical education company, TheAnswerPage <http://www.theanswerpage.com>.

**Jordan Chodorow '94** I'm the fastest crossword solver in California, having won the Crosswords LA and Bay Area Crosswords tournaments this past year (see photo on page 6). <http://www.crosswordsla.com> <http://www.bayareacrosswords.org> I'm also the fastest Sudoku solver in California with a win at Silicon Valley Puzzle Fest in January. <http://www.svpuzzle.org> I'm a national bridge champion and I provide live, play-by-play expert commentary on major national and international tournaments on Bridge Base Online. <http://www.bridgebase.com>

**Jennifer Omana Lising '95**. I have been working at the University of Pennsylvania since February 1997. I worked in the Office of the Comptroller as a senior financial analyst responsible for the preparation of the University financial statements. In January 2001 I moved over to the Department of Finance at the School of Medicine. I eventually became a director of the department responsible for resource planning & budget analysis for the School's tuition revenue, gift & investment income, and student aid expense. In November 2011, I recently took on a new position as the Director of Fiscal Operations for the newly formed Department of Medical Ethics & Health Policy at the Perelman School of Medicine. I report directly to the chair of the department, Dr. Ezekiel Emanuel, who is also the Vice Provost for Global Initiatives, Diane & Robert Levy University Professor, and Penn Integrates Knowledge (PIK) Professor for the Perelman School of Medicine and The Wharton School. Dr. Emanuel, a renowned Bioethicist came to the University in September 2011 from the NIH. He is also the brother of Rahm Emanuel, current Mayor of Chicago and former White House Chief of Staff to President Obama, and Ari Emanuel, a successful talent agent whose life serves as the basis of the HBO show "Entourage." I am Dr. Emanuel's first hire to the new department. He is an extremely dynamic leader and has great vision for the direction of this department. I am excited to have this opportunity to help build this vision. (See a family photo on page 6.)

**Dave Eaton '96** In September 2011 I was promoted to Vice President of Research at Glass, Lewis & Co, the leading independent, corporate governance analysis and proxy voting firm. In this role I manage our research department, with coverage spanning 100+ countries and about 20,000 annual shareholder meetings yearly. I specialize in say-on-pay and executive compensation issues and often speak at conferences on these matters.

**Norm Liang '98** Norm Liang now works at GetJar, a mobile startup backed by Accel Partners and Tiger Global. At GetJar, I head up our publisher partnerships working with app developers around the world to make money from their apps on iPhone and Android devices. I live with my family in San Mateo, CA with my wife Jennifer and our son, Jaden who is almost 2 1/2 years old. I see a few other folks in the tech startup scene and would love to share stories with current and future Haverford alums on life in Silicon Valley, working for startups, and with some of the top VCs on Sand Hill Road.

**Matthew Jennings '99** In August 2011, my wife Sheryl Jennings, our oldest daughter, Lily (4) and I welcomed our second daughter, Sadie Harper Jennings (see photos on page 7). Lily couldn't be more excited for her sister to arrive and has been a great helper. Sadie and Lily both continue to grow and amaze us every day with what they are learning to do. In addition to growth in our family, I will graduate in May with an MBA from The Wharton School at The University of Pennsylvania through the Wharton Executive MBA Program, which has been an amazingly rich experience. Professionally, for almost seven years, I have been with De Lage Landen, a global equipment finance company which is a wholly owned subsidiary of The Rabobank Group. I am currently Director of Program Management for the Construction, Transportation, and Industrial Global Business Unit, based in Wayne, PA, where I manage three Global Manufacturer Relationships.

**Mukul Kanabar '00** Here's the update from Belize: Our daughter Mia just turned 3. Our resort, The Phoenix, was named the #1 Hotel in the World by Trip Advisor in February 2012. And our wine business just recently became the official partner in Belize of Moet Hennessy.  
<http://www.tripadvisor.com/TravelersChoice-Hotels-cTop25-g1>

**Tim Mulvaney '00** My wife, Ashley Hedrick '02, and I recently welcomed our first child, Finnegan Michael Mulvaney, into the world (see photos page 5 & 7). Finn will celebrate his first birthday on June 11, 2012. I remain an Associate Professor of Law at Texas Wesleyan University School of Law in Fort Worth, Texas, where I teach and write in the areas of Property Law, Land Use Law, and Environmental Law. My most recent publications include *Exactions for the Future*, 64 BAYLOR L. REV. \_\_ (forthcoming 2012), *The New Judicial Takings Construct*, 120 YALE L.J. ONLINE 247 (2011), and *Proposed Exactions*, 26 FLORIDA STATE J. LAND USE & ENVTL. L. 279 (2011). My faculty profile is available at <http://law.txwes.edu/Faculty/FacultyProfiles/TimothyMMulvaney/tabid/1292/Default.aspx>.

