Greetings! Since you last heard from us, there have been several significant and exciting changes in the Department of Economics.

Our academic program is stronger than ever. We graduated a record number of majors in 2018: 38 majors in Economics and 13 majors in Mathematics-Economics. Our students’ experiences inside and outside of the classroom have prepared them for excellent employment and graduate school opportunities beyond Furman. In this newsletter, we describe some of the recent research and internship opportunities our students have experienced, and some of the recent post-graduate placements of our students. We’re very proud of them.

In the past several years, the Department of Economics has also seen several changes in the makeup of our faculty.

After 33 years at Furman, Professor Bruce Brown retired in 2017. In recent years, Professor Brown taught Introduction to Economics, Money and Banking, Health Economics, and a very popular course in Personal Finance. He also served as the faculty director for several recent Study Away programs in Brussels and Edinburgh.

In 2018, after 40 years at Furman, Professor Dave Roe retired. In recent years, Professor Roe taught Introduction to Economics, Statistics, and Law and Economics. An excellent academic advisor, Professor Roe was the recipient of the 1997-1998 Alester G. Furman Jr. and Janie Earle Furman Award for Meritorious Advising.

We’ve also been busy hiring some excellent new faculty over the past several years. In 2017, we welcomed Dr. Kelsey Hample and Dr. Jessie Wang to the department, and in 2018 we welcomed Dr. M. Taha Kasim and Dr. Jessica Sauve-Syed. Elsewhere in this newsletter, we’ll tell you more about our new colleagues, but we’re excited to have them.

All of these exciting changes reflect some of the enduring values of the Department of Economics: our faculty continue to be committed to excellent teaching, mentoring and advising, and professional activity; our students continue to thrive in the classroom and in all sorts of internships and research opportunities; and our alumni continue to play an essential role in supporting all of these activities. In the rest of this newsletter, we highlight some of the exciting work being done by our faculty, our students, and our alumni.

We’d love to hear more about the exciting work that you are doing, too! Hopefully we’ll see you at Homecoming on October 20, but feel free to contact me anytime at nathaniel.cook@furman.edu.

From the Chair
by Nathan Cook

Homecoming
October 19-21
Individual departments and organizations will host drop-in tents adjacent to the Homecoming Tailgate. All of your favorite people will be in one location!

Furman Mall (Rain location: Trone Center)
Faculty News

Dr. Nathan Cook presented “The African Growth and Opportunity Act (AGOA) and Growth in Sub-Saharan Africa: A Local Projection Approach” at the Western Economics Association International Conference in Vancouver, Canada, in June 2018. He participated in two Alliance to Advance Liberal Arts Colleges (AALAC) workshops to enhance equity, diversity, and inclusion in economics departments at liberal arts colleges (in Chicago, IL in January 2017, and in Philadelphia, PA in January 2018). He also served as an educator for the U.S. delegation to the APEC Voices of the Future program in Da Nang, Vietnam in November 2017.

Dr. Kelsey Hample received the Robert E. Hughes Professorship in Economics. This is a three-year appointment, which recognizes the general record of teaching, scholarship, and service at Furman University. During the year, Dr. Hample presented “Effects of Improved Cookstove Use on Fuelwood Demand” at Sustainable Energy Transitions Initiative (SETI) at Duke University. SETI is an international and interdisciplinary collaborative focused on energy in low- and middle-income countries. She also presented “Formal Insurance in Social Networks: Laboratory Evidence from the US and Kenya” at Liberal Arts Colleges Development Economics Conference (LAC-DEV) at Middlebury College. LAC-DEV is an annual conference which brings together faculty working in development economics at liberal arts colleges. For the 2019 academic year, she will be developing a new course entitled “Behavioral Economics”, which studies how psychological, social, cognitive, and emotional factors affect decision making. The theoretical and empirical aspects of the course are also employed in her recent research projects.

Dr. Jessica Hennessey wrote a chapter “Corporations and Organizations in the United States after 1840,” with John J. Wallis in Corporations and the American Democracy (edited by Naomi R. Lamoreaux and William J. Novak, Harvard University Press). She gave a lecture on the impact of the new South Carolina EITC at the South Carolina Association for Community and Economic Development “Opportunity SC 2017” Conference in December 2017. Dr. Hennessey is one of eight faculty members that piloted Furman University’s new “Pathways” advising program for first and second year students. Moreover, she led the Edinburgh Spring 2017 program and will lead the program again in Fall 2019. She also co-mentored, with Dr. Nathan Cook, the Hollingsworth Undergraduate Research Program team of Nino Kodua, MiaoMiao Xu, and Paul Yoon who studied how terrorism impact a country’s ability to attract Foreign Direct Investment.

