

ECON NEWS

Volume 3

Valparaiso University Department of Economics

Fall 2004

Greetings to all alumni & friends,

It has been another interesting year in the economics department with Professor Bernard's retirement. The Meier Hall denizens will certainly miss his witticisms! This will be the first year in the past thirty-five years that there isn't a Jim in the department.

We know that both Jims are irreplaceable but are very pleased to have two new colleagues join our department, Dr. Timothy Wunder and Dr. Daniel Saros.

We were especially grateful that Shaun Donnelly, second highest ranking economics official in the Department of State, provided us with the knowledge of the State Department's economic policies and recruitment efforts.

Much appreciation goes to those who have contributed to the Edward Heinze Memorial Scholarships. The scholarship has benefited many economics students over the years.

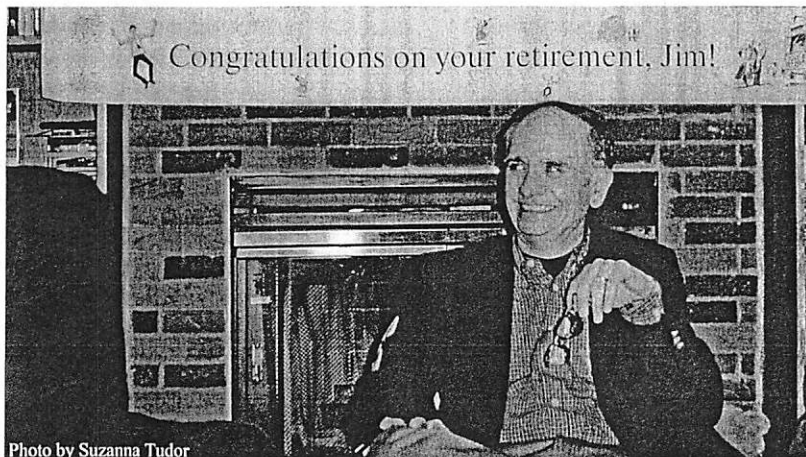
Congratulations to Dana Reid for being one of the first twenty-one inaugural inductees into Phi Beta Kappa this year.

Special thanks to each of you who contributed to this newsletter; keep the stories, photos and news of your lives coming. We enjoy hearing about each of you.

Our blessings for a prosperous year,

*Virginia Shingleton, Chair
Department of Economics*

Professor Bernard Retires



James A. Bernard began teaching at VU in 1968. A war was being fought in Vietnam, and protestors were wreaking havoc back home. A violent democratic national convention shook up nearby Chicago, and Valpo did not escape the fallout.

Bernard recalls VU student protestors bursting into his classroom that spring, demanding that he stop teaching.

In typical Bernard style he added, "In my case maybe that was good."

Kidding aside, he spearheaded a program that incorporated core economic classes, languages, and selections of history, political science and geography. The innovative program became IECA, International Economics and Cultural Affairs.

Humor and stories were served daily along with economic theory and policy in Bernard's classes, and speaking of interesting anecdotes here are just a few.

Teaching in former DeMotte Hall from 1968-1978 presented unique

challenges. Every afternoon a firm grip had to be maintained on his desk to keep it from sliding away when a train went by. Bats greeted him one day perched on the doorknob to his classroom.

Another vivid memory was his return to campus from a summer trip to England in 1982. During that era the department of economics was a part of the College of Business but was moved under the auspices of the College of Arts and Sciences. Upon entering what he thought was his office, he found furniture re-arranged and pictures of strangers on the desk.

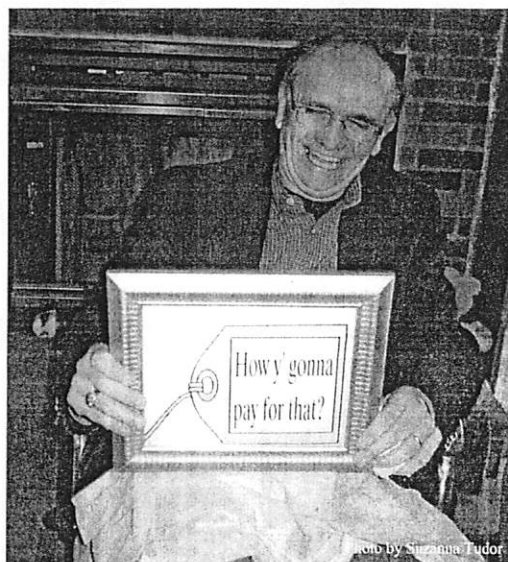
"Two days later I found my stuff in Meier Hall," Bernard said. "I think there is a message here."