**Aaron Rabinowitz '03** Aaron completed his JD and PhD in Health Policy at Harvard University in 2011 and 2012, respectively. His dissertation research focused on the role of interest groups, the media, and political advertisements in the debates surrounding the Affordable Care Act. His work has appeared in the *Journal of Health Politics, Policy and Law* as well as *Social Science and Medicine*. He is currently working as a health law attorney at Ober Kaler in Baltimore, MD, where he lives with his wife and daughter.

**Jonathan Debrich '05** I am still working in the Municipal Department at Barclays Capital. On August 11, 2011, my wife Erin gave birth to our first child, a baby boy named Collin Jonathan. (See photo on page 7).

**Jeremy Bass '06** Married in August 2011 to Danielle Siegel, UPenn '06. Combined last names so I am now Jeremy BasSie (See photo on page 7). I am coaching boys and girls varsity volleyball at Bronx HS of Science in Bronx, NY. My team is ranked high within the city, and the NY Post recently put my picture in their article for team rankings. I am also moving into my first ever detached house this summer, as we are moving to Norwalk, CT. We plan to commute into the city for our jobs for the time being.  
[http://www.nypost.com/p/sports/high\\_school/volleyball/nyc\\_boys\\_volleyball\\_rankings\\_6Z6irDLTfiu13e9NZuYhqN](http://www.nypost.com/p/sports/high_school/volleyball/nyc_boys_volleyball_rankings_6Z6irDLTfiu13e9NZuYhqN)

**Ryan Frankel '06** I will be graduating from Wharton this May with my MBA and returning to New York. I recently co-founded [PalmLing.com](http://www.palm.ling.com), a unique resource that provides international travelers with phone-based access to live human translators. With PalmLing, as long as you have a phone, you have access to a human translator capable of communicating on your behalf. PalmLing was born out of personal experiences where a language barrier prevented me from having a critical conversation. I was in China and became violently ill after thinking I could eat anything on the menu. I managed to stagger my way to a pharmacy where I knew exactly what medication I needed, but I was unable to communicate with the pharmacist who did not speak English. At that moment in time, I would have given anything to have had someone there able to communicate on my behalf. This was the moment when PalmLing was born. If I had PalmLing at the time, I would have used my cell phone to instantaneously connect with a human translator. I would have told the translator exactly what I needed, then placed the phone on speaker and the translator would have communicated on my behalf. Today, we're thrilled to offer an added level of comfort to what oftentimes can be a complex, daunting and challenging traveling experience. See photo on page 6.

**John Kelman '06** I am finishing my first year at Michigan's Ross School of Business, and will be traveling around SE Asia for a few weeks in May before heading to NYC this summer to intern in brand management for Unilever.

**Ben Leftwich '06** My wife (Lise Hurlstone '05) and I moved from Portland, Oregon where I'm from to the Cayman Islands, where she is from to live full time at the beginning of 2012. I will be working for BB&P Brand Interactive, a local advertising and branding agency serving the English speaking Caribbean.

**Lauren Perez '06** I am currently working with Prudential Financial. My husband and I are expecting the arrival of our first baby in September of this year!

## Alumni News!

Economic Endeavors – Page 5  
May 2012

**Christine (Cullen) Seewagen, '06** This May, I will be graduating from the Johns Hopkins School of Public Health with a Master's Degree in Health Economics. I am also honored to have been inducted into the Delta Omega National Honor Society for Public Health. I am currently working at the Children's Hospital of Philadelphia as part of my practicum in Public Health Informatics, which was my program concentration. Upon graduation, I will be returning to the Philadelphia area and joining Independence Blue Cross as an Analyst in its Provider Performance Programs division. I may continue to work at Hopkins as a teaching assistant for some of their distance learning classes as well.