Dr. Jason Jones has continued to work with Dr. Cook on the effects of the African Growth and Opportunity Act (AGOA) on growth in Sub-Saharan Africa. He presented their ongoing work at the Conference for Macroeconomists at Liberal Arts Colleges, held at Davidson College in August 2017. As a member of the organizing committee for this conference, he is also involved with paper selection and session organization for the 2019 workshop. He also mentored Matthew Deininger and Samikshya Pandey to extend their Hollingsworth Summer Scholar project “Crisis Length and Speed of IMF Response”. Dr. Jones presented this paper at the Southern Economic Association meeting and it is currently under review at the Economics Bulletin. Dr. Jones has served on a number of committees for the University including the Chair of the Academic Policies Committee, the Faculty Governance Review Committee, the Faculty Athletics Committee, a faculty observer on the Trustees Furman Investment Committee, and is The Furman Advantage Liaison for four academic departments. He is also a faculty fellow for the Cothran Center for Vocational Reflection. Dr. Jones accompanied students to the Voices of the Futures and APEC meeting in Lima, Peru and he thoroughly enjoyed the experience.

Dr. M. Taha Kasim published “Evaluating the effectiveness of an environmental information disclosure policy: An application to New South Wales.” in Resource and Energy Economics. In November 2017, Dr. Kasim presented “The Impact of WIC on Tobacco and Alcohol Consumption” at the Southern Economic Conference. Currently, he is working on a project that establishes a novel link between gasoline consumption and prices. This project is part of the National Bureau of Economic Research (NBER) Working Paper Series. During the last two years, he has given lectures for the Tax Policy, Fiscal Analysis and Revenue Forecasting course offered by International Center for Public Policy in Atlanta. Last year, Dr. Kasim and Dr. Karen Allen (in Earth & Environmental Science Department) were the main speakers at a Cultural Life Program (CLP), which was aimed at discussing the different approaches adopted in environmental and ecological economics to solve environmental issues.

Dr. Jessie Wang presented working papers at the Society of Economics of the Households Meeting and ASSA/AEA Meetings in the CSWEP session. These papers study the effect of elderly care on female labor supply and the labor markets in an aging population. Dr. Wang is also the co-investigator of the Greenville Health System (GHS) Health Sciences Center (HSC) Seed Grant. This project examines the effectiveness of the delivery of cancer care, particularly for the elderly. During her first year, Dr. Wang developed a new course, “Economics of Gender”, which discusses methods to investigate gender and family related questions (household production, time-allocation, family as an economic institution, etc.) under traditional economic frameworks.

Dr. Kailash Khandke rejoined the department in 2016 after serving as the Assistant Dean for Study Away and International Education at Furman for seven years. Dr. Khandke published an article “Economic Outlook: A Tax Cut versus A Growth and Jobs Act” in Greenville Business Magazine in April 2018.
Kelsey Hample joined the Furman economics faculty in 2017 after receiving a PhD in Economics from North Carolina State University. She currently teaches Growth and Development, Behavioral Economics, Statistics, and Introduction to Economics and was recently selected to receive the Robert E. Hughes Professorship in Economics for her work at Furman.

Dr. Hample’s research interests include topics in development and behavioral economics with a focus on individual decision making in the face of risk and uncertainty. In one paper, she analyzes the potential tradeoff between informal risk sharing and formal, but costly, insurance. Creating markets for formal insurance is a popular proposal to improve welfare among subsistence level farmers in the developing world. Both theory and empirical evidence support this conjecture, but farmers have had low rates of adoption when markets are created. She hypothesized that this empirical puzzle may be caused by a tradition of informal sharing within these communities that could crowd out the adoption of formal insurance. To test this hypothesis, she designed a laboratory experiment in which a market for formal insurance was introduced to groups of individuals who made risky investments and could share yields with each other. She ran this experiment on two populations: American undergraduates and Kenyan adults. The main result is that formal and informal insurance were substitutes for Kenyan and painting-matched groups, but not for US or randomly assigned groups. She also found that Kenyan participants were more likely to adopt formal insurance, further clouding the puzzle of under adoption in the developing world.