Although retired Bernard has plenty to keep him busy as Valparaiso Community School Board member and legal consultant.

Bernard says he is thankful to have had the opportunity to work with a lot of nice people during his tenure at VU.

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Senior Research Professor
- Jaishankar Raman, Ph.D.,
Assistant Professor
- Daniel E. Saros, Ph.D.,
Assistant Professor
- Suzanna Tudor, B.A.,
Administrative Assistant
- Tim Wunder, Ph.D.,
Assistant Professor



Professor James Bernard laughs at one of the gag gifts received at his retirement party. In discussions with students he was often overheard asking: "How y' gonna pay for that?" Colleagues found it frame worthy.

Announcements

The Edward H. Heinze Memorial Scholarship Recipients for Excellence in Economics

2003-2004: Katherine Gappa
 Dana Reid
 Andrew Remenschneider

2002-2003: Elyssa Swango

2001-2002: Matthew Landmeier

2000-2001: Mark Santos

1999-2000: Karl Kindler
 Andy Swiston



Econ Graduates 2004

Timothy Boersma
 Katherine Gappa
 David Holtkamp
 Rebecca (Paul) Juneja
 Dana Reid
 Andrew Remenschneider
 Phillip Souzek
 Jared Thompson

Econ Graduates 2003

Hamdan Al-Hosani
 David Martens
 Jerome Matthews, II
 James Murray
 Stephen Sigrist
 Elyssa Swango

Econ Chat Room

Tim Boersma, 2004, Frankfort, Ill., began his position as product manager in June for Safety Meeting Outlines, Inc. where he interned last summer. His employer is sending him to school part time in the fall for *Management through Applied Planning and Strategic Development* course at UIC's Center for Enterprise Development.

"It seems that whenever someone finds out you're an econ major, the question immediately following is either, 'Well do ya think the economy is gonna pick up?' or 'So what you think of Bush's Tax Cuts?' and quite frankly those questions are getting redundant. Or even better yet, 'So what do you think of the economy?' Which direction are you supposed to take that one!?"

"I read *The Economist* for recreational reading; actually understand it and most of all—find it interesting! (Now that I no longer have to go to econ class ten times a week ☺)."

Dana Reid ("Keeley as of 9/5"), 2004, Eagan, Minn., is Production Assistant with Genz Ryan Company.

With her economics background, Reid says she can really see a difference between how she and her co-workers analyze data. When reading the newspaper she also "finds incorrect analysis of trends or politics, especially issues with the upcoming election."

Elyssa Swango, 2004, Indianapolis, Ind., is currently working as Social Security Disability Adjudicator.

"I begin classes at IU Kelly's School of Business through IUPUI in August. I will be working toward my MBA."

Swango was recently engaged to her high school sweetheart, Andrew Haskell, and is planning a fall wedding for next October.

Jim Murray, 2003, Mason, Ohio, is an Actuarial Analyst for Western-Southern Life Insurance Company in Cincinnati, Ohio. He just passed his second actuarial exam, the total process includes eight exams.

"The second exam was full of Macro, Micro and Finance material so all those econ classes did pay off!"

"And the biggest news of all ... on June 5th, I got married to **Stephanie Hurford, 2003**, accounting."

Stephen Sigrist, 2003, Westerville, Ohio, is claims analyst for Aetna and pursuing a master's in financial economics. Sigrist says it is very interesting curriculum based on the subject matter required to be a Chartered Financial Analyst (CFA). As soon as he graduates he will try to get into a Ph.D. program.

"As it turns out the health care insurance industry is mind-bogglingly complex. I now know 100 times more than I did before I started working but realize that there is a 1000 times more to know. I feel a little bit ahead of the curve in my master's program. Valpo prepared me well."