**Jeffrey Millman '07** Jeff just graduated from Tuck School of Business at Dartmouth and is celebrating his two year anniversary with his wife Jennifer. In addition, they are expecting their first child in early August. Jeff leaves Tuck starting his own business, Soteer, which is based on the Quaker Bouncers at Haverford ([www.SoteerSafe.com](http://www.SoteerSafe.com)).

**Maxine (Markfield) Riccio '07** I got married in September 2011, and my name is now Maxine Riccio. Later that year, I received my master of science in public policy and management from Heinz College, Carnegie Mellon University. Most recently, I started a new job as a consultant for Deloitte Consulting.

**Emily Walden '09** I'm currently finishing up my third year as an analyst at NERA Economic Consulting, and I'm looking forward to starting my PhD in economics at the University of Wisconsin in the fall.



*Ankita Kochhar '11, William Comanor '59 and Samuel Permutt '11 at the Spring 2011 Paul Krugman reception.*

"I graduated from Haverford in Economics with the Class of 1959, fully 53 years ago. Truly, I cannot imagine where the years have gone or that I have reached my current age. For all that time, I have done Economics in one form or another. It has been a fully absorbing career and I cannot imagine any other. The prospect of retirement has little appeal.

The Haverford Economics Department started me on this path and I am enormously grateful."

*Bill Comanor '59*

### *In Memory class of '49*

"My husband Hugh Russell Radbill, Class of 1949, with a B.A. degree, passed away after a long illness from cancer October 30, 2011. We were parents of 6 children, one of which passed away from cancer in 2007. We have 9 grandchildren.

We have lived in Florida since 1999. Now I am moving to West Chester, PA to be near some of my children. My memories of Haverford are happy ones having attended proms and Hugh's graduation. I send you blessings for a long and prosperous future. May the lord bless your endeavors."

Sincerely,  
Ruth Radbill



Tim Mulvaney '00  
with son Finnegan

## Alumni News!



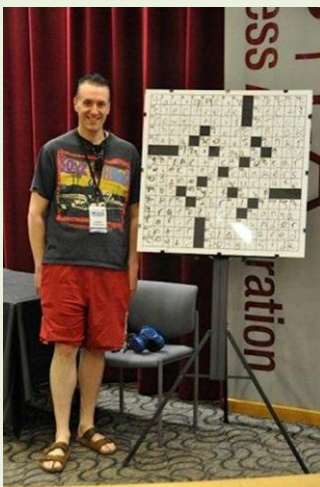
Phil Vance '53 & Homer  
(Phil's canine companion is named after  
Homer Goodall '53)



Lorenzo Villalon '73 (far right) with  
his son, Dan, and daughter-in-law.



Clockwise: husband Lee, daughter  
Jessica (1), Jennifer Lising '95, son  
Jesse (5), and son Jase (7).



Jordan Chodorow '94 winning the L.A.  
crossword puzzle tournament



Daniel Berkowitz '81 and co-author Karen Clay

## Alumni News!



Matthew Jennings '99 and his family



Ryan Frankel '06 in China with a baby



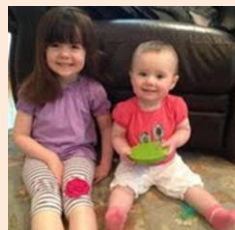
Finnegan Mulvaney



Maxine (Markfield) Riccio '07  
married Nick Riccio '07 in Aug. 2011



Jeremy Bass '06 with his new bride,  
Danielle Siegel. UPenn '06



Lily & Sadie Jennings



Collin Jonathan Debrich

**Andrew Ahn's** thesis explores the impact foreign basketball players who play in the NBA have on their home country's performance during international competition. Utilizing FIBA rankings to measure international performance, he uses ordinary least squares (OLS) and fixed effects regression to analyze the performance of 30 countries for a 22-year period, between 1989-2011.

**Andrew Bostick** examined the relationship between credit rating actions and asset returns for investment grade companies traded on the New York Stock Exchange between 2005 and 2011. His study found causal evidence that downgrades lead to significant increases in bond spreads and that the magnitude of these increases was greater following the 2008 Financial Crisis.

**Gifford Brooks:** Women have traditionally been underrepresented as governors across the U.S., although their vote shares have been increasing on average since the early 1990s. His thesis shows that efforts to increase female electoral performance and participation through public campaign finance laws may be misguided. On the other hand, increasing the frequency of open elections via term limits has the potential to raise female vote shares and boost female enrollment in primaries. Compared to head-to-head elections against incumbent men, females perform at least 8.3 percentage points better when facing non-incumbent men. This result supports claims made about open elections in previous research.

