

# Economics Newsletter

A Newsletter for Friends of the Western Michigan University Department of Economics

## Siphambe is 2008 Alumni Achievement Award Winner

Dr. Happy Siphambe was honored as the 2008 Alumni Achievement Award recipient.

Dr. Siphambe received his BA in Economics from the University of Botswana in 1987 and his MA in Economics from Western Michigan University in 1989. He later received his PhD in 1997 from University of Manitoba, Canada, in Economics with specializations in Economic Development and Labor Economics.

Siphambe is currently an Associate Professor in the Department of Economics of the University of Botswana, where he served as the Head of Department of Economics from 2001 to 2007, and teaches undergraduate and graduate courses in various fields such as Development Economics, Labor Economics, Advanced Macroeconomics, and History of Economic Thought. He has numerous publications including an edited book titled "Economic

Development of Botswana," (2005). Siphambe has contributed several chapters to books in areas such as



Labor Markets and Migration, Foreign Direct Investment, Economic Integration, Labor and Human Resource Development, Economic Development of Botswana, and household

and national Food Security in Southern Africa. He is a member of the Board of Directors of the Bank of Botswana. He served as external examiner to the University of Swaziland Economics Department

His publications have appeared in refereed journals such as Southern African Journal of Economics (2007), Indian Journal of Social and Economic Policy (2004), Botswana Journal of Economics (2003), Journal of African Economies (2001) and Economics of Education

Review (2000). His work has also involved numerous technical consultancy reports and monographs for organizations such as UNCTAD, Barclays Bank Botswana Economic Review, Government of Botswana, the International Labor Organization (ILO), the World Bank, and the United Nations Development Program (UNDP). He has also presented numerous papers to various national and international conferences.

Most recently, Dr. Siphambe received a Fulbright Research Grant to study the Impact of HIV/AIDS on Labor Markets in Botswana. We were pleased to be able to host Professor Siphambe as a Visiting Scholar at the Department of Economics during the Fall 2008 semester and that he was able to join us for the award ceremony hosted by the College of Arts and Sciences honoring this year's Alumni Achievement Award recipients.

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# Chair's Page

## Dear Friends of the WMU Department of Economics:

I am pleased to be able to keep you abreast of this past year's events and the accomplishments of the Department's students, faculty and alumni. It's good to step back occasionally to assess what we have done and to celebrate our accomplishments. I think you will find much in this newsletter to celebrate, as our students, faculty, and alumni have been productive and their contributions have been recognized locally, nationally, and internationally. Members of our faculty and former students are involved in work with such nationally and internationally recognized entities as the FBI, the United Nations and the World Bank and as consultants to the governments of Uruguay, Taiwan, and Madagascar. Our faculty and students actively participate in publishing and presenting their work both nationally and internationally. We therefore take pride in what we have done while recognizing there is still much more to accomplish.

Thank you for your interest and support for the Department. We are very much interested to hear from you and about your accomplishments as we would be proud to feature them in future editions of this newsletter. Please feel free to call or send us an email.

Sincerely,  
Bill Kern



*Bill Kern, Chair*

## Asefa Receives University Distinguished Service Award

In last year's newsletter I was able to report that Professor Sisay Asefa had received the College of Arts and Sciences Faculty Achievement Award. I am pleased to announce that this year Professor Asefa has been honored as a recipient of the University Distinguished Service Award for 2008-09! This is one of the highest honors given by the University as it identifies those members of the faculty and staff who have made outstanding contributions to the University, the community and their profession. Professor Asefa was honored Oct. 30, 2008 at the annual academic convocation held at Dalton Recital Hall that featured President John Dunn's State of the University address and the presentation of several other university-wide awards. Professor Asefa joins a list of 44 faculty and staff members who have previously received this award since its inception in 1980.



*Professor Sisay Asefa*

**On the web at: [www.wmich.edu/economics](http://www.wmich.edu/economics)  
Or email at: [william.kern@wmich.edu](mailto:william.kern@wmich.edu)**

# Student News

## Undergraduate News

### Economic Students' Association

Under the leadership of President **Alejandro Staub Gonzales**, the ESA sponsored a full series of lectures throughout the 2008-09 school year, on topics ranging from the economics of suicide to the financial crisis. The ESA also continued to provide voluntary student assistance in helping to proctor exams in large classes. A highlight of the year was the group's fourth annual field trip to Chicago, featuring tours of the Board of Trade and the Federal Reserve Bank.

## Graduate Program News

The Faculty Scholarly Productivity Index for 2007 ranked our Ph.D. program the 10th best program in the field of Applied Economics. The Faculty Scholarly Productivity Index is produced by Academic Analytics and is published in the Chronicle of Higher Education. The Index is designed to measure academic quality in U.S. research universities based on publication, citations, federal research funding and honors and awards. It is based on data gathered from over 230,000 faculty members in 118 academic disciplines at 350 doctoral degree granting universities in the U.S. based on the Carnegie Classification System of the Institution for Higher Learning.