Matthew Landmeier, 2002, St. Charles, Ill., finished his master's at the London School of Economics. He will be employed by the FBI.

Karl Kindler, 2001, Houston, Texas. After working at the Federal Trade Commission in Washington, DC from 2001-2003 Kindler moved down to Houston, Texas last July and has been working as an analyst at a venture capital company. He has performed various tasks involving two start-ups CCG is launching in the auto service and restaurant industries.



Joshua D. Garcia, 2000, Key West, Fla., is a military officer.

"The work is great, and I even get to use my economic background to do analysis! If you have students that are interested in government service, I'd be happy to talk with them and share what I've found to be positive and negative."

Ragen Hatcher-Matthews, 2000, Gary, Ind., is deputy prosecutor at the Lake County Prosecutor's office. She graduated from Valpo School of Law 2000 and will graduate from Valpo's MBA program December 2004.

"The business and legal work collide (often)."

Vasilia "Bessie" M. Pangere, 2000, Crown Point, Ind., graduated from Valpo School of Law, May 2003. She began a law practice with two friends in Merrillville. Pangere says she used her analytical skills learned in Econ in law school and to pass the bar exam

"I also think that Econ taught me how to approach issues with common sense. I know that not everyone thinks of economics as "common sense, but an understanding of it allows me to explain things to my clients in a way that makes sense to them that I do not think I would be able to otherwise. I do mostly family law practice (aka divorce) where emotions often get in the way. Being able to sit clients down and explain the financial decision that they are making has helped greatly."



Adam Rasmussen, 1999, Lancaster, Wis., is an attorney for a small law firm in Southwest Wisconsin and handles real estate transactions, wills, trusts, estate planning, business organizations and has recently begun to accept appointments as a guardian ad litem. Most clients are farmers or agricultural workers due to the rural area in which he works.

"I have been able to use my economics knowledge when relating to some of my farm clients. One client in particular also had an economics degree (unfortunately not from VU) and I was able to speak to him at length about how he was able to use his economics degree in turning his farm operation into one of the more profitable farms in the region. He fully understood the concept of economics of scale, and he has also used his knowledge to keep his fixed costs at a minimum."

"I have needed to convince the other attorneys in my firm to make particular investments in equipment that will save money in the long term. In speaking with my peers, I am sometimes able to offer a different perspective based upon the knowledge I gained through economics studies."

Joshua Berning, 1996, Moscow, Idaho, is a researcher for Economic Modeling Specialists, Inc. (EMSI) and will begin his Ph.D. in agricultural economics this fall at Washington State University.

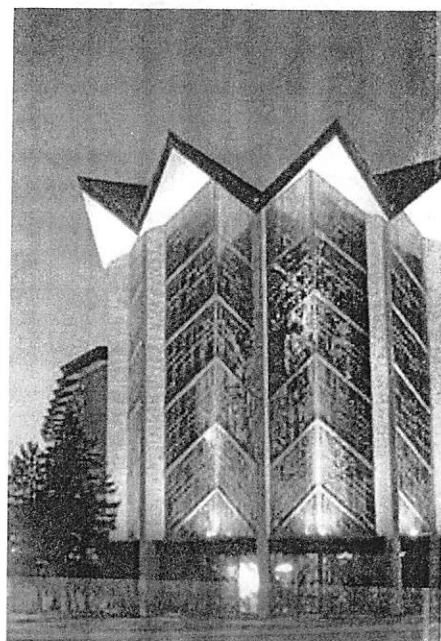
"Since I've come back to grad school, I've realized how many different perceptions/misconceptions there are of economists. I can't tell you how many times I've been asked questions about personal income taxes!"

"Between work, graduate school and a wonderful wife who's given me so much support, I truly understand the importance of 'allocating scarce resources'. In my case the scarce resource is time. But I'm not complaining, I've been extremely blessed!"

Martin Erhardt, 1996, Valparaiso, Ind., assistant professor of chemistry is "back teaching in the chemistry dept.!"