**Rushil Gambhir:** Multiple borrowing between micro-credit clients has gathered a significant amount of attention in the light of the recent debt crisis in Andhra Pradesh in 2010. While existing literature mainly explores motivations of clients behind multiple borrowing, this paper examines whether certain household and market characteristics have a significant effect on a household's likelihood of undertaking multiple borrowing. The findings in this thesis show that households that belong to a backward class, and households that exclusively own non-income generating assets such as a television are more likely to engage in multiple borrowing; ownership of a capital good such as a bike and access to a formal savings scheme such as those offered by post offices reduces this likelihood. Lastly competition from informal sources reduces the tendency of a household to undertake multiple borrowing from Joint Liability Groups.

**Jessica Garner** investigated the effect of the financial crisis on Pennsylvania postsecondary education endowments and how different types of schools (private, public, four year, and two year) altered their budgets in the year following the institution's endowment loss. The study considered tuition and fees, professor salaries, and admission rates. The investigation showed that these Pennsylvania institutions did not increase tuition and fees and professor salaries were unaffected. Only admission rates decreased.

**Ian Goldberg's** paper attempts to analyze the increasing trend of successful foreign players in the NBA for the 2002-2009 seasons. By controlling for numerous factors that affect a team's winning percentage, the impact of foreign players can be isolated. Furthermore, this study addresses the salary gap which exists between international players and American born players. It provides insight into the level of success reached by foreign players and NBA executives' valuation of them compared to their domestic counterparts. Rather than including all foreign players which have entered the NBA, this study looks at players, both foreign and domestic, who have played significant minutes for their teams. Foreign players do positively impact a team's winning percentage, especially those whom did not attend college in the United States. We also witness a larger increase in salary during free agency for foreign players than for domestic players, supporting the idea that foreign players are undervalued upon entering the NBA.

**Mallimalika Gupta's** paper looks at the effect that two different indices designed to summarize ethnic heterogeneity have on the formation of informal insurance networks in 75 villages in south India. Using extensive network data, a measure for the borrowing and lending behavior is constructed. An OLS framework is used to observe the impact that ethnic polarization and fractionalization have on borrowing and lending of money and of rice and kerosene in these communities. The paper finds an inverse, non-monotonic relationship between the measures of ethnic heterogeneity and strength of the lending and borrowing measures that reverses at a certain threshold. This shows that the size, number, and relative positional power of ethnic groups in a community affect households' decision to lend and borrow from others in the community. Homogenous and moderate- to highly heterogeneous communities are best able to pool risk.

**Dillon Hamill's** thesis "The Effect of the College Football Preseason Coaches Poll on BCS Game Participants" looks at whether rankings that come out when no team has yet performed unfairly give higher ranked teams an advantage.

**Patrick Haneman's** paper empirically investigates whether there is evidence of referee bias in the National Basketball Association (NBA). Specifically, home bias and prolonged playoff series bias are examined through analysis of multiple statistical categories, including discretionary turnovers (DTOs) and non-discretionary turnovers (NTOs). To analyze prolonged series bias, this study observes teams facing elimination (down 2-3, 1-3, or 0-3) as well as those threatening to eliminate (up 3-2, 3-1, or 3-0). In these "one-sided elimination games," or "pre-game 7 elimination games," only a win by the team trailing in the series can extend the series



*Haneman CONT'D*

to an additional game, generating added league revenue from ticket and advertisement sales. So, if the data analysis suggests that particular statistics are significantly favored toward teams facing “one-sided elimination,” it may suggest prolonged series bias among referees.

**Erika Hansen** investigated the diversification value of Microfinance Investment Vehicles (MIVs) to investors during the financial crisis. Results from an event study and the application of the Capital Asset Pricing Model reveal that MIVs are no longer resilient to financial turmoil.