Dr. Hample has also worked with a team funded by the National Science Foundation (NSF) to ask how Northern Ghanaian households change their fuel input decisions, both intensive and extensive, in response to owning more efficient cooking stoves. She found that the introduction of a relatively more expensive Philips stove, which was designed to burn wood but was often fueled with charcoal by households, resulted in a substitution effect toward purchasing charcoal, while the introduction of a locally produced wood-burning Gyapa stove caused no statistically significant effects on fuel expenditure. This result is economically important because about 2.8 billion people, or close to 40% of the world’s population, relied on burning wood or other solid fuels for cooking as of 2010. Apparently, simply providing these households with more efficient stoves is not enough to ensure a reduction in fuel use.

Dr. Hample looks forward to working with students on their own research topics and continuing to excite students about the breadth of questions economics can help them answer. She has been engaged with Furman’s Shi Center for Sustainability and looks forward to opportunities for interdisciplinary research related to sustainability questions. Having had a wonderful study abroad experience in college, she also looks forward to leading students on future study away courses. Dr. Hample has been delighted with her colleagues, students, and opportunities at Furman University and anticipates many happy years here.

M. Taha Kasim joined the Economics Department in 2016. He received PhD in Economics from Georgia State University. At Furman, he has taught Introduction to Economics, Urban Economics, Economics of the Environment and Empirical Methods.

Dr. Kasim is an applied economist with focus mostly on environmental and urban policy analysis. In his research, he studies how policies influence household and/or firm behavior and the impact policies could have on environmental outcomes.

Most recently, he has been studying certain benefits of higher gasoline prices that have been ignored or overlooked in the literature. In the past, analyses of policies to reduce gasoline consumption have focused on two effects: a utilization effect on how much people drive and a compositional effect on the fuel economy of the automotive fleet. However, the literature has missed a third effect: a matching effect, in which the policy changes how high-utilization households are matched to fuel-efficient vehicles in equilibrium. Due to heterogeneity in demand for driving, the fuel cost differences are greater for households that drive more relative to others.
Thus, households that drive more will be even more likely than other households to switch to a more fuel-efficient vehicle. Empirical estimates using US micro-level data are consistent with this hypothesis. The results suggest that a $1 gasoline tax would reduce US gasoline consumption by 1.5% through the matching effect alone. These gasoline savings correspond to 84 million metric tons of CO₂ annually (or $3.3 billion in benefits from avoided pollution per year). This result further favors price-based policies over performance-based policies.

In another on-going project, Dr. Kasim is studying the relationship between the Women, Infants, and Children (WIC) program participation and risky behaviors. WIC benefits represent an additional source of income to households, allowing the mother to reallocate income from healthcare services and food towards other goods. Using data from the Pregnancy Risk Assessment Monitoring System (PRAMS), the study estimates the impact of WIC coverage on cigarette and alcohol consumption during the last three months of pregnancy, an important time in the long-term development of the child. Preliminary results suggest that WIC benefits decrease alcohol consumption and increase smoking participation. Thus, while WIC “works” along some dimensions such as fetal growth (as documented in the previous literature), the program needs to allocate resources to target pre- and post-partum smoking behavior to promote the well-being of the child and mother.

Earlier this year, Dr. Kasim had an article, “Evaluating the effectiveness of an environmental information disclosure policy: An application to New South Wales”, published in Resource and Energy Economics. He also annually gives lectures for the Tax Policy, Fiscal Analysis and Revenue Forecasting courses offered by the International Center for Public Policy in Atlanta. Dr. Kasim is affiliated with the Shi Center of Sustainability and is a strong proponent of interdisciplinary research.

Jessica Sauve-Syed completed her PhD from Syracuse University and joined the Furman economics faculty in 2018. Her current teaching schedule includes Introduction to Economics and Health Economics.

Dr. Sauve-Syed is a health economist with research focused on health impacts from environmental factors and barriers in access to medical care. Her current work includes estimating the impacts of lead exposure within Flint Community School classrooms during the 2014 water crisis. An enduring empirical challenge in the study of lead has been separating the causal impacts from unobservable household and neighborhood effects. Dr. Sauve-Syed assembled a unique dataset with classroom water quality data, standardized examination outcomes, and student behavioral records to use the unexpected shock of lead-in-water to overcome this limitation. Conservative estimates found sizeable increases in the average number of disciplinary actions as well as meaningful declines in the shares scoring proficient in math and in reading at the average level of classroom lead exposure. The results highlight the importance of school infrastructure and the susceptibility of elementary school children to lead. They also suggest lead exposure may be a potential underlying cause for disparities observed in academic outcomes and school behavioral issues. This work is among the first to focus on lead exposure in older children.