His economics slant on thinking surfaces when he "wonders why water is cheaper than gold, despite the fact that it tastes better and contributes less to weight gain."

Scott Kirtland, 1994, San Diego, Calif., after serving as product manager responsible for digital imaging sales for Sony's direct channels in San Francisco, Kirtland moved to SonyStyle Entertainment in San Diego and is "responsible for sales through Sony's website, stores, etc."



Doug Hoover, 1993, Naperville, Ill., is principal and technical director, Mavrik Systems Consulting.

"I think about economics EVERY DAY without fail ... especially when every news agency in the world reports that 'The Fed has raised/lowered interest rates ...' and I have to explain to everyone that the Fed did no such thing as they actually DO NOT control the Federal Funds rate!!!! (In one of my first jobs out of school we were in a 'class' and the instructor was talking about how the Fed uses the federal funds rate as a method to control inflation, etc. Of course, I had to raise my hand and point out that she was wrong and that they actually set a target for the rate, but banks make it up themselves. Of course, she didn't believe me until I found it in the textbook and read it out loud for the class. I didn't last there very long!!")

ceteris paribus

David Pillers, 1992, DeWitt, Iowa, worked as an underwriter for Prudential Home Mortgage for three years after graduation, then came back to Valpo for law school. He served as a clerk for the Senate Judiciary Committee during law school and then interned with LaPorte County Prosecution office, graduating VU law in 1998. He joined Pillers Law Offices as an associate and is currently a partner and vice president/owner of G & P Development, L.L.C., and president of Midwest Property Maintenance, Inc.

"My economic training at VU has been vital in analyzing facts and situations on a daily basis. It further assists me in evaluating the financial and economic aspect of my businesses. In business I am forced to continually review the economic state of the economy in order to properly plan for the future of the company."

W. Chris Kreicker, 1991, Avondale, Pa., "as an investment portfolio manager, I'm very interested in the market's price discovery for financial assets!"

Joyce Burnette, 1989, Crawfordsville, Ind., is associate professor of economics at Wabash College. Burnette "got tenure two years ago and took a sabbatical in London for 2002-2003."

Stuart Vogelsmeier, 1985, Crestwood, Mo., is an attorney and partner with Lashly and Baer, P.C.

"Econ was a great preparation for law school."

Heidi Dennison, 1980, Brookville, Penn., is an attorney.

"Hello to Professors Bernard and Henderson!"

"My husband and I have our own law practice, Dennison Law Office, P.C. We have three children Lauren, 19, Kristen, 16 and Adam, 11. Jim's primary practice areas are municipal law, real estate and estates/probate. My practice is primarily family law - custody, adoption, divorce, juvenile court."

"I utilize my economics background on a regular basis in valuing marital property for equitable distribution. I have had cases involving medical and accounting practices, an oil and gas company, a drilling and blasting company, a funeral home, a real estate development and many other business entities. I find I am much better equipped than some of my colleagues to understand and argue complex valuation and distribution issues."

Elaine Dreher, 1980, Concord, Mass., is currently a "mom, home administrator and first mate on a 36 ft. Pearson sailboat." She has "had a great career in big six consulting, fortune 500 and financial services information technology strategy, development, implementation and management." She will return to work after being off for three years.

Dreher had a wild time in the thirty-six hours post-Mexican peso devaluation when working at Brown Brothers Harriman to help the business manage the volume of transactions on the foreign currency translations and forward contracts with potential multi-million dollar losses. Aviril Harriman and George Bush senior's father were partners at the leading private international banking firm.

"The study of Econ has been a fantastic general background that most people have very little understanding in both business and social settings. For example, an understanding of the basic market savings allowed me to pull my retirement funds out of stocks and into bonds in the winter of 90-91."

Anne Christiansen, 1978, Chapin, S.C., is pastor of Christ Lutheran Church Columbia, S.C. Reverend Christiansen and her husband, **Neal, 1977**, an oncologist in private practice, "are enjoying a quieter household now that their twins are off at school. Son Eric is attending University of York in England, studying medieval history and archaeology. Daughter Elizabeth attends University of North Carolina, Chapel Hill in art studio with the goal of architecture in graduate school."