**Danielle Harrison** examines the relationship between the public’s consumption of media and the public’s voting behavior, where she proposes that the public’s increased use of diverse media outlets has and will continue to affect their voting decisions. Previous scholars have taken on two sides concerning this topic of the media outlet’s effect on voting. On the one side, scholars propose that, because there are so many factors influencing a citizen’s decision to vote, there is no reason to expect the coefficient on some ‘media’ independent term to be significant when regressed on some dependent voting variable. On the other hand, there are many scholars who through their specific studies on either the television, newspaper and internet markets have produced regression results conclusive with my argument. Through observing the market expansion of the internet of the past 10 years, and the changing voting turnout in the past 4 election years, she has shown with the help of a fixed-effects model, that not only is this relationship between internet use and voting significant, but it is positive.

**Bryan Henrick**’s paper examines the significance of a firm’s industry affiliation on the underpricing of its Initial Public Offering (IPO). A Probit method is conducted on U.S. IPOs from 2001-2011 to determine how the predicted probability of experiencing an underpriced IPO differs across industries. The effect of a firm’s industry affiliation is a found to be a key influence on the underpricing of its IPO, as firms in both the technology and consumer services industries exhibit a higher predicted probability of undergoing an underpriced IPO. The effect for the technology industry seems to have existed throughout the 2000s, while the consumer services industry seems to have its effect concentrated in the years following the 2008 Financial Crisis. Moreover, IPOs in the post crisis years are found to be less likely to be underpriced than those in the pre-crisis years. Consequently, it seems that investors view both the technology and consumer services industries as carrying an innate risk that is independent of the macro environment of the IPO, leading them to require a price reduction in order to participate in the offering.

**Andrew Heumann**’s thesis estimates the impact of September 11 on labor market outcomes for individuals of Middle Eastern ancestry in the aftermath of the terrorist attacks. This paper finds that September 11 is associated with a 4-6% decrease in the wages of Middle Eastern individuals relative to whites, which corresponds with well-documented reports of a post-9/11 backlash.

**Robert Hubley**’s study examines the ability of Major League Baseball organizations to successfully value and project the future productivity of players selected in the amateur draft. To do so, the relationship between player valuations (i.e. signing bonuses) and future productivity is investigated. Productivity is measured using three different metrics: Wins-Above Replacement, the probability of making a Major League Appearance, and the probability of becoming an All-Star. The results suggest that holding constant round & placement in round, elevated draft pick compensation significantly influences the likelihood of making the Major Leagues, and to a much lesser extent, player productivity once there. A supplementary analysis reveals that while teams are somewhat successful in their attempts to project future productivity, they are not necessarily efficient in their allocation of signing bonus expenditures.

**Roxanne Jaffe**’s thesis explores the relationship between culture and cinema around the world. Using movie box-office data over the past ten years for 58 countries, she concludes that culture matters in the economics of cinema. At statistically significant levels, she finds that adding various measures of culture improves the basic model’s ability to account for the variance in domestic and American film penetration, controlling for economic environment and film industry specific characteristics in each country.

**Daniel Maddy-Weitzman**'s explores the relationship between foreign investors and emerging market local currency bonds. Using panel data for 16 countries and controlling for various domestic and global economic factors, results suggest that foreign investor inflows reduce nominal yields, but were responsible for the volatility during the financial crisis.

**Edward Oh**'s paper looks to expand upon current literature on microfinance regarding loan performance and group lending methods. For the research, he utilized a wide data set consisting of information on microfinance institutions throughout the world from 113 different countries. We examined group and individual liability methods and their effects on portfolio at risk ratios, a measurement of risk in loan performance, at the MFI level, using OLS and MFI Fixed Effects regressions. His findings confirm evidence from recent literature that suggests group and individual liability methods do not affect repayment rates or loan performance.

**Allaina Propst**'s thesis focused on Profitability Performance of Banks in the EU: A Cross Country Analysis from 2009-2010.

**Simon Robertson**: The 1997 forest fires in Indonesia decreased air quality and raised particulate matter levels. This event, in turn, may have affected labor supply through short-term health effects. Using data from the Indonesian Family Life Survey and NASA's TOMS satellite readings, his paper seeks to quantify this labor supply effect on working adults. The exogenous variation in pollution levels due to the smoke haze allow for a detailed country-wide analysis not previously seen in the literature.

