Getting a job in 2002. By Dan O’Neill

John Elway was an economics major at Stanford. Mick Jagger studied the subject at the London School of Economics, dropped out, and joined some band. George Bush Sr. completed a degree in economics, as did Sandra Day O’Connor, the first female Supreme Court Justice. This author has no information about whether any of these folks considered a career in investment banking or management consulting, both fine careers, but not the subject of this article.

It may be hard to tell from a brief review of the recruiting schedule at the CMC Career Services Center, or from a tally of the graduating economics majors sweating the latest visit from Merrill, Morgan, or Goldman, but we economics majors do have other options, some of which allow you to hang on to your soul for a few more years, if that’s how you feel. So what are they? Yes, you could actually be an economist, whether of the academic, business or public sector variety. Most of these positions require a graduate degree, and any of the economics professors would be more than happy to discuss graduate school options. If you are interested in Law School, get in touch with a recent alumni, such as Richard Hossfeld at Duke Law School. Or you could go into business. The Bureau of Labor Statistics argues that the hottest industry sectors in coming years will be services, transportation and communication, and wholesale and retail trade.

Well, the first category actually includes bankers and consultants, but it is also the fastest-growing service areas: personnel, data-processing and software, and healthcare. Sunil Rajamaran can provide insight for the first from his position with a headhunting firm. For advice in defense/high tech careers, try Brian Kriegler, for marketing/dot.coms Mitzi Reaugh, although she will be at Wharton Business School next year. To become a teacher, talk to Megan Lengel-Zigich. If you remain interested in finance, all major firms have finance and corporate strategy divisions.

Finally, you could eschew work, at least over the near-term. Tell your parents you want to find yourself, postpone student loans, and have an adventure. Visit Dr. Pitney’s web page (http://govt.mckenna.edu/jpitney) for information about fellowships for graduate study, travel, and combinations of the two.

Above all, don’t worry if you do not like I-bankers, or they do not like you, or if you have no idea what you want to do. It’s just work, and as Mark Twain said: “work is a necessary evil to be avoided.” Remember, if you were getting utility from work, you should pay a firm to let you work for them. Unfortunately there is that budget constraint in the Lagrangian. (e-mails for Hossfeld, Kriegler, Reaugh, Lengel-Zigich, and Rajamaran, available from Prof. Keil).

Meet the first of our two new Assistant Professors, Jennifer Ward-Batts.

Where were you born and where did you grow up?
I was born in Andrews, a small town in western NC. When I was 10, my family moved to Asheville, NC, a small city of about 150,000 in the Great Smoky Mountains.

Were your parents economists or academics? If not, what was their profession?
When I was young, my mother was a bank teller; my father worked in a factory and then as a retail store manager. He’s now a truck driver. My mom went to college at night and graduated with me. She now works part-time at a library and is an aspiring fiction writer.

When did you first become interested in economics and what triggered your interest?
After taking two required economics courses while majoring in Business Management, I received a letter from one of my professors encouraging me to switch my major. He thought I had a natural knack for economics, and convinced me that it was a better foundation for graduate school than the

Upcoming Events: Mammoth Mountain Ski Trip, March 1-3, roughly $70 per student including luxury bus ride (late Friday departure, Sunday return) and (shared) accommodations at the Mammoth Mountain Inn. Limit: 27 students. Professors to participate far: Keil, Smith, Taylor. Reservations: John Niles (freshman class president) x73101 or jniles05@mckenna.edu.
McKenomics

Jennifer Ward-Batts Interview, continued

management program.

Which universities did you attend and why did you choose those educational institutions?

I went to UNC-Asheville, NC’s public liberal arts university, for my BA in economics. It was close to home, and offered small class sizes and lots of interaction with faculty. I chose U. of Washington in Seattle for my PhD because the faculty included several people I could see myself working with, and whom my undergraduate adviser knew good things about (they had taught at Penn when he was there). The location was a bonus. I went to U. of Michigan in Ann Arbor for postdoctoral work. I chose this over taking an assistant professor position at SUNY-Binghamton because I expected to learn more and to get started on some new research projects. Michigan is a particularly rich place in my field of labor and population economics.