"While I am now a pastor I still find my economic studies extremely valuable for my overall understanding of the world. I have never regretted studying economics, and I am a more well-rounded person because of the insights it gave me."

G. Rodney Lueth, 1972, Winter Springs, Fla., is "now living in central Florida, recently surviving the fury of hurricane Charley." Lueth retired in 2000 following a twenty-seven year career in banking in Georgia and is now running a family-owned publishing company.

"In the early 70's, the debate was raging over who was right, Paul Samuelson or Milton Friedman. Turns out they both were. During my banking career I watched the Fed break inflation with monetary policy, and I've seen tax cuts and fiscal stimulus create unprecedented economic growth."

"I listen to reporters, politicians, businessmen bemoan slow growth or recovery rates. Economic cycles are nearly as predictable as the tides, fiscal and monetary policies can influence direction at critical junctures, but many patterns must simply 'run the course.' "

"Please give my regards to associate professor emeritus Bernard."

James Francis, 1970, Tallahassee, Fla., is senior investment policy officer and economist with the executive management team of the Florida State Board of Administration, an investment management organization responsible for \$140 billion in assets. Francis' duties include asset allocation, risk management, investment policy formulation and investment performance measurement and analysis.

In 1997 he consulted under a USAID grant to the Russian State Tax Service (their equivalent to the IRS) on how to better encourage and enforce tax compliance.

He realizes the difference economics studies have made in his life whenever "I have to deal with the fuzzy thinking of people who have failed to internalize fundamental economic principles."

"P.S. Special hello to Dr. Bernard."

Richard C. Schiming, 1969, North Mankato, Minn., is Professor of Economics at Minnesota State University.

"I just completed my 30th year of college teaching. I still have my copy of Campbell McConnell's Economics that we used in the introductory econ classes at Valpo. It is the third(!) edition and, back then, we covered every chapter in the principles of micro and macro courses."

Lester J. Waldmann, 1969, Gretna, La., attorney, "specialize in personal injury; Board of Governor-Louisiana trial lawyer 1987 to 1999; Grand Dunes Development, Son Destin, Fla.-partner Helix Biomedix, Seattle Washington; Board of Directors 1999-2001; Standup open M.R.I. of Louisiana, founder partner 2002 to present.

Waldmann realizes the difference his economics studies have made whenever "I analyze a new venture!"



Homecoming, October 8-10, 2004

FOR HOMECOMING EVENTS GO TO:
<http://www.valpo.edu/alumni/homecoming-schedule.htm>

Ernst R. Berndt, 1968, Lexington, Mass., currently holds three positions: Louis B. Seley Professor of Applied Economics at the MIT Sloan School of Management; Adjunct Professor of Health Care Policy at the Harvard Medical School; and Director of the National Bureau of Economic Research Program on Productivity and Technological Progress.

Last year, Berndt "initiated two projects at the U.S. Food and Drug Administration, with support from Mark McClellan, M.D., Ph.D., a former MIT economics graduate student of his who became Commissioner in 2002."

One project quantified the benefits of accelerated drug approvals, and the other involved developing a more efficient drug development process.

A project with Bill and Melinda Gates Foundation developed a credible commitment to purchase drugs/vaccines for third-world diseases, providing incentives to biotech/pharmaceutical companies to pursue research and development of drugs for third-world diseases.

"When at Valpo and later when doing my graduate work at the University of Wisconsin, I never took a course in health economics. However, that's become my major field of interest in the last decade."

"Everything that can possibly go wrong with markets and with government interventions occurs in

health care. The great undergrad environment at Valpo—not just economics, but also sociology, philosophy and government, along with an emphasis on ethical issues—has provided a most useful and solid foundation for my current research projects.”

Robert Pease, 1968, Somers, N. Y., is semi-retired and “enjoying my grandchildren and answered prayer!”

“My sister-in-law who is taking statistics this year was talking with me about a problem she had to answer and said, ‘How do you remember so much after all these years?’ GO VALPO!”

Pease realizes the difference his economics studies have made when “I compare the portion of my stock portfolio bought after analysis to the portion bought on emotion.”