**Karan Shah**'s paper uses cross-sectional models to assess the bases of cricket player valuation in the Indian Premier League using hedonic price analysis to relate the price a player was purchased for in auction to historical performance statistics and discernible characteristics of the player. It sets up two groups of identical regressions to compare valuation techniques in the IPL Player Auctions of 2008 and 2011. Moreover, it incorporates additional data regarding the performance of players in Twenty20 International Matches and completed seasons of the IPL to estimate the determinants of the 2011 auction price. It finds that those with experience in the Twenty20 format, of Indian or Australian nationality and with higher career run and wicket totals tend to be valued higher. There has been a loss in influence of ODI performance statistics on value and the bowling variables (Career Wickets and Bowling Average) significant in the 2008 Auction have been replaced by batting variables (Career Runs, Batting Average\*Strike Rate) in the 2011 auction. Additionally players with all-round skills no longer command a premium.

**Kristin Tan**'s paper looks at the role that parent occupations play in determining schooling and labor outcomes for children in Timor-Leste. It uses a multinomial logit model to analyze the probabilities associated with a child attending school only; attending school while working; working only; and neither working nor attending school, but remaining idle. It distinguishes parent occupations between wage work, nonwage work in nonfarm enterprises in the home, and work in agriculture. It finds no convincing evidence of a relationship between either the mother's type of occupation or the father's type of occupation and the activities a child partakes in.

**Joshua Weiss**'s paper examines recent evidence that calls into question the importance of Skill-Biased Technological Change for explaining trends in income inequality since the 1970s. More specifically, this paper seeks to verify or disprove the notions that the average return to education only increased in the 1980s and then stagnated, and that further increases in inequality are due mostly to compositional effects. I explore the use of semiparametric econometric techniques to account for selection bias in estimating the average return to education. I use data from the General Social Survey from 1974 to 2010 because it contains a unique combination of questions related to personal background and income. Ultimately, no significant results are found, but, both through the theory that is developed and the econometric techniques discussed, an important bridge is formed between a literature on selection bias and the debate concerning the causes of income inequality.

**Rengyi Xu** explores the effect of the growing vertical fragmentation of production between North and South on the outsourcing among different skill groups and income inequality in developing countries, particularly China, which is the largest recipient of Foreign Direct Invest (FDI) among all of the developing nations and suffering from widening income gap in the last decade. Data on 31 provinces during the time period of 1995-2009 in China is investigated to see whether FDI has a positive effect in narrowing the income gap between urban and rural areas.

Student theses are electronically archived in Haverford College's online library. The following link, [http://www.haverford.edu/library/thesis\\_archive/index.php](http://www.haverford.edu/library/thesis_archive/index.php), will direct you.

*The Holland Hunter '43  
Economics Department 2012 Thesis Prize Award*



*Joshua Weiss HC '12*

---

## Faculty Updates

Over the last five or ten years, **Richard Ball** has been trying to figure out effective ways to teach students in introductory statistics classes how to manage statistical data accurately and efficiently, and how to document their empirical work to ensure that their analyses and results are easily replicable. In 2011-12, he began an effort to share some of the methods he has developed with other statistics instructors throughout the country. He presented a paper describing some of these methods at a conference of the Economic Education section of the American Economic Association held at Stanford University in June 2011. A revised version of the paper, co-authored with Norm Medeiros of the HC library and titled “Teaching Integrity in Empirical Research: A Protocol for Documenting Data Management and Analysis,” was published this spring in the *Journal of Economic Education*. In the coming year, Richard and Norm plan to continue publicizing their ideas and methods to other statistics instructors who might be interested in adopting them or collaborating in their ongoing efforts to refine and enhance them. Thanks are due to the students in Econ 203 and 204 who have been the guinea pigs for this project!

**Biswajit Banerjee** taught courses in Empirical Macroeconomics, Economics of Transition and Euro Adoption, Intermediate Macroeconomic Analysis, and a Junior Research Seminar on Exchange Rate Economics and advised several senior theses during 2011-2012. A highlight of the Economics of Transition and Euro Adoption course was a week-long field study trip during the Fall 2011 break to the European Commission in Brussels and European Central Bank in Frankfurt. Professor Banerjee published two research papers during the year: one paper compares the road to euro adoption of Slovenia and Slovakia, and the second paper looks at bank profitability in the European Union during the financial crisis. He also completed three research papers that are currently under review in journals: one paper (jointly with Professor Ghosh) examines the