This past fall we enrolled six new students in the Ph.D. program in Applied Economics. They are: Rebecca Cape from West Bloomfield, Mich., Sunando Basu from India, Justin Hanig from South Bend, Ind., Melinda Weiss from Wyoming, Mich., Ahmed Wahba from Egypt and Mark Schaffer from Lynwood, Ill.

The Department awarded two Ph.D. degrees in the past year. Those receiving degrees are Tadasse Biru Wodajo and Sagarika Mishra. Dr. Wodajo has accepted a job as an Assistant Professor of Economics at St. Louis Community College and Dr. Mishra is now a Lecturer in Finance at Deakin University in Melbourne, Australia.

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## Advances in Economic Forecasting is topic for 2009-10 Werner Sichel Lecture-Seminar Series

The 2009-10 Werner Sichel Lecture Series will again feature six prominent economists speaking on "Advances in Economic Forecasting." Speakers in this series will talk about recent advances in economic forecasting techniques. Traditional economic forecasting focused on predicting economic outcomes using linear statistical models. In recent years economists have begun forecasting with models that incorporate long memory, nonlinearity and random structural

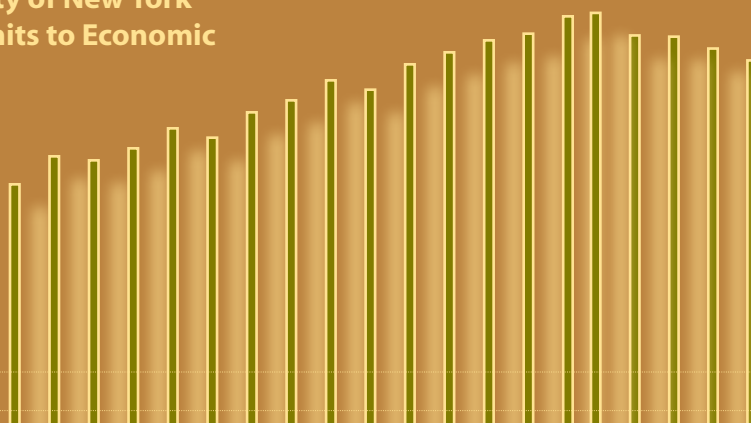
shifts. The speakers in this series will address these developments. Speakers scheduled for the fall semester include:

- **September 16: Dean Croushore, University of Richmond, "Real-Time Forecasting"**
- **September 30: Kajal Lahiri, State University of New York at Albany, "Limits to Economic Forecasting"**

- **October 28: H.O. Steckler, George Washington University, "Evaluating Census Forecasts"**

This year's series is directed by Professor Matt Higgins. All presentations are open to the public and take place in Knauss Hall 3508 on Wednesdays at 3 p.m.

Details on spring semester speakers will be available soon on the Department's website at : [www.wmich.edu/economics](http://www.wmich.edu/economics).



# Department News

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## Faculty News

In an effort to shed some light on the recent financial crisis for members of the University and local communities, several members of the Department participated in a panel discussion organized by **Professor Jon Neill** and sponsored by the Department of Economics on Nov. 5, 2008.

The panel entitled “The Financial Meltdown and Its Aftermath: Causes, Consequences and Policy Options,” featured Neill, **Susan Pozo**, and **James Hueng** from the Department of Economics, and Professor **Christopher Korth** from the Department of Finance.

As the title of the panel indicates, the various talks presented explored the causes of the financial crisis, the possible consequences for both the US and foreign economies and the range of policy options available for dealing with the crisis.

**Professor Emeritus Ray Zelder** celebrated his 80th birthday on Aug. 2, 2008. Several current and former faculty members including Werner Sichel, Philip Caruso and Bill Kern helped Professor Zelder celebrate this “long run” accomplishment at a reception at the Wyndham Community Center in Kalamazoo.

**Professors Sisay Asefa and James Hueng will be on sabbatical** during the 2009-10 school year. Professor Asefa will spend much of his year-long sabbatical in Ethiopia where he will conduct research investigating the factors contributing to the degradation of land and natural resources in the densely populated fragile ecosystem of the Ethiopian Highlands. He will attempt to identify ways to sustainably use land to raise agricultural productivity, reduce rural poverty and improve food security at acceptable environmental costs. This research will be collaborative in nature undertaken in conjunction with local institutions in Ethiopia such as Addis Ababa University and the International Livestock Research Institute.

