

Packed house hears from industry insiders

On February 20, the **Weatherhead Economics Society** hosted a panel on the topic “Why Study Economics?” **Professor Jack Kleinhenz**, who holds the post of Vice President of the *National Association of Business Economists*, invited three local professional economists from different sectors of the economy to discuss the relevance of the so-called “dismal science” at their various institutions.

Two of the panelists work in the private sector. Ryan Reed, currently working as a corporate economist at **Parker Hannifin**, shared his experiences using economics to inform decision making at both a major financial institution and a diversified industrial company.

Andrew Grible of **FedEx** told students that

“Strategic planning, data analytics, revenue science, competitive research and forecasting are some of the areas where training in economics is valuable to FedEx.”

Mark Sniderman, Executive Vice President of the **Federal Reserve Bank of Cleveland**, gave students an eye-opening view of the work done there. While Parker Hannifin and FedEx produce fluid power systems and logistics,

“the Federal Reserve’s “product” is public policy, and to produce this product we use economists and research as inputs. So we have to stay current on theoretical and empirical research. We build economic models and do econometric work to test them. We also place a high value on the staff being able to write and speak to others in lay terminology.”

Yiyi Ming ('14), a major who enjoys macroeconomics, was effusive in her praise of this WES event:

“The panel was really awesome because it gave us a chance to hear from insiders at the Federal Reserve Bank, which controls monetary policy. The discussion was very relevant to how economists can best use their knowledge to shape the world.”

Steven Cramer ('15), a cognitive science and economics major who is particularly interested in behavioral economics, was happy to see that

“real, successful economists were excited to share stories of how they use insights from behavioral economics in their work.”

The majority of undergraduates don’t yet have clear views of what future careers they will pursue. Being in this camp, **Anthony Gatti ('14)** expressed appreciation for

“being exposed to different applications of my field of study. It is very nice to have the ability to consider a variety of options going forward. I was thankful for the panelists’ efforts in making that clear to me.”

The Weatherhead Economics Society (WES) is a student-led undergraduate club whose goal is to promote interest in economics throughout the Case Western community. To avoid missing out on future events, be sure to join the organization on Spartan link, and ‘like’ both the **Weatherhead Economics Society** and the **Economics@Case**.



Pictured left to right are Liwei Dong, Joe Kachovec, Ryan Reed, Mary Kate Callahan, Jack Kleinhenz, Andrew Grible, Eric Haufler .

What's new in the faculty senate?

Professor Robin Dubin currently holds several roles besides being an Economics professor. Last fall she began a one-year term as Chair of the Faculty Senate. She is also University Marshal, which means that she presides at all ceremonies where there is an academic procession. These are primarily graduation and fall convocation.



The Faculty Senate, composed of faculty members elected to represent their schools, meets monthly to review the effectiveness of various school policies, programs and organizational structures, and to propose and implement improvements. As Chair, Professor Dubin is responsible for setting each meeting's agenda, with the assistance of the Senate Executive Committee, and running the meetings.

One issue that the Senate has been working on this year is to revise the questions on the course evaluation form. The current questions are quite old and the form is long, leading to low response rates. The new questions will help faculty improve the quality of their classes and help students with course selection.

This year the Senate approved the University's participation in the Tuition Exchange Program (TEP). Currently, the University pays the tuition of children of faculty and staff members who attend CWRU. The TEP allows this tuition benefit to be used at other universities.

The Senate is working on many other things. If you are interested in finding out more about the Faculty Senate, just ask Professor Dubin!

Research Profile: Scott Shane

Professor Scott Shane studies entrepreneurship and innovation. Currently he has three streams of research. Along with geneticists at Kings College in London and business school researchers at the University of Cyprus, he is conducting quantitative (investigations of twins) and molecular genetics studies of the identification of business opportunities, the evaluation of business ideas, and the decisions to start businesses.



His second stream of research looks at the creation of university spinoff companies (companies like Google that were founded to exploit intellectual property developed by faculty, staff, and students at academic institutions). Through surveys and experiments, his research identifies the characteristics of the inventors and inventions that lead to new businesses.

Professor Shane's third stream of research examines small business financing. Conducted with researchers at the Federal Reserve Bank of Cleveland, where he has been a visiting scholar for the past six years, this research is policy-oriented. It examines how laws and regulations influence the amount of capital available to small businesses, and how loose and tight policies toward small business finance affect the economy.

In addition to his scholarly research, Professor Shane writes regular columns on small business issues for *Bloomberg Business Week* online and *Entrepreneur Magazine* online, as well as a weekly blog for Small Business Trends.