In the classroom, Dr. Sauve-Syed loves working with students and challenging them to view their world through an economic lens. She also enjoys connecting with Furman’s scholarly community through the Institute for the Advancement of Community Health as well as the Shi Center for Sustainability. Away from campus Dr. Sauve-Syed is quickly adjusting to southern living. She enjoys learning about local food and plants, exploring the area with her husband, and spending time with her two dogs.

Jessie Wang joined the Furman economics faculty in 2017 after receiving a PhD in Economics from University of California, San Diego. She teaches Gender Economics, Money and Banking, Introduction to Economics, and a senior seminar in Economics of Aging.

Dr. Wang’s research interests include topics in household economics and time use with a focus on gender disparity and challenges in an aging population. Her current research studies how elderly care responsibilities affect female labor supply and the labor market. She finds that affordable high-quality care services are essential for women to remain in the labor force in an aging society. She is participating in an interdisciplinary research project sponsored by Greenville Health System that evaluates the delivery of cancer care and estimates the implications under an aging patient population.

Dr. Wang looks forward to working with students to explore different fields of economics. Being a liberal arts college graduate herself (Dickinson College class of 2012), she is excited to be a part of Furman students’ paths in professional development and personal growth.

American Enterprise Lecture

The annual American Enterprise Lecture is a signature event of the Department of Economics at Furman. Thanks to generous support from the Marsh and McLennan Companies, the American Enterprise Lecture enables distinguished guests to speak to students, faculty, and the Greenville community on economic matters of contemporary concern.

In 2017, David Autor, Ford Professor of Economics at MIT, delivered his lecture, “Automation and Employment: Why are there still so many jobs?” This lecture was inspired by his 2015 article in the Journal of Economic Perspectives, “Why Are There Still So Many Jobs? The History and Future of Workplace Automation.” In that article, Professor Autor wrote,

“There have been periodic warnings in the last two centuries that automation and new technology were going to wipe out large numbers of middle class jobs. The best-known early example is the Luddite movement of the early 19th century, in which a group of English textile artisans protested the automation of textile production by seeking to destroy some of the machines…Such concerns have recently regained prominence.”

In 2018, Ken Rogoff, Thomas D. Cabot Professor at Harvard, delivered his lecture, “The Curse of Cash: The Past, Present, and Future of Currency from early standardized coinage to Bitcoin.” This lecture was inspired by his 2016 book, The Curse of Cash, in which Professor Rogoff argues that the world is drowning in cash—and it’s making us poorer and less safe. Even as people in advanced economies are using less paper money, there is more cash in circulation—a record $1.4 trillion in U.S. dollars alone, or $4,200 for every American, mostly in $100 bills. So what is all that cash being used for? The answer is simple: a large part is feeding tax evasion, corruption, terrorism, the drug trade, human trafficking, and the rest of a massive global underground economy. Professor Rogoff argues that paper money can also cripple monetary policy. In the aftermath of the recent financial crisis, central banks have been unable to stimulate growth for fear that it would drive investors to abandon treasury bills and stockpile cash.
Student News

Our students continue to pursue meaningful engaged learning experiences and to be recognized for their impressive accomplishments.

In 2017, Ben Hartman (2018) and Sophia Amoo-Gottfried (2018) worked with Dr. Jeff Yankow on a Hollingsworth Undergraduate Research Project program exploring “Gender Differences in the Pecuniary Returns to Cumulative Job Mobility.” This research was published in *Issues in Political Economy* Vol 27(2), 2018, 112-129. In 2018, Nino Kodua (2019), Paul Yoon (2019), and Miaomiao Xu (2019) worked with Dr. Jessica Hennessey and Dr. Nathan Cook on a project investigating how terrorist incidents impact a country’s ability to attract foreign direct investment.

Nino Kodua (2019) was selected to present her research, “The Impact of Immigration on Unemployment Rates: Short-run vs Long-run effects in MSAs” at the 2018 Women in Economic Research (WiER) Conference at Williams College. Nino writes, “It was truly a wonderful experience to be in an environment of amazing faculty and students who are passionate about economics... It was inspiring to listen to exceptional and engaging presentations by other undergraduate students on various topics such as growth & development, education, migration, labor markets, and price gouging. Furthermore, the conference included keynote speaker Lisa Cook, Professor of Economics at Michigan State University and a mentoring panel that were highly motivational. This allowed me to learn about many meaningful career paths with an economics degree. The entire conference provided, relaxed, friendly and intellectually stimulating environment that definitely further encouraged my interest in research and pursuing a Ph.D. in Economics after graduation. I am so thankful that the Furman University Economics Department provided me with this remarkable experience.”