**Professor James Hueng will be on sabbatical** in the spring 2010 semester and plans on spending much of it in Taiwan. He will be conducting research on the conduct of monetary policy by Taiwan’s central bank. Taiwan’s central bank has invited him to undertake this research because of their familiarity with an earlier study in which Professor Hueng had shown that Taiwan’s central bank had pursued nearly optimal monetary policy in spite of the fact that that Taiwan’s central bank does not operate “independently.” He hopes to explain how they have managed to accomplish this.

**Professor Eskander Alvi** was promoted to the rank of full professor effective in the fall 2010 semester.

## Alumni News

**Dr. Alketa Hysenbegasi (Ph.D. '02)** recently received a promotion to Senior Manager for Quantitative Risk Management for the Bank of New York.

**Dr. Khaled Abdel-Kader (Ph.D. '02)** is now an Economist with the Economic Policy Institute of the Arab Monetary Fund, an International Monetary Fund regional training center. In collaboration with the IMF, the Institute offers advanced training courses to officials of member countries central banks and ministries of finance. Professor Kader has responsibility for developing and teaching courses in macroeconomics policy and management.

## Econ Alumnus Wins Prize for Dissertation

Dr. Carlos Vargas-Silva (Ph.D. '06) has won the prize for the best dissertation on migrant remittances in a competition sponsored by the Inter-American Development Bank in Washington, D.C. The prize carried with it an award of \$5000; the publication of a paper in the inaugural issue of a new journal to be published by the Bank entitled Remittances and Development and a consultancy assignment with the Bank.

Dr. Vargas-Silva's dissertation contains three essays that examine important aspects of the economics of immigration, with one essay devoted specifically to the relationship between remittances (the payments that migrants send from the host to the home country) and economic conditions in the migrant's home country. Professor Vargas has rapidly become recognized as a leading researcher in the economics of immigration, having published several journal articles and made numerous conference presentations since the completion of his doctorate in economics at WMU in 2006. He is currently an assistant professor of economics at Sam Houston State University in Huntsville, Texas.

Vargas-Silva has also been appointed as Research Officer in the Oxford University Department of International Development where his main duty, in addition to continuing his own research, is to work on the project entitled Global Migration Futures. Global Migration Futures is designed to analyze future world migration trends. This is a three stage project coordinated through Oxford's International Migration Institute.

## Emily Hawrysz Named Presidential Scholar

The Presidential Scholar in Economics and recipient of the Werner Sichel Undergraduate Prize in Economics for 2008-9 is **Emily Hawrysz**, a senior from Oak Lawn, Ill. A member of the Lee Honor's College, she majored in economics through



*Emily Hawrysz*

the Haworth College of Business and minored in Spanish as well as general business. She is a member of the Phi Kappa Phi and Beta Gamma Sigma national honor societies and was named to the Dean's list every semester. In 2007 she was awarded the Western Michigan University Emeriti Scholarship and in 2008 she was nominated for the Western Michigan University Student Employee of the Year Award in recognition of her dedication as a figure skating and hockey instructor for the Lawson Arena's Learn to Skate Program and the Bronco Hockey Academy. In the fall of 2009 she was an undergraduate member of the Department's Academic Program Planning Committee.

In the summer of 2008 she was selected for the Federal Bureau of Investigation's 2008 Scholastic Summer Honors Internship program, an experience that inspired her to conduct further research on the relationship between crime and economics. This interest became the starting point for her Lee Honor's College thesis Global Financial Crimes: An Analysis and Overview of Money Laundering in Latin America. Emily presented the results of this research at a Departmental Seminar for faculty and students in November, 2008. Following graduation Emily accepted a position with the U.S. Department of Justice and will eventually pursue graduate studies in economics.

# Publications



Michael Ryan



Christine Moser

## Books, Chapters, Articles, Papers:

- **Michael Ryan** and Horst Raff “Firm Specific Characteristics and the Timing of Foreign Direct Investment Projects” published in the *Review of World Economics*, 2008.
- **Chris Moser** “Poverty Reduction, Patronage, or Vote-Buying? The Allocation of Public Goods in Madagascar,” *Economic Development and Cultural Change*, 2008.
- **Chris Moser** “An Economic Analysis of Deforestation in Madagascar in the 1990s,” *Environmental Sciences: Journal of Integrative Environmental Research*, 2008.
- Former student **Peng Huang** and **C. James Hueng** “Conditional Risk-Return Relationships in a Time-Varying Beta Model,” *Quantitative Finance*, June 2008.
- **Susan Pozo**, former student **Catalina Amuedo-Dorantes** and **Tania Sainz** “Remittances and Healthcare Expenditure Patterns of Population Origin Communities: Evidence from Mexico,” in *Integration and Trade Journal*, 2008.
- **Susan Pozo** with former student **Faskia Haile** “Currency Crises Contagion and Identification of Transfer Channels,” *International Review of Economics and Finance*, 2008.
- **Susan Pozo** with former student **Isabel Ruiz**, “Exchange Rates and U.S. Direct Investment in Latin America,” *Journal of International Trade and Economic Development*, 2008.
- **Eskander Alvi**, former student **Elias Shukralla** and **Debasri Mukherjee**, “Foreign Aid, Growth, Policy and Reform,” *Economic Bulletin*, 2008.
- **Matt Higgins** and S. Majin “Inflation Uncertainty and Money Demand,” *Applied Economics Letters*, 2008.
- **Jean Kimmel’s** edited volume, “How Do We Spend Our Time? Recent Evidence for the American Time-Use Survey,” was published by the W.E. Upjohn Institute for Employment Research, 2008.