If you were not teaching economics, what would you be doing?

My initial plan was to be an architect, but I figured their incomes were too dependent on the state of the economy. I find that thinking spatially still helps in teaching economics due to the heavy reliance on graphs.

Which economist do you admire the most and why?

Shelly Lundberg, my dissertation adviser, because she is a good mentor and an excellent economist, and has a very balanced life in spite of it.

Who should win the next Nobel Prize in economics?

Labor economists don’t make forecasts.

What is your current research about?

Several projects have household-bargaining or household decision-making as a general theme. Some are about saving for retirement, timing of retirement, and responses to changes in

What can CMC do to improve its U.S. News and World ranking?

If we’re only as good as our weakest line item, then we’d have to focus on faculty resources. We ranked far worse on this than did 18 of the other colleges in the top 20, and this factor is heavily weighted in the overall score.

Describe a “good CMC student.”

I was told that all CMC students are good.

Which single person (non-economist) do you admire the most and why?

Bill Gates – because he made it cool to be a geek.

What are the next three places in the world you want to visit?

Italy, Victoria (Canada), and Trinidad.

What is the most recent book (academic or not) you read? What is your favorite book?

I recently read Animal Dreams. Who really has one favorite book? A recent favorite of mine is Straight Man, a funny novel about academics.

What is your favorite movie?

Gone With the Wind.

What kind of music do you listen to?

Almost anything except country and punk. I like classical, upbeat jazz, blues, rock, Latin, some heavy metal, alternative, and bluegrass.

What do you do for fun?

I enjoy reading, woodworking, scuba diving, hiking, camping, sea kayaking, water skiing, snow skiing, horseback riding, gardening, dancing, softball/baseball, and going to museums, plays, and live musical performances of various sorts.

What do you enjoy about Claremont or CMC that is not work?

I love the close proximity and atmosphere of the village, and I enjoy many of the programs at the Ath.

ECON 120: Statistical Relationships In the Baseball World
Michael Benke ‘04

For our group presentation (Fall 2001), Annie Lee, James Cobb and I chose to collect financial and sports performance data of MLB franchises. Specifically, we investigated statistical relationships between payroll and a team’s winning percentage, the impact a new stadium has on a team’s finances, the impact attendance has on team payroll, and payroll on attendance. We used the regression analysis tool in Excel for our analysis.

Wins on payroll: we found that a statistically significant positive relationship. This simple, expected relationship is behind what many fans of the game fear: the great wealth disparity in baseball lowers competition. Some teams spend much more than others. The Yankees team payroll is approximately $100 million while the Montreal Expos spend about $15 million. Cash-strapped teams cannot compete against the "big market" teams. To help teams cope with financial stress, some propose the construction of baseball-only stadiums to attract more fans to games, boosting team revenues in return.

We collected data on team attendance and ticket prices before and after the construction of a new stadium. We found that attendance did increase after construction of a new ballpark, and that teams with new stadiums tend to charge more for tickets.

So, new stadiums seem to raise team attendance while teams can charge more from those who attend.

(The Pirates and Giants play in newly constructed stadiums, and have, in many instances, doubled their ticket prices. Pacific Bell Park is typically sold out.). A new stadium will generate more money for a team. As far as attendance was concerned, our regression analysis showed that successful teams had higher attendance.

All in all, we found supportive evidence for our hypothesized relationships between attendance, salary, ticket prices, and construction of new ballparks. Such relationships are important in today's baseball world as many teams struggle to live by them.
Economics Faculty: Research Interests and Suggested Senior Thesis Topics in International Economics

In this section we will list research interests of faculty together with senior thesis topics they would like to see students work on. We hope that this will make it easier to match Juniors and Seniors with the “right” professor. Professors chose their own format to present topics.