Tom Kind, 1966, Murray, Ky., is professor and chair, department of geosciences, Murray State University. Kind was a double major and went on to receive his masters and Ph.D. in geography. He taught at Marietta College from 1971-1976 and has been at Murray since 1976. He has taught in the department and coordinated the Mid-America Remote Sensing Center for the past fifteen years. He was named chair of the department of geosciences in 2003 and directs the graduate program for the department. He is married to Jan (Spillner)Kind and has two children, John and Joanna.

Lonnie L. Rorick, 1966, Stanwood, Mich., is retired from General Motors Corporation where he served as Manager Manufacturing Systems Engineering.

Robert Selund, 1962, Ogden Dunes, Ind., has been a practicing attorney since his graduation in 1978. His office is in Highland, Ind.

“I taught economics at Highland high school for nine years from 1964-1973. Also as an attorney I am better served by having an econ minor especially the one year accounting course I took. As an investor econ has been quite valuable.”

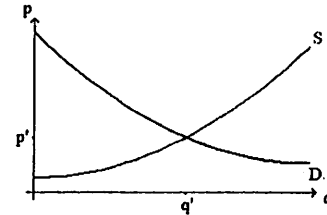
Gary M. Gilbert, 1960, York, Penn. is practicing business related law and shareholder with CGA Law Firm, Countess Gilbert Andrews, PC. He and his wife, Karylee have four children and eleven grandchildren.

“My exposure to economics and business courses at VU gave me the basis for my career as a business attorney.”

William (Bill) Swift, 1960, Farmingdale, N. Y., is still teaching as an adjunct at Hofstra University. He is very active in several local musical groups, playing trombone and euphonium.

“Within the last week, I got a call from a girl who wanted me to change the D she got in Econ I in the fall of 1997!!”

“Econ was my life and still is. This fall will start my 43rd year in the classroom.”



Janie Lichtfuss, 1956, Milliken, Colo., is retired.

“I am retired but busier now than ever. I am Mayor Pro Tem in our town, a community deemed the third, fastest growing in the state. I am organist at our church, leader of Crossways Bible Study, President of our Airstream Travel Unit, lead a small music group at our Senior Center and chair of a committee to get senior housing here. Am I retired? I’m not sure!”

“I describe economics as the study of the production, distribution and consumption of goods and services. Little did I think, when at Valpo, that someday I would see all of this so vividly. In 2000 I retired as an over-the-road trucker seeing all aspects of economics in that work. Very interesting and certainly made my study of economics VERY real!”

“I see a big semi truck realizing the part they play in the economics of this country. I also listen and read about things happening in our country with regard to the economy with greater understanding (and sometimes with amazement!).”

Gilmer F. Bartelt, 1949, Springfield, Mo., is retired.

“In March, 1944, (before I took Econ) I purchased a lifetime subscription to *Readers' Digest*. Now, 60+ years later, my average annual cost is 41 2/3 cents. Considering inflation and alternative uses of the \$25, was (is) this a good deal?”



Department News

ECON INVITES SPEAKER FROM STATE DEPARTMENT

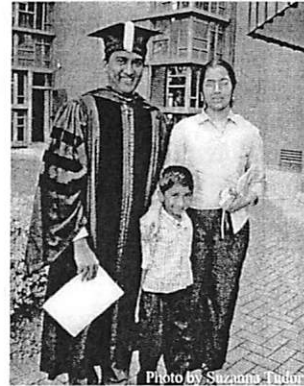
Shaun Donnelly, Principal Deputy Assistant, Bureau of Economic and Business Affairs, Department of State, spoke to students in February on economic diplomacy, career opportunities, foreign policy and international trade. His presentation was followed by a spirited Q&A covering free trade and revisiting NAFTA, defining an American company, international student exchange, outsourcing and job loss. Students were surprised to learn how little control American CEOs have over the IMF despite its location in this country.



Photo by Suzanan Tudor

From left, Jaishankar Raman, Timothy Wunder, James Bernard, Shaun Donnelly, Virginia Shingleton

PROFESSOR RAMAN GRANTED TENURE



From left, Assistant Professor Jaishankar Raman, son Shyam, and wife Lakshmi.