Jean Kimmel



## Conference Presentations:

- **Wei-Chiao Huang** and former student **Yuanlei Zhu** presented “Examining the Employment Impact of Michigan’s Renaissance Zone Program,” at the annual meetings of the Eastern Economics Association.
- **Donald Alexander** was invited to present “Does Athletic Success Generate Legislative Largess from Sports-Crazed Representatives? The Impact of Athletic Success on State Appropriations to Universities,” to the economics department at Sam Houston State University.
- **Chris Moser** was an invited speaker at a World Bank sponsored workshop on labor market issues in Madagascar in June 2008 and also participated in the Northeastern Universities Development Consortium Conference at Harvard University in October, 2007. She also continued her work as a consultant to Madagascar’s Ministry of Finance. In the summer of 2008 she authored a report on recently collected Commune Census data from Madagascar.
- **Eskander Alvi’s** and graduate student **Elsy Thomas’s** paper “Infant Mortality and Foreign Aid,” was presented at the Midwest Economics Association meetings in March, 2008.
- **Professor Alvi** with graduate student **Aberra Senbeta** presented “Foreign Aid and Democracy” and Eskander Alvi and graduate student **Ivan Diaz-Duran** also presented “Foreign Aid, Information Problems and Competing Recipients,” at the 2008 meetings of the Midwest Economics Association.
- **Susan Pozo’s** paper “Development strategies and economic growth in the Dominican Republic,” was presented at a United Nations sponsored conference on Country Role Models for Development Success,” in Helsinki, Finland.
- **Susan Pozo** and Catalina Amuedo-Dorantes “Remittance Volatility and Asset Accumulation,” was presented at the Population Association annual meetings in New Orleans in April 2008.
- **Susan Pozo** along with Catalina Amuedo–Dorantes presented “Remittance Volatility and Asset Accumulation,” at the Conference on Remittances and the Macro Economy sponsored by the Federal Reserve Bank of Atlanta, February 2008.
- **Susan Pozo** was an invited speaker at Sam Houston St. University where she presented “Accounting for Migration and Remittance Effects” in April 2008.
- **Sisay Asefa** presented “The Challenge of Peace and Democracy in the Horn of Africa,” at the 7th annual International Horn of Africa Conference at Lund University in Lund, Sweden on Oct. 17, 2008. He also presented “Reflections and Ruminations on the Horn of Africa,” at the African Studies Association annual meetings in Chicago, November 2008.



*Eskander Alvi*



*Susan Pozo*

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## Yes, I want to support the WMU Department of Economics

In a time when state funding is increasingly restricted, the support we receive from friends and alumni is vitally important. Such funds are used to take advantage of new or unbudgeted opportunities in order to enhance the teaching or the research of the department, or to assist students in achieving their educational and professional goals. Thank you for considering a gift to the WMU Department of Economics.

The WMU Foundation processes all gifts that come to the University and turns them over to the department. Michigan residents: Remember that 50 percent of your gift to a Michigan University is returned to you as a tax credit on your state income tax (up to \$200 for a single filer; \$400 for joint filers).

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Or, give online at [www.wmich.edu/foundation/gift](http://www.wmich.edu/foundation/gift).

Under "other designation" indicate  
Department of Economics

## Don't Forget

**Thursday, Sept. 17, 11 a.m. to 2 p.m. -  
Major Excitement '09**

This annual event is intended to help undergraduate students explore many of the 130+ majors and minors available to them at WMU's College of Arts and Sciences. Representatives from each department—as well as alumni from the departments—will be on hand to answer questions, talk to students, network with other alumni and faculty.

To attend, contact Cheri Bales at [cheri.bales@wmich.edu](mailto:cheri.bales@wmich.edu), or call (269) 387-4578.



**Friday, Oct. 23 - Homecoming and Family Weekend**

Tickets: [wmubroncos.com](http://wmubroncos.com) or (888) 4-WMU-TIX