Sven Arndt
(C.M. Stone Professor of Money, Credit and Trade, Director, Lowe Institute of Political Economy). International Trade, International Money and Finance, Globalization.

“Trade, Growth and Development”
What is the role of trade in economic development? Historical evidence? Asian vs. Latin American experiences? Does globalization help or hurt?

“Regional Economic and Financial Integration”
What are its pros and cons? Why did it succeed in Europe and fail in Latin America? Should NAFTA be widened and/or deepened?

“International Financial Instability”
Causes: markets, institutions, policies? Solutions?
Sources: All three topic areas offer a large theoretical and applied literature. Topics lend themselves to analytical and conceptual as well as applied treatments. For empirical studies, the Lowe Institute’s TRACE data base has a wealth of statistical information relevant to each topic area. Additional data sources are also available.

Thomas Willett
(Horton Professor, Director, Claremont Institute for Economic Policy Studies). International Money and Finance, Monetary Economics, Public Choice.

Professor Willett’s current and recent research has focused on international capital flows, exchange rate regimes, the causes of the recent currency and financial crises in Asia, Europe, and Latin America, and issues of reform of the International Monetary Fund and the international financial system.

One type of senior thesis which a number of students have found enjoyable and productive is to analyze the Congressional hearings on a policy issue in which they are interested. While most of the theses I’ve supervised have focused on international issues such as economic sanctions on Cuba, reform of the IMF, and environmental aspects of NAFTA, this approach can be applied just as well to purely domestic issues. Typically students do an economic analysis which critically analyzes the soundness of the various arguments and evidence put forward in the debates and also a public choice (political economy) analysis of the reasons why various groups are for or against a policy and how much influence they seem to have.


McKenna Lecture: Paul Volcker
April 30, 2002

The 3rd Annual End of Academic Year Awards in Economics will be handed out at our end of academic year banquet at the Athenaeum, which has been moved to April 30 2002, 4:30-5:30 p.m. and will take place before Paul Volcker’s McKenna lecture at the Athenaeum.

New Forecasting Prize
We have created a new forecasting prize ($50 book voucher from the Huntley Bookstore). Simply submit your best point estimate (one number only) for the following seven economic statistics to doneill02@mckenna.edu (one entry per person) by February 15, 2002:

a) U.S. unemployment rate, April 2002
b) Annual Inflation Rate, CPI (Year-to-Year percentage change), March 2002
c) 3-Month Treasury Bill, 30 April 2002.
d) 10-Year Treasury Bond, 30 April 2002.
e) Real GDP growth rate from previous year, Quarter I, 2002.
f) Dollar/Euro Exchange Rate, 30 April 2002.
g) Dow Jones Industrial Index, 30 April 2002.
Scanning the internet for useful tips to prepare for our student-faculty ski trip, I came across a site that had some good advice. Let me share it with you.

1. Visit your local butcher and pay $40 dollars to sit in the walk-in-freezer for a half hour. Afterwards, burn two $50 dollar bills to warm up.
2. If you wear glasses, begin wearing them with glue smeared on the lenses.
3. Find the nearest ice rink and walk across the ice 20 times in your ski boots carrying two pairs of skis, accessory bag and poles. Pretend you are looking for your car. Sporadically drop things.
4. Buy a new pair of ski gloves and immediately throw them away.
5. Go to your favorite fast food store and insist on paying $9 dollars for a hamburger. Be sure you are in the longest line.
6. Fill a blender with ice, hit the pulse button and let the spray blast your face. Leave the ice on your face until it melts. Let it drip into your clothes.
7. Slam your thumb in a car door. Don’t go see a doctor.
8. Dress up in as many clothes as you can and then proceed to take them off because you have to go to the bathroom.
9. Throw away a $100 dollar bill — NOW!!
10. Clip a lift ticket to the zipper of your jacket and ride a motorcycle fast enough to make the ticket lacerate your face.

See you in the bus March 1.

Manfred W. Keil
The Number 2 Reason for Being an Economics Major at CMC.