Assistant Professor Jaishankar Raman was granted tenure this past year and then recognized at opening convocation August 24, 2004.

He and his wife, Lakshmi, and sons, Shyam, 5, and Sunjay, 1, traveled to China this summer where he had the opportunity to teach economic principles at Zhejiang University in Hangzhou.

STUDENTS IN FREE ENTERPRISE WIN AWARDS

Valpo's newly formed chapter of Students in Free Enterprise won Rookie of the Year and First Runner-up at the organization's regional competition in Chicago this past spring. Founded in 1975, SIFE has student teams at over 1600 universities and 40 countries. The global, non-profit organization's aim is improving the quality of life and standard of living around the world by teaching the principles of values of market economics.

Valpo was one of 43 colleges and universities represented at the competition in Chicago, where each chapter was judged on its community outreach projects conducted in the past year. Valpo's chapter offered free classes to teach senior citizens how to use e-mail and visited seniors in their homes to teach them how to use computers.

Chapter advisor, Jaishankar Raman, assistant professor of economics received the Sam Walton Free Enterprise Fellowship at the competition.



Photo provided

From left, Paul Faso, Jaishankar Raman, Amy Fournelle, Rick Baue.

ECONOMETRICS MOST CHALLENGING



Virginia Shingleton, Ph.D.
Chair; Associate Professor
B.A., M.A. University of Connecticut
M.A., Ph.D. University of Notre Dame

Virginia Shingleton, Ph.D., is starting her 14th year at Valpo. Students still find the econometrics course she teaches one of the most challenging in the curriculum.

Her main research interest is in labor economics, focusing on fringe benefits and compensation. She is actively involved in the Midwest Economics Association presently organizing a session on the Economics of Education for their meetings to be held in Milwaukee this coming March.

NEWS FROM PROFESSOR HENDERSON



James P. Henderson, Ph.D., Senior Research Professor, continues his research with "Charles Dickens vs. the economists of his day" and recently presented a paper, "Fairy Palaces and Mad Elephants," at the annual meeting of the History of Economics Society in Toronto.

He also can be found walking by the beach, riding his bicycle and assisting at a local food pantry.



**WELCOME ASSISTANT
PROFESSOR DANIEL E. SAROS**
B.S.E at Bowling Green University
M.A.; Ph.D. University of Notre Dame

Daniel E. Saros, Ph.D., joined the department this fall. He earned his doctorate in economics from the University of Notre Dame, writing his dissertation on the structure of the American steel and iron industry during the Progressive era. His research papers include "The Consequences of Progressive Era Regulation for the Steelworkers" and "Regulation in the Era of Big Steel."

Joint memberships include Economic History Association (EHA) and the Economic History Society (EHS). He recently became a member of the Union for Radical Political Economics (URPE). He attended the Allied Social Science Association (ASSA) meeting in San Diego, Calif. in January of this year.

He is presently co-authoring a paper about Sir James Steuart's theory of economic growth and sectoral interdependence.

CONGRATULATIONS GRADUATE



Suzanna Tudor, administrative assistant, departments of economics and foreign languages, wears a happy smile at her graduation in December, 2003. In addition to her duties at VU, she is a part-time correspondent for the *Times* newspaper. Master's coursework was started this fall.

WELCOME ASSISTANT PROFESSOR TIMOTHY WUNDER

B.A. Western Washington University
M.A.; Ph.D. Colorado State University



Timothy Wunder, Ph.D., joined the department in fall 2003. During that time he has developed the econ website and is currently working on a plan for departmental assessment.

Two conferences were attended, one last November on economic education in Akron, Ohio and the Association for Institutional Thought in Salt Lake City in April.

Publishing efforts involve two papers, "An Institutional Analysis of the Last Economic Boom" and another co-authored with a colleague from University of Wisconsin Eau Claire, "A Macroeconomic Simulation for Undergraduate Instruction."

"I have really enjoyed my time here at Valpo and have found the students to be of the highest caliber," said Wunder. "The community of learning on this campus is second to none, and I am proud to be a part of it."