Internships have become a crucial component of many undergraduates’ college experience. Some of the firms that have provided our majors with recent internship opportunities are listed to the right.

Our students were also honored with the following awards:

The J. Carlyle Ellett Prize is presented to an outstanding senior economics major based on academic performance, contributions to department and university life, and potential use of the economics major following graduation from Furman. The 2018 recipient was Matthew Deininger, now a Research Assistant at the Federal Reserve Board of Governors in Washington, D.C.

The Arthur Magill Award is presented annually to a rising senior economics major who shows outstanding academic potential and intellectual promise. The 2018 recipient was Nino Kodua, whose name you’ve now read three times in this section of the newsletter.

The Mathematics-Economics Award is given to the senior Mathematics-Economics major with the highest grade point average in mathematics and economics courses. The 2018 recipient was Giang Nguyen.

The Stanford Prize is awarded to the student who writes the best paper on an economics topic. The 2018 recipient was Jackson Roberts, whose paper, “The Effect of Corporate Stock Buybacks on Inflation” found that since the 2008 recession, corporate stock buybacks have significantly lowered inflation. As firms direct capital away from investment in new equipment and expanding production (traditional drivers of inflation) and toward stock buybacks, the inflation rate is significantly lower than it otherwise would have been. This finding is economically important, and had not previously been identified in the literature, both because the question hadn’t been asked, and because the effect is “new” (Jackson found that this effect did not exist prior to the 2008 recession).

In 2018, Furman Economics seniors Craig Yount (2018) and Paul Yoon (2018) were named as two of the Furman Fellows, awarded annually to five members of the senior class who’ve shown unique leadership skills and an ability to make a difference in the world and in the lives of others.

Finally, Furman’s chapter of the international economics honorary Omicron Delta Epsilon (ODE) inducted 18 new members at the 2018 Spring Picnic, pictured on the previous page.

We are very proud of the many impressive accomplishments of our students.
Alumni Profile: Jenny Lee

Q: Could you introduce yourself and tell us what you have been doing after graduating from Furman?

My name is Jenny Lee and I graduated from Furman University in 2017, majoring in Economics. After graduating I started a Master of Arts in International Economics and Finance (MIEF) at Johns Hopkins University at the School of Advanced International Studies (SAIS), an 11-month intensive program with a focus on international economics and finance. I graduated from Johns Hopkins SAIS this past June and am currently interning full-time with the Institute of International Finance (IIF).

Q: What made you decide to pursue a Masters degree after Furman?

I took Dr. Jones’ International Macroeconomics course during the fall semester of my senior year and knew I wanted to do something related to international macroeconomics, so I decided to apply to programs in international economics to get a deeper understanding of the field. The fear of what would happen after I graduated was also a helpful motivator.

Q: How has your post-Furman experience been so far?

My time with the MIEF program has been nothing short of phenomenal. It allowed me to go deeper into the sub-field of economics I was most interested in and the intense yet well-designed curriculum allowed me to narrow down my academic and professional interests. I enjoy what I do with the IIF, since I get a lot of exposure to what client-based research looks like and I’m involved in the writing and analysis of country reports.

Q: How did Furman prepare you?

While I was one of the youngest students in the program, I wasn’t afraid of the intensity of the 11-month program. While the workload was heavier than my time at Furman, the work ethic and critical thinking skills that were necessary at Furman were applicable during my masters program. Throughout the program, both during class and my job as a research assistant, there were many times when I had to tackle a project I didn’t already know how to do. It took a lot of patience, problem-solving mentality, and hard work, all of which are necessary skills to get an Economics degree from Furman as well.

I also realized that many of the concepts covered during my classes at SAIS an extension of things I had already learned at Furman. This gave me a solid foundation I could build my advanced econometric and macroeconomic skillsets on.

Finally, I applied a lot of my entrepreneurial skills from my extra curricular experience at Furman to create an MIEF publication called the International Finance and Economics Review (InFER). This project took a great deal of teamwork, creativity, and collaboration with both the faculty and administration, all of which are skills I acquired from being involved at Furman.

Q: What is next for you?

I’m getting ready to join the labor market! I’m currently looking for jobs with financial institutions in their macro/FX research teams, generally within the Fixed Income division. I’d love to connect with other Furman alumni working in this area. In the meantime, I’ll continue to work at the IIF and enjoy life in DC!