*Banerjee CONT'D*

effectiveness of foreign exchange market intervention in Slovakia; the second paper looks at regional disparities in Slovenia; and the third paper analyzes wage flexibility in Slovenia. Professor Banerjee visited the Research Department of the Bank of Slovenia during the summer. During this visit, he also chaired a Round Table discussion on the Economic Outlook and the Role of Public Finances in South East Europe that was organized by the Center of Excellence in Finance in Ljubljana. He also provided advice on macroeconomic and budgetary policy formulation and implementation to the Deputy Prime Minister and Finance Minister of the Slovak Republic, and participated in a Road Show on the issuance of dollar-denominated Slovak government bonds. Professor Banerjee is collaborating on four research projects with other Economics Department faculty at Haverford: a project on exchange rate volatility in Slovakia (with Professor Ghosh), a project on happiness and ethnicity in Macedonia (with Professor Ball and Professor Ghosh), a project on gender and ethnic discrimination in Macedonia (with Professor Preston), and a project on regional diversities in Europe (with Professor Jilani).

Since 2007 **Linda Bell** has been provost and the John B. Hurford Professor of Economics at Haverford College, as well as a research fellow at the Institute for the Study of Labor in Bonn, Germany. Prior to Haverford, she was a senior economist in the research department of the Federal Reserve Bank of New York, and has held visiting appointments at the Woodrow Wilson School at Princeton University, the John F. Kennedy School of Government at Harvard University, and at Stanford University. She has served as a consultant to the World Bank, the U.S. Department of Labor, and National Economic Research Associates. As an empirical economist, she specializes in labor markets and public policy and has written and lectured extensively on the topic of compensation, union concessions, and hours of work in the U.S. and Europe. Most recently, her extensively published research has focused on the determination of gender compensation differences in executive pay among U.S. large corporations generally, and on female mentorship at the executive level specifically.

**Paul Cichello** taught Econometrics and a follow-up elective course for students interested in econometric models commonly used in policy analysis, Impact Evaluation in Developing Countries. In addition, Paul taught a Junior Seminar course, Labor in Developing Countries, co-taught the Senior Seminar course in the Fall and advised theses in the Spring. In his research, Paul continues to examine earnings mobility in developing countries. His paper examining earnings mobility in

---

---

## Faculty Updates

*Cichello CONT'D*

Egypt was presented at the Economic Research Forum's annual conference in Cairo in March as well as at the University of Cape Town last August. His trip to Cape Town also resulted in a discussion paper examining labor market transitions in South Africa co-authored with the primary investigators of South Africa's new nationally representative panel data set. The biggest joy of the year, however, came with the birth of his new son, Peter on Easter Sunday! Paul will be moving to Boston College in the Fall. He leaves incredibly impressed with Haverford students and the Haverford experience as a whole!

**Indradeep Ghosh's** research interests lie primarily in international economics, happiness economics, and new paradigmatic approaches to economics. In his published research, Deep has studied the relationship between trade and FDI in developing countries, and current account dynamics in the presence of imperfect substitutability between financial assets. In his current work, Deep and his colleague, Bish Banerjee, along with two other co-authors are investigating an extensive dataset from Slovakia to understand the impact of central bank intervention in foreign exchange markets. In a paper that is presently out to a journal, the authors demonstrate that the Slovak central bank's purchases and sales of euros during 1999-2007 succeeded in calming disorderly movements in the market value of its domestic currency, the koruna. The existing literature on central bank intervention has typically failed to demonstrate such effectiveness because it has failed to properly account for a simultaneous equations problem. In their paper on Slovakia, the authors point to a new way to solve this identification problem. Deep is also developing an avid interest in happiness economics. With his colleague, Bish Banerjee, he is analyzing a unique dataset drawn from a survey of Macedonian households to determine what economic and social factors contribute to household happiness, and whether such factors differ systematically across the different ethnic groups in present-day Macedonia. Deep is also very interested in exploring new approaches to economic thinking, especially the transdisciplinary possibilities across Economics and Sociology and Economics and Philosophy. With Haverford colleague, Mark Gould, Professor of Sociology, Deep is studying deviant behavior in social situations as part of a broader attempt to reconstruct the logic of economic theory in sociological terms. With his colleague, philosopher Joshua Ramey, Deep is studying the nature of money and its implications for political economy solutions to the current crisis of late capitalism. At Haverford, Deep

*Ghosh CONT'D*

teaches courses in Money and Financial Markets, Open Economy Macro, and Introductory Macro. In Fall 2011, Deep taught a new course on "Crises" which introduced students to a rigorous treatment of the 2008 Financial Crisis, through a variety of different perspectives, ranging from modern macroeconomic theory, to economic history, to political economy.