Congratulations To Professor Mark Votruba

The Economics department was happy to learn recently that **Professor Mark Votruba** was awarded tenure. Professor Votruba is widely known among students for teaching courses such as Public Finance (ECON/BAFI 342) and Health Care Economics (ECON 378), some of the most popular Economics courses at Case. He also oversees the Economics Honors Program for the department. As a result of teaching these classes, he was a finalist for the Weatherhead Undergraduate Teaching Award in 2010.



In addition to his teaching accomplishments, Professor Votruba received tenure for his substantial volume of research, which includes publications in top economics journals such as the *American Economic Review*, the *Review of Economic Studies*, the *Journal of Economic Perspectives*, as well as prominent journals in the fields of health services research and medicine. His research interests have led him to places such as Norway, Spain, and British Columbia, where he has presented his findings to economists from all over the world.

Dr. Votruba's research interests lie in applied microeconomics and its relation to public policy decisions. He states, "*The reason I became interested in economics was that I saw economics research as a powerful tool for improved policy making.*" This interest has led him into the growing field of health care economics, which is of particular interest to economists in that it illuminates some strong cases of market failure as a natural phenomenon and because policy considerations in the area of health care are so vexing. Given the constant policy debates regarding health insurance in the United States, this area of research is quick expanding.

This January, Professor Votruba's most well-known publication, "**Unhealthy Insurance Markets: Search Frictions and the Cost and Quality of Health Insurance**," won the 20th annual Arrow Award for the best paper in health care economics from the International Health Economics Association. The article investigates the problems that arise when individuals or employers have difficulty comparing alternative health insurance options, a type of market failure that the economics literature refers to as "search frictions." As their paper demonstrates, search frictions can help explain a number of anomalies in the individual and small group markets for health insurance, including why the "law of one price" does not appear to hold, why administrative overhead (especially marketing costs) are so high, and why insurance turnover rates are so high. Votruba coauthored the article with Randall D. Cebul, James B. Rebitzer, and Lowell J. Taylor, and the article was published in the *American Economic Review*, one of the most prestigious economics journals, in 2011.

The Economics department is happy to congratulate Dr. Votruba on his outstanding record of academic achievement and his successful achievement of tenure.

Job announcements

- Work as an Economic Analyst at **Macro Advisers, LLC**, In St. Louis, MO. Search for "NABE 12309356"
- Work as Research Specialist starting 8/1/13 based at **Princeton University**. This position is ideal to prepare PhD/ Masters applications but also to transition out of college to work in the consulting sector, or for various tech companies. Apply here: https://jobs.princeton.edu/applicants/jsp/shared/position/JobDetails_css.jsp?postingId=194080
- Unpaid Summer Internship: Learn how a local policy research institute operates at **Policy Matters Ohio**. <http://www.policymattersohio.org/about-us/internships>
- The **Council of Economic Advisers** is hiring RA's (recent grads, paid) and interns (unpaid): See www.whitehouse.gov/administration/eop/cea/jobs

Postcards from Alumni

I graduated from Case this past spring. After working as a research assistant in the Econ. department over the summer, I was offered a job at **the Federal Reserve Board of Governors** in the Industrial Output section. I've now been there for a little over three months and have been greatly enjoying it. The section I work in has twelve economists and six research assistants and we work on many topics relating to production and manufacturing.

My primary responsibilities are motor vehicle related. I update various databases when new data are released and update tables and charts that subsequently display those data. We keep our finger on the pulse of the motor vehicle sector by tracking vehicle sales, inventories and production. I run an internal blog of motor vehicle sector related news that the economists reference for anecdotal information that explains trends.

I've been having a great time here! The work is always challenging and allows me to develop skills in the process. In fact, I would have to say that my favorite part of my job is how much I get to continue learning on the job.

- Andrew Loucky, '12



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I graduated in 2010 with a double-major in Economics and Environmental Studies. During my time at Case, I studied a variety of resource issues, interned with community environmental groups, and was involved in campus activism. I developed a passion for non-profit, grassroots education and restoration efforts. Pursuing **AmeriCorps VISTA** service after graduation was a natural fit, and through the program I've been working as the Education Coordinator at a small river conservation group, Friends of the Rappahannock, in Fredericksburg, VA. I manage education programming for at-risk youth—this includes snorkeling with inner city high school students and training college-aged interns to teach in underserved classrooms.

My experiences at VISTA helped me decide to pursue natural resource management professionally. In fall 2013, I'll begin a **Masters of Environmental Management at Duke University's Nicholas School**, with a concentration in Ecosystem Science and Conservation, on a scholarship from their department. Afterward, my goal is to direct a watershed conservation organization that focuses on advocacy, restoration, conservation, and education!

- Cassie Pallai, '10



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