**Saleha Jilani** is currently working on a project that examines the impact of incoming foreign direct investment (FDI), disaggregated by industry (sector), on economic growth. A related project examines the substitutability versus complementarity between trade flows and FDI. Her research interests include international trade, economic growth and development, and factor movements. At Haverford, Saleha teaches introductory economics, upper level courses on economic development and trade theory, (entitled *Economic Development and Transformation: China vs. India*, and *International Trade: Theory and Policy*, respectively), a junior research seminar on international trade, and advises seniors in the thesis-writing Senior Research Seminar. Saleha serves as faculty advisor to our newly formed, but rapidly growing, Microfinance Club at Haverford, and is the Faculty Director for the Mellon Mays Undergraduate Fellowship Program at Haverford College.

**Vladimir Kontorovich** teaches Law and Economics; The Soviet System and Its Demise; Introduction to Economics; and Intermediate Microeconomic Analysis. In October 2011 he gave a talk "What was the Soviet Economy, and why we thought it was something else" at a conference at Wesleyan University.

**Shannon Mudd** has been quite busy with the launch of **Haverford MI3**, the Microfinance and Impact Investing Initiative. With generous support from alumnae and the college, Professor Mudd is building a diverse, sustainable set of initiatives to involve a broad selection of students, faculty and staff in the two areas of the initiative, Microfinance and Impact Investing. His efforts included the introduction of a new course on microfinance, re-formation of the student Microfinance Consulting Club around a geocoding project, engagement of students in a number of volunteer research and consulting projects, collaboration on

*Mudd CONT'D*

a 6-session evening seminar on Impact Investing and the hosting of a number of researchers and practitioners as guest speakers to classes and the campus at large. His own research in small business lending, international capital flows, and microfinance continued to progress with two papers accepted for publication.

**David Owens** joined the Haverford's Economics Department in July of 2008, shortly after receiving his doctorate from the University of California at Berkeley. David teaches principles of economics, behavioral economics and a junior research seminar titled "Psychological Biases and Economic Decisions". Much of his work takes place in experimental economics laboratories, where he studies preferences and decision-making under uncertainty. On leave during the 2011-2012 academic year, David helped coordinate the construction of a new computer laboratory in the basement of Stokes Hall. This new facility will be used for both for teaching and for experimental research in the department. His work is currently under review at *Experimental Economics* and *The Journal of Economic Behavior and Organization*.

**Anne Preston** returned from her leave this year to a full set of classes and the chairmanship. She and Casey Ichniowski have a new NBER working paper, "Does March Madness Lead to Irrational Exuberance in the NBA Draft? High-Value Employee Selection Decisions and Decision-Making Bias", which came out just in time for the tournament. You can go on the NBER website to have a look. They are also close to completion of a paper on the effects of the reduction of barriers to hiring foreign players in the Western European Premier Soccer Leagues on the performance of Non-Western European national teams, with special attention to the mechanisms through which human capital is transferred. With Linda Kamas she published a new paper on the effects of confidence on willingness to compete in the *Journal of Economic Behavior and Organizations*. That paper is the basis for an ongoing project examining the effect of willingness to compete, confidence, and risk aversion on success in the labor market and the persistent male female differential in labor market outcomes.

---

## Congratulations class of 2012!



**From left**

**~back row** Prof. Vlad Kontorovich, a guest of Emily Xu, Prof. David Owens, Prof. Paul Cichello, Prof. Shannon Mudd, Simon Robertson, Giff Brooks, Andrew Heumann, Andrew Bostick, Andrew Ahn, Daniel Maddy-Weitzman, Bobby Hubley, Bryan Henrick, Ian Goldberg

**~front row** Kristin Tan, Emily (Rengyi) Xu, Malli Gupta, Roxanne Jaffe, staff Kim Minor, Danielle Harrison, Prof. Saleha Jilani, Prof. Anne Preston.

**~Missing from photo** ~ Rushil Gambhir, Jessica Garner, Dillon Hamill, Patrick Haneman, Erika Hansen, Edward Oh, Allaina Propst, Karan Shah, Joshua Weiss, Prof. Indradeep Ghosh and Prof. Linda Bell.